

Department of Justice

U.S. Attorney's Office

District of Colorado

FOR IMMEDIATE RELEASE

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CEO Of Denver Technology Company Sentenced To Over 6 years In Federal Prison For Obstructing And Defrauding the IRS As Well As Stealing Money from Employee Healthcare and 401(K) Plans

DENVER – Riordan A. Maynard, age 50, of Centennial, Colorado, was sentenced today by U.S. District Court Judge Christine M. Arguello to serve 78 months (6 ½ years) in federal prison for corruptly impeding the administration of tax laws, conspiracy to defraud the United States, conspiracy to steal or embezzle employee benefit plan and healthcare funds, and theft or embezzlement in connection with healthcare. Maynard was found guilty of all counts charged on May 14, 2019 following a seven-day jury trial. The jury deliberated for about two hours before the sentence was handed down. He appeared at the sentencing hearing free on bond, and was ordered to report to a Bureau of Prisons facility once one is designated.

According to court records and evidence presented at trial, Maynard served as the Chief Executive Officer of two communications technology companies located in Denver, Colorado, Touchbase USA (TBUSA) and its successor company Touchbase Global Services, Inc. (TBGSI). TBGSI offered a 401(k) savings plan to the employees of both TBGSI and TBUSA. Maynard conspired with a co-conspirator to steal funds that employees had directed TBGSI to withhold from their paychecks for 401(k) plans, ultimately stealing over \$68,000 of 401(k) for use on other TBGSI expenses.

TBGSI also claimed to offer its employees a healthcare benefit program under which the company would contribute \$600 per month to each participant's premiums. Participants were responsible for the remainder of the premium cost. TBGSI automatically deducted the participant contribution from each participant's paycheck. TBGSI was then responsible for forwarding the full premium to the health insurance carrier, but ultimately never did so. Maynard was convicted of stealing over \$50,000 in funds that employees had withheld from their paychecks for their health insurance plans. By June 2017, TBGSI owed over \$100,000 to the health insurance carrier, which then terminated coverage for the employees. Numerous employee healthcare claims were subsequently denied, totaling over \$135,000. The judge ordered that Maynard pay restitution to employees for the stolen premiums and the denied medical claims.

TBUSA and TBGSI were also required to pay payroll taxes to the IRS. From early 2012 through September 2017, Maynard corruptly impeded the IRS's attempts to collect these taxes. Maynard closed TBUSA and reopened it as TBGSI to avoid paying more than \$2.5 million in unpaid payroll taxes owed to the IRS. TBGSI then ran up an additional unpaid payroll tax liability of over \$2.4 million. Maynard transferred funds from business accounts to Maynard's personal account to avoid IRS levies. And he conspired with a co-conspirator to falsely tell TBGSI customers that IRS levies they had received were in error, in an effort to prevent customers from sending money to the IRS.

"Thanks to the hard work of this office, the Department of Labor and IRS Criminal Investigation, the defendant will live in a small cell for over 6 years for committing this complex economic crime," said U.S. Attorney Jason Dunn. "As a result of this prosecution, those who were cheated of their benefits will receive justice."

“IRS-Criminal Investigation enforces the nation's tax laws, and takes particular interest in cases where someone, for their own personal benefit, has taken what belonged to others,” said IRS-Criminal Investigation Acting Special Agent in Charge Kevin Caramucci. “The victims are not only the taxpayers, but also the individuals and entities who suffer the financial harm. Today’s sentencing of Riordan Maynard emphasizes our continued pursuit of those who use fraudulent methods in an attempt to corrupt our nation’s tax system.”

“Prosecuting those who misuse funds from employee benefit plans is a vital aspect of this agency’s mission to protect the rights of America’s workers,” said Jim Purcell, Department of Labor’s Employee Benefits Security Administration’s (EBSA) Regional Director in Kansas City. “EBSA will continue to aggressively investigate such crimes on behalf of workers nationwide.”

“Riordan Maynard embezzled over \$100,000 in employee healthcare and retirement funds by depriving participants of money they set aside to pay for their health care and retirement expenses. We will continue to work with our law enforcement partners and the U.S. Department of Labor’s (DOL) Employee Benefits Security Administration to protect the integrity of DOL’s benefit programs,” said Quentin Heiden, Acting Special Agent-in-Charge, Los Angeles Region, U.S. Department of Labor Office of Inspector General.

This matter was investigated by the Department of Labor Office of Inspector General, the Internal Review Service Criminal Investigation, and the Department of Labor’s Employee Benefits Security Administration. This matter was prosecuted by Assistant U.S. Attorneys Rebecca S. Weber and Aaron M. Teitelbaum.