

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 57008 / December 20, 2007

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 2759 / December 20, 2007

ADMINISTRATIVE PROCEEDING
File No. 3-11171

	:	ORDER GRANTING APPLICATION FOR
In the Matter of	:	REINSTATEMENT TO APPEAR AND PRACTICE
	:	BEFORE THE COMMISSION AS AN ACCOUNTANT
Gregory B. Tayler, CA	:	RESPONSIBLE FOR THE PREPARATION OR
	:	REVIEW OF FINANCIAL STATEMENTS REQUIRED
	:	TO BE FILED WITH THE COMMISSION

On July 7, 2003, Gregory B. Tayler ("Tayler") was suspended from appearing or practicing as an accountant before the Commission as a result of settled public administrative proceedings instituted by the Commission against Tayler pursuant to Rule 102(e) of the Commission's Rules of Practice.¹ Tayler consented to the entry of the order without admitting or denying the findings therein but for the Commission's finding that a Final Judgment and Permanent Injunction and Other Equitable Relief had been previously entered against him. This order is issued in response to Tayler's application for reinstatement to appear and practice before the Commission as an accountant responsible for the preparation or review of financial statements required to be filed with the Commission.

The Commission's complaint alleged that Tayler, along with other senior executives of Xerox Corporation ("Xerox"), played a significant role in misleading investors about Xerox's earnings in order to polish the company's reputation on Wall Street and to boost its stock price. Through their conduct, Tayler and others were responsible for accelerating the recognition of equipment revenues by approximately \$3 billion and increasing pre-tax earnings by approximately \$1.4 billion in Xerox's 1997-2000 financial results. These overstatements were achieved through the use of undisclosed manipulative accounting devices employed at the end of each financial reporting period during the relevant time.

¹ See Accounting and Auditing Enforcement Release No. 1812 dated July 7, 2003. Tayler was permitted, pursuant to the order, to apply for reinstatement after three years upon making certain showings.

In his capacity as a preparer or reviewer, or as a person responsible for the preparation or review, of financial statements of a public company to be filed with the Commission, Tayler attests that he will undertake to have his work reviewed by the independent audit committee of any company for which he works, or in some other manner acceptable to the Commission, while practicing before the Commission in this capacity. Tayler is not, at this time, seeking to appear or practice before the Commission as an independent accountant. If he should wish to resume appearing and practicing before the Commission as an independent accountant, he will be required to submit an application to the Commission showing that he has complied and will comply with the terms of the original suspension order in this regard. Therefore, Tayler's suspension from practice before the Commission as an independent accountant continues in effect until the Commission determines that a sufficient showing has been made in this regard in accordance with the terms of the original suspension order.

Rule 102(e)(5) of the Commission's Rules of Practice governs applications for reinstatement, and provides that the Commission may reinstate the privilege to appear and practice before the Commission "for good cause shown."² This "good cause" determination is necessarily highly fact specific.

On the basis of information supplied, representations made, and undertakings agreed to by Tayler, it appears that he has complied with the terms of the July 7, 2003 order suspending him from appearing or practicing before the Commission as an accountant, that no information has come to the attention of the Commission relating to his character, integrity, professional conduct or qualifications to practice before the Commission that would be a basis for adverse action against him pursuant to Rule 102(e) of the Commission's Rules of Practice, and that Tayler, by undertaking to have his work reviewed by the independent audit committee of any company for which he works, or in some other manner acceptable to the Commission, in his practice before the Commission as a preparer or reviewer of financial statements required to be filed with the Commission, has shown good cause for reinstatement. Therefore, it is accordingly,

ORDERED pursuant to Rule 102(e)(5)(i) of the Commission's Rules of Practice that Gregory B. Tayler, C.A. is hereby reinstated to appear and practice before the Commission as an accountant responsible for the preparation or review of financial statements required to be filed with the Commission.

By the Commission.

Nancy M. Morris
Secretary

² Rule 102(e)(5)(i) provides:

"An application for reinstatement of a person permanently suspended or disqualified under paragraph (e)(1) or (e)(3) of this section may be made at any time, and the applicant may, in the Commission's discretion, be afforded a hearing; however, the suspension or disqualification shall continue unless and until the applicant has been reinstated by the Commission for good cause shown." 17 C.F.R. § 201.102(e)(5)(i).