

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 100368 / June 18, 2024

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 4509 / June 18, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-21970

In the Matter of

**KAREN
ROSENBERGER,
CPA,**

Respondent.

**ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO RULE 102(e) OF THE
COMMISSION'S RULES OF PRACTICE,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Karen Rosenberger (“Respondent” or “Rosenberger”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . [p]ermanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

herein, except as to the Commission’s jurisdiction over her and the subject matter of these proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Public Administrative Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Rosenberger, age 58, resides in Las Cruces, New Mexico. Rosenberger became a C.P.A. in 2008 in New Jersey. Her license expired at the end of 2017 after she declined to renew it. Rosenberger was employed as an accountant at an auditing firm from approximately 1987-1989. She then worked at a number of private and public companies in various accounting roles before joining Synchronoss Technologies, Inc. (“SNCR”) in 2000 as the Director of Finance and Administration. She was eventually promoted to Controller, and then from mid-2014 to early 2017 served as SNCR’s Chief Financial Officer (“CFO”).

2. SNCR, at all relevant times, was a Delaware corporation with its principal place of business in New Jersey whose securities are registered pursuant to Exchange Act Section 12(b). Its common stock was registered with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934 (“Exchange Act”), and currently trades on NASDAQ.

3. On June 14, 2024, the court entered an order, on consent, permanently enjoining Rosenberger from committing or aiding and abetting future violations of Sections 10(b), 13(a), 13(b)(2)(A), 13(b)(2)(B), and 13(b)(5) of the Exchange Act and Rules 10b-5, 12b-20, 13a-1, 13a-11, 13a-13, 13b2-1, 13b2-2, and 13a-14 thereunder and Sarbanes-Oxley (“SOX”) Section 304, as set forth in the judgment entered in the civil action entitled Securities and Exchange Commission v. Karen Rosenberger et al., Civil Action Number 1:22-cv.-4763, in the United States District Court for the Southern District of New York. Rosenberger consented to paying \$125,000 in civil monetary penalties and \$430,741 in SOX 304 reimbursement to SNCR, and to a bar from serving as an officer and director of a public company.

4. The Commission’s Complaint alleged, among other things, that Rosenberger engaged in a fraudulent scheme which resulted in SNCR filing materially false and misleading financial statements in the company’s annual report on Form 10-K for the quarter and fiscal year ended December 31, 2015, and falsified the Company’s records and accounts which resulted in improper revenue recognition in the company’s quarterly report on Form 10-Q for the second quarter of fiscal year 2016. The Complaint alleged that Rosenberger engaged in a number of improper accounting practices that materially increased SNCR’s annual and quarterly revenue and net income in a departure from generally accepted accounting principles (“GAAP”). The Complaint alleged that these practices included, among other things, recognizing revenue on a document she knew was backdated and improperly accounting for a multiple element arrangement. In addition, the complaint alleged that Rosenberger misrepresented material facts to SNCR’s independent auditors, and withheld material information from them, about SNCR’s fraudulent revenue recognition.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Rosenberger's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that Rosenberger is suspended from appearing or practicing before the Commission as an accountant.

By the Commission.

Vanessa A. Countryman
Secretary