

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 54187 / July 20, 2006

ACCOUNTING AND AUDITING ENFORCEMENT  
Release No. 2462 / July 20, 2006

ADMINISTRATIVE PROCEEDING  
File No. 3-9303

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

On April 30, 1997, Richard J. Lajoie, Jr. ("Lajoie") 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 Lajoie pursuant to Rule 102(e) of the Commission's Rules of Practice.<sup>1</sup> Lajoie consented to the entry of the April 30, 1997 order, and imposition of the remedial sanctions set forth therein, without admitting or denying the findings of the order but for the Commission's finding that a Final Judgment and Permanent Injunction and Other Equitable Relief had been previously entered against him.

From 1987 until November 1994, Lajoie served as controller for Structural Dynamics Research Corporation ("SDRC"), an Ohio corporation with its principal place of business in Milford, Ohio. During this time, SDRC inflated revenue and earnings by recognizing both premature and fictitious revenue. The Commission alleged that Lajoie knew or was reckless in not knowing that SDRC improperly recognized certain material amounts of revenue. In addition, Lajoie allegedly omitted to state certain material information to SDRC's auditors. Finally, the Commission alleged that by such conduct, Lajoie violated the antifraud and certain other provisions of the federal securities laws.

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<sup>1</sup> See Accounting and Auditing Enforcement Release No. 910, dated April 30, 1997. Lajoie was permitted, pursuant to the order, to apply for reinstatement after five years upon making certain showings.

This order is issued in response to Lajoie's application for reinstatement to practice before the Commission as an accountant responsible for the preparation or review of financial statements required to be filed with the Commission.

In his capacity as a preparer or reviewer, or a person responsible for the preparation or review of financial statements required to be filed with the Commission, Lajoie attests that he will 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. Lajoie 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, Lajoie'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."<sup>2</sup> This "good cause" determination is necessarily highly fact specific.

On the basis of information supplied, representations made, and undertakings agreed to by Lajoie, it appears that he has complied with the terms of the April 30, 1997 order suspending him from practice 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 Lajoie, 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,

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<sup>2</sup> 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).

ORDERED pursuant to Rule 102(e)(5)(i) of the Commission's Rules of Practice that Richard J. Lajoie, Jr. 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