

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 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 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. Jewels, age 43, is and has been an attorney licensed to practice in the Commonwealth of Massachusetts, and has been a certified public accountant licensed to practice in the State of New York. She served as Chief Financial Officer, Vice President of Finance and Administration, Secretary and Treasurer of Sycamore Networks, Inc. (“Sycamore”) from approximately mid-1999 until October 2004. Thereafter, she served as an adviser to Sycamore until October 2005.

2. Sycamore was, at all relevant times, a Delaware corporation with its principal place of business in Chelmsford, Massachusetts. During the relevant period, Sycamore was engaged in the business of developing and marketing optical networking products for telecommunications service providers and government entities. At all relevant times, Sycamore’s common stock was registered pursuant to Section 12(g) of the Securities Exchange Act of 1934 (“Exchange Act”) and traded on the Nasdaq National Market System.

3. On July 10, 2008, a final judgment was entered against Jewels, permanently enjoining her from future violations of Section 17(a) of the Securities Act of 1933 and Sections 10(b), 13(b)(5), 14(a) and 16(a) of the Exchange Act and Rules 10b-5, 13b2-1, 13b2-2, 13a-14, 14a-9 and 16a-3 thereunder, and aiding and abetting violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1, 13a-11 and 13a-13 thereunder, in the civil action entitled Securities and Exchange Commission v. Sycamore Networks, Inc., et al., Civil Action Number 08-CA-11166(DPW), in the United States District Court for the District of Massachusetts. Jewels was also ordered to pay \$30,000 in disgorgement, together with prejudgment interest thereon in the amount of \$4,980.04; to reimburse Sycamore \$190,000 consisting of cash bonuses she received from 2003 through 2004; to pay a \$230,000 civil money penalty; and was barred from serving as an officer or director of a public company for five years.

4. The Commission’s complaint alleged, among other things, that Jewels, in connection with the granting of “in-the-money” stock options and resulting underreporting of

expenses, made materially false and misleading statements in various Form 10-K annual reports, Form 10-Q quarterly reports, Form 8-K current reports, and proxy statements during periods including fiscal years 2000 through 2004. The complaint further alleged that Jewels made “in-the-money” options grants to employees in connection with company-wide grants which were issued on dates on which the market price of Sycamore’s stock was at or near the low for the period, but failed to record associated stock-based compensation expenses, and backdated other grants, such as new hire and promotional grants, which had significant options expense implications that she disregarded. The complaint further alleged that Jewels was the recipient of at least two grants of “in-the-money” stock options to Company officers issued as of the same dates as company-wide grants and, although Jewels did not directly authorize the grants to herself and other officers, she knew that the favorable grant dates that she selected for the company wide grants would be applied to her options as well, and failed to record compensation expenses related to the officer grants.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Jewels’ Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Jewels is suspended from appearing or practicing before the Commission as an attorney for five years. After five years from the date of this order, Jewels has the right to apply for reinstatement to appear or practice before the Commission as an attorney by submitting an affidavit to the Commission’s Office of the General Counsel truthfully stating, under penalty of perjury, that she has complied with this Order, that she is not subject to any suspension or disbarment as an attorney by a court of the United States or of any state territory, district, commonwealth, or possession, and that she has not been convicted of a felony or misdemeanor involving moral turpitude as set forth in Rule 102(e) of the Commission’s Rules of Practice.

B. Jewels is suspended from appearing or practicing before the Commission as an accountant.

C. After five years from the date of this order, Respondent may request that the Commission consider her reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company’s financial statements that are filed with the Commission. Such an application must satisfy the Commission that Respondent’s work in her practice before the Commission will be reviewed either by the independent audit committee of the public company for which she works or in some other acceptable manner, as long as she practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

(a) Respondent, or the public accounting firm with which she is associated, is registered with the Public Company Accounting Oversight Board (“Board”) in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

(b) Respondent, or the registered public accounting firm with which she is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in the respondent’s or the firm’s quality control system that would indicate that the respondent will not receive appropriate supervision;

(c) Respondent has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

(d) Respondent acknowledges her responsibility, as long as Respondent appears or practices before the Commission as an independent accountant, to comply with all requirements of the Commission and the Board, including, but not limited to, all requirements relating to registration, inspections, concurring partner reviews and quality control standards.

D. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission as an accountant provided that her state CPA license is current and she has resolved all other disciplinary issues with the applicable state boards of accountancy. However, if state licensure is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission’s review may include consideration of, in addition to the matters referenced above, any other matters relating to Respondent’s character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

By the Commission.

Florence E. Harmon
Acting Secretary