

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 59422 / February 19, 2009

ACCOUNTING AND AUDITING ENFORCEMENT  
Release No. 2938 / February 19, 2009

ADMINISTRATIVE PROCEEDING  
File No. 3-9171

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In the Matter of \_\_\_\_\_ : ORDER GRANTING APPLICATION FOR  
Greg Steven Kaplan, CPA : 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

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On October 21, 1996, Greg Steven Kaplan, CPA (“Kaplan”) was denied the privilege of appearing or practicing as an accountant before the Commission as a result of settled public administrative proceedings instituted by the Commission against Kaplan pursuant to Rule 102(e) of the Commission's Rules of Practice.<sup>1</sup> Kaplan consented to the entry of the order without admitting or denying the findings therein. This order is issued in response to Kaplan’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 found that during 1992 and 1993 Kaplan willfully violated Section 10(b) of the Securities Exchange Act of 1934 and Rules 10b-5 and 13b2-2 thereunder in connection with his conduct as the Chief Financial Officer of Pace American Group, Inc (“Pace”). Kaplan was reckless in the performance of his professional duties, namely in his failure to account for loss reserves in conformity with Generally Accepted Accounting Principles in consolidated financial statements filed with the Commission. In addition, Kaplan failed to disclose material information and signed a misleading management representation letter to Pace’s auditors.

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, Kaplan

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<sup>1</sup> See Accounting and Auditing Enforcement Release No. 844 dated October 21, 1996. Kaplan was permitted, pursuant to the order, to apply for reinstatement after five years upon making certain showings.

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. Kaplan 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, Kaplan's denial of the privilege of appearing or practicing 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 Kaplan and 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, Kaplan 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 Greg Steven Kaplan, CPA 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.

Elizabeth M. Murphy  
Secretary

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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).