

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. Zappala, age 49, served as Senior Vice President and Chief Financial Officer (“CFO”) at Aspen Technology, Inc. from at least September 1998 until she resigned as CFO in approximately July 2003. Thereafter, she took on an advisory role at Aspen until she resigned in approximately December 2004. Zappala was previously a certified public accountant (“CPA”) licensed to practice in the State of Massachusetts; her CPA license lapsed in or about 1994.

2. Aspen was, at all relevant times, a Delaware corporation with its principal place of business in Cambridge, Massachusetts. During the relevant period, Aspen was engaged in the business of selling computer software and related services to industries such as petroleum, chemicals, and pharmaceuticals. At all relevant times, Aspen’s common stock was registered with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934 (“Exchange Act”), and traded on the NASDAQ National Market system.

3. On January 8, 2007, the Commission filed a complaint against Zappala in SEC v. Evans, et al. (Civil Action No. 1:07-cv-10027-JLT). On February 26, 2009, the court entered an order permanently enjoining Zappala, by consent, from future violations of Section 17(a) of the Securities Act of 1933 and Sections 10(b) and 13(b)(5) of the Exchange Act and Rules 10b-5, 13b2-1 and 13b2-2 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. Zappala was also ordered to pay \$49,653 in disgorgement of ill-gotten gains from her sales of stock during the period of the alleged fraud, together with prejudgment interest thereon in the amount of \$20,347 and a \$75,000 civil money penalty, and was barred from serving as an officer and director of a public company for two years.

4. The Commission’s complaint alleged, among other things, that between at least 1999 and 2002, Zappala and two other former senior executives at Aspen engaged in a fraudulent scheme which resulted in Aspen improperly recognizing revenue on at least six different transactions involving at least five different customers worldwide and the filing of materially false and misleading statements in various Form 10-K annual reports, Form 10-Q

quarterly reports, and Form 8-K current reports during periods including fiscal years 2000 through 2004. The Complaint further alleged that Zappala engaged in a number of improper accounting practices that materially overstated Aspen's net income and revenue in fiscal years 2000 and 2001 and that materially understated Aspen's net income and revenue in fiscal years 2002, 2003, and 2004, in a departure from generally accepted accounting principles. According to the complaint, these practices included, among other things, prematurely and improperly recognizing revenue on contracts that had not been signed within the appropriate fiscal period or for earnings that had not been completed due to side letters or other contingency arrangements which changed the terms of the customers' contractual payment obligations. In addition, the complaint alleged that Zappala provided numerous false management representation letters to Aspen's outside auditors between August 1999 and April 2002. The complaint also alleged that Zappala obtained proceeds from exercising stock options and selling artificially inflated Aspen stock into the marketplace.

IV.

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

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

A. Zappala is suspended from appearing or practicing before the Commission as an accountant.

B. After two 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.

C. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission 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.

Elizabeth M. Murphy
Secretary