

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 64669 / June 14, 2011

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3292 / June 14, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-13711

In the Matter of _____ : ORDER GRANTING APPLICATION FOR
Gregory Pasko, 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

On December 10, 2009, Gregory Pasko, CPA (“Pasko”) was suspended from appearing or practicing before the Commission as an accountant as a result of settled public administrative proceedings instituted by the Commission against Pasko pursuant to Rule 102(e)(3)(i) of the Commission's Rules of Practice.¹ Pasko consented to the entry of the order without admitting or denying the findings therein but for the Commission’s finding that a final judgment and permanent injunction and other relief had been previously entered against him. This order is issued in response to Pasko’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’s complaint alleged that SafeNet, Inc. engaged in a scheme to meet or exceed quarterly earnings per share targets through the use of improper accounting adjustments from the third quarter of 2004 through the second quarter of 2005. During this period, Pasko served as SafeNet’s Director of External Reporting from January 2005 through May 2005 and as SafeNet’s U.S. controller beginning in May 2005. The complaint alleged that Pasko and others made, or caused others to make, certain improper accounting adjustments in SafeNet’s books and records. The complaint further alleged that, as a result of these inappropriate adjustments, SafeNet’s periodic reports, registration statements, and press releases contained materially misstated financial results and materially false and misleading information concerning SafeNet’s financial condition.

¹ See Accounting and Auditing Enforcement Release No. 3078 dated December 10, 2009. Pasko was permitted, pursuant to the order, to apply for reinstatement after one year upon making certain showings.

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, Pasko 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. Pasko 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, Pasko'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."² This "good cause" determination is necessarily highly fact specific.

On the basis of information supplied, representations made, and undertakings agreed to by Pasko, it appears that he has complied with the terms of the December 10, 2009 order suspending him from appearing or practicing 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 Pasko, 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,

ORDERED pursuant to Rule 102(e)(5)(i) of the Commission's Rules of Practice that Gregory Pasko, 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

² 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).