

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 85847 / May 13, 2019

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 4047 / May 13, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19163

In the Matter of

BRYAN B. LONG, CPA,

Respondent.

**ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO RULE 102(e) OF THE
COMMISSION'S RULES OF PRACTICE,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Bryan B. Long (“Respondent” or “Long”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

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 him and the subject matter of these proceedings, and the findings contained in Section III.5 below, which are admitted, Respondent consents to the entry of this Order Instituting Public 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. Long, age 42, is and has been a certified public accountant licensed to practice in the State of Virginia. Long was the Director of SEC Reporting at eBay, Inc. (“eBay”) from October 2013 to July 2015, and then at PayPal Holdings, Inc. (“PayPal”) from July 2015 to December 2015. Prior to his employment at eBay and PayPal, Long worked for ten years at a prominent accounting and auditing firm in a variety of roles related to auditing.

2. eBay is a Delaware corporation headquartered in San Jose, California that owns and operates, among other things, an online marketplace and, prior to July 17, 2015, PayPal’s digital payments business. eBay’s common stock is registered with the Commission pursuant to Section 12(b) of the Exchange Act and trades on the NASDAQ Global Select Market (symbol: EBAY). eBay files periodic reports with the Commission pursuant to Section 13(a) of the Exchange Act and related rules thereunder. On July 17, 2015, eBay and PayPal separated into independent publicly traded companies.

3. PayPal is a Delaware corporation headquartered in San Jose, California that operates a digital payment network. PayPal’s common stock is registered with the Commission pursuant to Section 12(b) of the Exchange Act and trades on the NASDAQ Global Select Market (symbol: PYPL). PayPal files periodic reports with the Commission pursuant to Section 13(a) of the Exchange Act and related rules thereunder. Prior to July 17, 2015, PayPal was a subsidiary of eBay.

4. Xoom Corporation (“Xoom”) was a Delaware corporation headquartered in San Francisco, California that provided international money transfer and remittances across a number of cross-border corridors. Xoom’s common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and traded on the NASDAQ Stock Market (symbol: XOOM). On July 1, 2015, PayPal and Xoom jointly announced that PayPal would acquire Xoom for approximately \$890 million net of cash. On November 12, 2015, PayPal’s acquisition of Xoom closed. Xoom now operates as a separate service within PayPal.

5. On September 28, 2018, the Commission filed a complaint against Long in SEC v. Bryan B. Long (Civil Action No. 18-CV-05973-EMC). On May 7, 2019, the court entered an order permanently enjoining Long, by consent, from future violations of Sections 10(b) of the Exchange Act and Rule 10b-5 thereunder. Long was also ordered to pay \$35,842.49 in disgorgement of profits gained as a result of the conduct alleged in the complaint, and \$636.66 in prejudgment interest; and a \$35,842.49 civil money penalty.

6. The Commission's complaint alleged, among other things, that Long bought speculative call options on Xoom stock based on material nonpublic information about PayPal's planned acquisition of Xoom that he learned in advance of the announcement of the deal. The complaint alleged that Long first purchased over \$10,500 of Xoom call options on May 20, 2015, within five days of PayPal making its initial offer to acquire Xoom. The complaint alleged that after Long received information that a deal could be announced in early July, he made a second purchase of another \$5,000 of Xoom call options on June 22, 2015, which were set to expire less than thirty days after his purchase. After the market closed on July 1, 2015, PayPal's acquisition of Xoom was made public. The next morning, Xoom stock opened trading at \$25.50 per share, a 52-week high, and Long sold all of his Xoom options, reaping \$35,842.49 in profits.

IV.

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

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

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

B. After three years from the date of this order, Long may request that the Commission consider his 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 (other than as a member of an audit committee, as that term is defined in Section 3(a)(58) of the Securities Exchange Act of 1934). Such an application must satisfy the Commission that Long's work in his practice before the Commission as an accountant will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he/she practices before the Commission in this capacity; and/or

2. 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 as a member of an audit committee, as that term is defined in Section 3(a)(58) of the Securities Act of 1934. Such an application will be considered on a facts and circumstances basis with respect to such membership, and the applicant's burden of demonstrating good cause for

reinstatement will be particularly high given the role of the audit committee in financial and accounting matters; and/or

3. an independent accountant.

Such an application must satisfy the Commission that:

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

(c) Long 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) Long acknowledges his responsibility, as long as he 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 Long to resume appearing or practicing before the Commission provided that his state CPA license is current and he 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 Long’s character, integrity, professional conduct, or qualifications to appear or practice before the Commission as an accountant. Whether an application demonstrates good cause will be considered on a facts and circumstances basis with due regard for protecting the integrity of the Commission’s processes.

By the Commission.

Vanessa A. Countryman
Acting Secretary