I.

On August 5, 1997, the Commission, pursuant to Rule 102(e)(3) of the Commission’s Rules of Practice, suspended attorney James P. Brown (“Brown”) from appearing or practicing before the Commission, with the right to apply to resume appearing and practicing after five years. See Opinion and Order, Release No.34-38903 (August 5, 1997). The basis for the suspension was an action by the Commission in the United States District Court for South Carolina (SEC v. Policy Management Systems Corp, Civil Action No. 96-CV-2193), in which the Commission alleged Brown, an attorney licensed in Florida, was working in-house as general counsel and then as senior vice president for Management System Corporation (“PMSC”) from 1986 though 1993. Brown reviewed financial statements contained in certain periodic reports filed on behalf of PMSC with the Commission, and certain of these financial statements materially misstated PMSC’s results of operations in violation of generally accepted accounting principles. The complaint further alleged that, as a control person, Brown was liable for PMSC’s failure to make and keep accurate books and records and to maintain adequate internal accounting controls, and that Brown provided inaccurate information to PMSC’s independent auditors. On July 22, 1997, Brown consented to the entry of an order of permanent injunction enjoining him from violations of Sections 13(a), 13(b)(2)(A), 13(b)(2)(B) and 13(b)(5) of the Exchange Act and its Rules 12b-20, 13a-1, 13a-13, 13b2-1 and 13b2-2 thereunder.

In anticipation of the institution of these administrative proceedings, Brown consented to the entry of an order (as an offer of settlement) without admitting or denying the findings except as to
the entry of the injunction and the Commission’s jurisdiction over him, both of which he admitted. Brown consented to the entry of the Order Instituting Public Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, Making Findings and Imposing Remedial Sanctions, which was entered on August 5, 1997.

The Opinion and Order provided that Brown could apply to resume appearing and practicing before the Commission after a period of five years.

II.

On or about March 2, 2005, over five years after he had been suspended by the Commission, on August 5, 1997, Brown filed an application for reinstatement to appear or practice before the Commission, which he amended on April 21, 2005. His application includes two personal affidavits in which he swore under penalty of perjury that he has complied with the Commission’s Opinion and Order, that he has not appeared or practiced before the Commission and that he has not been subject to any other disciplinary action during the last seven years and that he personally paid a $20,000 civil penalty in connection with the Offer of settlement in the above-referenced action in federal court.

III.

Based on the forgoing, the Commission has determined that it is appropriate to permit Brown, pursuant to Rule 102(e)(5), to resume appearing or practicing before the Commission.

Accordingly, it is HEREBY ORDERED that Brown may resume practicing before the Commission.

By the Commission.

Jonathan G. Katz
Secretary