

**UNITED STATES OF AMERICA**  
**Before The**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 52878 / December 2, 2005**

**ACCOUNTING AND AUDITING ENFORCEMENT**  
**Release No. 2350 / December 2, 2005**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12120**

In the Matter of	:	ORDER INSTITUTING PUBLIC
Joseph T. Boyle, CPA,	:	ADMINISTRATIVE PROCEEDINGS, MAKING
Respondent.	:	FINDINGS AND IMPOSING REMEDIAL
	:	SANCTIONS PURSUANT TO RULE 102(e)
	:	OF THE COMMISSION'S RULES OF PRACTICE

**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 Respondent Joseph T. Boyle (CPA) ("Boyle" or "Respondent") pursuant to Rule 102(e)(3)(i) of the Commission's Rules of Practice.<sup>1</sup>

**II.**

In anticipation of the institution of these proceedings, Boyle has submitted an Offer of Settlement ("Offer"), which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceeding brought by or on behalf of the Commission or to which the Commission is a party, and without admitting or denying the findings, except as to the Commission's jurisdiction over the subject matter of these proceedings and as to the entry of the injunction set forth in Section III, which are admitted,

---

<sup>1</sup> 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.

Boyle consents to the entry of this the Order Instituting Public Administrative Proceedings, Making Findings and Imposing Remedial Sanctions Pursuant to Rule 102(e) of the Commission's Rules of Practice ("Order"), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

A. Boyle, age 62, is a certified public accountant licensed in New York and was, during the relevant period covered by this Order, a partner at KPMG LLP ("KPMG"). Boyle was the relationship partner for Xerox Corporation ("Xerox" or the "Company") for the years 1999 and 2000. Boyle retired from KPMG in 2003.

B. KPMG is a national public accounting firm and, during the relevant period covered by this Order, served as the independent public accountant for Xerox.

C. Xerox was, during the relevant period covered by this Order, a New York corporation with its principal place of business in Stamford, Connecticut. At all times pertinent to the period covered by this Order, the common stock of Xerox was registered with the Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934 ("Exchange Act") and traded on the New York Stock Exchange.

D. On January 29, 2003, the Commission filed a complaint against Boyle and others in the United States District Court for the Southern District of New York. SEC v. KPMG LLP, et al., No. 03-0671 (DLC). On October 14, 2005, the Court entered a final judgment permanently enjoining Boyle from violating Section 10A of the Exchange Act. Boyle consented to the entry of the final judgment without admitting or denying the allegations of the Commission's complaint.

E. The Commission's complaint alleged, among other things, that Boyle violated Section 10A of the Exchange Act. The complaint alleged that in the course of serving as the relationship partner for Xerox, Boyle became aware of information indicating that Xerox was preparing and filing quarterly and annual financial statements and other reports which likely contained material misrepresentations and omissions in violation of the antifraud provisions of the federal securities laws. According to the complaint, Boyle did not report these likely violations to the Xerox Audit Committee or take other steps required by Section 10A of the Exchange Act when Xerox management and its board did not correct the violations.

#### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to accept Boyle's Offer of Settlement.

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

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

B. After one (1) year from the date of this order, Boyle 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. Such an application must satisfy the Commission that Boyle's work in his practice before the Commission 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 practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

(a) Boyle, 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) Boyle, 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 Boyle's or the firm's quality control system that would indicate that Boyle will not receive appropriate supervision or, if the Board has not conducted an inspection, has received an unqualified report relating to his, or the firm's, most recent peer review conducted in accordance with the guidelines adopted by the former SEC Practice Section of the American Institute of Certified Public Accountants Division for CPA Firms or an organization providing equivalent oversight and quality control functions;

(c) Boyle 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) Boyle acknowledges his responsibility, as long as Boyle 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 Boyle 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 Boyle's character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

By the Commission.

Jonathan G. Katz  
Secretary