

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933

Release No. 8660 / February 9, 2006

SECURITIES EXCHANGE ACT OF 1934

Release No. 53265 / February 9, 2006

INVESTMENT ADVISERS ACT OF 1940

Release No. 2486 / February 9, 2006

ACCOUNTING AND AUDITING ENFORCEMENT

Release No. 2372 / February 9, 2006

ADMINISTRATIVE PROCEEDING

File No. 3-12179

In the Matter of Lawrence A. Stoler, CPA

On February 9, 2006, the Securities and Exchange Commission instituted administrative and cease-and-desist proceedings pursuant to Rule 102(e) of the Commission's Rules of Practice, Section 8A of the Securities Act of 1933, Section 21C of the Securities Exchange Act of 1934 and Section 203(k) of the Investment Advisers Act of 1940, against Lawrence A. Stoler, CPA

In the Order Instituting Proceedings, the Division of Enforcement and the Office of the Chief Accountant allege that Stoler engaged in improper professional conduct in the audits of three hedge funds, Lipper Convertibles, L.P. ("Convertibles"), Lipper Convertibles Series II, L.P. ("Series II"), and Lipper Fixed Income Fund, L.P. ("Fixed Income") (collectively, the "Funds") for the year ended December 31, 2000 and was a cause of violations by the Funds, their portfolio manager, Edward J. Strafacci, and the entity that managed the Funds, Lipper Holdings, LLC. Stoler was the engagement partner on PricewaterhouseCoopers' audits of the Funds' financial statements, including the financial statements for Convertibles and Series II that were filed with the Commission pursuant to Section 17 of the Exchange Act. The Division of Enforcement and the Office of the Chief Accountant allege that Stoler failed to adequately assess the substantial evidence produced by the audits that Strafacci was materially overstating the value of the convertible bonds and convertible preferred stock in which the Funds were invested, and unquestioningly relied on a purported confirmation process that was significantly flawed. They further allege that Stoler knew or should have known that his failure to conduct and supervise an audit that conformed to GAAS and his approval of, and signature on, unqualified audit reports on the Funds' 2000 financial statements, and internal control reports filed by Convertibles and Series II, would contribute to violations of the federal securities laws by the Funds, Strafacci, and Lipper Holdings, including the dissemination to prospective investors and advisory clients, and the filing, of materially misleading financial statements, and the filing of inaccurate internal control reports.

A hearing will be scheduled before an Administrative Law Judge to determine whether such allegations are true, to afford the respondent an opportunity to establish defenses to the allegations, to determine whether remedial action is necessary and appropriate, and to determine whether respondent should be ordered to cease and desist from committing or causing violations of and any future violations of the securities laws. The Administrative Law Judge is directed to issue a decision no later than 300 days from the date of service of the Order Instituting Proceedings, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.