

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 54940 / December 14, 2006

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 2524 / December 14, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12506

In the Matter of

Mark B. Leffers, CPA

Respondent.

**ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS AND
IMPOSING TEMPORARY SUSPENSION
PURSUANT TO RULE 102(e)(3) 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 pursuant to Rule 102(e)(3)¹ of the Commission's Rules of Practice against Mark B. Leffers ("Respondent" or "Leffers").

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, . . . temporarily 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.

The Commission finds that:

A. RESPONDENT

1. Leffers, age 44, is and has been a certified public accountant (“CPA”) licensed to practice in the State of Maryland. From early 1999 through Fall 2000, Leffers served as the chief financial officer (“CFO”) to Busybox.com, Inc. (“Busybox”). Acting in his capacity as Busybox CFO, Leffers signed and caused to be filed with the Commission the registration statement for the initial public offering (“IPO”) of the securities of Busybox that took place in June 2000 (File Number 333-80315). Leffers also assisted with the preparation of the Busybox IPO registration statement and participated in the preparation of Busybox’s periodic filings with the Commission. Leffers has therefore practiced before the Commission within the meaning of Rule 102(f) of the Commission’s Rules of Practice [17 CFR § 201.102(f)].

B. CIVIL INJUNCTION

1. On October 24, 2006, the U.S. District Court for the Southern District of New York entered a final judgment against Leffers, permanently enjoining him from future violations, direct or indirect, of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. Securities and Exchange Commission v. Patrick A. Grotto, et al., Civil Action Number 05 Civ. 5880 (GEL).

2. The Commission’s complaint filed in SEC v. Grotto alleges, among other things, the following facts. Leffers and others engaged in fraud in connection with the June 2000 IPO of Busybox securities. Barron Chase Securities Inc. (“Barron Chase”), the lead underwriter for the Busybox IPO, agreed to underwrite a firm commitment offering that would raise approximately \$12.8 million for Busybox. After he learned that Barron Chase was having difficulty selling the IPO securities to bona fide investors, Leffers agreed to participate in a fraudulent scheme to complete the offering. Specifically, Leffers and several other Busybox officers and directors (“insiders”) agreed secretly to “purchase” IPO securities using undisclosed payments styled as “bonuses,” and Busybox’s outside securities counsel received an inflated and undisclosed legal fee paid in IPO securities. Barron Chase secretly financed these transactions and, during the IPO closing, Leffers and others caused Busybox to repay Barron Chase out of the proceeds of the offering. As a result of these purchases, Leffers and other insiders at Busybox along with its outside securities counsel acquired almost 20% of the securities being offered in the IPO and reduced the proceeds available to Busybox by over \$2.1 million. Leffers knew that the IPO registration statement and prospectus did not disclose the insiders’ stock purchases, the inflated legal fee paid to outside counsel, Barron Chase’s financing of these transactions or the repayment to Barron Chase using IPO proceeds.

III.

Based upon the foregoing, the Commission finds that a court of competent jurisdiction has permanently enjoined Leffers, a CPA, from violating the Federal securities laws within the meaning of Rule 102(e)(3)(i)(A) of the Commission's Rules of Practice. In view of these findings, the Commission deems it appropriate and in the public interest that Leffers be temporarily suspended from appearing or practicing before the Commission.

IT IS HEREBY ORDERED that Leffers be, and hereby is, temporarily suspended from appearing or practicing before the Commission. This Order shall be effective upon service on the Respondent.

IT IS FURTHER ORDERED that Leffers may within thirty days after service of this Order file a petition with the Commission to lift the temporary suspension. If the Commission within thirty days after service of the Order receives no petition, the suspension shall become permanent pursuant to Rule 102(e)(3)(ii).

If a petition is received within thirty days after service of this Order, the Commission shall, within thirty days after the filing of the petition, either lift the temporary suspension, or set the matter down for hearing at a time and place to be designated by the Commission, or both. If a hearing is ordered, following the hearing, the Commission may lift the suspension, censure the petitioner, or disqualify the petitioner from appearing or practicing before the Commission for a period of time, or permanently, pursuant to Rule 102(e)(3)(iii).

This Order shall be served upon Leffers personally or by certified mail at his last known address.

By the Commission.

Nancy M. Morris
Secretary