

**UNITED STATES OF AMERICA  
BEFORE THE  
SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934  
Release No. 60601 / September 1, 2009**

**ACCOUNTING AND AUDITING ENFORCEMENT  
Release No. 3043 / September 1, 2009**

**ADMINISTRATIVE PROCEEDING  
File No. 3-13607**

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**In the Matter of** :  
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**Patti Tay, CPA,** : **ORDER INSTITUTING ADMINISTRATIVE**  
 : **PROCEEDINGS PURSUANT TO RULE**  
 : **102(e) OF THE COMMISSION’S RULES OF**  
**Respondent.** : **PRACTICE, MAKING FINDINGS, AND**  
 : **IMPOSING REMEDIAL SANCTIONS**  
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**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 Patti Tay, CPA (“Tay” or “Respondent”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.<sup>1</sup>

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<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.

## 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 her and the subject matter of these proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting 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. Tay, age 38, is a Certified Public Accountant licensed to practice in the State of New York. From 1998 until 2002, Tay served as Controller of Take-Two Interactive Software, Inc. (“Take-Two” or “the Company”), and served as Chief Accounting Officer of Take-Two beginning in 2002. On November 10, 2006, Tay resigned from Take-Two.

2. Take-Two was, at all relevant times, a Delaware corporation with its principal place of business in New York, New York. Take-Two develops, markets, publishes and distributes interactive entertainment software games for video game consoles and personal computers. Take-Two also publishes through its wholly-owned labels Rockstar Games, 2K Games, 2K Sports and 2K Play. Prior to July 31, 2006, Take-Two registered its common stock with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934 (“Exchange Act”) and traded on the NASDAQ NMS under the symbol “TTWO.” Since July 31, 2006, Take-Two has registered its common stock with the Commission pursuant to Section 12(b) of the Exchange Act and has traded on the NASDAQ Global Market under the same symbol. The Company operates on an October 31 fiscal year.

3. On August 6, 2009, a final judgment was entered against Tay, permanently enjoining her from future violations of Sections 10(b), 13(b)(5), and 16(a) of the Exchange Act and Exchange Act Rules 10b-5, 13b2-1, 13b2-2, and 16a-3, and aiding and abetting violations of Sections 13(a), 13(b)(2)(A), 13(b)(2)(B), and 14(a) of the Exchange Act and Exchange Act Rules 12b-20, 13a-1, 13a-11, 13a-13, and 14a-9, in the civil action entitled Securities and Exchange Commission v. Kenneth Selterman, et al., Civil Action Number 09-CV-6813 (DLC), in the United States District Court for the Southern District of New York. Tay was also barred from serving as an officer or director of any public company and ordered to pay a \$125,000 civil money penalty.

4. The Commission’s Complaint alleged, among other things, that Tay enriched herself and others by knowingly or recklessly allowing Take-Two’s former CEO/Chairman Ryan Brant (“Brant”) to backdate the Company’s stock option grants. The Complaint alleged that from at least as early as 1998, Tay knew, or was reckless in not knowing,

that exercise prices for stock options had been picked with hindsight, and that she created Company records which falsely indicated that grants had occurred on earlier dates when the Company's stock price had been at a low. Specifically, between 1998 and at least April 2002, Tay prepared and maintained (and thereafter until at least September 2003, was involved in maintaining) a Master Options List which she knew, or was reckless in not knowing, reflected false option grant information that had been provided to Tay by Brant. Accordingly, Tay knew, or was reckless in not knowing, that Take-Two filed materially false and misleading reports, proxy statements, and financial statements with the Commission and that Take-Two's filings falsely represented that Take-Two was properly accounting for stock option grants. In addition, the Complaint alleged that Tay received backdated "in-the-money" options.

#### IV.

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

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

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

By the Commission.

Elizabeth M. Murphy  
Secretary