

II.

In anticipation of the hearing, 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 him and the subject matter of these proceedings, and the findings contained in Section III(2) and (3) below, which are admitted, Respondent consents to the entry of this Order 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. Shovers, age 54, served as Chief Financial Officer of Hayes-Lemmerz International, Inc. (“Hayes”) from approximately 1993 until October 2001. He also was Chief Accounting Officer at least during the period of October 2000 through October 2001. From October 2001 until mid-2003, Shovers remained an officer with Hayes Lemmerz. He was first licensed as a CPA in Wisconsin in 1980 however his license has been expired since 1995 and he is not currently practicing.

2. On December 18, 2008, the U.S. District Court for the Eastern District of Michigan entered a final judgment against Shovers. The Final Judgment followed a jury trial in which the jury found that Shovers had violated the following provisions of the securities laws and rules and regulations promulgated thereunder: (1) Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 204.10b-5] thereunder; (2) Section 17(a)(3) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)(3)]; and (3) Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)], and Rules 13b2-1 [17 C.F.R. § 240.13b2-1] and 13b2-2 [17 C.F.R. § 240.13b2-2] thereunder. The jury also found that he aided and abetted certain of Hayes’ violations of the federal securities laws.

3. The Final Judgment permanently enjoined Shovers from violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 204.10b-5] thereunder; Section 17(a)(3) of the Securities Act [15 U.S.C. § 77q(a)(3)]; Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)], and Rules 13b2-1 [17 C.F.R. § 240.13b2-1] and 13b2-2 [17 C.F.R. § 240.13b2-2] thereunder; and from aiding and abetting violations of Section 13(a), Section 13(b)(2)(A), and Section 13(b)(2)(B) of the Exchange Act [15 U.S.C. §78m(a), §78m(b)(2)(A), and §78m(b)(2)(B)], and Rules 12b-20, 13a-1, and 13a-13 [17 CFR §240.12b-20, 17 CFR § 240.13a-1, and 17 CFR § 240.13a-13] thereunder. The Final Judgment also barred Shovers, for a period of five (5) years, from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is

required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)], and ordered him to pay a civil money penalty of \$50,000.

4. The Commission's Complaint in this matter alleged that by early 2001, Shovers learned about fraudulent accounting practices that had occurred at Hayes, that Shovers concealed information about the improper accounting practices from Hayes' outside independent auditor and Hayes' Audit Committee and Board of Directors, that Shovers made affirmative misrepresentations to the company's outside independent auditor about Hayes' financial statements, and that Shovers caused Hayes to make Commission filings containing material misrepresentations, such as the company's annual report on Form 10-K for the fiscal year ending January 31, 2001, and the quarterly report on Form 10-Q for the quarterly period ended April 30, 2001.

IV.

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

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

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

B. After five years from the date of this order, Respondent 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 Respondent'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) Respondent, 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) Respondent, 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 the respondent's or the firm's quality control system that would indicate that the respondent will not receive appropriate supervision;

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

By the Commission.

Elizabeth M. Murphy
Secretary