UNITED STATES OF AMERICA before the SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934 Release No. 67912 / September 21, 2012

ADMINISTRATIVE PROCEEDING File No. 3-15040

In the Matter of : ORDER INSTITUTING PUBLIC : ADMINISTRATIVE PROCEEDINGS

PURSUANT TO RULE 102(e) OF THE

CAMERON H. LINTON, ESQ. : COMMISSION'S RULES OF PRACTICE,

MAKING FINDINGS, AND IMPOSING

Respondent. : REMEDIAL SANCTIONS

:

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 Cameron H. Linton, Esq. ("Respondent" or "Linton") pursuant to Rule 102(e)(3)(i) of the Commission's Rules of Practice.¹

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

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any attorney . . . 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.

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

herein, except as to the Commission's jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III, Paragraph 2 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. Linton, age 57, is and has been an attorney licensed to practice law in the State of Florida. From approximately 2009 to 2012, Linton's law practice has included writing legal opinion letters for clients involving transactions under the federal securities laws.
- 2. On April 30, 2012, the Commission filed a complaint against Linton in <u>SEC v. Christel S. Scucci, et al.</u>, Civil Action No. 6:12CV646-ORL-37 KRS (M.D. Fla.). On September 14, 2012, the court entered an order permanently enjoining Linton from violation of Section 5 of the Securities Act of 1933 ("Securities Act"). Linton was also enjoined from providing professional legal services to any person in connection with the offer or sale of securities pursuant to, or claiming, an exemption under Securities Act Rule 144, or any other exemption from the registration provisions of the Securities Act, including, without limitation, participating in the preparation of any opinion letter relating to such offerings. Linton was also permanently barred from participating in an offering of penny stock pursuant to Section 20(g) of the Securities Act and Section 21(d)(6) of the Securities Exchange Act of 1934. Linton was also ordered to pay \$6,250 in disgorgement of ill-gotten gains and a \$7,500 civil money penalty.
- 3. The Commission's complaint alleged, among other things, that from January 2010 through October 2011, clients of Linton's unlawfully sold approximately 3.3 billion shares of penny stock in unregistered transactions. They were able to acquire and sell most of this stock only because Linton, their attorney, issued baseless legal opinions stating that the transactions were exempt from the registration requirement of Section 5 of the Securities Act. Linton failed to make necessary factual and legal determinations when he concluded that the transactions qualified for an exemption from Section 5 of the Securities Act pursuant to Securities Act Rule 144. When Linton wrote the opinion letters, he lacked an understanding of the applicable legal principles and failed to substantiate the factual predicate for his opinions. But for Linton's legal opinion letters, the issuers' transfer agents would not have transferred the stock to Linton's clients without a restrictive legend. Thus, the complaint alleged that Linton was a substantial factor and a necessary participant in the unregistered sales of the issuers' securities in violation of Section 5 of the Securities Act.

IV.

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

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

Linton is suspended from appearing or practicing before the Commission as an attorney.

By the Commission.

Elizabeth M. Murphy Secretary