

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 68374 / December 6, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-15126

In the Matter of

WILLIAM J. REILLY, ESQ.

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 4C OF THE
SECURITIES EXCHANGE ACT OF 1934
AND RULE 102(e) OF THE
COMMISSION'S RULES OF PRACTICE

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that public administrative proceedings be, and hereby are, instituted against William J. Reilly, Esq. (“Reilly” or “Respondent”) pursuant to Section 4C of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 102(e)(1)(ii) of the Commission’s Rules of Practice.¹

¹ Section 4C provides, in relevant part, that:

The Commission may censure any person, or deny, temporarily or permanently, to any person the privilege of appearing or practicing before the Commission in any way, if that person is found . . . (1) not to possess the requisite qualifications to represent others . . . (2) to be lacking in character or integrity, or to have engaged in unethical or improper professional conduct; or (3) to have willfully violated, or willfully aided and abetted the violation of, any provision of the securities laws or the rules and regulations thereunder.

Rule 102(e)(1)(ii) provides, in pertinent part, that:

The Commission may . . . deny, temporarily or permanently, the privilege of appearing or practicing before it . . . to any person who is found . . . to have engaged in unethical or improper professional conduct.

II.

After an investigation, the Office of General Counsel alleges that:

A. RESPONDENT

1. Reilly, age 58, was from 1979 until May 8, 2012, an attorney licensed to practice in the State of New York.

B. IMPROPER PROFESSIONAL CONDUCT

2. On October 27, 2009, with Reilly's consent, the Commission entered an order (the "2009 Order") pursuant to Rule 102(e)(3)(i) of its Rules of Practice that suspended Reilly from appearing or practicing before the Commission as an attorney with the right to apply for reinstatement after three years from the date of the Order. *In the Matter of William J. Reilly, Esq.*, Exchange Act Rel. No. 60890, Admin. Proc. 3-13666 (Oct. 27, 2009).

3. On June 21, 2011, Madison Ave. Media Inc. ("Madison"), a public company required to make certain filings with the Commission, filed a Form S-8 registration statement with the Commission that incorporated as an exhibit a legal opinion signed by Reilly and dated June 21, 2011 in which Reilly opined that the shares to be issued pursuant this registration statement "will have been duly authorized, legally issued, fully paid and nonassessable, . . . will be a valid and binding obligation of the corporation, and . . . do not require a permit from any governmental agency." This legal opinion stated that Reilly "was counsel to Madison Ave. Media, Inc. (the 'Company') in connection with the filing of its registration statement on Form S-8 (the 'Registration Statement')" and that Reilly consented "to the use of this opinion as an exhibit to the Registration Statement and to the reference to this opinion under the caption 'Legal Opinion' thereunder."

4. On April 16, 2012, the United States District Court for the Southern District of Florida entered an order finding that by providing an opinion letter supporting Madison's Form S-8 registration statement, Reilly knowingly practiced before the Commission and violated the 2009 Order suspending him from appearing or practicing before the Commission as an attorney. *SEC v. William J. Reilly*, 11-81322-CIV (DMM) (S.D. Fla.).

5. Reilly violated the 2009 Order by engaging in conduct that constitutes appearing and practicing before the Commission as an attorney, including, while he was suspended by the Commission, preparing and/or providing advice regarding documents that he had notice would be, and in fact were, filed by Madison with the Commission.

6. Reilly's knowing conduct described above constitutes improper professional conduct under Section 4C of the Exchange Act and Rule 102(e)(1)(ii) of the Commission's Rules of Practice.

C. VIOLATIONS

As a result of the conduct described above, Respondent engaged in improper professional conduct under Section 4C of the Exchange Act and Rule 102(e)(1)(ii) of the Commission's Rules of Practice.

III.

In view of the allegations made by the Office of General Counsel, the Commission deems it appropriate that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 4C of the Exchange Act and Rule 102(e)(1)(ii) of the Commission's Rules of Practice including, but not limited to, denying him, temporarily or permanently, the privilege of appearing or practicing before the Commission.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 300 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness

or counsel in proceedings held pursuant to notice. Since this proceeding is not “rule making” within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Elizabeth M. Murphy
Secretary