

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9745 / April 9, 2015

SECURITIES EXCHANGE ACT OF 1934
Release No. 74698 / April 9, 2015

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3651 / April 9, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16484

In the Matter of

MICHAEL M. COHEN

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO RULE 102(e) OF
THE COMMISSION’S RULES OF
PRACTICE, MAKING FINDINGS,
AND IMPOSING 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 Michael M. Cohen (“Cohen” or “Respondent”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

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, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . [p]ermanently 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, 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. Cohen, age 49, is a resident of West Orange, New Jersey. Beginning in September 2006, Cohen served as the President, Chief Executive Officer (“CEO”), and Chairman of the Board of Directors of Proteonomix, Inc. (“Proteonomix” or the “company”). In September 2010, Cohen also took over the positions of Chief Financial Officer (“CFO”) and Chief Operating Officer. Cohen has never been licensed as a certified public accountant. In his capacity as Proteonomix’s CEO and CFO, Cohen signed and certified the accuracy of the company’s reports and financial statements filed with the Commission until, as described below, the company terminated the registration of its common stock with the Commission.

2. Proteonomix is a Delaware corporation with its principal place of business in Paramus, New Jersey. Proteonomix is a biotechnology company engaged in, among other things, the discovery and development of stem cell therapeutics and cosmeceutical products. On August 4, 2009, Proteonomix filed a Form 10 with the Commission to register a class of common stock pursuant to Section 12(g) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78l(g)]. Proteonomix filed its first Form 10-Q quarterly report with the Commission on September 11, 2009. The company’s stock traded initially on the OTC Pink Sheets market and, subsequently, on the OTCBB under the symbol “PROT.” On November 13, 2012, the company filed a Form 15, terminating the registration of its common stock with the Commission.

3. Respondent has entered into a written agreement to plead guilty to criminal conduct relating to the findings in the Order. Specifically, in *United States v. Michael Cohen*, Crim. No. 2:15-cr-00091-MCA-1 (D.N.J.), Respondent agreed to plead guilty to a one-count information, which charges him with knowingly certifying false financial statements in violation of 18 U.S.C. § 1350.

4. On February 19, 2015, the Commission filed a complaint against Cohen in *SEC v. Michael M. Cohen, et al.*, Case No. 2:15-cv-01292-MCA-JBC (D.N.J.). On March 6, 2015, the court entered a judgment permanently enjoining Cohen, by consent, from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)]; Sections 10(b) and 13(b)(5) of the Exchange Act [15 U.S.C. §§ 78j(b) and 78m(b)(5)]; Exchange Act Rules 10b-5, 13a-14, and 13b2-1 [17 C.F.R. §§ 240.10b-5, 240.13a-14, and 240.13b2-1]; and from aiding and abetting violations of Sections 13(a), 13(b)(2)(A), and

13(b)(2)(B) of the Exchange Act [15 U.S.C. §§ 78m(a), 78m(b)(2)(A), and 78m(b)(2)(B)], and Exchange Act Rules 12b-20, 13a-1, and 13a-13 [17 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-13]. The judgment also, by consent, permanently barred Cohen, pursuant to Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)] and Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], from serving 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 permanently barred Cohen, pursuant to Section 20(g) of the Securities Act [15 U.S.C. § 77t(g)] and Section 21(d)(6) of the Exchange Act [15 U.S.C. § 78u(d)(6)], from participating in any offering of a penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock. In addition, by consent, the judgment provided that the court will order disgorgement, prejudgment interest, and a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)] upon motion of the Commission.

5. The Commission's complaint alleged, among other things: that Proteonomix and Cohen fraudulently issued and transferred millions of Proteonomix shares to entities that Cohen secretly controlled; that Cohen directed the issuance and transfer of Proteonomix shares, and the subsequent sale of those shares into the open market, to generate undisclosed proceeds for his own benefit; that Proteonomix and Cohen falsely recorded share issuances and transfers on Proteonomix's accounting books and records as repayments of loans that did not exist or payments for consulting services that were not performed; that Proteonomix and Cohen failed to disclose related party transactions in filings with the Commission, as required by Generally Accepted Accounting Principles; that Cohen directed the transfer of shares of Proteonomix stock without restrictive legends under circumstances where the transactions were not registered with the Commission and no exemption from the registration provisions applied; and that Cohen falsely certified the accuracy of reports and statements that Proteonomix filed with the Commission.

IV.

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

Accordingly, it is hereby ORDERED, effective immediately, that: Cohen is suspended from appearing or practicing before the Commission as an accountant.

By the Commission.

Brent J. Fields
Secretary