

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 68234 / November 14, 2012

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3424 / November 14, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-15091

In the Matter of

**JAMES S. QUAY a/k/a JIM
QUAY a/k/a STEPHEN
QUAY a/k/a STEPHEN
JAMESON,**

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 James S. Quay a/k/a Jim Quay, Stephen Quay, and Stephen Jameson ("James Quay" 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 . . . attorney . . . 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 him and the subject matter of these proceedings, and the findings contained in Section III.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. James Quay, age 51, was previously an attorney licensed in the states of Georgia, Oklahoma, and Texas and has since been disbarred in Georgia and Texas, stemming from his 2005 federal criminal conviction for filing a false income tax return for which he was sentenced to 15 months incarceration. Although not licensed as a certified public accountant, James Quay purports to have sat for and passed the Uniform Certified Public Accountant Examination.

2. On October 18, 2012, a final judgment was entered by consent against James Quay, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”), Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. James S. Quay, et al., Civil Action No. 1:12-cv-03429-RWS, in the United States District Court for the Northern District of Georgia.

3. The Commission’s complaint alleged, among other things, that, from at least October 2007 until at least January 2012, James Quay failed to disclose to actual or potential investors: (1) compensation, revenue or commissions derived from their participation or investment; (2) information regarding prior or current criminal, regulatory or professional licensure actions; (3) material information regarding the use of investor funds; (4) overstating investment returns; (5) understating investment risks; or (6) misrepresenting the nature of an investment.

IV.

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

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

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

B. James Quay is suspended from appearing or practicing before the Commission as an attorney.

By the Commission.

Elizabeth M. Murphy
Secretary