

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SECURITIES EXCHANGE ACT OF 1934
Release No. 68599/January 8, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15126

In the Matter of	:	
	:	ORDER MAKING FINDINGS AND
WILLIAM J. REILLY, ESQ.	:	IMPOSING SANCTION BY DEFAULT

SUMMARY

This Order denies William J. Reilly, Esq. (Reilly), permanently, the privilege of appearing or practicing before the Securities and Exchange Commission (Commission) in any way.

I. BACKGROUND

The Commission instituted this proceeding with an Order Instituting Proceedings (OIP) on December 6, 2012, pursuant to Section 4C of the Securities Exchange Act of 1934 (Exchange Act) and Rule 102(e) of the Commission's Rules of Practice, 17 C.F.R. § 201.102(e) (Rule 102(e)). The OIP alleges that Reilly violated a 2009 Commission Order suspending him from appearing or practicing before the Commission as an attorney. Reilly was served with the OIP by USPS certified mail in accordance with 17 C.F.R. § 201.141(a)(2)(i) on December 13, 2012, and his Answer to the OIP was due within twenty days of service of the OIP on him. See OIP at 3; 17 C.F.R. § 201.220(b). Reilly was advised that if he failed to file an Answer within the time provided, he would be deemed to be in default, and the undersigned would enter an order denying him, permanently, the privilege of appearing or practicing before the Commission in any way. William J. Reilly, Esq., Admin. Proc. No. 3-15126 (A.L.J. Dec. 20, 2012). Reilly has not filed an Answer to date. Accordingly, he has failed to answer or otherwise to defend the proceeding within the meaning of 17 C.F.R. § 201.155(a)(2). Therefore, Reilly is in default, and the undersigned finds that the allegations in the OIP are true as to him. See OIP at 3; 17 C.F.R. §§ 201.155(a), .220(f).

II. FINDINGS OF FACT

On October 27, 2009, the Commission accepted an Offer of Settlement from Reilly and, with his consent, suspended him from appearing or practicing before the Commission as an attorney. William J. Reilly, Esq., Exchange Act Release No. 60890 (Oct. 27, 2009), 97 SEC Docket 21815 (2009 Order). The Commission granted him the right to apply for reinstatement after three years.¹

¹ Specifically, the Commission's Order provided,

after three years from the date of this Order, Reilly has the right to apply for reinstatement by submitting an affidavit to the Commission's Office of the General

On June 21, 2011, Madison Ave. Media, Inc. (Madison), filed a Form S-8 registration statement with the Commission that incorporated a legal opinion signed by Reilly and dated June 21, 2011, which stated that he was “counsel to Madison . . . in connection with the filing . . . of its registration statement” and that he 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.’” The United States District Court for the Southern District of Florida found that this conduct constituted practice before the Commission as an attorney and violated the 2009 Order. SEC v. Reilly, No. 11-cv-81322 (S.D. Fla. Feb. 28 & Apr. 16, 2012).

III. CONCLUSIONS OF LAW

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.

IV. SANCTION

Section 4C of the Exchange Act provides, “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 . . . (2) to . . . have engaged in . . . improper professional conduct.”² At the time of the improper professional conduct that is the subject of this proceeding, Reilly was suspended from appearing or practicing before the Commission as an attorney. Therefore, in light of the new misconduct, the sanction must be increased, and Reilly will be denied, permanently, the privilege of appearing or practicing before the Commission in any way.

V. ORDER

IT IS ORDERED that, pursuant to Section 4C of the Securities Exchange Act of 1934 and Rule 102(e)(1) thereunder, WILLIAM J. REILLY, ESQ., IS DENIED, PERMANENTLY, the privilege of appearing or practicing before the Commission IN ANY WAY.

Carol Fox Foelak
Administrative Law Judge

Counsel truthfully stating, under penalty of perjury, that he is not subject to any suspension or disbarment of an attorney by any court of the United States or of any state, territory, district, commonwealth, or possession, and that he has not been convicted of a felony or misdemeanor involving moral turpitude as set forth in Rule 102(e).

Reilly, 97 SEC Docket at 21817.

² The language of Rule 102(e) is almost identical.