

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 78160 / June 27, 2016**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-17317**

**In the Matter of**

**JAMES ANTHONY  
CATIPAY,**

**Respondent.**

**ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO SECTION 15(b) OF THE  
SECURITIES EXCHANGE ACT OF 1934,  
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 pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against James Anthony Catipay (“Catipay” or “Respondent”).

**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 Section 15(b) of the Securities Exchange Act of 1934, 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. Catipay, age 39, resides in Los Angeles, California. Catipay is a member of the Michigan State Bar. Catipay operates the Law Offices of James Catipay, PLLC, a Michigan professional corporation where he represents clients in federal income tax disputes. Catipay has never held any securities licenses and is not registered with the Commission in any capacity.

2. On April 15, 2016, the Commission filed a complaint against Catipay in SEC v. PLCMGMT LLC dba Prometheus Law et al. (Civil Action No. 2:16-cv-02594-TJH-FFM), in the United States District Court for the Central District of California. On May 27, 2016, the court entered an order permanently enjoining Catipay by consent, from future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933, and Sections 10(b) and 15(a) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.

3. The Commission's complaint alleged, among other things, that Catipay, on behalf of PLCMGMT LLC dba Prometheus Law ("Prometheus") raised \$11.7 million from more than 250 investors located nationwide through the sales of securities in Prometheus, a litigation marketing company. In connection with the sale of Prometheus securities Catipay knowingly, or with reckless disregard, made misrepresentations and misleading statements regarding: (1) the low risk nature of Prometheus securities, including claims about: (a) existing or imminent settlement funds, (b) guaranteed investment returns, (c) guaranteed principal returns, and (d) security interests, (2) misusing at least \$1.87 million of investor funds, and (3) the risks associated with a prohibited attorney-fee sharing relationship. In addition, Catipay violated the registration and broker-dealer provisions of the federal securities in connection with the sale of Prometheus securities.

### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Catipay be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Catipay be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of

factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields  
Secretary