

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 78707 / August 26, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17508

In the Matter of	:	
	:	
	:	ORDER INSTITUTING ADMINISTRATIVE
	:	PROCEEDINGS AND IMPOSING
MICHAEL RALPH CASEY, Esq.,	:	TEMPORARY SUSPENSION PURSUANT
	:	TO RULES 102(e)(3)(i)(A) AND (B) OF
Respondent.	:	THE COMMISSION'S RULES OF
	:	PRACTICE
	:	

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 Ralph Casey (“Respondent” or “Casey”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

¹ Rule 102(e)(3)(i), 17 C.F.R. 201.102(e)(3)(i), provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order temporarily suspend from appearing or practicing before it any attorney . . . who has been by name:

- (A) [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; or
- (B) [f]ound by any court of competent jurisdiction in an action brought by the Commission to which he or she is a party . . . to have violated (unless the violation was found not to have been willful) or aided and abetted the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

II.

The Commission finds that:

1. Michael R. Casey, age 68, is an attorney who was previously licensed to practice law in the State of Florida. He is currently suspended from practicing law in Florida and has inactive bar licenses from North Carolina and Colorado.
2. On September 5, 2012, the Commission filed a civil action seeking permanent injunctive relief against Casey and others alleging that Casey violated 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), and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. §78j(b), and Rule 10b-5 thereunder 17 C.F.R. §240.10b-5. *Securities and Exchange Commission v. Howard, et. al.*, Case No. 12-cv-61731-WJZ (S.D. Fla.).
3. The Commission’s Complaint (“Complaint”) alleged that between January 2010 and March 2011, Commodities Online, LLC (“COL”) sold participation units in unregistered private placement offerings, each supposedly tied to a commodities transaction in which COL had already secured a buyer and a seller of the commodity. COL claimed these participation units would generate predetermined profits for investors. In fact, COL performed only a limited percentage of the commodities transactions it promised investors and operated at a loss. The President of COL misappropriated investor funds held by COL and transferred them to an entity he controlled.
4. The Commission’s Complaint alleged that Casey, as outside counsel and later as president of COL, substantially participated in COL’s fraudulent solicitation of investors for its securities offerings. Casey personally made misrepresentations to investors about the profitability, structure, and existence of the purported commodities contracts. Casey falsely alleged that participation units in COL purported commodities contracts were pre-sold, when they were not. He also made misrepresentations and omissions to investors regarding COL’s president’s misappropriation of COL investor funds. After COL’s former president was arrested on fraud charges unrelated to the COL scheme, Casey made material misrepresentations to investors regarding the former president’s role at COL, leading them to believe that he was no longer running COL.
5. The Department of Justice filed charges against Casey and others based on the same misconduct alleged in the Commission’s complaint. *United States v. Howard, et al.*, Case No. 12-cr-20630-JAL, (S.D. Fla.). On April 29, 2014, Casey failed to appear at a status hearing in his criminal case and was determined to be a fugitive. The criminal case was concluded due to his fugitive status.
6. On February 29, 2016, the Commission filed a motion for entry of a default judgment against Casey given his status as a fugitive. *Securities and Exchange Commission v.*

Howard, et. al., Case No. 12-cv-61731-WJZ, U. S. District Court, Southern District of Florida. On May 31, 2016, the court, noting that Casey had fled the jurisdiction, entered a Default Final Judgment against Casey, finding that he admitted the allegations in the Complaint. The judgment permanently enjoined Casey from committing future violations of the aforementioned provisions and ordered Casey to pay disgorgement, prejudgment interest thereon, and a civil penalty.

III.

Based upon the foregoing, the Commission finds that a court of competent jurisdiction has permanently enjoined Casey from violating the Federal securities laws within the meaning of Rule 102(e)(3)(i)(A) of the Commission's Rules of Practice. The Commission also finds that a court of competent jurisdiction has found that Casey violated provisions of the Federal securities laws within the meaning of Rule 102(e)(3)(i)(B) of the Commission's Rules of Practice. In view of these findings, the Commission deems it appropriate and in the public interest that Casey be temporarily suspended from appearing or practicing before the Commission.

IT IS HEREBY ORDERED that Casey be, and hereby is, temporarily suspended from appearing or practicing before the Commission as an attorney. This Order will be effective upon service on the Respondent.

IT IS FURTHER ORDERED that Casey may, within thirty days after service of this Order, file a petition with the Commission to lift the temporary suspension. If the Commission receives no petition within thirty days after service of the Order, the suspension will become permanent pursuant to Rule 102(e)(3)(ii).

If a petition is received within thirty days after service of this Order, the Commission will, within thirty (30) days after the filing of the petition, either lift the temporary suspension, or set the matter down for hearing at a time and place to be designated by the Commission, or both. If a hearing is ordered, following the hearing, the Commission may lift the suspension, censure the petitioner, or disqualify the petitioner from appearing or practicing before the Commission for a period of time, or permanently, pursuant to Rule 102(e)(3)(iii).

This Order shall be served upon Casey by certified mail at his last known address.

By the Commission.

Brent J. Fields
Secretary