

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

**SECURITIES EXCHANGE ACT OF 1934**  
Release No. 82554 / January 19, 2018

**ACCOUNTING AND AUDITING ENFORCEMENT**  
Release No. 3917 / January 19, 2018

**ADMINISTRATIVE PROCEEDING**  
File No. 3-18344

**In the Matter of**

**JUSTIN SAMUEL CARY, CPA,**

**Respondent.**

**ORDER INSTITUTING PUBLIC  
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 Justin Samuel Cary (“Respondent” or “Cary”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.<sup>1</sup>

**II.**

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<sup>1</sup> 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 . . . 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.

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. Cary, age 35, is and has been a certified public accountant licensed to practice in the State of California since April 2009. In his accounting career, Cary has worked in several positions as an outside auditor and as an in-house accountant. From September 2013 until fall 2017, Cary had been a consultant for NOW CFO, LLC (“NOW CFO”), an accounting outsourcing firm. In addition, from July 2015 until fall 2017, Cary has been the chief financial officer, chief operating officer, and a member of the board of directors for Praxsyn Corp., whose common stock is publicly-traded and registered with the Commission.

2. On January 5, 2018, a final judgment was entered against Cary, permanently enjoining him from future violations of Sections 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Justin Samuel Cary, Civil Action Number 8:17-cv-01649-DOC-JCG, in the United States District Court for the Central District of California. Cary was also ordered to pay \$8,140.25 in disgorgement of ill-gotten gains from his sales of stock while participating in the fraud, and \$514.78 in prejudgment interest, and an \$8,140.25 civil money penalty.

3. The Commission’s complaint alleged, among other things, that Cary engaged in insider trading in the stock of Adaptive Medias, Inc. (“Adaptive Medias”), in advance of the company’s February 1, 2016 announcement of an offer from a rival advertising technology firm to acquire it in a cash-for-stock transaction at a steep premium to Adaptive Medias’ prevailing market price. The complaint also alleged that in 2016, Cary was working at Adaptive Medias as a consultant responsible for the company’s accounting. The complaint further alleged that on January 28, 2016, Cary received an internal email from Adaptive Medias’ controller about a soon-to-be-issued press release announcing that the company had received an acquisition offer at a price nearly ten times its current trading price. According to the Commission’s complaint, just six minutes later, Cary logged on to his personal online brokerage account and bought shares of Adaptive Medias on the basis of that material non-public information. The complaint alleged that after Adaptive Medias issued its press release announcing the acquisition offer, the company’s share price increased 428%. Last, the complaint alleged that Cary quickly sold his stock and netted a profit of \$8,140.25 on his original \$2,880.00 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 Doe's Offer.

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

A. Justin Samuel Cary is suspended from appearing or practicing before the Commission as an accountant.

B. After five years from the date of this order, Justin Samuel Cary may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission (other than as a member of an audit committee, as that term is defined in Section 3(a)(58) of the Securities Exchange Act of 1934). Such an application must satisfy the Commission that Cary's work in his practice before the Commission as an accountant will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he practices before the Commission in this capacity; and/or

2. a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission as a member of an audit committee, as that term is defined in Section 3(a)(58) of the Securities Act of 1934. Such an application will be considered on a facts and circumstances basis with respect to such membership, and the applicant's burden of demonstrating good cause for reinstatement will be particularly high given the role of the audit committee in financial and accounting matters; and/or

3. an independent accountant.

Such an application must satisfy the Commission that:

(a) Justin Samuel Cary, or the public accounting firm with which he is associated, is registered with the Public Company Accounting Oversight Board ("Board") in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

(b) Justin Samuel Cary, or the registered public accounting firm with which he is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in Cary's or the firm's quality control system that would indicate that the respondent will not receive appropriate supervision;

(c) Justin Samuel Cary has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

(d) Justin Samuel Cary acknowledges his/her responsibility, as long as he appears or practices before the Commission as an independent accountant, to comply with all requirements of the Commission and the Board, including, but not limited to, all requirements relating to registration, inspections, concurring partner reviews and quality control standards.

C. The Commission will consider an application by Justin Samuel Cary to resume appearing or practicing before the Commission provided that his state CPA license is current and he has resolved all other disciplinary issues with the applicable state boards of accountancy. However, if state licensure is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission's review may include consideration of, in addition to the matters referenced above, any other matters relating to Justin Samuel Cary's character, integrity, professional conduct, or qualifications to appear or practice before the Commission as an accountant. Whether an application demonstrates good cause will be considered on a facts and circumstances basis with due regard for protecting the integrity of the Commission's processes.

By the Commission.

Brent J. Fields  
Secretary