

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 87764 / December 16, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19618

In the Matter of

Michael J. Woodford, Esq.,
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 Michael J. Woodford (“Woodford” or “Respondent”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

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

¹Rule 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 . . . 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.

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. Woodford, age 65, lives in Longmont, Colorado and is licensed to practice law in Colorado. He practiced divorce law full-time until 2004, when he was diagnosed with a serious illness.

2. On June 26, 2019, the Commission filed an Amended Complaint adding Woodford as a defendant in a civil action entitled *SEC v. Diane D. Dalmy* (Case No. 19-cv-745-REB-NYW in the United States District Court for the District of Colorado). On December 6, 2019, a final judgment was entered by consent against Woodford that included: (1) a permanent injunction against violating Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder; (2) a penny stock bar; and (3) an order to pay disgorgement of \$26,700 and prejudgment interest of \$3,062 for a total of \$29,762 but waiving payment of disgorgement and prejudgment interest and not imposing a civil penalty, based on the sworn representations in his Statement of Financial Condition and on other documents and information submitted to the Commission.

3. The Commission's Amended Complaint alleged that Woodford was an attorney who participated in a fraudulent scheme that involved evading restrictions and limitations on another attorney's ability to issue legal opinion letters concerning several microcap issuers and to make public filings with the Commission on her clients' behalf. The other attorney was Diane D. Dalmy. On September 25, 2009, OTC Markets Group Inc. ("OTC Markets") placed Dalmy on its list of prohibited attorneys. Soon after, Dalmy met Woodford, a former divorce lawyer with no prior securities law experience and no real knowledge of the securities laws. Dalmy recruited Woodford to act as her mouthpiece. The Amended Complaint alleged that Woodford was aware of the OTC Markets prohibition against Dalmy, and that he put his signature on dozens of opinion letters drafted by Dalmy, most of which expressed the opinion that certain securities issued by microcap companies could be freely traded. The Amended Complaint alleged that Woodford did not review the documents mentioned in the letters, did not conduct his own legal analysis, and did not perform his own due diligence related to the securities at issue. On December 22, 2015, in an unrelated administrative proceeding, the Commission temporarily suspended Dalmy from appearing or practicing before it as an attorney, pursuant to Rule 102(e)(3) of the Commission's Rules of Practice. On September 29, 2016, the suspension of Dalmy became permanent. The Amended Complaint alleged that Woodford was aware of the Commission's suspension of Dalmy, and that after September 29, 2016, he helped her to make several public filings with the Commission on behalf of her microcap clients.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Rule 102(e)(3) of the Commission's Rules of Practice, effective immediately, that:

A. Woodford is suspended from appearing or practicing before the Commission as an attorney.

By the Commission.

Vanessa A. Countryman
Secretary