

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-21462

<p>In the Matter of</p> <p>Sunridge International, Inc.,</p> <p>Respondent.</p>

DIVISION OF ENFORCEMENT'S MEMORANDUM
CONCERNING THE REGISTRATION OF SUNRIDGE INTERNATIONAL, INC.

Pursuant to the October 24, 2023 Order issued by the Securities and Exchange Commission (the "Commission"), the Division of Enforcement (the "Division") files this memorandum addressing whether Respondent Sunridge International, Inc. ("Sunridge") has a class of securities registered under Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act").

I. Introduction

When registering its securities, Sunridge mistakenly indicated that the registration was being made under Section 12(b) of the Exchange Act, which was inapplicable, rather than Section 12(g), the correct section. When an issuer cites the wrong Exchange Act section on an Exchange Act registration statement, the Division of Corporation Finance ("Corp. Fin.") deems the securities registered under the correct section. Here, that means that Sunridge's securities were registered under Exchange Act Section 12(g) of the Exchange Act. As the Commission pointed out in its Order, on November 5, 2013, Sunridge filed a Form 25 to voluntarily withdraw its securities from Section 12(b)

registration and from listing on an exchange. Because Form 25 is only applicable to securities registered under Section 12(b), the filing had no effect on Sunridge's Section 12(g) registered securities. Therefore, Sunridge continues to have a class of securities registered under Section 12(g) of the Exchange Act.

II. Background

Sunridge¹ filed a Form 8-A12B to register its securities under the Exchange Act.² The Form 8-A is a short-form registration statement that is used to register securities under either Sections 12(b) or 12(g) of the Exchange Act.³ Section 12(b) applies to securities listed on a national securities exchange, while Section 12(g) applies to securities not so listed. 15 U.S.C. §781(b) and (d).

On the registration form, under the heading, "Name of each exchange on which each class is to be Registered," Sunridge wrote, "Over-The-Counter Bulletin Board."⁴ The Over-the-Counter Bulletin Board, also known as "OTCBB," was not a national securities exchange. It was an electronic inter-dealer quotation system that displayed quotes, last-sale prices and volume information for OTC equities not listed on a national

¹ Sunridge was known as Tari, Inc. when it filed the Form 8-A12B but then changed its name to Sunridge International, Inc. in July 2009. *See* Sunridge Oct. 5, 2009 8-K at Item 5.03, available at [https://www.sec.gov/edgar/search/#/dateRange=all&ciks=0001140382&entityName=SUNRIDGE%2520INTERNATIONAL%2520C%2520INC.%2520\(CIK%25200001140382\)](https://www.sec.gov/edgar/search/#/dateRange=all&ciks=0001140382&entityName=SUNRIDGE%2520INTERNATIONAL%2520C%2520INC.%2520(CIK%25200001140382)). The Commission may take judicial notice of EDGAR filings under Rule of Practice 323, 17 C.F.R. § 201.323.

² *See* Form 8-A12B filed on April 16, 2003.

³ *See* General Instructions for Form 8-A, available at <https://www.sec.gov/files/form8-a.pdf>.

⁴ *See* Form 8-A12B filed on April 16, 2003.

exchange.⁵ Sunridge then mistakenly indicated that it was registering securities under Section 12(b),⁶ which was inapplicable.

In its other filings, Sunridge recognized that its securities were registered under Section 12(g). For example, on the face page of its Form 10-K, filed the same day as its Form 8-A12B, Sunridge stated that its common stock was registered under 12(g) and that none of its securities were registered under 12(b).⁷

Because registration under 12(b) was inapplicable, Corp. Fin. treated Sunridge's Form 8-A12B as registering its securities under Section 12(g). Since Sunridge was registered under the Exchange Act, it had an obligation to file the periodic reports required by Section 13 of the Exchange Act, and Rules 13a-1 and 13a-13, thereunder. Corp. Fin. reminded Sunridge of that obligation by sending a delinquency letter to the issuer.⁸

On November 5, 2013, Sunridge submitted a Form 25, which may be used to strike the listing of securities on a national exchange and permits a 12(b) issuer to withdraw the registration of securities registered solely under Section 12(b), but not 12(g). Unsolicited quotations for the common stock of Sunridge are currently quoted under the ticker symbol "SNDZ" on OTC Link.⁹

⁵ The Commission has defined the OTCBB at <https://www.sec.gov/divisions/marketreg/mrotc>, modified May 9, 2013 ("The OTC Bulletin Board (OTCBB) is an electronic inter-dealer quotation system that displays quotes, last-sale prices, and volume information for many OTC equity securities that are not listed on a national securities exchange.").

⁶ See Form 8-A12B filed on April 16, 2003.

⁷ See Form 10-K filed on April 16, 2003.

⁸ See Ex. 1 (Sunridge delinquency letter dated April 29, 2019) ("It appears that the Registrant is not in compliance with its reporting requirements under Section 13(a) of the Securities Exchange Act of 1934.")

⁹ See Ex. 2 (printout of OTC Markets listing)

III. Legal Discussion

Sunridge’s Form 8-A12B cited the OTCBB as the platform on which its securities would be quoted. Because OTCBB, which ceased operating on November 8, 2021,¹⁰ was not a national securities exchange,¹¹ Sunridge’s Form 8-A12B did not register its securities under Section 12(b). Indeed, Sunridge’s Edgar filing history shows that the Commission has never received any certification that Sunridge’s securities are listed on any national securities exchange, which is required for Section 12(b) registration.

When a registrant improperly selects Section 12(b) rather than Section 12(g) on a registration statement, Corp. Fin. will treat the registration as being made under Section 12(g). Where the registrant becomes delinquent and revocation is required for the protection of investors, the Commission will revoke the registration. For example, in *Spence-Lingo & Co., Ltd.*, the Commission dealt with a revocation proceeding against a delinquent issuer that had mistakenly cited Section 12(b) rather than 12(g) on its Exchange Act registration statement. The Commission first noted that Corp. Fin. had informed the issuer that the registration “would be considered as having been filed under Section 12(g)[.]” *See* Exch. Rel. No. 63233, 2010 WL 4356439 at *2 (Nov. 3, 2010). After finding that the issuer had failed to file required reports and considering the

¹⁰ *See* FINRA Regulatory Notice 21-38 (stating that FINRA would cease operation of OTCBB effective November 8, 2021), available at <https://www.finra.org/sites/default/files/2021-10/Regulatory-Notice-21-38.pdf>.

¹¹ *SEC v. Boock*, No. 09 Civ. 8261 DLC, 2011 WL 3792819, at *18 (S.D.N.Y. Aug. 25, 2011) (quoting *Pension Committee of University of Montreal Pension Plan v. Banc of America*, 568 F.3d 374, 377 (2d Cir. 2009) (contrasting listing on a national exchange with being listed on the “Over-the-Counter Bulletin Board and/or pink sheets”)). *See also* *Agora v. Axxess*, 90 F. Supp. 2d 697, 700 n.2 (D. Md. 2000) (“The OCTBB lists small startup companies that have not been listed on any national exchange.”).

protection of investors, the Commission revoked the registration of the issuer's securities.
Id.

Similarly, in *In re Adama Technologies Corp., et al.*, the Division of Enforcement instituted a revocation proceeding against an issuer, GeoBio Energy, Inc. that, like Sunridge, indicated on its 8-A12B registration statement that its securities were being registered under Section 12(b) and that its securities would be quoted on OTCBB.¹² In the Order Instituting Proceedings, the Division alleged that GeoBio Energy's Inc.'s securities were registered under Section 12(g). *See* Exch. Rel. No. 90581, 2020 WL 7264646, *2 (December 7, 2020). As in *Spence-Lingo*, upon finding that GeoBio Energy was delinquent in its reporting obligations, and after considering the protection of investors, the Commission revoked the registration of GeoBio Energy Inc.'s securities. *Id.* at *4. *See also In re Golden Rush, Inc., et al.* Release No. 34-89847, 2020 WL 5526431, *2 (Sept. 11, 2020) (where issuer indicated on its registration statement that its securities registration would be under Section 12(b) and would be quoted on the "NASDAQ Bulletin Board," a nonexistent trading platform, the Division of Enforcement alleged in the Order Instituting Proceedings that the issuer's securities were registered under Section 12(g) and the Commission revoked the issuer's registration).¹³

Sunridge's Form 25 did not result in the withdrawal of Sunridge's Section 12(g) registration. The Commission's rules expressly provide that a Form 25 does not affect

¹² *See* GeoBio Energy, Inc. Form 8-A12B, attached as Ex. 3.

¹³ *See* My Health Access Form 8-A12B, attached as Ex. 4. My Healthy Access was previously known as Intrepid Holdings, Inc. and AutoFund Servicing, Inc. *See* July 14, 2004 8-K and April 1, 2008 Form 12b-25 available at [https://www.sec.gov/edgar/search/#/dateRange=all&ciks=0001125856&entityName=My%2520Healthy%2520Access%2520C%2520Inc.%2520\(CIK%25200001125856\).](https://www.sec.gov/edgar/search/#/dateRange=all&ciks=0001125856&entityName=My%2520Healthy%2520Access%2520C%2520Inc.%2520(CIK%25200001125856).)

securities registered under Section 12(g). “The filing of the Form 25 (Sec. 249.25 of this chapter) by an issuer relates solely to the withdrawal of a class of securities from listing on a national securities exchange and/or from registration under section 12(b) of the Act (15 U.S.C. 78l(b)), and shall not affect its obligation to be registered under section 12(g) of the Act and/or reporting obligations under section 15(d) of the Act (15 U.S.C. 78o(d)).” See 17 CFR 240.12d2-2 at Preliminary Note 1.

Because OTCBB is not a national exchange, Sunridge made a mistake when it filed its Form 8-A12B and indicated that the registration was under Section 12(b) rather than Section 12(g). When an issuer incorrectly selects Section 12(b) rather than 12(g) on an Exchange Act registration form, the securities will be treated as registered under Section 12(g). And because a Form 25 has no effect on securities registered under Section 12(g), Sunridge still has a class of registered securities that should be revoked under Exchange Act Section 12(j).

IV. Conclusion

For the reasons set forth above, the Division requests that the Commission revoke the registration of Sunridge’s securities pursuant to Section 12(j).

Dated: November 14, 2023

Respectfully submitted,

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COUNSEL FOR

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the Division of Enforcement's Memorandum Concerning the Registration of Sunridge International, Inc. was served on November 14, 2023, in the manner indicated below:

By eFap:

Office of the Secretary

By Certified Mail:

Sunridge International, Inc.
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Phoenix, AZ 85032

/s/ Gina Joyce
Gina Joyce