

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

In the Matter of

ADVANCED LIFE SCIENCES HOLDINGS, INC.,
ANOTEROS, INC.,
EMPERIAL AMERICAS, INC.,
NORD RESOURCES CORPORATION, and
UNR HOLDINGS, INC.

INITIAL DECISION AS TO
ADVANCED LIFE SCIENCES
HOLDINGS, INC.
October 12, 2016

APPEARANCES: David S. Frye and Kevin P. O'Rourke for the Division of Enforcement,
Securities and Exchange Commission

Michael T. Flavin, Ph.D., for Advanced Life Sciences Holdings, Inc.

BEFORE: James E. Grimes, Administrative Law Judge

Introduction

The Securities and Exchange Commission initiated this proceeding in June 2016, when it issued an order instituting administrative proceedings (OIP) under Section 12(j) of the Securities Exchange Act of 1934. OIP at 1; *see* 15 U.S.C. § 78l(j). The OIP alleges that Advanced Life Sciences Holdings, Inc., has a class of securities registered with the Commission under Exchange Act Section 12(g), 15 U.S.C. § 78l(g).¹ OIP at 1. The OIP further alleges that Advanced Life has not filed a periodic report since it filed a Form 10-K for the period ended December 31, 2010. *Id.* That Form 10-K allegedly reported a net loss of over \$9.3 million for the prior year. *Id.* Based on these factual allegations, the OIP alleges that Advanced Life is delinquent in meeting its periodic reporting obligations and has thus violated Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 thereunder, which require public corporations to file annual and quarterly reports with the Commission. OIP at 2-3; *see* 15 U.S.C. § 78m(a); 17 C.F.R. §§ 240.13a-1, .13a-13.

¹ This proceeding has ended as to the four other Respondents listed in the OIP. *See Advanced Life Scis. Holdings, Inc.*, Initial Decision Release No. 1040, 2016 WL 4088745 (ALJ July 27, 2016).

Procedural History

Advanced Life filed its answer to the OIP in June 2016, and admitted—affirmatively or through omission—the operative factual allegations in the OIP. Answer at 1-2; *see* 17 C.F.R. § 201.220(c) (“Any allegation not denied shall be deemed admitted.”). It specifically admitted that its “last filing with the SEC was [its] 10[-]K . . . for 2010.” Answer at 2. It also claimed that in discussions with Commission staff, it had been “advised to prepare a comprehensive 10[-] K . . . covering . . . 2011 through the present.” *Id.* Advanced Life closed its answer by requesting permission to file its “comprehensive” Form 10-K. *Id.*

I held a telephonic prehearing conference on July 20, 2016. Michael T. Flavin, Ph.D., CEO of Advanced Life, and counsel for the Division of Enforcement attended the conference.² During the conference, I confirmed with Dr. Flavin that Advanced Life had intended to admit the “operative facts” in the OIP. Conference Transcript (Tr.) 6. He asked that Advanced Life be “allow[ed] . . . a little more time to attempt to make a filing that [he] believe[d] would bring things very close to up to date.” Tr. 7. I then granted the parties leave to file motions for summary disposition. Tr. 11-13; *see Advanced Life Scis. Holdings, Inc.*, Admin. Proc. Release No. 4008, 2016 SEC LEXIS 2494 (ALJ July 20, 2016).

After the conference, the Division moved for summary disposition, Advanced Life filed an opposition (Opp.), and the Division filed a reply in further support of its motion. The Division’s motion is supported by six exhibits, including tables listing all EDGAR filings—including all the periodic filings—that Advanced Life submitted (Div. Ex. 4) and all the filings it failed to submit (Div. Ex. 5).³ The Division’s motion is also supported by the declaration of Marva D. Simpson, special counsel in the Office of Enforcement Liaison in the Commission’s Division of Corporation Finance. Advanced Life’s opposition is supported by what purports to be a single, comprehensive Form 10-K for “fiscal years 2011 through 2015.”⁴

Findings of Fact

The findings and conclusions in this initial decision are based on the record and on facts officially noticed under Commission Rule of Practice 323, 17 C.F.R. § 201.323. Because Advanced Life admitted the allegations in the OIP, I have accepted those allegations as fact. *See* 17 C.F.R. § 201.220(c). In making the findings below, I have applied preponderance of the evidence as the standard of proof. *See Rita J. McConville*, Exchange Act Release No. 51950,

² An officer of a corporation is permitted to appear in Commission proceedings on behalf of the corporation. 17 C.F.R. § 201.102(b).

³ I take official notice of Advanced Life’s filing history as reflected in the Commission’s EDGAR database. *See* 17 C.F.R. § 201.323 (permitting the taking of official notice of “any matter in the public official records of the Commission”); *Am. Stellar Energy, Inc.*, Exchange Act Release No. 64897, 2011 WL 2783483, at *6 n.27 (July 18, 2011) (“Rule of Practice 323 . . . permits us to take official notice of information in the EDGAR database.”), *pet. dismissed*, 678 F.3d 557 (7th Cir. 2012).

⁴ Advanced Life did not file a cross-motion for summary disposition.

2005 WL 1560276, at *14 (June 30, 2005) (“[I]t is well settled that the applicable standard . . . is preponderance of the evidence.”), *pet. denied*, 465 F.3d 780 (7th Cir. 2006).

Advanced Life, Central Index Key No. 1322734, is a void Delaware corporation located in Woodbridge, Illinois. OIP at 1; Div. Ex. 1; Opp. at 1. Since 2005, it has had a class of securities registered with the Commission under Exchange Act Section 12(g). OIP at 1; Div. Ex. 4 at 6. The parties agree that from 2005 through 2010, Advanced Life met its reporting obligations. Opp. at 4; Div. Ex. 4. As Advanced Life concedes, it subsequently failed to file twenty-one consecutive periodic reports; it has not filed any periodic report since it filed a Form 10-K for the period ended December 31, 2010. Opp. at 2-3; Div. Ex. 5; OIP at 1. The last report that Advanced Life filed reported:

For the fiscal years ended December 31, 2009 and December 31, 2010, our net losses were \$9.2 million and \$9.3 million, respectively, our total accumulated deficits were \$131.6 million and \$140.9 million, respectively, and our cash flows from operating activities were \$(6.4 million) and \$(11.9 million), respectively.

Form 10-K at 17 (filed Mar. 24, 2011).

By regulation, a registrant that is unable to timely file a quarterly or annual report must file a Form 12b-25 “disclos[ing] its inability to file the report timely and the reasons” for its inability to timely file the report. 17 C.F.R. § 240.12b-25(a). Review of the Commission’s EDGAR database confirms that despite the delinquencies discussed above, Advanced Life never filed a Form 12b-25 regarding the reports it failed to file. *See* Div. Ex. 5.

In a Form 8-K filed in April 2011, Advanced Life announced that Dr. Flavin had loaned it \$63,000. Form 8-K at 2 (filed Apr. 22, 2011). In May, it announced “that it ha[d] suspended operations and terminated its staff due to its severe lack of liquidity.” Form 8-K at 2 (filed May 12, 2011).

In March 2014, the Commission’s Division of Corporation Finance sent Advanced Life a delinquency letter concerning its failure to meet its reporting obligations. Simpson Decl. at 1, Ex. 1. This letter led to a telephone discussion between Simpson and Dr. Flavin during which Dr. Flavin asked that Advanced Life be permitted to file a single comprehensive report. *Id.* at 2. Simpson responded that such an accommodation would not likely be granted by the Office of the Chief Accountant. *Id.* Dr. Flavin then asked whether, because he had already engaged in certain discussions with another Corporation Finance staff member, he might nonetheless seek that accommodation. *Id.* Simpson said she would speak to the other staff member. *Id.*

Simpson declares that she told Dr. Flavin that if Advanced Life wanted to become current and file all of its delinquent reports, it should submit a letter stating its intention and providing a date certain by which it would submit the delinquent reports. Simpson Decl. at 2. Dr. Flavin responded with a letter in which he proposed that Advanced Life would “be completely up-to-date . . . by September 30, 2014.” *Id.*, Ex. 2. at 2. He also informed Simpson that he had

written the Chief Accountant to request permission to file one comprehensive Form 10-K for 2011 through 2012. *Id.*, Ex. 2 at 2-3. According to Simpson, this request was not granted. *Id.* at 2. Advanced Life failed to meet its self-imposed September 30, 2014 deadline. Opp. at 5.

After the Commission instituted this proceeding, Dr. Flavin sent Corporation Finance another letter asking that Advanced Life be permitted to file a single, comprehensive Form 10-K. Div. Ex. 6 at 2. Attached to the letter was a purported Form 10-K for 2011 through 2015. This same comprehensive Form 10-K is attached to Advanced Life's opposition to the Division's motion for summary disposition. *See* Opp. at 5-6, Ex. 1. Advanced Life concedes that its proposed comprehensive Form 10-K is not properly formatted. Opp. at 7. Review of the Commission's EDGAR database reveals that since this proceeding was initiated, Advanced Life failed to file a Form 10-Q due on August 15, 2016. *See* Reply at 1 n.1. Advanced Life has thus failed to file twenty-two consecutive periodic reports.

Conclusions of law

Rule of Practice 250 governs motions for summary disposition. *See* 17 C.F.R. § 201.250. Under the version of Rule 250 applicable to this proceeding, an administrative law judge "may grant [a] motion for summary disposition if there is no genuine issue with regard to any material fact and the party making the motion is entitled to a summary disposition as a matter of law." 17 C.F.R. § 201.250(b). "[S]ummary disposition is appropriate in proceedings . . . brought" under "Exchange Act Section 12(j), where the issuer has not disputed the facts that constitute the violation." *Citizens Capital Corp.*, Exchange Act Release No. 67313, 2012 WL 2499350, at *8 (June 29, 2012). Advanced Life concedes the operative fact of its failure to timely file any periodic report since it filed its Form 10-K for the period ended December 31, 2010. Answer at 2; Opp. at 3. Summary disposition is thus appropriate.

Regarding the merits, the issuer of a security registered with the Commission under Section 12 of the Exchange Act must file annual and quarterly reports with the Commission. 15 U.S.C. § 78m(a); 17 C.F.R. §§ 240.13a-1, .13a-13(a). This requirement serves to "protect[] . . . investors and . . . insure fair dealing' in the company's securities." *China-Biotics, Inc.*, Exchange Act Release No. 70800, 2013 WL 5883342, at *10 (Nov. 4, 2013) (quoting 15 U.S.C. § 78m(a)). Scienter is not required to establish violations of Exchange Act Section 13(a) and Rules 13a-1 and 13a-13. *Id.* at *10 n.60.

As a result of the undisputed fact that Advanced Life is the issuer of a security registered with the Commission under Section 12 of the Exchange Act, it was required to file annual and quarterly reports with the Commission. 15 U.S.C. § 78m(a); 17 C.F.R. §§ 240.13a-1, .13a-13(a). There is also no dispute that Advanced Life failed to file a number of required periodic reports over a period of years. As a result, it failed to comply with Section 13(a) of the Exchange Act and Rules 13a-1 and 13a-13 thereunder.

Sanctions

The Commission may, “as it deems necessary or appropriate for the protection of investors,” revoke or suspend for up to twelve months the registration of a security if it finds that the issuer of the “security has failed to comply with *any* provision of” the Exchange Act or rules thereunder. 15 U.S.C. § 78l(j) (emphasis added); *Accredited Bus.*, 2015 WL 5172970, at *2. The periodic filing requirements are contained in a provision of the Exchange Act and rules thereunder. *See* 15 U.S.C. § 78m(a); 17 C.F.R. §§ 240.13a-1, .13a-13(a). As a result, the failure to comply with the periodic filing requirements subjects the registration of the issuer’s securities to suspension or revocation.

In determining the appropriate sanction in proceedings under Exchange Act Section 12(j) involving violations of Exchange Act Section 13(a) and Rules 13a-1 and 13a-13, the Commission considers a number of factors, including “the seriousness of the issuer’s violations, the isolated or recurrent nature of the violations, the degree of culpability involved, the extent of the issuer’s efforts to remedy its past violations and ensure future compliance, and the credibility of its assurances, if any, against further violations.” *Gateway Int’l Holdings, Inc.*, Exchange Act Release No. 53907, 2006 WL 1506286, at *19-20 (May 31, 2006). This list of factors “is non-exclusive and no single factor is dispositive.” *China-Biotics, Inc.*, 2013 WL 5883342, at *12.

A. Consideration of the Gateway factors supports revocation

1. Advanced Life’s failures are serious. *See Accredited Bus.*, 2015 WL 5172970, at *2 (holding that failing to file “any periodic reports for over two years” constituted serious violations). The requirement that issuers file periodic reports is “a central provision of the Exchange Act.” *Id.* The periodic reporting requirements exist “to supply the investing public with current, accurate financial information about an issuer so that investors may make informed decisions.” *Am. Stellar Energy, Inc.*, 2011 WL 2783483, at *5. Indeed, periodic reports are among “the primary sources of information available to guide the decisions of the investing public.” *United States v. Arthur Young & Co.*, 465 U.S. 805, 810 (1984); *see Absolute Potential, Inc.*, Exchange Act Release No. 71866, 2014 WL 1338256, at *8 (Apr. 4, 2014) (stating that the reporting “requirements are ‘the primary tool[s] which Congress has fashioned for the protection of investors from negligent, careless, and deliberate misrepresentations in the sale of stock and securities’”) (citation omitted). When an issuer fails to meet its reporting obligations, it deprives current and potential investors “of the ability to make informed investment decisions based on current and reliable information” about the issuer. *Accredited Bus.*, 2015 WL 5172970, at *2. An issuer’s “recurrent failure” to meet its reporting obligations is thus “so serious that only a strongly compelling showing with respect to the other [*Gateway*] factors . . . would justify a lesser sanction than revocation.” *Impax Labs., Inc.*, Exchange Act Release No. 57864, 2008 WL 2167956, at *8 (May 23, 2008).

Advanced Life has not filed a required periodic report in over five years. As noted, it has failed to file twenty-two consecutive reports. This years-long, continuing failure has presented the investing public with an information black hole. That Advanced Life’s radio silence followed a Form 10-K reporting significant financial losses only makes its on-going failures

worse. See Form 10-K (filed Mar. 24, 2011) at 17. By failing to comply with its reporting obligations, Advanced Life has prevented investors from obtaining “accurate financial information” that would have allowed them to “make informed decisions.” *Am. Stellar Energy, Inc.*, 2011 WL 2783483, at *5. Investors have been left for an extended period to guess as to Advanced Life’s financial status. Given the foregoing, Advanced Life’s violations are serious. Cf. *Absolute Potential, Inc.*, 2014 WL 1338256, at *4 (finding “serious” violations where issuer failed to timely file periodic reports for several years, despite issuer’s filing of past-due reports); *China-Biotics, Inc.*, 2013 WL 5883342, at *10 (finding a respondent’s “violations were serious, recurrent, and demonstrate a high degree of culpability,” where it failed to “file a single periodic report for more than a year and a half”); *Impax Labs., Inc.*, 2008 WL 2167956, at *7-8 (holding that the failure to file eight reports was serious).

2. Advanced Life’s delinquencies were recurrent and were not isolated. See *Impax Labs., Inc.*, 2008 WL 2167956, at *7 & n.25. From 2011 to the present, Advanced Life has not filed any of the twenty-two quarterly and annual reports it was required to file.

3. Advanced Life’s failure to file its reports reflects a “high degree of culpability.” *Absolute Potential, Inc.*, 2014 WL 1338256, at *4. Having filed periodic reports from 2005 through March 2011, Advanced Life knew that it was required to file periodic reports. It nonetheless failed to do so. It also failed to comply with the mandatory requirement to file a Form 12b-25 when a registrant is unable to file a Form 10-Q or 10-K.⁵ See 17 C.F.R. § 240.12b-25(a). Despite this mandatory requirement, Advanced Life did not file any Forms 12b-25 seeking extensions and “disclos[ing] . . . its inability to” timely file the numerous periodic reports it failed to timely file. These failures reflect Advanced Life’s lack of concern for the investing public. See *Accredited Bus.*, 2015 WL 5172970, at *3 n.17 (considering an issuer’s failure to file Forms 12b-25 in assessing appropriate sanction). They also reveal its culpability. See *Absolute Potential, Inc.*, 2014 WL 1338256, at *4 (noting an issuer’s failures over a period of years to file periodic reports or Forms 12b-25); *Calais Res. Inc.*, Exchange Act Release No. 67312, 2012 WL 2499349, at *4 (June 29, 2012) (“Such a ‘long history of ignoring . . . reporting obligations’ under the Exchange Act evidences a ‘high degree of culpability.’” (citation omitted)).

4. Advanced Life has not taken effective steps to remedy its past violations. When the Commission instituted this proceeding, Advanced Life had twenty-one outstanding reports. As the date of this initial decision, those twenty-one reports, plus a twenty-second report, remain outstanding.

Two years ago, Advanced Life sought permission to file a single, comprehensive Form 10-K but was not granted permission to do so. With its opposition, it submits a proposed comprehensive Form 10-K. There are several problems with Advanced Life’s approach. First,

⁵ “[I]n assessing [an] appropriate sanction,” I “may consider . . . matters . . . outside” the facts alleged in the OIP, including the failure to file Forms 12b-25. See *Accredited Bus. Consolidators Corp.*, Exchange Act Release No. 75840, 2015 WL 5172970, at *3 n.17 (Sept. 4, 2015) (quoting *Nature’s Sunshine Prods., Inc.*, Exchange Act Release No. 59268, 2009 WL 137145, at *6 n.27 (Jan. 21, 2009)).

the Commission’s rules “do not contemplate the consolidation of annual reports into a single, comprehensive, Form 10-K filing covering multiple reporting periods.” *Calais Res. Inc.*, 2012 WL 2499349, at *6. Issuers have an “obligation under Rule 13a-1 to file a *separate* annual report for [each] fiscal year.” *Am. Stellar Energy, Inc.*, 2011 WL 2783483, at *5 (emphasis added). Second, Advanced Life’s approach reflects a continuing lack of concern for the needs of the investing public. “If issuers were permitted, at their discretion, to consolidate multiple years of annual reports into a single filing, the investing public would not be assured of the timely disclosure.” *Calais Res. Inc.*, 2012 WL 2499349, at *5. Third, Simpson explains that Advanced Life tried and failed to obtain permission of the Chief Accountant to file a comprehensive Form 10-K. Advanced Life does not deny this assertion. Its decision, therefore, to attempt to file a comprehensive Form 10-K anyway is troubling. *See id.* at *6. Finally, even if filing a comprehensive Form 10-K, covering multiple years, were acceptable, Advanced Life admits that its proposed comprehensive Form 10-K is not even properly formatted for filing. *Opp.* at 7. That Advanced Life is even now unable to successfully submit compliant reports does not bode well for its future efforts to comply with its reporting obligations.

5. Although Advanced Life has suggested that it will mend its ways, *see Opp.* at 6, it is difficult to credit its lukewarm assurances.⁶ After failing to meet its self-imposed 2014 deadline, there is no evidence that Advanced Life took any steps to address its delinquencies until July 2016, nearly two years later, when it sent its comprehensive Form 10-K to Corporation Finance. But even this half-hearted attempt only occurred after the Commission got Advanced Life’s attention by instituting this proceeding. And, the facts noted in the preceding paragraph, in combination with Advanced Life’s apparently perilous financial situation, do not give me confidence that it can or will mend its ways. *Cf. Alra Labs., Inc. v. DEA*, 54 F.3d 450, 452 (7th Cir. 1995) (“An agency rationally may conclude that past performance is the best predictor of future performance.”).

B. Advanced Life’s arguments in its defense are not convincing

In its opposition to the Division’s motion, Advanced Life says that it has “been developing [its] antibiotic . . . for the treatment of a variety of dangerous infections.” *Opp.* at 1; *see id.* at 5 (professing the belief that the drug will “be of great benefit to the world”). It avers that its stock price fell in 2009 after it was required to “redo clinical trials.” *Id.* at 2. Liquidity

⁶ Advanced Life says:

It would have been easy to give up on our efforts to move [Advanced Life] forward in 2011 and just file for bankruptcy protection. Instead, our team pushed ahead, investing our own time and personal funds over several years to keep the Company alive and work to assemble the comprehensive 10-K filing. In going through this process, we have put in place legal and accounting processes that we can continue to utilize to maintain our ability to make required SEC filings. The foundation is in place for the Company to continue to be rebuilt and to reach full compliance with SEC regulations.

Opp. at 6.

problems allegedly followed and it was forced to fire all its employees in 2011, soon after filing its last Form 10-K. *Id.* This meant that it lacked the “manpower with which to make SEC filings.” *Id.* at 3.

According to its opposition, Advanced Life reached a funding agreement in 2013, and began “working to assemble a filing to the” Commission. *Opp.* at 3. It says its “management team invested their own personal funds” in order pay the “legal and accounting professionals” who worked to prepare its filings. *Id.* at 4.

I have no way to judge the validity of these assertions, because they are unaccompanied by supporting evidence, such as a declaration. *See Keith L. Mohn*, Exchange Act Release No. 42144, at *4 n.16 (Nov. 16, 1999) (“Argument of counsel is not evidence.”); *see Jupiter v. Ashcroft*, 396 F.3d 487, 491 (1st Cir. 2005) (“factual assertions in pleadings or legal memoranda are not evidence and do not establish material facts”). Moreover, they do not present a basis to avoid revocation.

Even assuming producing a potentially beneficial drug could be a basis to avoid revocation—and Advanced Life provides no authority to support this implicit argument—there is no way to know, without more, whether the drug Advanced Life is trying to develop will “be of great benefit to the world.” Indeed, Advanced Life’s proposed comprehensive Form 10-K suggests that there are a host of competing products. *Resp. Ex. 1* (Proposed Form 10-K) at 16.

Additionally, the fact Advanced Life lacked the financial resources necessary to comply with its filing obligations is not mitigating. The obligation to timely file quarterly and annual reports is part of the price an issuer must pay in order to remain registered; it is not an optional exercise for registered entities. *See America’s Sports Voice*, Exchange Act Release No. 55511, 2007 WL 858747, at *3-4 & n.16 (Mar. 22, 2007). And Advanced Life’s financial inability to comply with its filing requirements is the sort of information to which current and potential investors were entitled. *See Tara Gold Res. Corp. v. SEC*, 678 F.3d 557, 558 (7th Cir. 2012) (stating that a firm’s “[in]ability to pay an auditor to certify . . . financial statements” is “something investors surely would want to know”).

Advanced Life disputes the Division’s argument that it has not made assurances against future violations, noting that it or its principals declined to seek bankruptcy protection and instead “pushed ahead, investing our own time and personal funds.” *Opp.* at 6; *see Div. Br.* at 12-13. The fact, however, that Advanced Life’s principals choose to “push ahead” does not mean they will be able to continue to fund Advanced Life’s compliance efforts—assuming it is ever able to become compliant. Again, given the fact that it has yet to bring itself into compliance—three years after it began “working to assemble a filing to the” Commission, *Opp.* at 3—I do not have confidence that it is actually capable of becoming and remaining compliant. Put another way, if Advanced Life cannot even bring itself into full compliance during the pendency of this matter, there is no basis to believe it will do so in the future. Furthermore, allowing Advanced Life to ignore its reporting obligations for a period of years on the basis of an admittedly non-compliant, comprehensive Form 10-K would reward it for its half-hearted

last-minute effort and provide a perverse incentive to other issuers.⁷ See *Cobalis Corp.*, Exchange Act Release No. 64813, 2011 WL 2644158, at *6 n.32 (July 6, 2011).

For the reasons described above, I find that Advanced Life has not made a “strongly compelling showing . . . [that] would justify a lesser sanction than revocation.” *Impax Labs.*, 2008 WL 2167956, at *8. I therefore find it necessary and appropriate for the protection of investors to revoke the registration of each class of registered securities of Advanced Life.

Order

The Division’s motion for summary disposition is GRANTED and, under Section 12(j) of the Securities Exchange Act of 1934, the registration of each class of registered securities of Advanced Life Sciences Holdings, Inc., is hereby REVOKED.

This initial decision shall become effective in accordance with and subject to the provisions of Rule 360, 17 C.F.R. § 201.360. Under that Rule, a party may file a petition for review of this initial decision within twenty-one days after service of the initial decision. A party may also file a motion to correct a manifest error of fact within ten days of the initial decision, pursuant to Rule 111, 17 C.F.R. § 201.111. If a motion to correct a manifest error of fact is filed by a party, then a party shall have twenty-one days to file a petition for review from the date of the undersigned’s order resolving such motion to correct a manifest error of fact.

This initial decision will not become final until the Commission enters an order of finality. The Commission will enter an order of finality unless a party files a petition for review or a motion to correct a manifest error of fact or the Commission determines on its own initiative to review the initial decision as to a party. If any of these events occur, the initial decision shall not become final as to that party.

James E. Grimes
Administrative Law Judge

⁷ Advanced Life’s effort is half-hearted because it has not even made the effort to file any of its outstanding reports. Cf. *Absolute Potential, Inc.*, 2014 WL 1338256, at *2-3 (involving an issuer that, after the Commission instituted proceedings against it, filed all of its outstanding reports and then corrected errors identified in those report). While the effort to file all outstanding reports may not be sufficient to avoid revocation, see *id.* at *5-6, it is surely an effort that is necessary in order to avoid that result.