

INITIAL DECISION RELEASE NO. 1109
ADMINISTRATIVE PROCEEDING
File No. 3-17743

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

In the Matter of

AFN, INC.,
ALLEN ENERGY COMPANY,
AMERICAN CASCADE ENERGY, INC., and
MILLENIUM HOPE, INC. (n/k/a
CLUBS CHOICE HOLDINGS, INC.)

INITIAL DECISION OF DEFAULT
February 14, 2017

APPEARANCE: David S. Frye, for the Division of Enforcement,
Securities and Exchange Commission

BEFORE: Cameron Elliot, Administrative Law Judge

SUMMARY

This initial decision revokes the registrations of the registered securities of Respondents AFN, Inc., Allen Energy Company, American Cascade Energy, Inc., and Millenia Hope, Inc. (n/k/a Clubs Choice Holdings, Inc.), due to their failures to timely file required periodic reports with the Securities and Exchange Commission.

INTRODUCTION

On December 22, 2016, the Commission issued an order instituting proceedings (OIP) pursuant to Section 12(j) of the Securities Exchange Act of 1934. The OIP alleges that Respondents have securities registered with the Commission pursuant to Exchange Act Section 12(g) and are delinquent in their periodic filings. Respondents were served with the OIP by January 14, 2017, and their answers were due by January 27, 2017. *AFN, Inc.*, Admin. Proc. Rulings Release No. 4535, 2017 SEC LEXIS 186 (ALJ Jan. 19, 2017). Following Respondents' failures to timely file answers, I ordered them to show cause by February 10, 2017, why the registrations of their securities should not be revoked by default due to their failures to file answers or otherwise defend this proceeding. *AFN, Inc.*, Admin. Proc. Rulings Release No. 4571, 2017 SEC LEXIS 322 (ALJ Jan. 31, 2017). To date, Respondents have failed to file answers, respond to the show cause order, or otherwise defend this proceeding.

FINDINGS OF FACT

Respondents are in default for failing to file answers or otherwise defend the proceeding. *See OIP at 3; 17 C.F.R. §§ 201.155(a)(2), .220(f).* Accordingly, as authorized by Rule of Practice 155(a), 17 C.F.R. § 201.155(a), I find the following allegations in the OIP to be true.

AFN, Inc., Central Index Key (CIK) No. 810351, is an expired Utah corporation located in Salt Lake City, Utah, with a class of securities registered with the Commission pursuant to Exchange Act Section 12(g). The company is delinquent in its periodic filings with the Commission, having not filed any periodic reports since it filed a Form 10-Q for the period ended December 31, 1992, which reported a net loss of \$3,076,604 for the prior nine months. As of September 14, 2016, the company's common stock was not publicly quoted or traded.

Allen Energy Company, CIK No. 721626, is a void Delaware corporation located in Dallas, Texas, with a class of securities registered with the Commission pursuant to Exchange Act Section 12(g). The company is delinquent in its periodic filings with the Commission, having not filed any periodic reports since it filed a Form 10-Q for the period ended September 30, 1992, which reported a net loss of \$396,268 for the prior nine months. As of September 14, 2016, the company's common stock was not publicly quoted or traded.

American Cascade Energy, Inc., CIK No. 830747, is a forfeited Texas corporation located in Houston, Texas, with a class of securities registered with the Commission pursuant to Exchange Act Section 12(g). The company is delinquent in its periodic filings with the Commission, having not filed any periodic reports since it filed a Form 10-QSB for the period ended September 30, 1996. On September 3, 1997, the company filed a Chapter 7 petition in the U.S. Bankruptcy Court for the Southern District of Texas, which was closed on July 11, 2003. As of September 14, 2016, the common stock of the company was not publicly quoted or traded.

Millenia Hope, Inc. (n/k/a Clubs Choice Holdings, Inc.), CIK No. 1060827, is a void Delaware corporation located in New York, New York, with a class of securities registered with the Commission pursuant to Exchange Act Section 12(g). The company is delinquent in its periodic filings with the Commission, having not filed any periodic reports since it filed a Form 10-12G/A on March 25, 2014. On September 18, 2013, an order was entered pursuant to Exchange Act Section 12(j) revoking the registration of each class of the company's securities registered under Exchange Act Section 12(g) based on its failure to comply with Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 thereunder. *AIMS Worldwide, Inc.*, Exchange Act Release No. 70431, 2013 SEC LEXIS 2752 (ALJ Sept. 18, 2013). Thereafter, the company reregistered its common stock by filing a Form 10-12G on March 25, 2014. As of September 14, 2016, the common stock of the company was not publicly quoted or traded.

In addition to their repeated failures to timely file periodic reports, Respondents failed to heed delinquency letters sent to them by the Commission's Division of Corporation Finance requesting compliance with their periodic filing obligations or, through their failures to maintain valid addresses on file with the Commission as required by Commission rules, did not receive such letters.

CONCLUSIONS OF LAW

Exchange Act Section 13(a) and the rules promulgated thereunder require issuers of securities registered pursuant to Exchange Act Section 12 to file with the Commission current and accurate information in periodic reports. Specifically, Rule 13a-1 requires issuers to file annual reports, and Rule 13a-13 requires domestic issuers to file quarterly reports. *See* 17 C.F.R. §§ 240.13a-1, .13a-13. “Compliance with those requirements is mandatory and may not be subject to conditions from the registrant.” *America’s Sports Voice, Inc.*, Exchange Act Release No. 55511, 2007 SEC LEXIS 1241, at *12 (Mar. 22, 2007), *recons. denied*, Exchange Act Release No. 55867, 2007 SEC LEXIS 1239 (June 6, 2007). Scienter is not required to establish violations of Exchange Act Section 13(a) and Rules 13a-1 and 13a-13. *See SEC v. McNulty*, 137 F.3d 732, 740-41 (2d Cir. 1998); *SEC v. Wills*, 472 F. Supp. 1250, 1268 (D.D.C. 1978). Respondents failed to timely file periodic reports. As a result, Respondents violated Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 thereunder.

SANCTION

Under Exchange Act Section 12(j), the Commission is authorized, “as it deems necessary or appropriate for the protection of investors,” to revoke the registration of a security or suspend its registration for a period not exceeding twelve months if it finds, after notice and an opportunity for hearing, that the issuer of the security has failed to comply with any provision of the Exchange Act or rules thereunder. In determining what sanctions will adequately protect investors, the Commission “consider[s], among other things, 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 SEC LEXIS 1288, at *19-20 (May 31, 2006).

Respondents’ failures to file required periodic reports are serious because they violate a central provision of the Exchange Act. The purpose of periodic reporting is “to supply investors with current and accurate financial information about an issuer so that they may make sound [investment] decisions.” *Id.* at *26. The reporting requirements are the primary tool that Congress fashioned for the protection of investors from negligent, careless, and deliberate misrepresentations in the sale of securities. *SEC v. Beisinger Indus. Corp.*, 552 F.2d 15, 18 (1st Cir. 1977). Respondents’ violations are also recurrent in that they repeatedly failed to file periodic reports. *See Nature’s Sunshine Prods., Inc.*, Exchange Act Release No. 59268, 2009 SEC LEXIS 81, at *20 (Jan. 21, 2009) (respondent failed to file seven required periodic reports due over a two-year period); *Impax Labs., Inc.*, Exchange Act Release No. 57864, 2008 SEC LEXIS 1197, at *25-26 (May 23, 2008) (respondent’s failure to make eight filings over an eighteen-month period considered recurrent). Even if Respondents, through their failure to maintain valid addresses on file with the Commission as required by Commission rules, did not receive delinquency letters sent by the Division of Corporation Finance notifying them of their violations, they are still culpable. *See China-Biotics, Inc.*, Exchange Act Release No. 70800, 2013 SEC LEXIS 3451, at *37 & n.60 (Nov. 4, 2013) (holding that revocation may be warranted even without proof that a respondent was aware of its reporting obligations). Finally, Respondents have not answered the OIP or otherwise participated in the proceeding to address

whether they have made any efforts to remedy their past violations and have made no assurances against further violations.

Considering these delinquencies, it is necessary and appropriate for the protection of investors to revoke the registrations of each class of Respondents' registered securities.

ORDER

It is ORDERED that, pursuant to Section 12(j) of the Securities Exchange Act of 1934, the registrations of each class of registered securities of AFN, Inc., Allen Energy Company, American Cascade Energy, Inc., and Millenia Hope, Inc. (n/k/a Clubs Choice Holdings, Inc.), are hereby REVOKED.¹

This initial decision shall become effective in accordance with and subject to the provisions of Rule 360, 17 C.F.R. § 201.360. Pursuant to 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(h). If a motion to correct a manifest error of fact is filed by a party, then any 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.

A respondent may move to set aside a default. Rule 155(b) permits the Commission, at any time, to set aside a default for good cause, in order to prevent injustice and on such conditions as may be appropriate. 17 C.F.R. § 201.155(b). A motion to set aside a default shall be made within a reasonable time, state the reasons for the failure to appear or defend, and specify the nature of the proposed defense in the proceeding. *Id.*

Cameron Elliot
Administrative Law Judge

¹ This order applies to all classes of Respondents' securities registered under Section 12 of the Exchange Act, whether or not such securities are specifically identified by ticker symbol or otherwise in this initial decision.