

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 1521/June 13, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15897

In the Matter of

CLOUDEEVA, INC.

ORDER ON RESPONDENT'S
MOTION FOR EXTENSION
OF TIME TO ANSWER

On June 2, 2014, the Securities and Exchange Commission (Commission) issued an Order Instituting Administrative Proceedings (OIP) against Cloudeeva, Inc. (Cloudeeva), pursuant to Section 12(j) of the Securities Exchange Act of 1934 (Exchange Act). The OIP alleges that Cloudeeva has a class of securities registered with the Commission pursuant to Exchange Act Section 12(g) and is delinquent in its periodic filings, in violation of Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 thereunder.

On June 11, 2014, Cloudeeva filed a Motion for Extension of Time to Answer the OIP (Motion) until July 11, 2014. In support of the Motion, Cloudeeva states that: the OIP was served on June 4, 2014, and only provides ten days to answer;¹ Cloudeeva retained outside counsel on June 9, 2014, and counsel has not had adequate time to review the underlying facts to respond to the allegations in the OIP; and Cloudeeva's in-house counsel has a personal commitment and is unavailable from June 25 through July 4, 2014. In its Motion, Cloudeeva also requests a postponement of the hearing currently scheduled to begin on June 30, 2014, and that a prehearing conference be scheduled for 10:00 a.m. EDT on July 16, 2014.

On June 10, 2014, the Division of Enforcement (Division) filed its Opposition to Cloudeeva's Motion for Extension of Time to Answer (Opposition), objecting to Cloudeeva's request for an extension of time to answer but agreeing to Cloudeeva's request that the hearing be postponed and a prehearing conference be scheduled for July 16, 2014. In support of its Opposition, the Division refers to Rule 161(b) of the Commission's Rules of Practice (Rule 161(b)), regarding extensions of time, arguing that Cloudeeva has not made a strong showing that the denial of the Motion would substantially prejudice its case.

¹ According to the Office of the Secretary and U.S. Postal Service tracking information, Cloudeeva was served on June 6, 2014.

On June 12, 2014, Cloudeeva filed its Reply in Support of Cloudeeva's Motion on June 11, 2014. Cloudeeva reiterated its initial position and provided two additional arguments in support of granting the extension. First, Cloudeeva argues that the factors listed in Rule 161(b) weigh in favor of granting the extension because: the OIP has only recently been filed and no prehearing conference has occurred; no postponements, adjournments, or extensions have previously been granted; and the parties have agreed to postpone the June 30, 2014, hearing date and schedule a prehearing conference on July 16, 2014. Second, Cloudeeva argues that the Division will not be prejudiced in granting the extension.

Rule 161(b)(1), 17 C.F.R. § 201.161(b)(1), provides:

In considering all motions or requests pursuant to paragraph (a) or (b) of this rule, the Commission or the hearing officer should adhere to a policy of strongly disfavoring such requests, except in circumstances where the requesting party makes a strong showing that the denial of the request or motion would substantially prejudice their case. In determining whether to grant any requests, the Commission or hearing officer shall consider, in addition to any other relevant factors: (i) the length of the proceeding to date; (ii) the number of postponements, adjournments or extensions already granted; (iii) the stage of the proceedings at the time of the request; (iv) the impact of the request on the hearing officer's ability to complete the proceeding in the time specified by the Commission; and (v) any other such matters as justice may require.

The first three factors weigh in favor of granting the extension to Cloudeeva: (1) the OIP was recently filed on June 2, 2014; (2) no postponements, adjournments, or extensions have been granted; and (3) the parties have agreed to adjourn the June 30, 2014, hearing date and requested a prehearing conference for July 16, 2014, which is five days after Cloudeeva's requested extension. See 17 C.F.R. § 201.161(b)(1)(i)-(iii). The fourth factor, however, weighs against granting the extension. I find that service was effected on Cloudeeva on June 6, 2014. The Initial Decision is due 120 days after service, on October 6, 2014. See OIP at 3; 17 C.F.R. §§ 201.141(a)(2)(ii), .360(a)(2). Presuming this case proceeds by motions for summary disposition pursuant to Rule 250 and the parties are allowed sufficient time to prepare motions, oppositions, and replies, it would leave limited time to prepare and issue an initial decision within the allotted 120 days if I grant the extension. See 17 C.F.R. §§ 201.161(b)(1)(iv), .250.

On the balance, I find that there is good cause to grant Cloudeeva's request to extend the time for filing an answer to July 11, 2014; however, I reject the request to schedule a prehearing conference on July 16, 2014. See 17 C.F.R. § 201.161(a). In lieu of holding a prehearing conference, I propose the following briefing schedule for motions for summary disposition:

July 18, 2014:	Motions for summary disposition are due;
August 1, 2014:	Oppositions are due; and
August 11, 2014:	Replies, if any, are due.

If the parties desire a prehearing conference or a different briefing schedule, they should file a motion seeking relief.

For good cause shown, the Motion is GRANTED IN PART, Cloudeeva's Answer shall be due by July 11, 2014, and the hearing scheduled for June 30, 2014, is postponed sine die. See 17 C.F.R. § 201.161.

Cameron Elliot
Administrative Law Judge