

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 4097/August 26, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17123

In the Matter of

CEYONIQ AG (N/K/A CEYONIQ, INC.),
MARKET DATA CONSULTANTS, INC.,
MENTERGY LTD.
(A/K/A GILAT COMMUNICATIONS LTD.),
MID-AM SYSTEMS, INC., AND
NU ENERGY INC.

ORDER GRANTING MOTION FOR
RECONSIDERATION AND POSTPONING
PREHEARING CONFERENCE

On February 17, 2016, the Securities and Exchange Commission issued an order instituting proceedings (OIP) pursuant to Section 12(j) of the Securities Exchange Act of 1934. This proceeding has already ended with respect to all respondents but Ceyoniq AG (n/k/a Ceyoniq, Inc.). *See Ceyoniq AG*, Initial Decision Release No. 999, 2016 SEC LEXIS 1346 (ALJ Apr. 12, 2016), *finality order*, Exchange Act Release No. 77986, 2016 SEC LEXIS 1969 (June 3, 2016). A telephonic prehearing conference is scheduled for August 31, 2016, at 11:00 a.m. EDT.

On July 25, 2016, the Division of Enforcement filed a motion seeking leave to serve Ceyoniq AG with the OIP by publication in the *International New York Times* newspaper. I denied without prejudice the Division's motion because the Division did not demonstrate "the unavailability of other methods of service, such as personal service by agent or process server, which may be better calculated to provide notice of this proceeding." *Ceyoniq AG*, Admin. Proc. Rulings Release No. 4033, 2016 SEC LEXIS 2655, at *3 (ALJ Aug. 1, 2016). I noted that the Division "may renew its request for service by publication" if it "is unable to effect service on Ceyoniq AG by other means." *Id.*

On August 25, 2016, the Division filed a motion for reconsideration of its motion to serve Ceyoniq AG with the OIP by publication in the *International New York Times* newspaper. The motion describes the Division's additional unsuccessful efforts to locate and serve the company. Attached to the motion and accompanying declaration are: (1) emails exchanged with a representative of a company with a similar name located in the same town informing the Division that the company had no legal relationship to Ceyoniq AG and was not its legal successor (Exs. 1-2); (2) articles published by Bankrupt.com stating that Ceyoniq AG filed for

insolvency in Germany in 2002 (Exs. 3-4); (3) German news articles indicating that Ceyoniq AG filed for bankruptcy in Germany in 2002 and two of its officers were arrested for fraud (Ex. 5); (4) emails exchanged with the German Embassy and the local Chamber of Commerce and Industry in Bielefeld, Germany, attempting to locate a contact for Ceyoniq AG (Exs. 6, 8-9); (5) a June 2010 letter from the Hague Convention Authority for the German lander of Baden-Württemberg sent to the Division in another administrative proceeding noting that “[u]nder German case law, no effective service can be made on the bankruptcy trustee if . . . the complaint is directed against the bankrupt” (Ex. 7); (6) an email from Ceyoniq AG’s German bankruptcy liquidator attaching the court order terminating the bankruptcy proceeding (Ex. 10); and (7) a printout of the Judicial Assistance Article on Germany from the U.S. Department of State’s website (Ex. 11).

In its initial motion, the Division requested permission to serve Ceyoniq AG through publication in the *International New York Times* (formerly the *International Herald Tribune*), which is an English-language newspaper with a daily non-U.S. circulation of 213,049, once a week for four consecutive weeks. Initial Motion at 1 & n.1, 4, 7, Ex. 9. Service by publication is not prohibited by German law, according to information provided by the Division. *See id.* at 5, Ex. 8.

Any service method must be “reasonably calculated to give notice.” 17 C.F.R. § 201.141(a)(2)(iv). I am satisfied that the Division has exhausted other service options, and it appears that service by publication, even on defunct corporations with known addresses, is considered reasonable in Germany. I therefore GRANT the Division’s motion for reconsideration and GRANT its request to serve Ceyoniq AG through publication in the *International New York Times* newspaper, for four consecutive weeks, of the notice attached as Exhibit 3 to the Division’s initial motion.

In its motion for reconsideration, the Division also requests that the prehearing conference scheduled for August 31, 2016, be postponed. The prehearing conference is POSTPONED and a telephonic prehearing conference shall be held on October 31, 2016, at 11:00 a.m. EDT, if the proceeding has not been resolved by then.

SO ORDERED.

Cameron Elliot
Administrative Law Judge