

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

ADMINISTRATIVE PROCEEDING
File No: 3-17549

In the Matter of

Cliffe R. Bodden

Respondent.

**MOTION TO DISMISS
FURTHER PROCEEDINGS**

The Division of Enforcement moves the Commission to dismiss the further proceedings to determine disgorgement and penalties in this matter.*

Background

This administrative proceeding was instituted on September 16, 2016. The Order Instituting the Proceeding noted that respondent Bodden had submitted an offer of settlement which the Securities and Exchange Commission had determined to accept. Accordingly, the Commission made certain findings and ordered respondent Bodden to cease and desist from committing or causing any violations and any future violations of Sections 5(a), 5(c), 17(a)(1) and 17(a)(3) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rules 10b-5(a) and 10b-5(c) thereunder and banned him from participating in any offering of a penny stock, including acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or

* The ALJ's May 1, 2020 Order stated: "The Division represented that it does not intend to seek further sanctions against those Respondents. The Division should therefore move the Commission to dismiss the further proceedings to determine civil penalties and disgorgement as to them." Order at 2.

inducing or attempting to induce the purchase or sale of any penny stock. The OIP also found that respondent Bodden agreed to additional proceedings to determine what, if any, disgorgement pursuant to Section 8A(e) of the Securities Act and Section 21C(e) of the Exchange Act and/or civil penalties pursuant to Section 8A(g) of the Securities Act and Section 21B(a) of the Exchange Act against him are in the public interest. OIP § IV. In connection with such additional proceedings respondent Bodden agreed that (a) he will be precluded from arguing that he did not violate the federal securities laws described in the OIP; (b) he may not challenge the validity of the OIP; (c) the findings of the OIP shall be accepted as and deemed true by the hearing officer; and (d) the hearing officer may determine the issues raised in the additional proceedings on the basis of affidavits, declarations, excerpts of sworn deposition or investigative testimony, and documentary evidence. *Id.*

Motion to Dismiss Further Proceedings

The Division now moves to dismiss further proceedings against respondent. The Division has determined that Bodden received a negligible amount of ill-gotten gains. Further, Bodden is a foreign national not currently residing in the United States and the Division has identified no collectible assets attributable to respondent. Accordingly, the Division does not seek disgorgement from Bodden and requests that further proceedings concerning disgorgement be dismissed.

The Division also requests that further proceedings concerning civil penalties be dismissed. In January, 2016, Bodden entered into a cooperation agreement with the Division. The Division has determined that Bodden has fulfilled his obligations under

that agreement and recommends appropriate credit based upon the analytical framework set forth by the Commission in 17 CFR §202.12.

Bodden's cooperation resulted in substantial assistance to the investigation and to the related criminal prosecution. His cooperation was truthful, complete, and reliable and time and resources were conserved as a result of his cooperation as the primary perpetrators of the fraud entered into settlements with the Commission and plea agreements in the related criminal case.

The investigation in which Bodden cooperated was important. It was a large, recurring fraud which resulted in significant harm to investors. The conduct was sufficiently egregious to warrant a related criminal prosecution against the primary perpetrators of the fraud.

Bodden was a small, but important, participant in the fraud. For that reason, the Division required, and the Commission accepted, that Bodden offer to settle to the order and bar discussed above. Further, the Division believes Bodden's opportunity to commit further violations in the United States is small. Bodden was extradited from the United States and will have difficulty returning.

After consideration of these factors, based on respondent Bodden's cooperation during the Division's investigation and the related criminal prosecution, the Division is not seeking a penalty against respondent Bodden and requests that further proceedings concerning a penalty be dismissed.

Conclusion

The Division of Enforcement respectfully requests that the Commission dismiss further proceedings against Bodden.

Dated: May 19, 2020,

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "S. McKenna", is written over a horizontal line.

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing was served on the following on this 19th day of May, 2020, in the manner indicated below:

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s/ Nicole L. Nesvig
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