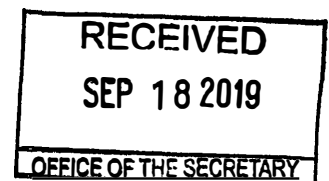


**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19343**

**In the Matter of**  
  
**Healthway Shopping Network,  
Monetiva, Inc., and  
Unity Global Holdings Ltd.,**  
  
**Respondents.**

**MOTION FOR RULING ON  
THE PLEADINGS AGAINST  
MONETIVA, INC.**



The Division of Enforcement (“Division”), by undersigned counsel, pursuant to Commission Rule of Practice 250(a), respectfully moves for a ruling on the pleadings against Monetiva, Inc. (“Monetiva” or the “Company”). On June 21, 2019, Monetiva filed an annual report on Form 10-K for the period ended December 31, 2017. On September 6, 2019, the Company filed a quarterly report on Form 10-Q for the period ended March 31, 2018. Monetiva is now more than a year delinquent in its filings.

Investors must have access to current information about the Company. In fact, the Commission’s rules require such transparency. The undisputed facts show that Monetiva has simply not met its filing requirements. As discussed in detail below, the Division is entitled to an order revoking each class of securities of Monetiva registered with the Commission pursuant to Section 12(j) of the Securities Exchange Act of 1934 (“Exchange Act”) as a matter of law.

## **BRIEF IN SUPPORT**

### **I. STATEMENT OF FACTS**

Monetiva is a Delaware corporation located in Newport Beach, California with a class of securities registered with the Commission pursuant to Exchange Act Section 12(g). On August 9, 2016, Monetiva registered its stock with the Commission on Form 10-12G. Monetiva has failed to file its periodic reports for over a year. In its 2017 annual report, filed on June 21, 2019, the Company's financial statement reflected no revenue, no assets, no profit, and a net loss of \$45,850 for the year ended December 31, 2017. On September 6, 2019, three weeks after the OIP was issued, Monetiva filed its one and only 2018 quarterly report for the period ended March 31, 2018. In that quarterly report, the Company stated that it raised \$320,000 from stock subscriptions for the three months ended March 31, 2018, but had no other revenue.

### **II. RELEVANT PROCEDURAL HISTORY**

On August 14, 2019, the Commission issued its OIP as to Monetiva. On September 6, 2019, the Commission issued an Order Granting Monetiva an Extension of Time to file an Answer until September 9, 2019. On September 9, 2019, Monetiva filed its Answer. Rule of Practice 250(a) provides that a movant may file a motion for ruling on the pleadings within fourteen days of a respondent's answer, when the movant is entitled to a ruling as a matter of law. 17 C.F.R. §201.250(a).

### **III. ARGUMENT**

This administrative proceeding was instituted under Section 12(j) of the Exchange Act. Section 12(j) empowers the Commission to either suspend (for a period not exceeding twelve months) or permanently revoke the registration of a class of securities

if the respondent has failed to comply with any provision of the Exchange Act or the rules and regulations thereunder. As discussed below, Monetiva's registration should be revoked.

**A. The Division is Entitled to a Ruling on the Pleadings Against Monetiva for Violations of Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 Thereunder**

Section 13(a) of the Exchange Act and the rules promulgated thereunder require issuers of securities registered pursuant to Section 12 of the Exchange Act to file periodic and other reports with the Commission. Exchange Act Section 13(a) is the cornerstone of the Exchange Act, establishing a system of periodically reporting core information about issuers of securities. The Commission has stated:

Failure to file periodic reports violates a central provision of the Exchange Act. The purpose of the periodic filing requirements is to supply investors with current and accurate financial information about an issuer so that they may make sound decisions. Those 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." Proceedings initiated under Exchange Act Section 12(j) are an important remedy to address the problem of publicly traded companies that are delinquent in the filing of their Exchange Act reports, and thereby deprive investors of accurate, complete, and timely information upon which to make informed investment decisions.

*Gateway International Holdings, Inc.*, Securities Exchange Act Rel. No. 53907, 2006 SEC LEXIS 1288 at \*26 (May 31, 2006) (quoting *SEC v. Beisinger Indus. Corp.*, 552 F.2d 15, 18 (1st Cir. 1977)).

As explained in the initial decision in the *St. George Metals, Inc.* administrative proceeding:

Section 13(a) of the Exchange Act and the rules promulgated thereunder require issuers of securities registered pursuant to Section 12 of the Exchange Act to file periodic and other reports with the Commission. Exchange Act Rule 13a-1 requires issuers to submit annual reports, and Exchange Act Rule 13a-13 requires issuers to submit quarterly reports. No showing of scienter is necessary to establish a violation of Section 13(a) or the rules thereunder.

*St. George Metals, Inc.*, Initial Decision Rel. No. 298, 2005 SEC LEXIS 2465, at \*26 (Sept. 29, 2005); *accord Gateway*, 2006 SEC LEXIS 1288 at \*18, \*22 n.28; *Stansbury Holdings Corp.*, Initial Decision Rel. No. 232, 2003 SEC LEXIS 1639, at \*15 (July 14, 2003); and *WSF Corp.*, Initial Decision Rel. No. 204, 2002 SEC LEXIS 1242 at \*14 (May 8, 2002).

Given that Monetiva stated in its last filing with the SEC that it had raised \$320,000 from the sale of stock subscriptions, Monetiva has investors who need to be protected “from negligent, careless, and deliberate misrepresentations in the sale of stock and securities” and who are being deprived of “of accurate, complete, and timely information upon which to make informed investment decisions.” *Gateway*, 2006 SEC LEXIS 1288 at \*26.

**B. Revocation is the Appropriate Sanction for Monetiva’s Serial Violations of Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 Thereunder**

Exchange Act Section 12(j) provides that the Commission may revoke or suspend a registration of a class of an issuer’s securities where it is “necessary or appropriate for the protection of investors.” The Commission’s determination of which sanction is appropriate “turns on the effect on the investing public, including both current and

prospective investors, of the issuer's violations, on the one hand, and the Section 12(j) sanctions on the other hand." *Gateway*, 2006 SEC LEXIS 1288, at \*19-\*20. In making this determination, the Commission has said it will consider, among other things: (1) the seriousness of the issuer's violations; (2) the isolated or recurrent nature of the violations; (3) the degree of culpability involved; (4) the extent of the issuer's efforts to remedy its past violations and ensure future compliance; and (5) the credibility of the issuer's assurances against future violations. *Id.*; see also *Steadman v. SEC*, 603 F.2d 1126, 1140 (5th Cir. 1979) (setting forth the public interest factors that informed the Commission's *Gateway* decision).

Although no one factor is controlling, in *Stansbury*, 2003 SEC LEXIS 1639, at \*14-\*15; and in *WSF Corp.*, 2002 SEC LEXIS 1242 at \*5, \*18, the Commission has stated that it views the "recurrent failure to file periodic reports as so serious that only a strongly compelling showing with respect to the other factors we consider would justify a lesser sanction than revocation." *Impax Laboratories, Inc.*, Exchange Act Rel. No. 57864, 2008 SEC LEXIS 1197 at \*27 (May 23, 2008). An analysis of the factors above confirms that revocation of Monetiva's securities is appropriate.

**1. Monetiva's violations are serious and egregious**

A review of Monetiva's filings in Edgar demonstrates that Monetiva's conduct is serious and egregious. Monetiva has not filed any periodic reports since it filed a Form 10-Q for the period ended March 31, 2018. Given the central importance of the reporting requirements imposed by Section 13(a) and the rules thereunder, Administrative Law Judges have found violations of these provisions of the same and of less duration to be egregious, and Monetiva's violations support an order of revocation for each class of its

securities. *See Freedom Golf Corp.*, Initial Decision Release No. 227, 2003 SEC LEXIS 1178, at \*5 (May 15, 2003) (respondent's failure to file periodic reports for less than one year was egregious violation).

**2. Monetiva's Violations Of Section 13(A) Have Been Not Just Recurrent, But Continuous**

Monetiva's violations are not unique and singular, but continuous. Monetiva has failed to file any of its periodic reports since the period ended March 31, 2018, and that quarterly report was filed after the OIP was issued. According to EDGAR, Monetiva also failed to file any Form 12b-25 seeking an extension of time to make its periodic filings. No Form 12b-25 was filed concerning its 2018 annual report. Monetiva's failure to file an audited financial statement for the period ended December 31, 2018, and failure to request an extension of time to file an audited financial statement constitutes egregious and recurrent violations. *See Investco, Inc.*, 2003 SEC LEXIS 2792, at \*6 (delinquent issuer's actions were found to be egregious and recurrent where there was no evidence that any extension to make the filings was sought). The serial and continuous nature of Monetiva's violations of Exchange Act Section 13(a) further supports the sanction of revocation here.

**3. Monetiva's Degree of Culpability Supports Revocation**

In *Gateway*, the Commission stated that, in determining the appropriate sanction in connection with an Exchange Act Section 12(j) proceeding, one of the factors it will consider is "the degree of culpability involved." The Commission found that the delinquent issuer in *Gateway* "evidenced a high degree of culpability," because it "knew

of its reporting obligations, yet failed to file” twenty periodic reports and only filed two Forms 12b-25. *Gateway*, at 10, 2006 SEC LEXIS 1288, at \*21.

A review of Monetiva’s filings in Edgar shows that Monetiva failed to file any required Form 12b-25 seeking an extension of time to make its periodic filings for any of its delinquent reports. Monetiva knew of its reporting obligations and nevertheless failed to file its periodic reports, and failed to file the required Form 12b-25 informing investors of the reasons for its delinquency and any plan to cure its violations. This constitutes culpability in excess of that of the respondent in *Gateway*.

In addition, Exchange Act Section 16(a) requires that an individual file a Form 3 within ten days of becoming an officer, director, or ten percent beneficial owner of a company. According to Edgar, Monetiva filed a Form 8-K on November 21, 2017 stating that the sole shareholder, officer and director of the issuer, James Koh, had sold all of his shares to Pierre Sawaya, and had resigned; the new sole shareholder, officer and director was Pierre Sawaya. Mr. Sawaya is no longer the sole shareholder because he has begun selling stock subscriptions. However, a review of filings in EDGAR shows that Mr. Sawaya has never filed a Form 3 disclosing that he was the sole officer and director of Monetiva.

This conduct of Monetiva and its sole officer and director, Mr. Sawaya, although not alleged in the OIP, provides further evidence of Monetiva’s culpability that the Commission can and should consider when assessing the appropriate sanction for Monetiva’s violations. *See Gateway* at 5, n.30 (Commission may consider other violations “and other matters that fall outside of the OIP in assessing appropriate sanctions”); *Citizens Capital Corp.*, Exchange Act Rel. No. 67313, 2012 SEC LEXIS

2024 at \*32 (June 29, 2012) (management’s failure to comply with Exchange Act Sections 13(d) and 16(a) “further brings into question the likelihood of the Company’s future compliance with Section 13(a)”); *Ocean Resources, Inc.*, 2008 SEC LEXIS 2851 at \*15 (ALJ found on summary disposition that respondent’s assurances of future compliance achieved little credibility where its sole officer had ongoing violations of Exchange Act Section 16(a) in both the respondent’s and other companies’ securities).<sup>1</sup>

**4. Monetiva Has Not Made Any Assurances Against Future Violations**

Monetiva has made no effort to remedy its past violations by, for example, filing its delinquent audited annual reports for the period ended December 31, 2018. The Answer filed by Monetiva, however, did “promise” to remedy its past violations or provide any assurances concerning future violations. Such a promise lacks credibility. In fact, because Monetiva has no revenue, aside from the sale of stock subscriptions, there is no reason to believe that any assurance against future violations would be credible.

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<sup>1</sup> The Commission has applied the same principle in other contexts. *Robert Bruce Lohman*, Exchange Act Rel. No. 48092, 2003 SEC LEXIS 1521 at \*17 n.20 (June 26, 2003) (ALJ may properly consider lies told to staff during investigation in assessing sanctions, though they were not charged in the OIP); *Stephen Stout*, Exchange Act Rel. No. 43410, 2000 SEC LEXIS 2119 at \*57 & n.64. (Oct. 4, 2000) (respondent’s subsequent conduct in creation of arbitration scheme, which was not charged in OIP, found to be relevant in determining whether bar was appropriate); and *Joseph P. Barbato*, Exchange Act Rel. No. 41034, 1999 SEC LEXIS 276 at \*49-\*50 (Feb. 10, 1999) (respondent’s conduct in contacting former customers identified as Division witnesses found to be indicative of respondent’s potential for committing future violations). See also *SEC v. Falstaff Brewing Corp.*, 629 F.2d 62, 78 (D.C. Cir. 1980) (district court’s injunction against future securities violations upheld; court found noncompliance with Exchange Act Section 16(a) “does evince a disregard of the securities laws that may manifest itself in noncompliance elsewhere.”).



**C. Revocation is the Appropriate Remedy for Monetiva.**

As discussed above, a full analysis of the *Gateway* factors establishes that revocation is the appropriate remedy for Monetiva's violations of the periodic filings requirements. The Company's recurrent failures to file its periodic reports have not been outweighed by "a strongly compelling showing with respect to the other factors" which "would justify a lesser sanction than revocation." *Impax Laboratories, Inc.*, 2008 SEC LEXIS 1197 at \*27.

Moreover, revocation will not be overly harmful to whatever business operations, finances, or shareholders Monetiva may have. See *Eagletech Communications, Inc.*, Exchange Act Rel. No. 54095, 2006 SEC LEXIS 1534, at \*9 (July 5, 2006) (revocation would lessen, but not eliminate, shareholders' ability to transfer their securities). Revocation will not only protect current and future investors in the Company, who presently lack the necessary information about Monetiva because of the issuer's failure to make Exchange Act filings; it will also deter other similar companies from becoming lax in their reporting obligations.

A new registration process will place all investors on an even playing field. All current investors will still own the same amount of shares in Monetiva that they did before, though their shares will no longer be devalued because of the company's delinquent status. All investors, current and future alike, will also benefit from the legitimacy, reliability, and transparency of a company in compliance. The time-out will protect the status quo, and will give Monetiva the opportunity to come into full compliance, to calmly and thoroughly work through all of Monetiva's issues with its

attorney, consultants, auditors, and management, and to complete its financial statements in compliance with Regulations S-K and S-X.

**III. CONCLUSION**

For the reasons set forth above, the Division respectfully requests that the Commission grant the Division's motion for judgment on the pleadings and revoke the registration of each class of Monetiva's securities registered under Exchange Act Section 12.

Dated: September 18, 2019

Respectfully submitted,



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**CERTIFICATE OF SERVICE**

I hereby certify that true copies of the Division of Enforcement's Motion for Ruling on the Pleadings Against Monetiva, Inc. and Brief in Support were served on the following on this 18th day of September, 2019, in the manner indicated below:

By Hand:

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