

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

SECURITIES EXCHANGE ACT OF 1934

Admin. Proc. File No. 3-20297

In the Matter of

MJ BIOTECH, INC. (F/K/A MICHAEL
JAMES ENTERPRISES, INC.)

**REPLY TO THE DIVISION OF ENFORCEMENT'S OPPOSITION TO
PETITIONER'S MOTION TO SET ASIDE DEFAULT**

MJ Biotech ("Petitioner") hereby submits this Reply to the Division of Enforcement's opposition to the Motion to Set Aside Default. The Petitioner submits that its good-faith efforts to submit delinquent filings should be taken into consideration regarding whether Petitioner's response to the Default was submitted "within a reasonable time," and that under the circumstances and considering the totality of circumstances the Commission's default should be set aside.

ARGUMENT

**A. WHAT CONSTITUTES A REASONABLE TIME TO SEEK RELIEF MUST
DEPEND ON THE CIRCUMSTANCES OF EACH CASE.**

1. The Commission's Rules of Practice provide that a request to set aside a default must be made within a "reasonable time," but do not define a particular time period constituting "reasonable." See 17 C.F.R. 201.155(b).

2. The Commission's citation to *In the Matter of the Application of DAVID MURA*, Exchange Act Rel. No. 72080 (May 2, 2014) does not provide specific guidance as to what constitutes a reasonable period of time versus one that is unreasonable, noting, for

example, that a request to set aside a default filed within a week of the default order was “clearly timely filed,” whereas one filed years after the default was not. *Id.*, n. 45 (citations omitted).

3. *MURA* provides in pertinent part that the inquiry is “likely to be fact intensive, [and] we consider the various circumstances surrounding the default . . . to determine if the request was made within a reasonable time.” *Id.*, slip op. at 11. *MURA* suggests, therefore, that the Petitioner’s request to set aside the default may still be considered “reasonable” based upon the totality of the circumstances.

B. PETITIONER’S ALLEGED DELAY WAS, IN FACT, A GOOD FAITH EFFORT TO CURE THE DEFICIENCIES NOTED BY THE COMMISSION.

4. As noted in the affidavit filed with the Petitioner’s initial request, Ms. Pierson’s health issues were both genuine and, in many instances, debilitating. Those health issues did not simply end at the time the default was entered, but have continued to varying degrees. Upon learning of the default action, Ms. Pierson took immediate steps to attempt to address the basis for the Commission’s action by engaging consultants and legal counsel to complete and review the delinquent filings—which was in process prior to the default order—in the sincere belief that submitting the reports with the request to set aside the default was prudent and reasonable under the circumstances, and that by so doing, the draconian result of revocation of MJ Biotech’s registration would be appropriately addressed.

5. Had the Petitioner been aware of the Commission’s attempts to revoke the registration of Petitioner’s common stock, Petitioner would have sought a reasonable period of time to cure the deficient filings so that the extreme penalty of revocation could

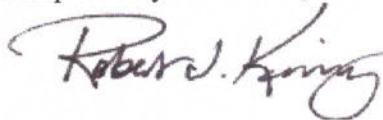
have been averted.

6. Petitioner further submits that, despite what the Enforcement Division may alleges as “material deficiencies” in the submitted Comprehensive 10-K, the report does effectively address the Petitioner’s non-compliance. Any noted deficiencies can be corrected.

7. This is not an instance where revocation is based upon evidence of a willful violation of securities laws, but rather on Petitioner’s failure to file periodic reports. Should the Commission not vacate the Default as requested, the Petitioner’s only remedy would be to file a Form 10 Registration Statement, further depleting the limited resources of the Petitioner and thereby decreasing shareholder value – the very shareholders the Commission seeks to protect.

8. Petitioner has made a good-faith and reasonable effort to comply with the Commission’s reporting requirements. Maintaining the Petitioner’s revocation does not serve the public interest or the interest of investors, and we respectfully request that the default order be set aside.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Robert J. Kinney", written in a cursive style.

Robert J. Kinney