UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-22248

In the Matter of

SHARING ECONOMY INTERNATIONAL INC.

Respondent.

THE DIVISION OF ENFORCEMENT'S
REPLY IN SUPPORT OF ITS MOTION FOR SUMMARY DISPOSITION

The Division of Enforcement ("Division") submits this Reply in support of its Motion for Summary Disposition.

I. FACTUAL BACKGROUND AND PROCEDURAL HISTORY

The Commission issued its Order Instituting Proceedings ("OIP") against Respondent on October 15, 2024. *See* Exchange Act Release No. 101334 (Oct. 15, 2024). When the OIP issued, Respondent had missed six periodic reports, having not filed any periodic reports since April 2023, when it filed a Form 10-K for the period ended December 31, 2022. *See* December 5, 2025 Declaration of Sandhya C. Harris at Exs. 2 and 3 (EDGAR Filing History and Delinquency Chart). When Respondent did not timely file an Answer, the Commission issued a show cause order prompting Respondent to send a letter to the Commission on December 16, 2024. *See* Exchange Act Release No. 102319 (Feb. 3, 2025). The Commission construed Respondent's letter as an Answer. *Id.* In its Answer, Respondent admitted the delinquencies. *See* Answer at 1.

On January 23, 2025, the Division provided Respondent with the contents of its investigative file, aside from Respondent's SEC filings, which are publicly available on EDGAR. *See* Prehearing Conference Statement at ¶ 12. On December 5, 2025, the Division filed a Motion for Summary Disposition seeking an order revoking the registration of Respondent's securities. At that time, Respondent's original delinquencies remained uncured and five additional delinquencies had accrued. *See* Harris Decl. at Exs. 2 and 3. When Respondent failed to timely respond to the Division's motion, the Commission issued a show cause order requiring Respondent to address "the substance of the Division's request for sanctions." *See* Exchange Act Release No. 104669 (Jan. 22, 2026).

Respondent has now filed a two-page opposition to the Motion for Summary Disposition, but the opposition does not address the substance of the Division's revocation request. Instead, Respondent attaches a proposed amended Answer[1] denying any delinquencies and requests that the Motion for Summary Disposition be denied "until discovery is completed and a hearing is held." Opp. at 2. Respondent does not specify the discovery it needs or the type of hearing it seeks, but claims a hearing is required to afford Respondent due process. *Id.; see also* Motion for Leave to File [Amended] Answer at ¶ 2.

II. ARGUMENT

A. Respondent Has Received All The Process It Is Due.

1. Standards.

"The core of due process is the right to notice and a meaningful opportunity to be heard." *LaChance v. Erickson*, 522 U.S. 262, 266 (1998). There can be no question that Respondent has

[1] Respondent has only recently engaged counsel, who may not have realized that the Commission construed Respondent's December 16, 2024 letter as an Answer.

notice of this proceeding because it has appeared in it. The issue, then, is whether Respondent has received a meaningful opportunity to be heard.

A litigant is given the opportunity to be heard when it is granted the right to file a written response to claims made by an adversary. A respondent in an SEC administrative proceeding receives an opportunity to be heard when it is given the chance to file a "written response to the [OIP] allegations" and "the opportunity to challenge the arguments and evidence proffered by the Division [of Enforcement] in moving for summary disposition . . . by filing an opposition and attaching documents[.]" *Kornman v. SEC*, 592 F.3d 173, 183 (D.C. Cir. 2010). *See also Groendyke Transp., Inc. v. Davis*, 406 F.2d 1158, 1162 (5th Cir. 1969) (in a federal district court proceeding, "[t]he requisites of that portion of due process described as [a] 'hearing' are satisfied by providing the parties with the opportunity of affirmatively advancing argument with supporting authority and a like opportunity for response and counter-argument by the adversary. This may be done by briefs without oral argument."); *cf. China-Biotics, Inc.,* Exchange Act Release No. 70800, 2013 WL 5883342, *15 (Nov. 4, 2013) (due process was satisfied when respondent was "afforded full opportunity to justify its conduct during the course of the litigation" and rejecting claim that issuing an OIP against an issuer without providing the issuer time to become current violated due process) (internal punctuation omitted).

A party is only entitled to additional process in the form of an evidentiary hearing if it identifies a material factual dispute. *See Codd v. Velger*, 429 U.S. 624, 627 (1977) ("[T]he absence of any such allegation or finding [of a factual dispute] is fatal to respondent's claim under the Due Process Clause that he should have been given a[n evidentiary] hearing."); *Weinberger v. Hynson, Westcott & Dunning, Inc.,* 412 U.S. 609, 621 (1973) (due process does not require an administrative agency to hold an evidentiary hearing "when it appears conclusively from the

applicant's 'pleadings'" that there is no disputed material fact, but finding that facts were disputed); *United Dev. Funding III, LP,* Exchange Act Release No. 89535, 2020 WL 4720528, *6 (Aug. 12, 2020) (rejecting delinquent filer's due process challenge to SEC Rule of Practice 250 because due process does not require an evidentiary hearing where facts are undisputed). *See also* 3 Treatise on Const. L. § 17.8(b) (Sep. 2025 Update) (due process does not require an evidentiary hearing where facts are undisputed) (citing cases).[2]

To establish the need for an evidentiary hearing, the "party opposing summary disposition may not rely on bare allegations or denials but instead must present specific facts showing a genuine issue of material fact for resolution at a hearing." *Healthway Shopping Network,* Exchange Act Release No. 89374, 2020 WL 4207666, *2 (Jul. 22, 2020) (internal punctuation omitted).

2. Respondent Has Not Identified A Factual Dispute Requiring Any Process Other Than What It Has Already Received.

Here, Respondent received an opportunity to be heard when it was granted the chance to file an Answer to the OIP. After Respondent filed an Answer, the Division filed its Motion for Summary Disposition presenting evidence, in the form of verified Commission records, establishing Respondent's delinquencies. *See* Harris Decl. at Exs. 2 and 3. Respondent received an opportunity to be heard on the summary disposition motion when it was granted a chance to file a written opposition. In its opposition, Respondent did not identify any factual disputes requiring resolution by way of an evidentiary hearing. Nor does Respondent's proposed amended

[2] Statutory provisions granting respondents an "opportunity for hearing" provide no greater rights than due process demands. *See, e.g., China-Biotics, Inc.,* 2013 WL 5883342, at *15 ("it is well established that the Commission's summary disposition procedures satisfy the 'notice and opportunity for a hearing' requirement" of Exchange Act Section 12(j)); *Kornman,* 592 F.3d at 186 ("Kornman's contention, then, that he was entitled to an evidentiary hearing [under Section 203(f) of the Investment Advisors Act] even in the absence of evidence of a material issue of disputed fact is flawed"); *Conrad P. Seghers*, Investment Advisors Act Release No. 2656, 2007 WL 2790633, *4 (Sep. 26, 2007) (same); *cf. Weinberger,* 412 U.S. at 621 (Federal Food, Drug, and Cosmetic Act provision affording drug makers the opportunity for a hearing would not be interpreted to require a hearing where facts were undisputed).

Answer, which denies any delinquencies, establish a genuine factual dispute because a party cannot rest on "bare denials" to do so. *See Healthway Shopping Network,* 2020 WL 4207666, at *2. To justify an evidentiary hearing in the face of verified Commission records demonstrating Respondent's delinquencies, Respondent was required to submit some evidence that the records are incorrect. Respondent has not done so and has received all the process it is due.

B. There Is No Basis To Deny The Division's Motion Pending Discovery.

Rule of Practice 250(b) provides that a hearing officer or, in this case, the Commission may deny or defer ruling on a motion for summary disposition if it appears that a party cannot present "facts essential to justify opposition to the motion." *See* 17 C.F.R. § 201.250(b). Under Fed. R. Civ. P. 56, which contains similar language and upon which Rule 250 is based,[3] a party requesting a denial or deferral of a ruling on a summary judgment motion must identify "the specific facts that further discovery would reveal and explain why those facts would preclude summary judgment. The facts sought must be essential to the party's opposition to summary judgment and it must be likely that those facts will be discovered during further discovery." *SEC v. Stein*, 906 F.3d 823, 833 (9th Cir. 2018) (citations and internal punctuation omitted). Respondent has identified no facts that can only be elicited in discovery that would preclude summary disposition, which should not be deferred.

C. The Undisputed Evidence Establishes That Revocation Is Required For The Protection Of Investors.

It is undisputed that Respondent had committed six reporting violations when the OIP issued, that it committed five additional reporting violations after the OIP issued, and that all its delinquencies remain uncured. *See* Harris Decl. at Exs. 2 and 3.

[3] *See Kornman, 592 F.3d at 182* ("The Commission modeled Rule 250 on Rule 56 of the Federal Rules of Civil Procedure.").

Similarly, there is no dispute over the *Gateway* factors.[4] As a matter of law, all reporting violations are serious. *See Gateway International Holdings, Inc.*, Exchange Act Release No. 53907, 2006 WL 1506286, at *6 (May 31, 2006). Respondent's violations are also recurrent. *See, e.g., Triton Emission Sols. Inc.*, Exchange Act Release No. 94255, 2022 WL 488504, at *3 (Feb. 15, 2022) (violations accruing over the period of a year were recurrent). Respondent knew of its reporting obligations – evidenced by the fact that Respondent has filed dozens of Exchange Act reports since 2009 – but still failed to file, which is evidence of a high degree of culpability. *See LegacyXChange, Inc.*, Exchange Act Release No. 96401, 2022 WL 17345980, *4 (Nov. 29, 2022) ("Legacy committed these violations with a high degree of culpability [where] Legacy demonstrated that it was aware of its periodic and other filing obligations . . . [y]et, despite such awareness, Legacy has repeatedly failed to file periodic reports"). Respondent has not cured its delinquencies or identified any concrete remedial measures it has implemented to prevent future filing failures. Respondent has given no assurances against future violations and its past violations, coupled with its failure to cure them for over two years, would make any such assurances incredible. *See KPMG Peat Marwick LLP*, Exchange Act Release No. 44050, 2001 WL 223378, *6 (Mar. 8, 2001) ("a finding of past violation raises a sufficient risk of future violation"). The undisputed evidence on each of the *Gateway* factors establishes that revocation is required for the protection of investors.

[4] The Gateway factors are (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, if any, against future violations. *See*

III. CONCLUSION

For the reasons set forth above, the Division requests that this Motion for Summary Disposition be granted and that the registration of Respondent's securities be revoked.

Dated: March 5, 2026

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I caused true copies of the Division of Enforcement's Reply in Support of Its Motion for Summary Disposition to be served on March 5, 2026 as set forth below:

BY EMAIL SERVICE

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