

UNITED STATES OF AMERICA  
before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 68966 / February 21, 2013

Admin. Proc. File No. 3-14794

In the Matter of  
  
ANDOVER HOLDINGS, INC.  
(a/k/a ANDOVER ENERGY HOLDINGS, INC.)

ORDER SUMMARILY AFFIRMING INITIAL DECISION

Andover Holdings, Inc., a/k/a Andover Energy Holdings, Inc., a Florida corporation with stock registered with the Commission pursuant to § 12(g) of the Securities Exchange Act of 1934,<sup>1</sup> appeals from the initial decision of an administrative law judge.<sup>2</sup> The law judge revoked the company's registration based on his finding that it had violated § 13(a) of the Exchange Act,<sup>3</sup> and Rules 13a-1 and 13a-13 promulgated thereunder,<sup>4</sup> in that it had failed to file its required periodic reports, as charged in the Order Instituting Proceedings,<sup>5</sup> and that the periodic reports it filed after the date of the OIP contained material deficiencies.

The company filed a timely appeal of the initial decision, and the parties filed briefs in accordance with the briefing schedule that was issued. We have reviewed the hearing transcript and the record of action before the law judge *de novo*, as well as the briefs filed by the parties on appeal and the Division of Enforcement's Motion for Leave to Adduce Additional Evidence. We also take official notice that the company has failed to make any of its required filings since the date of the initial decision, including its annual report for fiscal year 2011 and its quarterly reports for the first three fiscal quarters of 2012, all of which are delinquent.<sup>6</sup>

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<sup>1</sup> 15 U.S.C. § 78I(g).

<sup>2</sup> *Advanced Growing Sys., Inc.*, Initial Decision Release No. 461, 2012 SEC LEXIS 1885 (June 19, 2012).

<sup>3</sup> Exchange Act § 13(a), 15 U.S.C. § 78m(a), requires issuers of securities registered pursuant to Exchange Act § 12 to file periodic reports in accordance with Commission rules.

<sup>4</sup> Rule 13a-1, 17 C.F.R. § 240.13a-1, requires registrants to file annual reports, and Rule 13a-13, 17 C.F.R. § 240.13a-13, requires registrants to file quarterly reports.

<sup>5</sup> *Advanced Growing Sys., Inc.*, Exchange Act Release No. 66546, 2012 SEC LEXIS 763 (Mar. 9, 2012).

<sup>6</sup> Our Rules of Practice permit us to take official notice of information (or the lack thereof) in the Commission's EDGAR database. 17 C.F.R. § 201.323. We further note that Andover Holdings has filed no amendments to correct the

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Based on our review, we have determined that the factual and legal findings of the law judge are correct. We find that no issue raised in the initial decision warrants consideration by the Commission, that no prejudicial error was committed in the conduct of the proceeding, and that the decision embodies no exercise of discretion or decision of law or policy that is important and that the Commission should review.<sup>7</sup> These determinations lead us to conclude that this matter is an appropriate one for resolution, on our own initiative, by summary affirmance.<sup>8</sup> We accordingly adopt the factual and legal findings of the law judge.<sup>9</sup>

Although we are summarily affirming this matter, the parties' briefs on the merits were filed before we reached this determination. In its brief on appeal, Andover Holdings raises two arguments interpreting the initial decision. These arguments, as a result, were not considered by the law judge. First, the company contends that the law judge "determined that Andover's failure to file periodic reports . . . represented deliberate misrepresentations in the sales of securities."<sup>10</sup> The company cites no language from the initial decision in support of this claim, and we find that the law judge made no such finding.

The company also argues that the law judge "found that Andover did not attempt to return to compliance until this proceeding was commenced," which it claims was an inaccurate finding because the company "had commenced work on its filings before this proceeding was

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material deficiencies in the filings it made after the OIP, which were identified by the law judge in the initial decision. The company also filed no Forms 12b-25 notifying the Commission that it would be unable to make, on a timely basis, the filings charged in the OIP. *See* Exchange Act Rule 12b-25, 17 C.F.R. § 201.12b-25(a) (requiring issuers to give the Commission notice of their inability to file a periodic report, together with an explanation, by filing a Form 12b-25 "no later than one business day after the due date" for such report); Form 12b-25, 17 C.F.R. § 249.322. *See also Cobalis Corp.*, Exchange Act Release No. 64813, 2011 SEC LEXIS 2313, at \*24 n.31 (July 6, 2011) (considering, in assessing the sanction, the issuer's failure to file Forms 12b-25 in connection with delays in its periodic reports).

<sup>7</sup> *See id.*, § 201.411(e)(2).

<sup>8</sup> *See* 17 C.F.R. § 201.411(e)(2) (permitting the Commission, on its own initiative, to summarily affirm an initial decision). *See also Eric S. Butler*, Exchange Act Release No. 65204, 2011 SEC LEXIS 3002, at \*1 n.2 (Aug. 26, 2011) (stating that, "[a]lthough we generally have limited application of [summary affirmance] in conducting our reviews, we may apply it in the future where . . . the relevant facts are undisputed and the initial decision does not embody an important question of law or policy warranting further review by the Commission").

<sup>9</sup> The OIP in this matter alleged violations by six respondents. On April 13, 2012, the law judge issued an order revoking the registrations of four of the respondents by default. *Advanced Growing Sys., Inc.*, Exchange Act Release No. 66803, 2012 SEC LEXIS 1198, at \*6 (Apr. 13, 2012). The initial decision pertained only to respondents Andover Holdings and Amazon Biotech, Inc. Amazon Biotech did not petition for Commission review of the initial decision, and the Commission issued a Notice that Initial Decision Has Become Final with respect to Amazon Biotech on August 10, 2012. *Amazon Biotech, Inc.*, Exchange Act Release No. 67636, 2012 SEC LEXIS 2519, at \*1 (Aug. 10, 2012). This order pertains only to the initial decision with respect to Andover Holdings, the lone remaining respondent from the OIP.

<sup>10</sup> Company's Br. in Support of Pet. for Review at 2.

commenced."<sup>11</sup> To support its argument, the company cites the filing of its annual report for fiscal year 2008 on December 27, 2011, prior to the date of the OIP. The OIP, however, charged that the company had "not filed any periodic reports since it filed a Form 10-K for the period ended December 31, 2008."<sup>12</sup> Further, the law judge expressly noted the company's 2008 Form 10-K, and the material deficiencies therein, in the initial decision.<sup>13</sup> Thus, the company's claim that the law judge did not consider the company's filing of its 2008 annual report is without merit.

Based on the above, on our own initiative, we have determined that it is appropriate to summarily affirm the initial decision.<sup>14</sup>

Accordingly, it is ORDERED that the law judge's decision below is summarily affirmed.

By the Commission.

Elizabeth M. Murphy  
Secretary

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<sup>11</sup> *Id.*

<sup>12</sup> *Advanced Growing Sys., Inc.*, 2012 SEC LEXIS 763, at \*3.

<sup>13</sup> *Advanced Growing Sys., Inc.*, 2012 SEC LEXIS 1885, at \*10.

<sup>14</sup> In light of our determination to summarily affirm the initial decision, the Division's Motion for Leave to Adduce Additional Evidence is moot and is therefore denied.