

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Rel. No. 65118 / August 12, 2011

Admin. Proc. File No. 3-13998

In the Matter of

COBALIS CORPORATION
c/o Warren Nemiroff, Esq.
The Law Offices of Warren Nemiroff
120 S. El. Camino Drive, Ste. 206
Beverly Hills, CA 90212

ORDER DENYING MOTION FOR RECONSIDERATION

I.

On July 6, 2011, we issued an order and opinion (the "Opinion") revoking the registration of all classes of the registered securities of Cobalis Corporation (the "Company").¹ We found that the Company had violated Section 13(a) of the Securities Exchange Act of 1934² and Exchange Act Rules 13a-1 and 13a-13³ by failing to file annual or quarterly reports for any period after December 31, 2007. The Opinion concluded that the protection of investors required revocation pursuant to Exchange Act Section 12(j).⁴

II.

On July 18, 2011, the Company filed a "Status Report and Response to the Opinion of the Commission." In that filing, the Company acknowledges its "failure to file periodic reports with the Commission, dating 2007 to present," but "report[s] that perhaps a decision has been made

¹ *Cobalis Corporation*, Securities Exchange Act Rel. No. 64813 (July 6, 2011), ___ SEC Docket ___.

² 15 U.S.C. § 78m(a).

³ 17 C.F.R. §§ 240.13a-1, 13a-13.

⁴ 15 U.S.C. § 78l(j).

that will place the company in a position to satisfy reporting requirements as much as humanly possible." As a result, the Company "recommend[s] that the matter of final revocation be tabled for one final 75 day period."⁵

We have construed the July 18, 2011 filing as a motion for reconsideration of the Opinion (the "Motion"), which we review under our Rule of Practice 470.⁶ Under that rule, a motion for reconsideration "shall briefly and specifically state the matters of record alleged to have been erroneously decided, the grounds relied upon, and the relief sought."⁷ Motions for reconsideration are granted only in exceptional cases where necessary "to correct manifest errors of law or fact, or to permit the presentation of newly discovered evidence."⁸ They may not be used "to reiterate arguments previously made or to cite authority previously available."⁹ Moreover, we will only accept additional evidence that "the movant could not have known about or adduced before entry" of the Opinion.¹⁰ The Motion does not meet these rigorous standards for reconsideration.

⁵ The Motion suggests that the Company misapprehends whether a "final order" revoking the registration of the Company's securities has been issued. On July 6, 2011, in connection with issuance of our opinion in this case, we ordered "that the registration of all classes of the registered securities of Cobalis Corporation . . . be, and it hereby is, revoked pursuant to Exchange Act Section 12(j)."

⁶ 17 C.F.R. § 201.470.

⁷ *Id.*

⁸ *Barr Fin. Group, Inc.*, Investment Advisers Act Rel. No. 2202 (Dec 3, 2003), 81 SEC Docket 2911, 2912; *see also KPMG Peat Marwick LLP*, Order Denying Request for Reconsideration, 55 S.E.C. 1, 3 n.7 (2001) (stating that our analysis under Rule 470 is informed by the federal court practice of rejecting motions for reconsideration absent manifest errors of law or fact or newly discovered evidence, and finding that respondent was "foreclosed from resurrecting" an argument that had not been properly raised before the Commission previously); *Rockies Fund, Inc.*, Exchange Act Rel. No. 56344 (Aug. 31, 2007), 91 SEC Docket 1418, 1420 (rejecting a motion for reconsideration "based on a reworking of arguments and facts previously considered and rejected by the Commission and the Court of Appeals" as "an inappropriate attempt to avoid the finality of the Commission's administrative process").

⁹ *Manuel P. Asensio*, Exchange Act Rel. No. 62645 (Aug. 4, 2010), 99 SEC Docket 30990, 30991.

¹⁰ *Perpetual Sec.*, Exchange Act Rel. No. 56962 (Dec. 13, 2007), 92 SEC Docket 472, 473 & n.2 (quoting *Feeley & Willcox Asset Mgmt. Corp.*, 56 S.E.C. 1264, 1269 n.18 (2003)).

The Motion acknowledges the Company's longstanding failure to file required Exchange Act reports, and relies primarily on arguments previously considered and rejected in the Opinion. For instance, the Company argues that financial information for the periods from December 31, 2007 through March 31, 2009 will "continue[] to be beyond the ability of accountants and auditors to opine . . . until the present litigation [with a shareholder] is decided, which may not be until mid or late 2012." However, the Opinion rejected the Company's attempts to attribute its filing delinquencies to a third party or this ongoing litigation, stating that "the only matters relevant to a 12(j) proceeding" are "the fact of [an issuer's] failure to file its quarterly or annual reports" and "its present inability to cure these deficiencies." We further explained that "explanations for delinquent filings do not render such violations 'excusable.'"

The Motion states that the Company "now has accountants working on unaudited numbers" for financial periods beginning from March 31, 2009 "that will be ready for submission . . . on, or around, August 5th," and that "[i]t should then take another 30-45 days to audit the same." However, the Opinion considered the Company's previous repeated assurances regarding purportedly imminent filings, and the Company's failures to meet these self-imposed deadlines. The Motion appears to continue this pattern of assurances which, together with other factors addressed in the Opinion, "cast[] serious doubt on [the Company's] ability to prepare and file the delinquent reports and significantly undermine[] the credibility of its assurances against further violations." In any case, as the Opinion noted, "[e]ven when delinquent filings are made prior to our decision on appeal," we decline to:

reward those issuers who fail to file required periodic reports when due over an extended period of time, become the subject of Exchange Act Section 12(j) revocation proceedings, and then, on the eve of hearings before the law judge or . . . on appeal, make last-minute filings in an effort to bring themselves current with their reporting obligations, while prolonging indefinitely the period during which public investors would be without accurate, complete, and timely reports . . . to make informed investment decisions.¹¹

¹¹ Quoting *Nature's Sunshine Products, Inc.*, Exchange Act Rel. No. 59268 (Jan. 21, 2009), 95 SEC Docket 13488, 13501.

The Company also states in its filing that its "financial records and tax returns" prior to December 2007 "probably mischaracterized significant outlays and expenditures." Such assertions do not constitute the kind of "newly discovered evidence" justifying reconsideration, but merely further confirm our doubts about the Company's ability to return to regulatory compliance.

Under the circumstances, we see no basis for altering our earlier conclusion that revocation of the Company's registration is necessary for the protection of investors, particularly in light of the public interest in finality in our administrative proceedings.¹²

Therefore, IT IS ORDERED that the motion for reconsideration filed by Cobalis Corporation be, and it hereby is, denied.

By the Commission.

Elizabeth M. Murphy
Secretary

¹² As we noted in the Opinion, the Company can file a Form 10 to re-register its securities if it is subsequently able to meet the applicable reporting requirements, notwithstanding its earlier revocation.