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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	No. CV15-
	)	07425 RGK (GJSx)
STEVE CHEN, USFIA, INC.,	)	
ALLIANCE FINANCIAL GROUP,	)	
INC., AMAUCTION, INC.,	)	
ABORELL MGMT I, LLC, ABORELL	)	
ADVISORS I, LLC, ABORELL	)	
REIT II, LLC, AHOME REAL	)	
ESTATE, LLC, ALLIANCE NGN,	)	
INC., APOLLO REIT I, INC.,	)	
APOLLO REIT I, INC., APOLLO	)	
REIT II, LLC, AMKEY, INC.,	)	
US CHINA CONSULTATION	)	
ASSOCIATION, and QUAIL RANCH	)	
GOLF COURSE, LLC,	)	
	)	
Defendants.	)	
	)	

DEPOSITION OF CHENYU CHEN taken at 1875  
Century Park East, Twenty-First Floor, Los  
Angeles, California, at 10:09 a.m., Tuesday,  
October 11, 2016, before Theresa JoAnn  
Phillips-Blackwell, CSR 12700.



(310) 207-8000 Los Angeles	(415) 433-5777 San Francisco	(949) 955-0400 Irvine	(858) 455-5444 San Diego
(310) 207-8000 Century City	(408) 885-0550 San Jose	(760) 322-2240 Palm Springs	(800) 222-1231 Carlsbad
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(951) 686-0606 Riverside	(818) 702-0202 Woodland Hills	(702) 366-0500 Henderson	(516) 277-9494 Garden City
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REIT II, LLC, AMKEY, INC.,	)	
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ASSOCIATION, and QUAIL RANCH	)	
GOLF COURSE, LLC,	)	
	)	
Defendants.	)	
_____	)	

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3 For Plaintiff:

4

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20 Suite 2300

21 Los Angeles, California 90067

22 (310) 201-2100

23 km@birdmarella.com

24 Also Present: Bo Huang, interpreter  
25 Alex Loverde, videographer

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I N D E X

DEPONENT	EXAMINED BY	PAGE
Chenyu Chen	Ms. Miller	7, 152
	Mr. Miller	135

PREVIOUSLY MARKED EXHIBITS

DESCRIPTION	PAGE
34 - Copy of Check No. 694 (2 pages)	44
36 - USFIA Receipts (3 pages)	31
37 - Copies of Various Checks (5 pages)	99
38 - Copy of a 2014 1099-Misc (2 pages)	112
101 - Declaration Of Peter F. Del Greco In Support Of Plaintiff's Ex Parte Application For A Temporary Restraining Order (31 pages)	55

EXHIBITS

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Exhibit 269 - Subpoena To Testify At A Deposition In A Civil Action (5 pages)	9
Exhibit 270 - Amended Notice Of Deposition And Subpoena To Testify At A Deposition In A Civil Action And To Produce Documents Served On Non-Party Chenyu Chen (30 pages)	11
Exhibit 271 - Photo of Amber, Serial No. EA10944 (1 page)	23

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EXHIBITS

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Exhibit 273 - Photo of Amber, Serial No. EA10960 (1 page)	23
Exhibit 274 - Commission with Check No. 11986 (1 page)	23
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Exhibit 276 - Commission with Check No. 12233 (1 page)	23
Exhibit 277 - E-Mail Dated 7/30/2015 (1 page)	115

1 (Los Angeles, California; Tuesday, October 11, 2016,  
2 10:09 a.m.)  
3

10:08 4 THE VIDEOGRAPHER: Good morning. My name is  
10:08 5 Alex Loverde. I am a videographer associated with  
10:08 6 Barkley Court Reporters Los Angeles. The date today is  
10:08 7 October 11, 2016; and the time is 10:09 a.m.

10:08 8 This deposition is taking place at Bird Marella  
10:08 9 in the matter of Securities and Exchange Commission  
10:08 10 versus Steve Chen, et al. The case number is  
10:08 11 CV-15-07425 RGK (GJSx), and this is the videotaped  
10:08 12 deposition of Chenyu Chen taken on behalf of the  
10:08 13 defendant.

10:08 14 Will the counsels for both parties please  
10:08 15 identify themselves.

10:08 16 MS. MILLER: Kimberly Miller, Bird Marella, on  
10:09 17 behalf of Defendant Steve Chen.

10:09 18 MR. MILLER: Douglas Miller with the Securities  
10:09 19 and Exchange Commission on behalf of the SEC.

10:09 20 THE VIDEOGRAPHER: Thank you very much.

10:09 21 Will the court reporter please swear in the  
22 witness.

23 DEPOSITION OFFICER: You do solemnly state that  
24 you will truly and accurately translate in this matter  
25 from English to Mandarin and from Mandarin to English to

1 the best of your ability, so help you God?

10:09 2 THE INTERPRETER: I do.

10:09 3 DEPOSITION OFFICER: Raise your right hand,  
10:09 4 please.

10:09 5 You do solemnly state that the evidence you  
10:09 6 shall give in this matter shall be the truth, the whole  
10:09 7 truth, and nothing but the truth, so help you God?

10:09 8 THE WITNESS: Yes.

10:09 9 THE INTERPRETER: My name is Bo Huang. I'm a  
10:09 10 court-certified interpreter. My credential is 301565.

10:09 11 MR. MILLER: And if I can ask the interpreter  
10:09 12 -- I know you're probably capable of doing simultaneous  
10:09 13 translation, but the witness also speaks some English,  
10:09 14 and it may be easier for him to understand if you use  
10:09 15 sequential interpretation.

10:10 16 THE WITNESS: Okay. Okay.

10:10 17

10:10 18 EXAMINATION

10:10 19

10:10 20 BY MS. MILLER:

10:10 21 Q. Good morning, Mr. Chen.

10:10 22 Have you ever given testimony under oath  
10:10 23 before?

10:10 24 A. No.

10:10 25 Q. No. Okay.

06:13 1 Q. I want you to focus on that night. Don't do  
06:13 2 that again. Stay focused. I want to talk to you about  
06:13 3 the night that you went there with your girlfriend.

06:13 4 Okay?

06:13 5 A. I did not go that night. But the -- but the  
06:13 6 video is shown on the WeChat.

06:13 7 Q. Okay.

06:13 8 A. And she was a -- she was a -- in the  
06:13 9 performance in the video.

06:13 10 Q. Okay. I want to talk to you about the night  
06:13 11 that -- was there a day that you went to USFIA for the  
06:14 12 first time with your girlfriend?

06:14 13 A. Yes.

06:14 14 Q. Okay. I just want to talk to you about that  
06:14 15 experience. Okay?

06:14 16 A. Yes.

06:14 17 Q. During that experience, did you see or hear  
06:14 18 anything about Dominican mines of amber? Dominican  
06:14 19 Republic.

06:14 20 A. Yes, yes. There was a showroom there.

06:14 21 Q. Okay. And what was in that showroom?

06:14 22 A. Oh, lots of pieces of amber and blue gems were  
06:15 23 on display. Lots of them.

06:15 24 Q. Okay. Did the things that were on display have  
06:15 25 price tags on them or something to indicate what they



06:15 1 were -- what they would cost?

06:15 2 A. Yes, yes, yes. Actually, the price -- the  
06:15 3 prices were very high actually. But those prices  
06:15 4 were --

06:15 5 Q. Go ahead. Please.

06:15 6 A. Those prices were just made up by them. For a  
06:15 7 \$1 worth of piece, they could mark it to 10,000.

06:16 8 Q. Let's stay focused. Okay?

06:16 9 A. (In English) Okay. Sorry. Okay. Sorry.

06:16 10 Q. In addition to the showroom, did you see any  
06:16 11 videos that -- that day that you went to USFIA, did you  
06:16 12 see any videos or pictures about mines in amber in the  
06:16 13 Dominican Republic?

06:16 14 A. No, no.

06:16 15 Q. Okay.

06:16 16 A. I did not see any videos.

06:16 17 Q. So the only thing you saw that night or day  
06:16 18 when you went to USFIA for the first time was a showroom  
06:16 19 about amber?

06:17 20 A. Yes.

06:17 21 Q. Okay. Now, the price tags that you saw on the  
06:17 22 amber, thinking about it from the time that you were  
06:17 23 there -- not now, but that day that you were there the  
06:17 24 first time, did you believe that those price tags showed  
06:17 25 the true value of that amber that you were looking at

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DEPOSITION OFFICER'S CERTIFICATE

STATE OF CALIFORNIA                    }  
  }     ss.  
COUNTY OF LOS ANGELES               }

I, THERESA JOANN PHILLIPS-BLACKWELL, hereby  
certify:

I am a duly qualified Certified Shorthand  
Reporter in the State of California, holder of  
Certificate Number CSR 12700 issued by the Court  
Reporters Board of California and which is in full force  
and effect. (Fed. R Civ. P. 28(a)).

I am authorized to administer oaths or  
affirmations pursuant to California Code of Civil  
Procedure, Section 2093(b) and prior to being examined,  
the witness was first duly sworn by me. (Fed. R. Civ.  
P. 28(a), 30(f)(1)).

I am not a relative or employee or attorney or  
counsel of any of the parties, nor am I a relative or  
employee of such attorney or counsel, nor am I  
financially interested in this action. (Fed. R. Civ. P.  
28).

I am the deposition officer that  
stenographically recorded the testimony in the foregoing  
deposition and the foregoing transcript is a true record

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of the testimony given by the witness. (Fed. R. Civ. P. 30(f)(1)).

Before Completion of the deposition, review of the transcript { } was {XX} was not requested. If requested, any changes made by the deponent (and provided to the reporter) during the period allowed, are appended hereto. (Fed. R. Civ. P. 30(e)).

Dated: OCTOBER 14, 2016

  
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