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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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1 APPEARANCES OF COUNSEL:

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4

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17 BIRD MARELLA BOXER WOLPERT DROOKS

18 LINCENBERG RHOW

19 1875 Century Park East

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 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


