Private Equity China

Capturing Market Share through RTOs

George Raney, Founder
Raney & Associates
June 23, 2010

Index

Middle Market Opportunity

With the growing number of yuan-denominated private equity funds being founder by princelings, sea turtles and bosses of State Owned Enterprises (SOE) limiting quality investment opportunities, a dearth bank financing for leveraged buyouts and exit strategy limitations, global private equity firms are facing shrinking opportunities for large buyouts and increasing domestic competition for middle market deals in China.

For global private equity firms that have the PRC infrastructure in place to source deals, conduct due diligence, negotiate and manage portfolio investments, supplementing middle market targets can be accomplished by capitalizing on the China's demand for US listing via takeover transactions (RTOs). Supporting RTOs will not only increase deal flow for global private equity funds, a US listings could make for an attractive acquisition vehicle for horizontal or vertical integration in some of China's highly fragmented industries, thus enabling a private equity funds to invest at a private company valuation and use US listings to enhance portfolio valuation before a public offering or strategic sale.

Small and Medium-Sized Enterprises

McKinsey argues that the townships and villages practicing rural entrepreneurialism created the foundation for China's economic growth and social prosperity, and that State-led capitalism practiced in China's largest cities, such as Shanghai produces relatively lower standards of living. If China's urbanization process does indeed last another 40 to 50 years, the Central Government will not only be looking to its Small and Medium-Sized Enterprises (SME) for industrial and technological innovation, but also to create hundreds of millions of jobs. Yet bank lending practices still favor SOEs, even though SMEs already account for 60% of industrial output, 60% of exports and employ 75% of labor. This bottleneck to financing for China's SMEs continues to drive demand for US listings via reverse takeovers.

Most of the PRC companies seeking capital through reverse takeovers are controlled by a single entrepreneur, who may have invested over a year and in excess of one million dollars to acquire a US listing and to pay the on-going legal and accounting fees just to be eligible to raise capital. It is this type of commitment that demonstrates a level of credibility that is worthy of consideration for long-term funding. And more importantly, his quest for funding is forcing him to move beyond China relationship based system to accept our rule based system, which exposes him to principals of corporate governance.

These conditions present an interesting opportunity for global private equity firms targeting China's middle market to capture market share through RTO transactions with SMEs and growing them as public companies within their portfolios.

PRC RTO History

China's first RTO transaction did not involve an empty, non-operating listed shell corporation, but was completed with a fully listed Nasdaq fallen angel, whose share price had deteriorated due to lack of business prospects. When the market awoke one morning to find this tiny Nasdaq company referenced in the Wall Street Journal as the proud owner of a PRC international trading company with $300 million in assets, its share price and liquidity responded accordingly, which made it easy to arrange a private placement with hedge funds buying unregistered Reg S shares that were subject to a holding period of only 41 days.

Need for Shells

Unfortunately, the management team of this active Nasdaq company caused some change-in-control complications. This, plus the fact that they had demanded half of the equity dilution negotiated from the PRC company prompted the RTO's sponsors to focus its attention on more docile listing vehicles for future transactions.

Although non-operating listed vehicles provide for a smooth change-in-control, their lack of trading creates a huge problem in raising capital, as no liquidity means no exit strategy for a hedge fund manager to monetize his return from a private placement investment.

Need for Liquidity

Until recently, this has been the major issue that has dominated market activity, as traditional investor relations firms are more equipped to manage IR after market credibility and investor awareness have already been established through the IPO process. Unable to generate the type of liquidity to satisfy hedge fund managers, RTO sponsors and issuers have supplement or replaced the traditional IR efforts with stock promoters who are able to specialize in a variety of activities utilizing the latest in online technologies and services. The fact that most of these promoters require equity based compensation virtually assures liquidity, but not shares price appreciation.

For those PRC companies with the balance sheets and income statements to support investment, it is the liquidity that clinches funding because the convertible preferred private placement structures virtually assures the hedge fund manager a profit, no matter how far the share price of a stock may fall (as long as the issuer does not run out of authorized shares), even without hedged positions through naked short selling.

Development of PRC RTOs

In recent years, hedge funds have become even more aggressive by making funding commitments prior to the close of the listing transaction through alternative public offerings (APO) if issuers are willing to commit a portion of their funding to IR activities to create the funds exists, or by funding revere takeover transactions that have pre-arranged a public offering for AMEX and Nasdaq eligible PRC companies.

Although these public offerings for PRC revere takeover stocks are a good indication that middle market investment opportunities still exist for private equity funds in China, they are not indicative of a resolution to the funding challenges faced by China's SMEs seeking access to capital through RTO listings, which is still limited to hedge funds and by the fund manager's need for liquidity.

The current market for PRC RTO projects is dominated by a very experience collaboration of China based RTO sponsors, investor relations firms and investment bankers with a demonstrated ability to create the required liquidity that enables the collaborators and a target audience of hedge funds to sell their shares to an unsuspecting market, which assumes is supplying project financing for China.

RTOs are sold in China as a total solution, with the implied message that the viability of the listing is solely dependent upon the operating performance of the core business in China. The exit strategies of the RTO sponsors and PIPE investors are never highlighted during the courting of the PRC entrepreneur (or during the subsequent investor conferences). Instead, RTOs are marketed in China by emphasizing that PIPE opportunities are only available for those fortunate enough to have a US listing. Another reality hidden from the China company is the fact that the issuer's key advisors (SEC attorney, auditor, investment bankers and investor relations firm) all owe their allegiances to the hedge funds manager, without whom they would not have a paying client. So, it is not surprising that the CEOs of a newly listed stock never weighs the dollar value of a PIPE against the potential loss of market capitalization or viability of the listing because they are never fully informed of the dangers of the convertible preferred private placement structure or the real role liquidity plays in the listing process.

The oldest collaboration in providing a total RTO solution is between the original RTO sponsor, Millennium Capital Partners' Jonathan Mork and Dr. Jerry Song, and investment bank Roth Capital. Other prominent RTO sponsors include Halter, Keating and Maxim. Rodman & Renshaw is an investment bank that is also very active in providing liquidity. Investor relations firms CCG and Redchip, as well as SEC attorneys from Loeb & Loeb, Sichenzia Ross, Anslow and Jaclin and Richardson & Patel also specialize in RTOs. Newer entrants include investment banking firms that create their own listed vehicles, such as WestPark Capital, hedge funds such as Barron Partners and offshore funds that sponsors APOs using inventoried shells, such Fountainhead Capital Partners (see exhibits).

Demand for Long-Term Capital

Since even the most sophisticated China CEO is incapable of distinguishing between private equity funds, mutual funds or hedge funds, the source of demand for longer-term RTO funding must be the RTO sponsors, whose returns would dramatically increase if they were free to exit during a public offering without having to compete with the selling a hedge fund.

Also worth considering is a hedge funds manager's reluctance to fund RTO transactions because of the potential decrease in returns due to a RTO sponsor piggybacking his public offering exit strategy. Such reluctance would also endanger the fees for all of the RTOs collaborators.

Adding private equity capital to the current market practices is illogical due to the inherent conflict between the RTO sponsor and a private equity fund regarding the timing of their exits, and would minimize the fund's investment returns and risks diminishing the fund's brand.

A better approach to capture market share through RTOs would be for private equity funds to provide their own total RTO listing solution to China and compete with hedge funds based on the cost of capital.

PE China Opportunity

Replacing short-term hedge fund financing with long-term private equity growth capital not only eliminates the costs of addressing the liquidity issues of the RTO sponsors and hedge funds, it will minimizes the risk of excessive dilution and preserve the utility of the listing to increase market capitalization and portfolio valuations before a public offering or strategic sale.

Eliminating the liquidity issue frees the issuer of the burdensome expense of registering shares and enhances the opportunity for appreciation in share price, market capitalization and portfolio valuation by limiting the supply of shares in the float.

Private Equity vs Hedge Funds, capturing RTO market share by lowering China's cost of capital

Since China's CEOs are unable to distinguish between US institutional funding sources, a private equity fund must offer China a superior total RTO listing solution in order to capture market share. A superior solution would have be comprehensive, offering a full range of PRC and US services and support to deliver faster, more cost effective results.

Providing a total solution that includes the listed vehicle, US advisory services to maximize the listing valuation, PRC operational support and capital for short-term insider liquidity or US professional service providers and PRC business expansion is a superior total solution to any currently available to China.

The key benefits of a private equity RTO listing solution are (1) the elimination of the need for early liquidity, which minimizes dilution and protects valuations and (2) the elimination of the costs for a registration, which will preserve the issuer's capital.

These benefits can be further enhanced through collaboration with a RTO sponsor committed to executing (3) long-term strategies to maximize the valuation of the US listing as a part of a total RTO listing solution, which includes uplisting to Nasdaq or NYSEAmex.

Exhibit A. Millennium, Roth and Redchip

DOWJONES

FINANCIAL NEWS

Hanson returns with China venture
Liam Vaughan
22 Feb 2010

Robert Hanson, the son of late UK industrialist Lord Hanson and heir to the family estate, is poised to return to deal-making with the launch of a China-focused fund.

Hanson, who previously oversaw mergers and acquisitions and strategy at his family's eponymous international conglomerate during the 1990s, has signed a deal with private equity firm China Science & Merchants Venture Capital Management, which has seven offices across China and is run by Jerry Song, China director of Millennium Capital Partners. Hanson will help raise international funds and advise on running the fund.

No decision has been reached on whether the fund will be dollar or yuan-denominated. Hanson said: "I have a great Rolodex in the region and I am very well connected in that part of the world. We will give international investors access to the wealth of opportunities in China and beyond."

Hanson is hoping to draw on relationships built during his time as a senior banker with NM Rothschild in the region in the 1980s. In 1990, Hanson joined the board of Hanson plc, the conglomerate founded by his father in 1964, where he was responsible for deal-making until he left the group to found Hanson Capital in 1998. Hanson plc was for a time one of the world's largest global conglomerates, with business interests including tobacco, energy, chemicals and building materials.

Strand Hanson, the London-based emerging markets financial adviser of which Hanson is chairman, is expected to pick up the bulk of the corporate finance advisory work associated with the new fund, Hanson said.

Hanson intends the China venture to be the first of several emerging markets-focused partnerships to be formed by Hanson Asset Management, a new arm of Hanson Capital, which oversees the family's various business interests.

http://www.efinancialnews.com/story/2010-02-22/hanson-returns-with-china-venture

Dr. Jerry Song
General Partner
Dr. Song is a General Partner of CSM Capital International and a Managing Director of CSM Investment. With his influence and connections in China's banking industry and corporate communities, he is responsible for CSM's fund raising, deal development and oversees direct equity investment, acquisition, international listing and international cooperation. He holds several directorships including Platinum Capital Management, Ltd, Millennium Capital Partners, Global E-Venture and USX China Stock Index. He is a co-founder and the co-chairman of China Education Network, Inc. He has been a key Wall Street advisor for several milestones listing of Chinese companies in the US since 1995.

Dr. Song has taught finance and capital market theories at the University of Texas, China's Tongji Univ., Xi'an Jiaotong Univ., and Beijing University of Science and Technology. He has also taught investment theory and merger and acquisition for China's State Assets Supervision and Administration Commission (SASAC), China Institute of Finance and Banking of the People's Bank of China, and the executive training center of the Ministry of Finance of China. In his academic career, he has trained over 200 bankers and fund managers from China's leading investment banking firms and fund management companies, and over 2,000 senior executives from China's Fortune 100 companies.

Dr. Song received his Ph.D. degree in Finance from the University of Mississippi and did his doctoral study in Management Science at the University of California, Irvine.
http://www.leadvc.com/team.html

China Science and Merchants Capital Management Co., LTD. is a pioneer in China RMB-denominated private equity industry. Since its founding in 2000, CSM has grown rapidly. CSM now spans across seven offices in China. Over the last nine years, we have built a team of 80 professionals, and grown into an industry leader with over 6 billion RMB (1 billion US) AUM.

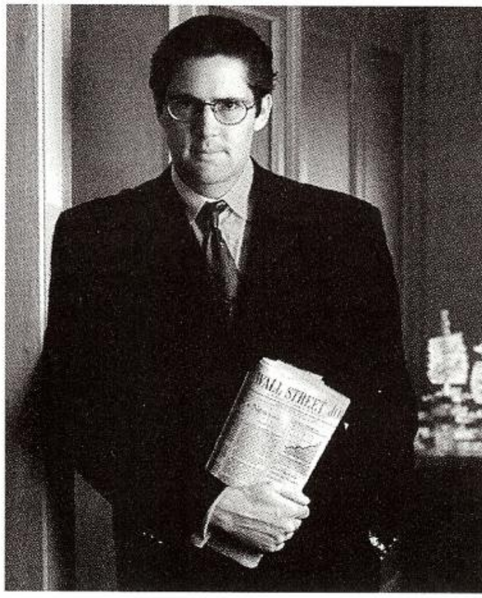
http://www.leadvc.com

NEW ISSUES

China knocks on the U.S.'s back door

For a short while backdoor listings of Chinese companies in Hong Kong were almost routine. After China first authorized overseas issues by mainland companies in October 1992, a cascade of 20 such deals hit the colony before Chinese and Hong Kong regulators applied the brakes in late 1993. Many observers then expected the practice to catch on in the U.S.

That hasn't happened. Although this year will likely see several successful backdoor China listings in the U.S., the score to date is underwhelming: one deal completed; one rebuffed, with its authors planning to try again; and a few more in the works, including one from a deal maker who questions their practicality. In short, a tentative trickle.



Jerry FruchtmanStudio/L.A.

Millennium's Mork: One deal done, two pending

Nobody expected a Hong Kong–scale flow of backdoor deals in the States. But there are good reasons why the method would be an attractive alternative to an initial public offering for the many Chinese companies eager to raise money in the world's biggest capital market.

For would-be listers, the backdoor process involves a few relatively quick (at least in theory) steps: buying control of an already listed corporate shell (usually a financially exhausted company that has ceased operating) and then injecting assets into it. "You can complete the merger in one month, and it may take two months to get the compliance and accounting issues done," says Jonathan Mork, a managing partner at Millennium Group, a Beverly Hills–based cross-border merchant banking boutique. "The IPO alternative can take nine months to a year."

Millennium advised on what is still the only completed backdoor listing by a Chinese company in the U.S., that of China Industrial Group, in February 1994. The transaction involved the 100 percent acquisition by Generation 5 Technology — a Nasdaq-listed software company that had fallen on hard times — of Nova Industrial Holdings, a British Virgin Islands holding company. Nova has several subsidiaries involved in wool products, pharmaceuticals and chemicals in China.

With the transaction complete, Generation 5 changed its name to China Industrial Group. The company then quickly went to the U.S. private-placement market, where it has raised approximately $15 million since its backdoor listing.

According to Mork, Millennium is involved in two other backdoor listings that are almost complete. Last December High Worth Holdings, a British Virgin Islands concern with various brewing interests in China, initiated a reverse acquisition of CBR Brewing Co., a Nasdaq-listed company based in Florida. Millennium is also advising on China Bearing Holding's reverse acquisition of Pan American Industries, another Nasdaq shell company, which used to be in the oil and gas industry. The company has been renamed Sunbase Asia.

Yet Mork and other investment bankers don't expect a lot more deals like these. The reasons involve regulators in both Beijing and Washington. Worried about state assets being bought too cheaply by foreigners, Beijing decreed last fall that state-owned companies wishing to issue shares in foreign countries through overseas-incorporated vehicles need approval from the China Securities Regulatory Commission. The U.S. Securities and Exchange Commission's disclosure requirements have also discouraged some issuers.

Already some companies have stumbled in their dash for the back door. Last December a plan by China Strategic Holdings to use Regal International as a backdoor vehicle was stopped in its tracks when the New York Stock Exchange delisted Regal (*Institutional Investor*, January 1995). The plan called for Regal to acquire China Strategic's majority stakes in three Chinese breweries and a 25 percent stake in a holding company with other brewery interests.

Comments one observer: "They really underestimated problems with disclosure with the SEC and the NYSE." Sources close to the CSRC add that China's securities watchdog quietly expressed its "discomfort" with the backdoor listing to the Big Board and the SEC.

The head of China Strategic, 46-year-old Oei Hong Leong, counters that the deal fell apart only because Regal and CSH did not start the process sooner. He denies any knowledge of interference from China and says he plans to proceed with a Nasdaq listing later this year, followed by a listing on the Big Board itself. "We will never give up," says Oei.

Then there is 87 Acquisition Corp., a renamed Nasdaq company in which a Hong Kong group acquired a majority stake last February. The goal is to migrate the company to the Bahamas and inject Chinese assets into it, but the deal is now bogged down in SEC disclosure requirements, according to a source who advised on it. The company still hopes to raise some $14 million via an equity offering once the reverse acquisition is completed.

The source attributes much of the delay to the company's effort to redomicile in the Bahamas, where it can garner significant tax savings. But he complains that "the migration just adds to the complexity, there's a spider's web of regulatory requirements that just gets in the way. The pain and suffering will, I think, prevent this vehicle from being used in most cases. It's cheaper and easier just to do a regular listing." — **Mark Fortune**

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CITY: HONG KONG
BUSINESS PHONE: 7147606880

MAIL ADDRESS:
STREET 1: 12/F – 15/F LEE THEATRE PLAZA
STREET 2: 99 PERCIVAL ST CAUSEWAY BAY
CITY: HONG KONG

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OTHER SELLING SHAREHOLDERS

Goodchild Investments Limited
Torotola, British Virgin Islands
Jonathan Mork
9551 Wilshire Boulevard
Beverly Hills, CA 90212

http://www.sec.gov/Archives/edgar/data/1048055/0001019687-97-000091-index.html

PROSPECTUS
6,455,918 Common Shares

DUOYUAN PRINTING, INC.

$8.50 per share

- We are offering 5,500,000 common shares and the selling shareholders are offering 955,918 common shares of Duoyuan Printing, Inc. We will not receive any proceeds from the sale of our common shares by the selling shareholders.
- This is our initial public offering and no public market currently exists for our common shares.
- Trading symbol: New York Stock Exchange — "DYP".

	Per Share	Total
Public offering price	$8.50	$54,875,303
Underwriting discount	$0.595	$3,841,271
Proceeds, before expenses, to Duoyuan Printing, Inc.	$7.905	$43,477,500
Proceeds, before expenses, to selling shareholders	$7.905	$7,556,532

The underwriters have a 30-day option to purchase up to 968,388 additional common shares from us to cover over-allotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Piper Jaffray Roth Capital Partners

The date of this prospectus is November 5, 2009.

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Promissory Note Conversions

We issued a non-interest bearing convertible promissory note to Dempsey Mork, our former founder, president and chief executive officer who resigned upon the completion of the equity transfer in October 2006, for the principal amount of $50,000, as reimbursement for his payment of certain operational fees and costs we incurred prior to the equity transfer. This note was converted into 372,871 common shares on September 15, 2006. We also issued a non-interest bearing convertible promissory note to Millennium Capital, Inc. for the principal amount of $20,000, as reimbursement of funding assistance it provided to us prior to the equity transfer. Millennium Capital, Inc. is controlled by Jonathan Mork, the son of Dempsey Mork and a director of Roth Capital Partners, our placement agent for the November 2006 private placement. This note was also converted into 372,871 common shares on September 15, 2006. For more information on the Dempsey Mork, Jonathan Mork and Millennium Capital, Inc. see "Selling Security Holders."

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SELLING SECURITY HOLDERS

The selling shareholders are selling 955,918 shares of our common shares, which were issued to them in our November 2006 private placement. None of our pre-equity transfer investors, which include certain investors, members of our former management team and their affiliates, is selling shares in this offering.

We effected a 1-for-2.68189924 reverse share split on July 17, 2007. With respect to fractional shares, each holder of our common shares who would otherwise have been entitled to a fraction of a share upon surrender of such holder's certificate(s) received one common share. The number of our outstanding and issued shares prior to the reverse share split was 67,047,481. Upon the effectiveness of the reverse share split, the number of our outstanding and issued shares became 25,000,050. The following information about selling security holders reflects the reverse share split described above.

Pre-Equity Transfer Investors

The shares issued to the pre-equity transfer investors were issued at various times over a period of eight years since the time of our incorporation until the equity transfer, pursuant to the exemption from the registration provisions of the Securities Act provided by Section 4(2) of the Securities Act, and Rule 506 of Regulation D promulgated thereunder, for issuances not involving a public offering.

The pre-equity transfer shares include (1) 382,868 shares issued to investors in a private placement in December 1998, (2) 372,871 shares issued to Dempsey Mork, our former founder, president and chief executive officer who resigned upon the completion of the equity transfer, upon the conversion of a non-interest bearing convertible promissory note on September 15, 2006, (3) 372,871 shares issued to Millennium Capital, Inc. upon the conversion of a separate non-interest bearing convertible promissory note on September 15, 2006 and (4) 176,463 shares issued to members of our former management team and their affiliates between 1998 and 2005, including Dempsey Mork, Randall A. Baker, our former vice president who resigned in 2002, and Norbert LeBouef, our former chief financial officer who resigned at the closing of the equity transfer. See "Related Party Transactions — Promissory Note Conversions" for description of the conversions of the two non-interest bearing convertible promissory notes.

The pre-equity transfer investors are reasonably believed to be "accredited" investors as defined in Regulation D under the Securities Act, or were a spouse or relative of an accredited investor who shared the same principal residence with the accredited investor. Unless otherwise discussed in this prospectus, the pre-equity transfer investors did not engaged in any transactions with us during fiscal 2007, 2008, and 2009.

http://www.sec.gov/Archives/edgar/data/1086142/000095012309059102/f53413b4e424b4.htm

Kingtone Wirelessinfo Solution Holding Ltd
Representing 4,000,000 Ordinary Shares
$4.00 per ADS

Kingtone Wirelessinfo Solution Holding Ltd is offering 4,000,000 American Depositary Shares, or ADSs, in its initial public offering. Each ADS represents the right to receive one (1) ordinary share, par value $.001 per share.

We have received approval to list our ADSs on the Nasdaq Capital Market under the symbol "KONE".

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Company
Per ADS	$ 4.00	$ 0.20	$ 3.80
Total	$ 16,000,000	$ 800,000	$ 15,200,000

.We have granted the underwriters a 30-day option to purchase up to an aggregate of 600,000 additional ADSs on the same terms set forth above. See the section of this prospectus entitled "Underwriting."

The Securities and Exchange Commission and state securities regulators have not approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the ADSs to purchasers on or about May 19, 2010 through the book-entry facilities of The Depository Trust Company.

Roth Capital Partners

Maxim Group LLC
Prospectus dated May 14, 2010
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Millennium Group Inc. ("Millennium"), a California corporation incorporated on June 29, 1994, owns 100,000 of our ordinary shares representing approximately 1% of the total of our issued and outstanding shares. These shares have been deemed compensation by FINRA and are therefore subject to a 180-day lock-up pursuant to the FINRA Conduct Rules except that they may be sold, transferred, assigned, pledged or hypothecated to any underwriter participating in the offering and their bona fide officers or partners provided such transferees agree to remain subject to the aforementioned lock-up restriction. Millennium received such shares in consideration for consulting services provided to Kingtone Information. The consulting services provided by Millennium to Kingtone Information consisted of assisting Kingtone Information in pre-initial public offering preparations of its operations including organizational structure, business review, corporate strategy study, key employee interviews, document review, business plan development, corporate positioning, financial modeling, due diligence preparation, investor presentation development, preparation of registration statement and assistance with coordination of professionals and service providers.

Millennium is owned by Jonathan Mork. Mr. Mork is a member of the Board of Directors of ROTH Capital Partners LLC and a member of CR Financial Holdings, Inc., the parent company of ROTH Capital Partners LLC and as such is considered a related person to ROTH Capital Partners LLC.

http://www.sec.gov/Archives/edgar/data/1487839/000114420410027652/v185062_424b4.htm

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON
DECEMBER 14, 2000

REGISTRATION NO. 333-49950

==

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 1
TO
FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

FREEREALTIME.COM, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	7375	33-0881720
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

</TABLE>

3333 MICHELSON DRIVE, SUITE 430
IRVINE, CALIFORNIA 92612
(949) 833-2959

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

GEOFFREY T. MOORE
CO-CHIEF EXECUTIVE OFFICER
FREEREALTIME.COM, INC.
3333 MICHELSON DRIVE; SUITE 430
IRVINE, CALIFORNIA 92612
(949) 833-2959

Copies to:

CARY K. HYDEN, ESQ.
LATHAM & WATKINS
650 TOWN CENTER DRIVE, 20TH FLOOR
COSTA MESA, CALIFORNIA 92626
(714) 540-1235

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(1)	AMOUNT OF REGISTRATION FEE(1)
Common Stock, par value $.01 per share	$9,715,201	$2,565

PROSPECTUS
4,317,867 SHARES

[FREEREALTIME.COM LOGO]

COMMON STOCK

The selling stockholders, identified in this prospectus are selling 4,317,867 shares of common stock. We are not selling any shares of our common stock under this prospectus and we will not receive any of the proceeds from the shares of common stock sold by the selling stockholders.

The selling stockholders may sell the shares of common stock described in this prospectus in a number of ways and at varying prices. We provide more information about how the selling stockholders may sell their shares in the section entitled "Plan of Distribution" on page 46.

Our common stock is currently quoted on the OTC Bulletin Board under the trading symbol "FRTI." On November 13, 2000 the last reported sale price of our common stock on the OTC Bulletin Board was $2.25 per share.

OFFICERS AND DIRECTORS

The following table sets forth, as of November 1, 2000, the name, age and position of our directors, executive officers and other key employees.

NAME	**AGE**	**POSITION**
Geoffrey T. Moore	43	Chairman of the Board
Brad G. Gunn	30	Co-Chief Executive Officer
Michael B. Neufeld	34	Executive Vice Pres, CFO
David Armitage	40	Senior Vice Pres of Advertising Sales
Brian Probolsky	30	Senior Vice Pres Digital Services
Scott L. Brown	36	Vice Pres of Corporate Development
Robert E. Harris	53	Vice Pres of Member Care
M'Liss Jones Kane	47	Vice Pres, General Counsel
Gordon Rix	40	Vice Pres Interactive Marketing
Ari R. Engelberg (2)	28	Director
David Gale (1)(2)	41	Director
Stephen N. Livingston	48	Director
Jonathan Mork	37	Director
Marcus W. Robins	46	Director
Byron C. Roth	37	Director

Byron C. Roth. Mr. Roth became a member of our board of directors in August 2000 as a result of our acquisition of RedChip.com. Mr. Roth is currently the Chief Executive Officer, President and Chairman of the board of directors for Roth Capital Partners. Mr. Roth has served as Chairman and Chief Executive Officer of Roth Capital Partners since 1998, and as President since 1993. Prior to his present positions at Roth Capital, Mr. Roth was Director of Corporate Finance from 1992 to 1993. Mr. Roth serves on the boards of Summa Industries and the University of California Irvine Graduate School of Management.

Jonathan Mork. Mr. Mork become a member of our board of directors in August 2000 as a result of our acquisition of RedChip.com. Mr. Mork is the managing partner of Millennium Group, Inc., a private investment and strategy advisory firm. From 1995 to Spring of 1999, Mr. Mork served as Vice President of Strategy for China Internet and assisted in the development of its subsidiary, China.com.

This amount reflects 82,807 shares owned by Mr. Mork, 108,646 shares owned by Millennium Hansen Internet Partners, 12,071 shares owned by Millennium Group, Inc., and 36,846 shares, which Mr. Mork currently has the right to acquire pursuant to vested stock options.

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NOTES RECEIVABLE FROM REDCHIP OFFICERS.

Prior to its acquisition by Freerealtime.com, Inc., three RedChip officers and stockholders delivered notes to RedChip in connection with their purchase of shares of RedChip common stock on July 20, 1999. Marcus Robins, Thomas Petersen and Douglas Sherk each delivered RedChip a note as consideration for the purchase of such shares in the respective amounts of $900,000, $75,000 and $35,000. In connection with our acquisition of RedChip, each of these RedChip officers and stockholders repaid their notes in full with interest at 7% from the date of the note through September 1, 2000 by delivering us shares of our common stock which they acquired in the merger. Mr. Robins delivered 210,535 shares of our common stock, Mr. Peterson delivered 17,544 shares of our common stock, and Mr. Sherk delivered 7,017 shares of our common stock, in full satisfaction of the note. These note stockholders also entered into contingent payment agreements which provided that upon the earlier of March 30, 2001 or at the time we participate in an underwritten public offering, a contingent amount of shares of our common stock will be delivered on March 31, 2000 as follows: (i) if the shares of our stock which were delivered in satisfaction of the notes are valued (based on a 10 day trading average ending on March 30, 2001) at more than the amount of the respective note we will return to the note stockholders any shares which exceed the note amount, (ii) if the shares of our stock which were delivered to satisfy the note are valued (based on a 10 day trading average ending on March 30, 2001) at less than the amount of the respective notes, the holders of the notes will deliver additional shares in an amount equal to the shortfall, notwithstanding that the shares delivered to us will not exceed the aggregate number of shares of our stock which were delivered to the note stockholders at the closing of the RedChip merger.

….

PRINCIPAL AND SELLING STOCKHOLDERS

	NUMBER OF SHARES BENEFICIALLY OWNED		BEING OFFERED	AFTER THE OFFERING	
EXECUTIVE OFFICERS:					
Brad G. Gunn	2,913,353	19.0%	0	2,913,353	19.0
Geoffrey Moore	525,000	3.0	0	525,000	3.0
Scott L. Brown (3) q	131,976	1.0	0	131,976	1.0
DIRECTORS:					
Ari R. Engelberg	3,058	*	0	3,058	*
David Gale	3,780	*	0	3,780	*
S. Livingston	204,780	1.0	0	204,780	1.0
Jonathan Mork	435,451	3.0	0	435,451	3.0
Marcus Robins	534,840	4.0	0	534,840	4.0
Byron C. Roth	2,396,938	16.0	0	2,396,938	16.0
Robert Werle	2,166,667	14.0	0	2,166,667	14.0
Ronald P. Woods	2,780	*	0	2,780	*
5% STOCKHOLDERS:					
Stuart Robson	777,786	5.1	0	777,786	5.0
Jefferies & Co.	1,904,762	12.5	0	1,904,762	0
Roth Capital	2,130,211	14.0	0	1,368,306	9.0
All Directors, Executive Officers And 5% Stockholders As A Group (16 Persons) (13):					
	12,143,617	80.0	0	9,476,950	62.3
NAME OF SELLING STOCKHOLDER:					
Reggie Del Ponte	12,500	*	12,500	0	*
Sheldon Drobny	19,047	*	19,047	0	*
Estate Planning LP	20,000	*	20,000	0	*
Millenium Hansen	299,122	2.0	190,476	108,646	*

http://www.sec.gov/Archives/edgar/data/1073091/000109581100005271/a67285a1s-1a.txt

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

AUGUST 18, 2000

FREEREALTIME.COM, INC.

EXHIBIT 2.2
FIRST AMENDMENT TO AGREEMENT AND PLAN OF MERGER

THIS FIRST AMENDMENT TO AGREEMENT AND PLAN OF MERGER dated as of August 10, 2000 (this "Amendment") is entered into by and among Freerealtime.com, Inc., a Delaware corporation ("FRT"), Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of FRT ("Sub"), and RedChip.com, Inc., a Delaware corporation ("RedChip"), amending that certain Agreement and Plan of Merger, dated as of June 6, 2000, by and between FRT and RedChip (the "Merger Agreement"). All capitalized terms used but not defined in this Amendment shall have the meanings ascribed to them in the Merger Agreement….

IN WITNESS WHEREOF, each party hereto has executed this Amendment or caused this Amendment to be duly executed on its behalf by its officer thereunto duly authorized, as of the day and year first above written.

FREEREALTIME.COM, INC.,
a Delaware corporation

By: /s/ GEOFFREY MOORE

Name: Geoffrey Moore
Title: Co-Chief Executive Officer

FRT MERGER SUB, INC.,
a Delaware corporation

By: /s/ GEOFFREY MOORE

Name: Geoffrey Moore
Title: Co-Chief Executive Officer

REDCHIP.COM, INC.,
a Delaware corporation

By: /s/ BYRON ROTH

Name: Byron Roth
Title: Chairman of the Board

http://www.sec.gov/Archives/edgar/data/1073091/000109581100003167/a65365ex2-2.txt

Filing Date Changed
2011-06-17

CHINA HIGHLANDS LIMITED

British Virgin Islands

4519 Admiralty Way, Suite A, Marina del Rey, California
90292

(Address of principal executive offices)
(Zip Code)
(310) 482-6940
(Issuer's Telephone Number, Including Area Code)

Securities to be registered under Section 12(b) of the Act:

Title of each class
Name of Each Exchange on which
to be so registered
each class is to be registered

Securities to be registered pursuant to section 12(g) of the Act: Common Stock, no par value

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer or a small reporting company. See definition of “large accelerated filer”, “accelerated filer” and “small reporting company” in Rule 12b-2 of the Securities Exchange Act of 1934.

Background
China Highlands Limited, a British Virgin Islands corporation (the “Company”) was incorporated on June 11, 2010. The Company has no operating history other than organizational matters, and was formed specifically to be a reporting "shell” company without any operating history and for the purpose of either merging with or acquiring an operating company with operating history and assets. The United States Securities and Exchange Commission (the “SEC”) defines those companies as "any development stage company that is issuing a penny stock, within the meaning of Section 3(a)(51) of the Exchange Act, and that has no specific business plan or purpose, or has indicated that its business plan is to merge with an unidentified company or companies." Under SEC Rule 12b-2 under the Exchange Act, we also qualify as a “shell company” because we have no or nominal assets (other than cash) and no or nominal operations. Many states have enacted statutes, rules and regulations limiting the sale of securities of "blank check" companies in their respective jurisdictions. Management does not intend to undertake any efforts to cause a market to develop in our securities, either debt or equity, until we have successfully concluded a business combination. We intend to comply with the periodic reporting requirements of the Exchange Act for so long as we are subject to those requirements.

The primary activity of the Company will involve seeking merger or acquisition candidates with whom it can either merge or acquire. The Company has not selected any company for acquisition or merger and does not intend to limit potential acquisition candidates to any particular field or industry, but does retain the right to limit acquisition or merger candidates, if it so chooses, to a particular field or industry. The Company's plans are in the conceptual stage only.

The executive offices of the Company are located at 4519 Admiralty Way, Suite A, Marina del Rey, California 90292. Its telephone number is (310) 482-6940.

Item 4.
Security Ownership of Certain Beneficial Owners and Management

The following table sets forth information relating to the beneficial ownership of Company common stock by those persons beneficially holding more than 5% of the Company capital stock, by the Company's director and executive officer, and by all of the Company's director and executive officer as a group. The address of each person is in care of the Company.

Millennium Group, Inc. is an entity controlled by Mr. Jonathan A. Mork, the brother of our President and sole Director Jeremy Mork. Jeremy Mork is a manager of Millennium Group but does not have voting or investment power over Millennium Group, nor is he a party to any contract or arrangement under which he could become the "beneficial owner" of the shares held by Millennium Group, as such term is defined in Securities Exchange Act Rule 13d-3.

Item 5.
Directors and Executive Officers

The members of the Board of Directors of the Company serve until the next annual meeting of stockholders, or until their successors have been elected. Directors may be removed with or without cause by shareholders holding 75% of the voting shares, and by the Board of Directors for cause. The officer serve at the pleasure of the Board of Directors. Information as to the director and executive officer of the Company is as follows. The officer and director holds similar positions in seven other “blind pool-blank check” companies. See “Conflicts of Interest.”

Jeremy Mork, 41, Director and Officer. Jeremy Mork is our sole director and officer. Since 2000 Mr. Mork has served as a manager for Millennium Group, where he provides management services, company review, due diligence review and company advisory. Millennium Group focuses on assisting companies in strategic planning and mergers and acquisitions with special expertise with companies based in the Peoples Republic of China. Millennium Group performs management and corporate strategy consulting, mainly to companies pursuing cross border strategies. Millennium also provides company studies and due diligence reviews of Chinese companies, typically for US clients seeking to do business with those clients. Millennium is compensated on a fee basis for its services and not on any commission basis. .Jeremy Mork is the brother of Jonathan Mork, the control person of Millennium Group, Inc, our sole shareholder.

Prior to Millennium Group, Jeremy Mork worked as a trading market analyst/reporter at Redchip Review, a smallcap research and media company. Jeremy Mork's experience at Millennium Group has provided him with the experience believed necessary to evaluate potential business opportunities and to bring any proposed acquisition to completion. Mr. Mork attended college at St. Cloud State University in Minnesota.

Jeremy Mork is also the sole director and officer of seven companies which are identical in structure and business purpose to the Company: **China Rising Star Limited, China Bright Star Limited, China Golden Star Limited, Dunhuang Treasures Limited, Noble China Holdings Limited, Red Jade Limited, and Summer Highlands Limited.** All of these companies have also filed Form 10s with the Securities and Exchange Commission and therefore on October 29, 2010 these companies, together with the Company, will have their common stock registered under the Securities Exchange Act of 1934. See "Conflicts of Interest" below.

Millennium Group owns 5,468,500 shares, or 85.4% of Lunar Growth Corporation, a Cayman Islands "shell" company incorporated on September 27, 2006. Lunar Growth Corporation filed a Form 10 on December 4, 2006 and has not engaged in any reverse merger transaction. There have been no failed reverse merger attempts by Lunar Growth Corporation. Millennium Group owns 5,468,500 shares, or 85.4% of Pan Asian Corporation, a Cayman Islands "shell" company incorporated on September 27, 2006. Lunar Growth Corporation filed a Form 10 on December 4, 2006 and has not engaged in any reverse merger transaction. There have been no failed reverse merger attempts by Lunar Growth Corporation. Millennium Group is a passive investor in these two entities and does not intend to provide any input into these entities' search for an acquisition target while the companies described in the preceding paragraph are also seeking for an acquisition.

http://www.sec.gov/Archives/edgar/data/1499321/000100233411000191/f10sbamd5.htm

Taking Your Company Public
Going Public Using RedChip’s Direct Filing or Reverse Merger Process

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Direct Filing

Over the past few years, the direct-filing process has emerged as a legitimate and cost-effective method of "going public" for smaller-cap companies. The direct filing process allows private companies to avoid the substantial costs and cash outlays of an IPO.

Our team of experts guides private companies through the entire turnkey process from start to finish. RedChip organizes every aspect of going public, including providing the market maker for the 15c211, the transfer agent, and the often neglected but critical after-market support to help create a long-term, loyal following of retail and institutional investors once the company is public. RedChip also assists the company in moving to the NASDAQ or AMEX.

Reverse Merger

In the Reverse Merger process, RedChip will provide a shell company in which to reverse into. Using the reverse merger process, expedites the “Going Public” process and typically can be achieved with 3-5 months.

RedChip works with the top GAAP audit firms in the United States and will also help accelerate the GAAP audit. RedChip also provides a world-renown U.S. legal team to execute the “Going Public process.”

RedChip also works closely with the top small-cap investment banks and is able to assist in capital raises of $5 million to $50 million.

Recent Reverse Mergers Executed by the RedChip Team

Longwei Petroleum (NYSE Amex: LPH): (Reverse Merger October 2008)
Capital Raise: $15 Million

China New Media (OTC BB: CMDI): (Reverse Merger November 2009)
Capital Raise: $6 Million

China Executive Education (OTC BB: CECX): (Reverse Merger April 2010)

China Bilingual Technology and Education Group (OTC BB: CBLY):
(Reverse Merger October 2010)

China Chemical Corporation (OTC BB: CHCC): (Reverse Merger December 2010)

Private companies going public on the OTC Bulletin Board using the direct filing process must meet the following criteria:

- Two-year operating history
- Two years of audited financial statements (GAAP)
- Minimum of 50 shareholders (We can assist in building the minimum shareholder base.)

Private companies must also meet the basic RedChip criteria:

- Focused and disciplined management team with a proven track record
- A large market opportunity for the product(s) or service(s)
- Concrete evidence of growing sales and improving margins
- Profitability or near-term profitability

http://www.redchip.com/services/servicesmain.asp?page=public&from=mm

Exhibit B. Barron Partners

China Medicine Corporation Enters $69.6 Million Financing Agreement with One Equity Partners

GUANGZHOU, China, Jan. 7 /PRNewswire-Asia/ -- China Medicine Corporation (OTC Bulletin Board: CHME) ("China Medicine" or "the Company"), primarily a leading distributor and a developer of Western pharmaceuticals, traditional Chinese medicines ("TCM"), and other nutriceuticals today announced that it has entered into a Stock Subscription Agreement for an equity private placement (the "Subscription Agreement") with One Equity Partners ("OEP"), the global private equity investment arm of JPMorgan Chase & Co.

China Medicine is OEP's first investment in Greater China and reflects the firm's commitment to back aspirational management teams to accelerate the growth of their businesses.

Subject to certain closing conditions, OEP has agreed to purchase 4,000,000 of the Company's common shares at $3.00 per share and 1,920,000 of the Company's redeemable convertible preferred shares at $30 per share, for an aggregate purchase price of $69.6 million. Each redeemable convertible preferred share is initially convertible into ten common shares. At closing, the Company will receive $12 million in proceeds while the remaining $57.6 million in proceeds will be placed in escrow until released to fund additional capital expenditures and acquisition projects.

China Medicine expects to use the net proceeds of the financing for capital expenditures relating to its recent acquisition of LifeTech Pharmaceuticals Co. Ltd. ("LifeTech"), for working capital purposes, and for future expansion and/or acquisition projects subject to approval from OEP and the Company's board of directors.

"We are delighted by OEP's endorsement of our business strategy as we move higher in the pharmaceutical value chain by combining manufacturing capabilities with our nationwide distribution network and exciting new products," said Mr. Senshan Yang, Chairman and CEO of China Medicine. "These include our proprietary recombinant Aflatoxin Detoxifizyme (rADTZ), a novel product for removing aflatoxins found in food and animal feed that we believe holds significant potential for future growth. Going forward, our strategy is to focus on developing and building brand recognition nationally to enhance the value of our enterprise."

Ryan Shih, resident partner for OEP based in Hong Kong, said, "OEP is very impressed with China Medicine's management team. With the LifeTech acquisition, the Company is transforming into a vertically integrated distributor and developer of compelling products with attractive growth potential. The Company has established a leading position in China's fast-growing pharmaceutical market, and we believe that the management team has the vision to capitalize on an extensive distribution
network for medicines as well as develop innovative new products including new medicines and other products such as rADTZ."

Under the Subscription Agreement, the Company has set a target of achieving $25 million in earnings before taxes, interests, depreciation and amortization (EBITDA) assuming that the Company completes certain other acquisitions in fiscal 2010. If such acquisitions are not completed during fiscal year 2010, then the Company will target a correspondingly lower EBITDA.

The common shares, including the common shares issuable upon the conversion of the redeemable convertible preferred shares that will be offered in the private placement have not been registered under the Securities Act of 1933, as amended, or state securities laws, and may not be offered or sold in the United States without being registered with the Securities and Exchange Commission ("SEC") or through an applicable exemption from SEC registration requirements.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, any of the securities referred to in this news release in any state in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state.

About One Equity Partners
Established in 2001, One Equity Partners manages approximately $8 billion of investments and commitments for JPMorgan Chase & Co. in direct private equity transactions. One Equity Partners has invested in over 30 companies in a variety of industries including defense, chemicals, healthcare, technology and manufacturing. One Equity Partners' investment professionals are located across North America, Europe and Asia, with offices in New York, Chicago, Menlo Park, Frankfurt and Hong Kong. Visit http://www.oneequity.com/ for more information.

About China Medicine Corporation
China Medicine Corporation is a developer and leading distributor of prescription and over- the-counter ("OTC") drugs, traditional Chinese medicine products, herbs and dietary-supplements, medical devices, and medical formulations in China. The Company also has its research and development force for certain products it manufactures through OEM arrangement and distributes. The Company distributes its products to wholesale distributors including more than 300 hospitals and 500 medicine companies that sell to over 2,000 drug stores in 28 provinces throughout China. The Company actively develops a number of proprietary products for a variety of uses, including oncology, high blood pressure and the removal of toxins from food and animal feeds. For more information visit the Company's website at http://www.chinamedicinecorp.com

Cautionary Statement
This press release contains forward-looking statements concerning the Company's business and products. The Company's actual results may differ materially depending on a number of risk factors including, but not limited to, the following: general economic and business conditions, the Company's projections of LifeTech's financial results for the 2009 year that just ended and for 2010 are materially different from the actual results, obtaining regulatory approval for new products, the expected contribution of higher margin products, government support for rural health care, competition from existing and new competitors, changes in technology, and various other factors beyond its control. All forward-looking statements are expressly qualified in their entirety by this Cautionary Statement and the risk factors detailed in the Company's reports filed with the Securities and Exchange Commission. China Medicine Corporation undertakes no duty to revise or update any forward-looking statement to reflect events or circumstances after the date of this release.

Investor Relations Contact:
Mr. Crocker Coulson, President
CCG Investor Relations
Phone: +1-646-213-1915 (NY Office)
Email: crocker.coulson@ccgir.com
Web: http://www.ccgirasia.com

As filed with the Securities and Exchange Commission on December 2, 2009

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CHINA MEDICINE CORPORATION

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Offering Price Per Share (2)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, par value $0.0001 per share	3,169,212 (3)	$ 2.79	$8,842,101.48	$ 493.39
Total				$ 493.39

PROSPECTUS

3,169,212 shares of common stock

CHINA MEDICINE CORPORATION

This prospectus relates to the resale, from time to time, of up to 3,169,212 shares of our common stock by the stockholders referred to throughout this prospectus as "selling stockholders." Of the total number of shares of our common stock offered in this prospectus, 199,474 shares are issuable upon the exercise of Series A common stock purchase warrants issued on February 8, 2006 which have an exercise price of $1.70 per share and 2,969,738 shares are issuable upon the exercise of Series B common stock purchase warrants issued on February 8, 2006 which have an exercise price of $2.43 per share. The Series A and Series B common stock purchase warrants both expire on February 7, 2011.

The selling stockholders may offer all or part of their shares for resale from time to time through public or private transactions, either at prevailing market prices or at privately negotiated prices. We will not receive any of the proceeds from sales of the shares by the selling stockholders. However, if the warrants are exercised for cash, we will receive the aggregate exercise price for those warrants. The terms of the warrants require the holder to exercise for cash so long as there is an effective registration statement covering the shares issuable thereunder…..

From December 2, 2009 China Medicine S-1 registration:

SELLING STOCKHOLDERS

The following table sets forth the names of the selling stockholders, the number of shares of common stock owned beneficially by the selling stockholders as of November 30, 2009, the number of shares of our common stock that may be offered by the selling stockholders as of November 30, 2009 pursuant to this prospectus. No selling stockholder will own any shares of our outstanding common stock upon completion of the offering. The table and the other information contained under the captions "Selling Stockholders" and "Plan of Distribution" have been prepared based upon information furnished to us by or on behalf of the selling stockholders.

Name	**No. of shares beneficially owned**	**No. of shares being offered**		**No. of shares beneficially owned after the offering** (4)	**Percentage of class**
Barron Partners, LP(1)	67,671	2,401,316		0	%
Ray and Amy Rivers, JTWOS	62,353	305,948	(2)	0	%
Steve Mazur	53,397	126,474	(2)	0	%
William M. Denkin	---------	126,474	(2)	0	%
JMG Capital Partners LP	---------	94,500		0	%
JMG Triton Offshore Fund, Ltd.	---------	94,500		0	%
Warrant Strategies Fund, LLC	---------	94,500		0	%

(1) Mr. Andrew B. Worden, president of the general partner of Barron Partners LP, has sole voting and dispositive power over the shares beneficially owned by Barron Partners.

February 2006 Private Placement

In February 2006, pursuant to a preferred stock purchase agreement, we issued to Barron Partners LP, Ray and Amy Rivers (as joint tenants with right of survivorship), Steve Mazur and William M. Denkin an aggregate of 3,120,000 shares of Series A Preferred Stock, and warrants to purchase an aggregate of 7,389,476 shares of common stock for an aggregate consideration of $3,900,000. The following table sets forth, for each of the purchasers in the February 2006 private placement, the number of shares of common stock issuable upon conversion of the Series A Preferred Stock, and upon exercise of the warrants, together with the total number of shares of common stock issuable upon conversion of the Series A preferred stock and upon exercise of the warrants, and the purchase price paid by the purchaser. There is no additional consideration payable upon conversion of the Series A preferred stock.

History of the Company

We are a Nevada corporation organized on February 10, 2005, under the name Lounsberry Holdings III, Inc., for the purpose of acquiring an operating business. Until February 2006, we were a shell company as that term is defined by SEC rules.

Reverse Acquisition

On February 8, 2006, we acquired an operating business and ceased to be a shell company by entering into a reverse merger transaction. In the reverse merger, we acquired all of the equity of Guangzhou Konzern Medicine Co., Ltd. (“Konzern”), a PRC distributor of pharmaceutical products, in exchange for issuing 6,530,000 shares of common stock, representing approximately 88.5% of our outstanding…

Eos Asia

Background

Eos Asia traces back to 1992 when our President, Jon Carnes, formed Carnes Investment Group (CIG), a private investment partnership that was one of the earliest and most successful electronic stock traders. In 2001 CIG exited the trading business and changed its name to JCAR Funds Ltd. focusing on long term value investing in private placements primarily through our investment in Barron Partners LP. In 2004 we adopted the name "Eos" after the Greek goddess of the dawn responsible for providing the morning dew that nourishes the growing plants. Eos is focused on investing in small and mid sized companies in China, having made over 17 investments there since 2004 with the most recent being a $40 million investment in Southwest China Cement (formerly Sichuan Zhiquan Special Cement) outside of Chengdu. Today we manage our investments from offices in both the U.S. and China.

9/26/2008	Southwest China Cement	$40,000,000
4/29/2008	West China Cement	$2,000,000
1/20/2008	Tianyin Pharmaceuticals	$10,000,000
5/31/2007	China Education Alliance	$3,400,000
7/08/2006	China Medicine	$8,600,000
6/02/2006	Sinoenergy Holding	$14,000,000
12/28/2005	Fushi- Copperweld	$2,000,000
11/23/2004	American Oriental Bio	$1,300,000

Eos focuses on finding companies with superior management performance, sustainable market share and high return on invested capital. These three elements make up what Warren Buffettcalls a “franchise” or business that is protected from competition due to barriers to new entrants. A franchise is therefore said to have durable competitive advantages.

The best franchises benefit from one or more competitive advantages. First and foremost are demand oriented advantages such as customer preference, habit, captivity, switching costs, or lack of substitutes. Second are supply advantages such as cost advantages, geography, technology, patents, or experience. Third are economies of scale whereby the largest company due to high fixed overhead and leading market share enjoys substantially lower per unit production costs than its smaller competitors. Companies that lack significant barriers to entry and must therefore compete on a level playing field are still good investments when management is focused on maximizing operational efficiency. Companies fitting any of these criteria should be able to earn high returns for investors.

Public or Private Equity

Eos makes private investments in companies where management agrees to execute a plan leading to higher liquidity and valuation. Our initial investment should be at least $15 million followed by larger investment rounds over a one to three year period. The liquidity plan should involve an IPO on a suitable exchange (anywhere in the world) or a merger or acquisition.

Eos actively invests in private placements or PIPE's in existing publicly traded companies. Eos also purchases founder's shares and other large share blocks from existing investors. Additionally, we invest in private companies simultaneous with the execution of a reverse takeover (RTO) by an exchange traded shell company.

In any scenario, our experienced professionals design and guide the entire process ensuring a smooth and timely funding of each company's capital requirements. We make a long term commitment to finance the growth of suitable targets. Through long term mutual cooperation we will achieve our shared goals. Experience has shown that with the support of investors and the respect of management, our portfolio companies will always achieve the highest recognition and success in both China and the world.

Warren Buffett

Warren Edward Buffett (born August 30, 1930, in Omaha, Nebraska) is an American investor, businessman and philanthropist. He is regarded as one of the world's greatest investors and is the largest shareholder and CEO of Berkshire Hathaway. With an estimated net worth of around US$62 billion, he was ranked by Forbes as the richest person in the world as of February 11, 2008.

Often called the "Oracle of Omaha," Buffett is noted for his adherence to the value investing philosophy and for his personal frugality despite his immense wealth.

Buffett was featured in a critically acclaimed documentary, "IOUSA", made possible by an investment from our parent company. Our president, Jon Carnes, got to meet Warren in Omaha at the movie premiere. Jon thanked Warren for his involvement in the project and Warren offered his congratulations on the success.

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Jon R. Carnes, President
Mr. Carnes has over 15 years experience investing in a broad range of industries and companies of all sizes. In 1992 he founded Eos as a major stock trading operation that in 2002 transitioned its investments into the most successful small cap focused New York based investment fund. Beginning in 2004 Mr. Carnes extended the Eos success to China where Eos and its partners have outperformed all other investors in small and mid-sized companies. Mr. Carnes is a Phi Beta Kappa graduate of the University of South Carolina with a degree in business economics.

Joe Ramelli, Director of Trading
Mr. Ramelli brings to Eos 17 years of experience in the investment industry, having worked as both an equity analyst and an institutional equity trader. His overriding investment philosophy is that greater returns and reduced risk can be achieved through intensive due diligence rather than over-diversification. Mr. Ramelli graduated with honors from the University of California, Santa Barbara with a degree in Business Economics.

Experience

We have the highest record of success and rate of return of all the China focused funds. Our long history and trusted relationships award us a trusted position in the industry. Our past and present portfolio companies attest to the benefits of our investment partnership. Furthermore, our experience and success attracts other investors insuring our portfolio companies quickly achieve high valuations in the public and private equity markets.

Commitment

As a long term investor, our investment is only the first stage of our relationship with portfolio companies. We design long term growth and financing plans for each company. Implementation is overseen by our local professionals who introduce and oversee our most trusted lawyers, accounting consultants and auditors. Together our teams assure the most successful, timely and efficient funding. These same teams continue to assist portfolio companies as they prepare reports for investors, develop internal controls and corporate governance plans sufficient to attract larger financial support and higher valuation.

Uplisting China™

Newsletter

Volume 1, Issue 1 www.uplisting.com.cn Spring 2012

SEC Approves Nasdaq Proposal for Alternatives to $4 Minimum Bid Price Test

Late last week, the SEC approved, on an accelerated basis, a Nasdaq proposal to adopt, as an alternative to the $4 minimum bid price initial listing requirement for the Nasdaq Capital Market, a closing price of either $2 or $3, if certain other listing requirements are met. Nasdaq's stated purpose for its proposal is to compete with NYSE Amex for initial listings of companies with securities priced between $2 and $4. Read more ...

Silvercorp Sues Jon R. Carnes, His EOS Holdings and Zane Heilig as "Alfred Little"

Silvercorp Metals Inc. (NYSE:SVM) today filed an amended lawsuit in the Supreme Court of the State of New York, County of New York, adding EOS Holdings LLC., Jon Carnes, Zane Heilig, Andrew Wong and International Financial Research & Analysis Group ("IFRA"), as defendants. Read more ...

China Reverse Merger Pioneer Looks at 'Go Private' route

This weekend Tim Halter, chief executive of reverse merger specialists Halter Financial Group, will chair a gathering in the southern Chinese city of Guangzhou, which includes a conference titled: "U.S. Capital Market: Survive, Go Private and Beyond". "For companies no longer interested in remaining listed in the United States they have the option to terminate their U.S. listing by going private," Read more …

CHFY Hires Raney

Raney & Associates reports being retained by China Forestry's new owners to provide its ProAltIR™ solutions and strategic alliance outreach strategy to commercialize its Yew tree plantation in the production of Paclitaxel. Read more ...

"I stuck my neck out and said that China will be a great place to invest..."

"Obviously I haven't delivered and so I feel pressure..."

Anthony Bolton, Fidelity China Special Situations Fund
Read more...

Orient Paper in $2 Million Reverse Merger Settlement

The deal marks one of the first settlements of cases targeting Chinese companies that entered the U.S. markets via a reverse merger rather than initial public offering. Read more ...

Exhibit C. Halter Financial Group

First Annual Halter Financial Summit To Feature: 100 Chinese Company Presentations, Large Contingent Of International Investors, Keynote By Former U.S. President George W. Bush

NEWPORT BEACH, Calif.- February 17, 2010 (BUSINESS WIRE)--ROTH Capital Partners (ROTH), www.roth.com, a full service investment bank recognized for providing financing and advisory services to emerging growth companies worldwide, today announced that it will act as the exclusive North American Co-Organizer for the First Annual Halter Financial Summit to be held April 7-9, 2010 at the Pudong Shangri-la in Shanghai China.

"That interest is driven by widespread confidence in China's economic growth outlook, which we believe is poised to outpace that of the rest of the world for the foreseeable future."

The company also announced that CEO Byron Roth will discuss equity and debt financing available to US-listed Chinese companies as part of an expert panel entitled *"Opportunities and Challenges of Investing in China"* that will be held on April 9th.

Themed *"China in a Changing World",* The Summit is organized by the Halter Financial Group together with the Chinese People's Association for Friendship with Foreign Countries (CPAFFC).

The Summit will feature a distinguished list of speakers including: former US President George W. Bush, who will give his presidential view of world events; former US Treasury Secretary John W. Snow; former US Ambassador to China Senator James Sasser, who will give his view of Sino-US relations; economist and China scholar Professor Pieter Bottelier; and Dr. Zhang Tao representing the People's Bank of China.

The Summit will kick-off on April 7th with presentations from 100 Chinese companies to institutional investors from North America, Europe, and Asia. Over 30 of those companies were selected by ROTH's China Research Team. The event format will also include one-on-one sessions.

For more information on the Halter Financial Summit, please visit: http://www.halterconferences.com/hfs2010_inf.asp

ROTH was one of the first US Investment banks to focus on financing US-listed Chinese companies and maintains Shanghai Representative Office. ROTH helped raise a total of $2.6 billion USD for US-listed Chinese companies, with approximately $1 billion USD raised in 2009 alone. (Source: ROTH Capital Partners)

On March 15-17, 2010, ROTH will hold its 22nd Annual OC Growth Stock Conference in Newport Beach, California. The OC Growth Stock Conference is ROTH's flagship event and has become a premier forum for institutional investors focused on emerging growth companies. This year's conference is expected to include over 350 growth companies, including a China Track with 100 Chinese companies.

The China track grows larger each year as a result of increased interest from the institutional investor community, according to Mr. Roth. "That interest is driven by widespread confidence in China's economic growth outlook, which we believe is poised to outpace that of the rest of the world for the foreseeable future."

The performance of US-listed Chinese companies in ROTH's research universe reflects that confidence. The 55 Chinese companies covered by ROTH gained 132.2% in 2009 compared to 23.5% for the S&P500 and 43.9% for NASDAQ*.

*Past Performance is not indicative of future returns. (Source: ROTH Research, Bloomberg 12/31/2009)

About ROTH:
ROTH is a full service investment banking firm dedicated to the small-cap public market. Since its inception in 1984, ROTH has been an innovator in this space. ROTH has participated in underwriting IPOs for small-cap companies, has helped develop the PIPE financing structure, and more recently in underwriting offerings from shelf registration statements. ROTH was one of the first U.S. investment banks to focus on financing small-cap Chinese companies, and established a Representative Office in Shanghai in 2007.

ROTH's experience and capabilities in raising capital for public companies are the hallmarks of the firm. It has raised over $12.6 billion for public companies and completed approximately 160 merger, acquisition and advisory assignments. During 2009, ROTH assisted public companies in raising over $1.8 billion.

Visit the ROTH Capital Partners website at www.roth.com. Member FINRA/SIPC.

List of presenting companies:

COMPANY	TICKER	STOCK MARKET
361 Degrees	1361	SEHK
7-days Inn Group	SVN	NYSE
Aloho.cn	Private	
American Dairy Inc.	ADY	NYSE
American Lorain	ALN	AMEX
Anhui Ankai Automobile Co., Ltd	868	SZSE
Asian Bamboo AG	5AB	FWB
C & O Pharmaceutical Technology (Holdings) Limited	E92	SGX
Changjiang Fertilizer Holdings, Ltd.	JA9	SGX
China Agritech	CAGC	Nasdaq
China Automotive Systems Inc	CAAS	Nasdaq
China-Biotics, Inc.	CHBT	Nasdaq
ChinaCast Education Corporation	CAST	Nasdaq
China Cord Blood Corporation	CO	NYSE
China Distance Education	DL	NYSE
China Fire & Security Group, Inc.	CFSG	Nasdaq
China Gengsheng Minerals Corporation	CHGS	OTCBB
China Green Agriculture, Inc.	CGA	NYSE
China Integrated Energy, Inc.	CBEH	Nasdaq
China Kunda Technology Holdings Ltd.	GU5	SGX
China Nutri Fruit Group	CNGL	AMEX
China Pharma Holdings	CPHI	AMEX

China Ritar Power Corp	CRTP	Nasdaq
China Windpower Group Ltd.	182	SEHK
China Wind Systems	CWS	Nasdaq
Classic Dream Property, Ltd.	5CD	FWB
CNinsure Inc.	CISG	Nasdaq
COBEST Group	Private	
Comtec Solar Systems Group Ltd.	712	SEHK
Dachan Food	3999	SEHK
Dong Ying Fuda Solar Power Co. Ltd.	Private	
Dragon Hill Wuling Automobile	305	SEHK
Fujian Yada Group	Private	
Fuqi International Inc.	FUQI	Nasdaq
Fushi Copperweld, Inc.	FSIN	Nasdaq
Giant Interactive Group, Inc.	GA	NYSE
Global Sources Ltd.	GSOL	Nasdaq
GMG Global Limited	5IM	SGX
Golden Meditech Company Limited	801	SEHK
Greater China Precision Components Ltd.	49G	FWB
Harbin Electric, Inc.	HRBN	Nasdaq
HQ Sustainable Maritime Industries Inc.	HQS	AMEX
iFeng	Private	
Jetion Solar Holdings Ltd.	JHL	LSE
Jiangsu Nandasoft Technology Co., Ltd.	8045	SEHK
Jinpan International Ltd.	JST	Nasdaq
LJ International Inc.	JADE	Nasdaq
Lingzhi Environmental Protection	Private	
Noah Education Holdings Ltd.	NED	NYSE
Orient Paper Inc.	ONP	AMEX
QKL Stores Inc.	QKLS	Nasdaq
Shandong Luoxin Pharmacy Stock Co.	8058	HKSE
Shengdatech, Inc.	SDTH	Nasdaq
Shigo Asia Blanket Holdings, Ltd.	A5G	FWB
Simcere Pharmaceutical Group	SCR	NYSE
SORL Auto Parts, Inc.	SORL	Nasdaq
Sutor Technology	SUTR	Nasdaq
Synthesis Energy Systems	SYMX	Nasdaq
Synutra International Inc.	SYUT	Nasdaq
THT Heat Transfer Technology, Inc.	THTI	OTCBB
United Power Equipment Co., Ltd.	Private	
VanceInfo Technologies Inc.	VIT	NYSE
Vtion Wireless Technology AG	V33	FWB
Wendu Education Group	Private	
Wo Kee Hong (Holdings) Ltd.	720	SEHK
Wonder Auto	WATG	Nasdaq
Xinjiang Tianhai Oasis Technology	Private	
Yangzijiang Shipbuilding	BS6	SGX
Yongye International, Inc.	YONG	Nasdaq

Yucheng Technologies Limited	YTEC	Nasdaq
Yuhe International	YUII	Nasdaq
Zhong Pin	HOGS	Nasdaq
Zhongde Waste Technology AG	ZEF	FWB

** Subject to change as of 2/12/2010. This is not an offer or solicitation of the securities herein.

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Recent Stories from ROTH Capital Partners

China Funds' Shell Game

By LESLIE P. NORTON, Oct 28, 2006

SO YOU'RE THINKING OF TAKING the plunge and investing in China, but you don't feel capable of choosing the stocks. Not to worry: An obvious solution is exchange-traded funds, right? Not so fast. If you chose to invest in the iShares FTSE/Xinhua 25 index fund (ticker: FXI), you'd be up 37% this year. But if you invested in PowerShares Golden Dragon Halter USX China (PGJ), you'd be up a very respectable but less stellar 20%.

Why the big performance spread?

The two funds include different holdings. The iShares fund, based on an index of the 25 biggest and most liquid mainland companies traded in Hong Kong, has a big slug of financials and telecoms, including popular Chinese bank stocks traded only in Hong Kong. It has $3.1 billion in assets.

The PowerShares Golden Dragon fund is based on the Halter USX China index, and owns 54 U.S.-listed companies that do the bulk of their business on the mainland and have an average market cap of at least $50 million for the preceding 40 trading days. Thus, it owns the big U.S.-listed Chinese stocks, and some Internet shares like Baidu.com (BIDU) that shunned Hong Kong listings entirely. (An open-end mutual fund, Halter Pope USX China Fund (HPCHX), mirrors it, too.)

PowerShares maintains that its fund is preferable because its companies are listed in the U.S. and therefore must file quarterly reports with regulators. This argument apparently carries some weight with investors, because the fund has $250 million of shares outstanding.

That said, there are some issues surrounding the Golden Dragon fund. Some of the stocks that haven't done well have ties to Timothy Halter, who started the index in October 2003. The 40-year-old Dallas native and his advisory company, Halter Financial, are among the leading proponents of reverse mergers. These are back-door listings in which privately held companies become public without filing a prospectus or undergoing an IPO. The private company's owners receive shares in the new entity in the exchange. Armand Hammer invented the reverse merger in the 1950s, when he merged Occidental Petroleum with a shell company. Proponents of reverse mergers say they're cheaper and simpler than IPOs; critics, however, contend that their regulation is more lax.

Halter claims to have been involved in more than 50 reverse mergers since 1987. In fact, if you type reversemerger.com into your browser, you get his site. Halter maintains an inventory of public shells and takes shares in the new company in return. He's also trademarked the term "Alternative Public Offering."

Halter has ridden the wave of Chinese reverse mergers. Since 2000, about 100 Chinese companies have come public in the U.S. via reverse mergers. Today, they have a market cap of more than $7 billion. In March 2003, Halter took public China Automotive Systems (CAAS), which supplies power-steering components; today, it's listed on Nasdaq and has a market value of nearly $190 million. The following September, it was Tiens Biotech (TBV), which makes nutritional supplements and skin-care products; it now has a market cap of $234 million and is listed on Amex. In January 2005, China BAK Battery (CBAK), which makes lithium ion batteries, followed this route; it has a market value of $334 million and a Nasdaq listing. Halter's firm also took public Zeolite Exploration, Zhongpin, and Wonder Auto, all traded on the bulletin board.

China Automotive, China BAK and Tiens Biotech were sufficiently successful that they were included in Halter's index. And therein lies the rub. With the exception of China Automotive, whose 20% gain this year matches the index's rise, many of Halter's reverse-merger stocks haven't done much and are well off their highs.

Barron's review of the index unearthed conflicts that ought to give fund investors pause. The shares of at least one of these companies rose in value after entering the index, but as the stock gained, Halter and his family were selling.

These questions arise amid warning bells about Chinese reverse mergers. For instance, China Energy Savings Technology (CESV) was suspended from trading last month as the SEC questioned "the accuracy and completeness' of the company's filings, particularly the ownership of its sole asset and "the existence and/or identity" of the company's chief executive; the Halter index dropped China Energy Savings last quarter.

Denise Voigt Crawford, the Texas securities commissioner, is a critic of reverse mergers. Generally speaking, she says, "It really is so easy for reverse-merger companies to manipulate the price of the shares and get around the criteria applied. There's a great deal of interest in China. That makes it ripe for con artists." Crawford wrote a complaint to the SEC from the North American Securities Administrators Association two years ago about reverse mergers and Chinese reverse mergers in particular.

There's no hint that Halter's reverse-merger companies in the index are anything but legitimate and they make up just a small part of it. But the tactics of one constituent might raise questions for investors. Consider China Automotive, which Halter took public in a reverse merger in March "03. That fall, China Automotive hired investor-relations firms to help promote its stock. One was Dallas-based Insight Communications, which had a subscription-only investment group called the China Club that publishes the China Dispatch monthly newsletter, and the other was Vancouver-based NAI Interactive.

J. Michael Casson, founder of the China Club, explains that the idea for the Club grew partly from a brain-storming session about investor-awareness campaigns for Halter's companies; his contract lasted just three months, Casson says, and his newsletter proceeded to tout China Automotive until the second quarter of 2004. NAI Interactive was hired for 12 months in October 2003 to provide publicity and investor relations for the company; it also publishes a newsletter, compiles an NAI China Small Cap index (which China Automotive was added to), and holds conferences called "The Global Chinese Financial Forum." Reads one testimonial on its Website: "Impressive work done by NAI Interactive!" The source: Timothy Halter.

In the fall of "03, the shares of China Automotive rose, before sagging the following spring. By August "04, they gained further amid news of a venture to produce automobile sensors and later, to supply steering pumps for General Motors. A blizzard of favorable releases accompanied the stock's ascent. According to Bloomberg reports, Halter Financial sold shares in China Automotive a week before the firm announced that its application to list on Nasdaq was approved. On Oct. 12, 2004, the Halter USX China Index said it would include China Automotive. The same month, China Automotive officials presented at an NAI conference and a lunch for high-net-worth investors. A week later, Halter's brother Kevin also sold China Automotive Shares. Around Nov. 22, Halter Financial sold again. The shares subsequently ran as high as 16, before collapsing in December. Recently, they traded at 8 and change.

There's an inherent conflict of interest between investment managers and those who take companies public, which is why investment banks, ironically enough, erect Chinese Walls. The reason:

investment managers have fiduciary duties to investors, while investment bankers' job is to sell stocks that generate fees and trading commissions. Thus, Halter's China index has a separate, four-member selection panel for the index -- and a different address.

However, some of these relationships don't appear to be at full arm's length. For instance, the mailing address supplied on the Website for the indexes is the same as that of Halter Capital, a financial-services firm owned by Halter's father and his brother, Kevin Halter, and Kevin Halter Jr., which also maintains an inventory of shells for reverse mergers. In 2005, the elder Kevin's wife Pam and Kevin Jr. served as directors of a firm now known as Zhongpin, one of Timothy Halter's reverse mergers. The junior Halter, who didn't return phone calls, also runs the transfer agent used by many of Timothy's reverse mergers.

Timothy Halter said he didn't how the shared addresses came about and that there are "no involvement or ownership" arrangements with his brother's firm. (By Friday of last week, the Website no longer carried the address.)

One of the four index-selection committee members is Joseph Mannes, who once served on the board of Karts International, a go-kart maker whose chairman was Timothy Halter. In 1999, Karts International was delisted. Today, Mannes is a managing director at Samco Capital, a Dallas broker-dealer. He's also on the board of China BAK Battery, whose shell Halter owned before taking the company public in a reverse merger.

Another committee member is Stephen Sun Chiao, a professor of electrical engineering at San Jose State University and a managing partner at Sycamore Ventures, a venture capitalist. Chiao appeared as a selling shareholder of China BAK in December, along with Halter Financial.

This year, shares of China BAK are down 38%. The company announced in August that it fired its auditor and would restate three years of financials. It's also being sued by the University of Texas and power supplier Hydro-Quebec for infringing patents covering a line of batteries the company makes for DeWalt tools.

Many had expected sales to DeWalt to drive China BAK's growth. Among those who've registered to sell China BAK shares in the past year: Halter Financial, Kevin Halter Jr., and Pinnacle China, an investment partnership of which Timothy Halter is a founder. Timothy Halter says that he doesn't manage Pinnacle China or the Halter Pope open-end mutual funds, so "there can't be a conflict of interest."

Mannes, who's been with the Halter index since the start, says that rules have been created to address his conflicts of interest: He can't vote on any issues related to China BAK Battery, whose shares he also owns. "That's something we had talked about initially. It became an issue," and so the rules were changed, says Mannes.

Chiao has been on the index committee for over a year. He describes the selection process as "very mechanical." He owns China BAK shares, he acknowledges, and has cut his position by a third. As for Timothy Halter: "Tim and his brother strike me as very professional in terms of understanding the China landscape. They are rather patient and have very good relationships with several hedge funds in the U.S."

Of the index-creation process, Halter says, "It's an index. There's absolutely no subjectivity whatsoever to listing companies. [Mannes and Chiao] are investors in China BAK, but it still easily meets all the selection criteria."

As for the other Halter shares in the index: Tiens Biotech is down 9% this year amid weaker-than-expected second-quarter results. The fund's other reverse-merger shares, which were not brought public by Halter, are educational-software outfit Intac International (INTN), up 20%, and electronics designer Comtech Group (COGO), up a whopping 140%. And last month, the committee approved Origin Agri-Tech (SEED), which was taken public by a special-purpose acquisition company called Chardan China. Origin was nearly four months late filing its December 2005 annual report, announced a major change in revenue recognition, changed to a September fiscal year and late last week fired its auditor.

Says Halter: "Whether or not to invest in Chinese companies that go public through a reverse merger is not the question. You're seeing large, sophisticated institutional investors participating in this. The question is whether China is a good place to invest."

Adds selection-committee member Mannes: "This is a challenge. With a wonderful market like this, you're going to have volatility. The sheer increase of names means stuff is going to happen."

That's an undisclosed risk that PowerShares investors may want to consider.

The Bottom Line
Securities regulators have raised warning signs about Chinese companies that have undergone reverse mergers, and investors are well advised to tread cautiously.

E-mail comments to editors@barrons.com

URL for this article:
http://online.barrons.com/article/SB116199710882306728.html

Committee : Dr. Jerry Song
Dr. Jerry Song, 38, joined **Halter USX China Index**'s Selection Committee in October 2003, bringing extensive academic and cross-border investment banking experience.

Dr. Song is an adjunct professor of the University of Texas in Arlington, the China Institute of Banking and Finance of the People's Bank of China and Universidad Internacional de las Americas. He was also a senior advisor of CAFT, the senior executive training center of the Ministry of Finance of China and has lectured for the UCLA-CAFT executive training program. He is a co-founder and Co-Chairman of China Education Network, Inc. His teaching and research interests include international finance, corporate finance, investment banking and bank risk management and has many publications in academic and professional journals and conference proceedings.

Dr. Song is also a Managing Director of China Science & Merchants Venture Capital Co, Ltd and the China Director of Millennium Capital Partners. He is also currently an advisor of several US public companies and several Chinese Fortune 100 Companies.

Dr. Song received his Ph.D. degree in Finance from the University of Mississippi and did his doctoral study in Management Science at the University of California, Irvine.

http://www.usxchinaindex.com/bio_song.cfm

THT Heat Transfer Technology Jumps to Nasdaq
Posted July 15, 2010 12:22PM

THT Heat Transfer Technology, a Chinese company that specializes in designing, manufacturing and selling heat exchange units, has made the leap from an over-the-counter listing to the Nasdaq under the ticker THTI. THT Heat made its OTC debut in June of last year slightly before it closed a reverse merger with the assistance of Halter Financial Group.

China is the second largest market in the world for heat exchange products, according to reports. The global market was worth $38 billion in 2008 and Halter predicts the market will grow to $55 billion by 2012, with China's share of that pegged at $11 billion. Halter also projects 20% growth on an international scale on an annual basis.

On July 15, THTI was trading at $4.60 a share.

http://reversemerger.dealflowmedia.com/wires/archive.cfm?nd=071210

AsiaPac Advisors, LLC is a firm focused on providing fiduciaries the opportunity to market Life Settlements to their clients. Whatever area of financial services you're focused on, we're here to help you. Life Settlements is an asset class that is new to most accredited investors even though the product has been around for almost twenty years. Also, many investors outside the United States have no understanding at all of how Life Settlements can function as an important part of a non-correlated and diversified portfolio.

In recent years, Mr. Groh managed his own consulting business, Heritage Management Consultants, which provided contractual executive management services to Chinese companies making the transition from private ownership to a public listing in the US financial markets. In 2007, he joined Halter Financial Securities, Inc. (formerly WLT Brothers Capital, Inc.) as the Principal managing their investment banking practice. The firm specializes in capital formation and strategic advisory for emerging growth companies with overseas operations that are seeking a US listing. Mr. Groh holds a Bachelor of Science Degree in Engineering from Cornell University and a Masters in Business Administration (concentration in Finance) from the Rochester Institute of Technology.

Mark Hood, Managing Director
Mark Hood, age 45, is a successful entrepreneur. He graduated from Sam Houston State University and holds a Bachelors degree in Marketing. He entered the telecom industry just as it was booming in the late 1980s. After working for several telecom companies, he ventured out on his own in December 1995 and formed Network Consulting Services, a telecommunications agency. In 2000, he joined Barry Kitt and Tom Hunse at the Pinnacle Fund and entered the world of alternative investments. He later managed two hedge funds, Incline Capital and Halter Global Opportunity Fund and in the process was introduced to investing in China. Mark is a board member of Telecom Recovery, a Utah based business continuity company with prestigious customers such as PIMCO, the largest bond fund in the world and Depository Trust and Clearing Corporation (DTCC), the organization that outclears most stock transactions in the United States. He also holds a seat on the advisory board of appliedSB, a Texas based technology company. He is married with one daughter and resides in Austin, Texas.

Jeff Wei, Director
Jeff Wei, age 39, has been successfully helping multinational companies expand their businesses in the Asia Pacific region with a focus on the Chinese market since 1990s. For the past four years, he was involved in series of projects assisting Chinese private entrepreneurs in extending their international market share. He has served as China Director of Halter Financial Securities, Inc. (formerly WLT Brothers Capital, Inc.) since 2008, being responsible for deal origination and execution of private financing transactions for growth companies. He was also involved in a couple of debt and lease financing deals. Prior to that, Mr. Wei worked as Director of International Business Development for ENN Group which is a leading player in the clean energy industry. Mr. Wei focused on an LNG project and international trade on methanol and DME. From 2000 to 2005, Mr. Wei served as Managing Director Asia Pacific for IIMAK. He established the IIMAK distribution network and operations in China, Singapore, Australia and New Zealand. From 1998-2000, Mr. Wei was Chief Representative of a US company, Nashua Corporation, in Asia. Prior to that, he spent 5 years working in the consulting industry (WKI and Sinotrust) as a researcher and analyst helping multinational companies entering the China and Asian markets. Mr. Wei holds a Bachelor of Art Degree in International Trade from University of Inner Mongolia and a Masters in Business Administration from University of Queensland,

https://asiapacadvisors.com/About.html

The Halter Financial Group Overview

Thank you for your interest in Halter Financial Group (HFG). Since 1995 we have been recognized as an industry leader given our ability to use our trademarked APO® process and reverser merger transactions to provide companies with capital and a listing on a U.S. Stock Exchange. Principals of our firm have completed more than 150 transactions dating back to 1987.

HFG's capabilities are specifically focused on our public clients' capital raising and general investment banking needs, and our network of broker dealers has a virtually unlimited access to capital. Our principals have experience drawn from world-class financial institutions, and maintain extensive relationships with the leading investment banks and investors from around the world.

Our banking and investment relationships provide the cornerstone for our APO process and for matching the right investment banks to each individual client. This not only insures a successful initial capital raise for our clients, but active trading and liquidity once public, accomplished through wide research coverage and a comprehensive sales and trading effort. This sponsorship sets the stage for follow-up financing and M&A transactions.

Because of our fund management businesses and investment banking background, both issuers and bankers find a high comfort level in working with HFG and using one of our principally owned shells. We maintain a large inventory of public shells that we control which allows us to deal with our clients on a direct basis, not as intermediaries. Our primary compensation comes from retaining a small equity position in the public shell upon completion of the transaction. We believe that this fact aligns our interests with those of our clients, essentially making us partners as opposed to fee-based service providers. HFG receives its benefit from the long-term performance of the stock and puts its significant resources towards maximizing the value of those holdings.

We can offer our clients a turnkey solution as our organization includes individuals with expertise and knowledge in all of the areas that are required to successfully complete our APO process and reverse mergers. By doing so, we advise our clients on strategic planning, corporate and securities laws, SEC accounting, investor relations, capital raising and investment banking-related matters.

Our website will give you an expanded view of HFG and the services we provide. We look forward to having the opportunity to learn more about your company and hopefully working together towards a successful APO or reverse merger transaction.

In The News
- Halter Financial Group Completes $5.8 Million APO® with Chile Mining Technologies, Inc.
- The First Halter Financial Summit - "China in a Changing World" featured George W. Bush, Founder of the George W. Bush Foundation and 43rd President of the United States of America and John Snow, former Secretary of the Treasury as Keynote Speakers
- Halter Financial Group Expands China Office
- Halter Financial Group Completes THT Heat Transfer Technology Co., Ltd. Reverse Merger
- HFG Closes 17 Transactions Exceeding $307 Million in Equity Capital Raised
- APO® Becomes Registered Mark of Halter Financial Group

Strong Track Record
HFG
Transactions*

Fri, 02 Jul 2010 16:35:57 GMT

Symbol	Last	Change	Volume
ALN	3.08	-9.14 %	38979
ATHX	2.70	-1.82 %	16123
CAAS	16.23	-3.22 %	294376
CAGC	10.10	+3.38 %	252170
CBAK	1.65	-1.79 %	201327
CBPO	10.51	-0.76 %	9034
CHGS	1.30	-2.26 %	5600
CNGL	3.199	0.00 %	0
CPHI	2.72	+0.37 %	26550
CRTP	3.0929	-0.23 %	13290
DXPE	15.19	-1.11 %	23847
GRH	0.94	+8.05 %	17918
HOGS	11.41	+0.09 %	175552
KMGB	13.49	-2.95 %	27396
PGJ	22.40	-0.81 %	5881
SDTH	4.44	-2.42 %	90438
SUTR	1.85	-0.54 %	66950
TLF	3.90	+0.52 %	2952
WATG	7.20	-0.83 %	104370
WWIN	4.55	-5.80 %	6332
YUII	6.75	-2.88 %	11465

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http://www.halterfinancial.com/

press release

Halter USX China Index Announces Second Quarter 2010 Results and Adds New Constituents

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DALLAS, Jun 30, 2010 (BUSINESS WIRE) -- For the second quarter 2010, the Halter USX China Index (NYSE Arca: HXC) was down 9.37%. During the same period the Dow Jones Industrial Average decreased by 9.97% while the NASDAQ finished down 12.04%.

HXC is also pleased to announce the inclusion of 10 new constituents to its existing index of China-focused, U.S. listed companies including: BioStar Pharmaceuticals, Inc. (BSPM 2.69, -0.08, -2.89%) discovers, develops, manufactures, and markets over-the-counter and prescription pharmaceutical products, and nutrient products for various diseases and conditions; Jiangbo Pharmaceuticals, Inc. (JGBO 9.37, +0.50, +5.58%) which engages in the research, development, manufacture, marketing, and sale of pharmaceutical products; Sino Clean Energy Inc. (SCEI 5.52, -0.04, -0.72%) that produces and distributes coal-water slurry fuel; Charm Communications Inc. (CHRM 7.63, 0.00, 0.00%) operates as a television advertising agency; China Education Alliance Inc. (CEU 3.95, -0.07, -1.74%) which provides online education and on-site training; China Recycling Energy Corp. (CREG 3.39, +0.09, +2.62%) that provides energy saving and recycling products and services; China Yida Holding, Co. (CNYD 13.38, -0.02, -0.16%) which operates as an entertainment enterprise that focuses on the media and tourism industries; SkyPeople Fruit Juice, Inc. (SPU 5.26, +0.02, +0.38%) produces and sells fruit juice concentrates, fruit beverages, and other fruit related products; Shengkai Innovations, (VALV 8.20, +0.12, +1.49%) which designs, manufactures, and sells ceramic valves; and Yongye International, Inc. (YONG 6.29, +0.39, +6.61%) that engages in the research and development, manufacturing, and distribution of fulvic acid based liquid and powder nutrient compounds for plant and animal feed.

It was also announced that China GrenTech Corporation Limited (GRRF 1.57, -0.02, -1.26%) , China Mass Media Corp. (CMM 1.70, +0.06, +3.66%) , Wuhan General Group, Inc. (WUHN 1.08, -0.08, -6.82%) , Xinhua Sports & Entertainment Limited (XSEL 0.31, +0.02, +7.11%) and China GengSheng Minerals Inc (CHGS 1.30, -0.03, -2.26%) were removed from the Index.

About the Halter USX China Index

The Index, created by the Halter Financial Group and calculated and distributed by the NYSE Arca, is comprised of companies whose common stock is publicly traded in the United States and the majority of whose business is conducted within the People's Republic of China. The Halter USX China Index was created in response to the unique economic opportunities taking place in China, as well as the current dynamics in the United States capital markets. While there is strong demand for Chinese equity, U.S. investors still seek and prefer the transparency offered with a U.S. listing. For a company to be included in the Halter USX China Index it must conduct a majority of its business in China, maintain an average market cap of over $50 million for the preceding 40 trading days, trade on the NYSE, NYSE Amex or NASDAQ and be approved by USX Selection Committee. Investors can gain exposure to the Index by investing in an exchange-traded fund (ETF), the PowerShares Golden Dragon Halter USX China Portfolio (NYSE Arca: PGJ). For more information please visit www.usxchinaindex.com. The following 173 public companies currently comprise the Halter USX China Index:

http://www.marketwatch.com/story/halter-usx-china-index-announces-second-quarter-2010-results-and-adds-new-constituents-2010-06-30?reflink=MW_news_stmp

Fund Profile:

Euro Pacific Halter China A (EPHCX)

Euro Pacific Halter China A
803 West Michigan StreetMilwaukee, WI 53233
Map
Phone: 888-949-9940

Fund Overview

Category:	Pacific/Asia ex-Japan Stk
Fund Family:	Euro Pacific Halter Asia Management, Inc
Net Assets:	58.58M
Year-to-Date Return:	-4.99%
Yield:	N/A
Morningstar Rating:	N/A
Fund Inception Date:	Jul 31, 2009

Morningstar Style Box

Pacific/Asia ex-Japan Stk
[View Category Definition]

Style box information not available for EPHCX.

View Top Pacific/Asia ex-Japan Stk Funds
About the Morningstar Style Box

Management Information

Russell E. Hoss
Lead Manager since Jul 31, 2009

Hoss, CFA, President, Chief Compliance Officer and Portfolio Manager of Euro Pacific Halter Asia Management, Inc., has served as the portfolio manager of the Fund since its inception. From 2002 through 2007, Mr. Hoss was employed at Roth Capital Partners, LLC. During his time at Roth Capital Partners, he was a Senior Research Analyst from 2002 to 2005, Director of Equity Research from 2005 to 2006, and Director of Institutional Sales during 2007. Mr. Hoss then served as a portfolio manager for Alder Capital

Fund Summary

The investment seeks long-term capital appreciation. The fund invests at least 80% of net assets in non-U.S. denominated publicly traded stocks of companies of all capitalizations that are economically tied to China and its Special Administrative regions (SARs). SARs, which currently consist of Hong Kong and Macau, are highly autonomous and largely self-governing sub-national entities of China. It invests in equity securities may also include common stock, preferred stocks, convertible stock and warrants.

Fund Operations

Last Dividend :	N/A
Last Cap Gain (Dec 29, 2009) :	0.06
Annual Holdings Turnover (Jun 4, 2010) :	N/A
Average for Category:	150.74%

Fees & Expenses

Expense	EPHCX	Category Avg
Total Expense Ratio:	N/A	1.98%
Max 12b1 Fee:	0.25%	N/A
Max Front End Sales Load:	4.50%	5.23%
Max Deferred Sales Load:	N/A	2.44%
3 Yr Expense Projection*:	1,006.00	108.37
5 Yr Expense Projection*:	N/A	224.14
10 Yr Expense Projection*:	N/A	314.21

* Per $10,000 invested

Partners in 2008, after which he left to form Euro Pacific Halter Asia Management, Inc.

Investment Information

Min Initial Investment:	2,500.00
Min Initial Investment, IRA:	2,500.00
Min Initial Investment, AIP:	2,500.00
Min Subsequent Investment:	250.00
Min Subsequent Investment, IRA:	250.00
Min Subsequent Investment, AIP:	250.00

EPHCX can be purchased from 1 brokerages.

http://finance.yahoo.com/q/pr?s=EPHCX+Profile

Exhibit D. PIPE Investors

This Bridge Financing Agreement (the "Agreement") is related to funding provided by Pope Asset, Ancora Greater China Fund, LP and MMH Group LLC. (collectively, "Investors") that will be utilized to complete the pre-reverse merger activities for Korea Jinduren International Fashion Co. Ltd. ("vLov"), a Chinese company based at No. 1 Building, West Xiangjiang Road, Shishi City, Fujian Province, China which designs, manufactures, markets and sells branded contemporary fashion clothing and accessories to the 15-34 age group (30% of the PRC Population) through 650 points of sale which are located at retail and department stores throughout the PRC. vLov shall proceed through the process of reverse merger ("RTO") to be listed as a public company in the United States and to close a financing at the same time in the minimum amount of $6,000,000 (the "Financing;" collectively with the RTO, referred to herein as the "APO").

A. Parties to this Agreement:

(1) Investors will provide a bridge loan of US$550,000 towards covering the costs for pre-auditing, U.S. auditing, China legal, US legal and other necessary professional fees for vLov to complete the reverse merger process to obtain public status in the US.

(2) The investors and their affiliates, have experience and knowledge in the reverse merger process. The Company's advisors shall manage, the entire process including but not limited to, auditing, legal, roadshow coordination, etc. necessary for vLov to become a public company in the U.S. Investors will provide, but are not obligated to provide assistance in this process.

B. Obligations:

(1) Investors shall provide a bridge Loan of US$550,000 to be held in an escrow established by the Company's US legal firm, Richardson Patel ("Richardson Patel LLP") to cover the following:

(a) Engagement and payment through escrow to a Chinese accounting and legal firm, to perform the required pre-audit and the legal due diligence, setting up the off-shore structure, etc. for vLov.

(b) Engagement of and payment through escrow to a U.S. auditing firm ("Moore Stephens") and Richardson Patel, which are necessary to complete an SEC-approved audit and the required reverse merger of vLov.

(c) Investors will have the right of first refusal to provide the capital for the Financing. The specifics of the Financing proposal by the Investors will be clearly delineated in a separate Letter of Intent or Term Sheet which will be presented to the Company; provided, however, that the minimum pre-money valuation for the Financing is US$52.5M (based on 7X 2007 Net Profits of US$7.5M).

(d) The investors shall provide a public shell company quoted on the OTC Bulletin Board suitable for the RTO that is acceptable to the vLov.

(e) Any extra payments beyond $550,000 that are deemed necessary to complete the reverse merger process for vLov, not including any cash component necessary to acquire the shell, will be negotiated in good faith with vLov directly and payment for such services being made at the time the RTO/Funding is completed and as a portion for a use of proceeds.

(2) The Company's Financial Advisor/Consultant and the Company (where necessitated) shall provide the following:

(a) Assisting and managing the process so Investors can complete further due diligence of vLov.

(b) Engagement with Richardson Patel LLP to set up the escrow account and manage the payment from the escrow account to various professionals engaged to perform the necessary services required for the reverse merger.

(c) Coordinating between Investors, consultants and vLov, in addition to investment bankers (only if necessary), to ensure a smooth completion of the reverse merger and funding process for vLov.

C. Terms:

Commitment. Within seven (7) business days after all parties execute this Agreement, Investors, on a prorata basis, shall transfer US$250,000 of the required $550,000 to an escrow account established by Richardson Patel LLP specifically for the use of payment to designated service providers and consultants for vLov, as set forth on Schedule A, attached hereto. Once the formal agreements between Richardson Patel and Moore Stephens have been established and provided for review, the Investors will contribute the additional $300,000 on a prorate basis, by wire no less than five (5) business days to the escrow account.

(1) Repayment of Bridge Loan and Entitlement of Pubco shares. The parties agree that VLOV shall have no obligation to repay the Bridge Loan prior to October 1, 2009, provided that VLOV shall be obligated to repay the Bridge Loan in full on or after October 1, 2009 when the initial private (or public) placement is completed. The Investors shall also receive stock of Pubco (as defined below) upon the closing of the APO equal to 1.0% of the total shares of common stock outstanding after the RTO, but before the Financing, on a prorata basis per the ownership percentages in Schedule A attached hereto. These shares issued to the Investors, or its nominees, shall be initially restricted 144 shares. After the completion of the Financing, vLov agrees to register these shares in the registration statement to be filed under the same terms as in the Financing Agreement. This agreement does not expire until the shares are issued and the loan of $550,000 is returned to the Investors, at which time all the obligations from both parties pursuant to this Agreement shall be considered fulfilled.

(2) Provision of Shell. The Investors shall provide a qualified merger candidate that is a US public company quoted on the OTC Bulletin Board ("Pubco"). The total consideration paid by vLov for Pubco will be 4.0% of the total outstanding common shares of Pubco at the time of the RTO (but before the issuance of stock to investors in the Financing). No other cash consideration shall be paid by vLov for Pubco. For avoidance of doubt, the 4.0% of the total outstanding common shares of Pubco provided to the Investors shall be proportioned to each Investor based upon the amount of funds contributed by each Investor to obtain, acquire, etc. the Pubco divided by total cost of Pubco. Additionally, each Investor has the right, but not the obligation, to contribute their prorate share of the Pubco cost based upon the ownership percentages outlined in Schedule B.

(3) Entire contribution. US$550,000 is the entire contribution obligation of the Investors, excluding any monies that the investors might pay to acquire the public shell company. There shall be no additional contribution from, nor refund to Investors regardless of the actual cost situation.

(4) Failure. In case the reverse merger process is aborted at any time by the vLov side after consummating this agreement, vLov shall refund all the costs spent up to the time of termination back to the Investors and the balance of the monies in the Escrow will also be forwarded back to the Investors. In addition, any failure of the reverse merger process directly related to changes in the overall Chinese law or regulations, the Company agrees to reimburse the investors for the money spent through that point, including all monies remaining in escrow. In both cases, no equity of any kind shall be granted to the Investors and Investors shall have no obligation of any kind to vLov.

(5) Put Option. In the event that the Chinese Government (or any agency) proceeds with an action against or challenges specifically the vLov merger (not including an overall blanket ruling) that adversely affects this proposed transaction and vLov cannot cure such governmental action or otherwise address the material adverse effect to the reasonable satisfaction of the Investors, vLov shall promptly pay to the Investors, an amount equal to the monies loaned up to that point, including any monies left in escrow. Additionally, if the auditor or legal counsel resigned due to a dispute with vLov and another firm can not be retained due to Company's shortcomings, Investors would be paid back all money loaned up to that point.

(6) Make Whole. To the extent that vLov's audited 2007 Net Income falls below $7.0 million US, Investors' equity position (on a pro-rata basis) at the time of the share exchange will be adjusted proportionately to reflect such shortfall. The Investors' equity interest is to be adjusted upward by the product of the formula: ($7.0 million/ Audited 2007 Net Income) x current Investor ownership percentage (1.0%). For avoidance of doubt, if the Company's audited 2007 Net Income was $5 million, the Investment Group's equity position (1.0%) in the Pubco referenced above would be increased by 40% to 1.40% on a pro-rata basis. Additionally, if the audited 2007 net income for vLov were to be less than $3.5 million, the investors would at their option be able to recover all monies loaned to date, including money in escrow and terminate this bridge agreement.

(7) Indemnification and Confidentiality. The parties shall provide standard indemnification and defense for claims arising on the reverse merger and on the resulting Pubco. All parties agree to abide by the standard confidentiality terms. No portion of this Agreement, nor any info on vLov, Pubco or any project related information shall be disclosed to any third party.

(8) Entire Agreement. This Agreement, the Promissory Note and the Escrow Agreement constitutes the entire agreement of the parties on the bridge financing portion of the transations contemplated hereby.

(9) Participation Right. In the event the APO closes, for a period of Twelve (12) months following the execution of this agreement following the closing of the APO, vLov agrees to give Investors, and their nominees or affiliates, the right to participate on any type of debt or equity securities issued or proposed to be issued by Pubco ("Future Securities") in the same amount as such Investor invested in the Financing (if any). The Investors and their nominees or affiliates, will have the right, but not the obligation, to participate and invest up to the same about such Investor invested in the Financing (if any). This right to participate shall survive any termination of this Agreement or repayment of the monies invested by the Investors pursuant hereto for the full 12 month term.

(6) Execution of Agreement. The parties may execute this Agreement individually or in combination, in one or more counterparts, each of which shall be an original and all of which will constitute one and the same agreement. The parties hereby agree that an executed facsimile copy of this Agreement may be transmitted to either party and be deemed an original for purposes hereof.

(7) Lock-Up Agreement. Shares owned by senior management, their relatives, and affiliates will be locked-up until twelve (12) months after the registration statement associated with this transaction and the RTO is declared effective.

(8) Governing Law. This agreement will be government under a binding arbitration agreement with the State of New York, United States of America.

(9) Additional Actions. vLov and the Investors agree that the closing of the RTO will have to be concurrent with the closing of the Financing accepted by both vLov and Investors and or other funding sources. vLov and the Investors also agree that it will be necessary and appropriate to enter into other documents to set forth the terms of the various steps of the RTO as contemplated by this Agreement, including but not limited to, (i) a share exchange agreement with the public shell; and (ii) a registration rights agreement; and (iii) a securities purchase agreement, and the parties covenant and agree to negotiate in good faith such additional agreements to contain terms and provisions customary in transactions of such nature, and upon agreement in good faith of such terms, to execute and deliver such additional agreements. vLov agrees to retain Hayden Communications International, Inc. to provide Investor Relations and consulting services for the company under a one year agreement just prior to the completing of the RTO.

(10) Signatory. Mr. Qing Qing Wu, Chairman, and as a majority shareholder, has full authority and board approval to enter into this binding agreement.

Agreed to and approved by:

Pope Asset Management, LLC, Manager of
Pope Investments II LLC
By: /s/ William P. Wells__________________________ June 11, 2008
William P. Wells, Managing Member

Ancora Greater China Fund, LP (Ancora)
By: /s/ John Micklitsch___________________________ June 11, 2008
John Micklitsch, Managing Member

MMH Group, LLC
By: /s/ Matthew Hayden__________________________ June 11, 2008
Matthew Hayden, President

Korea Jinduren International Fashion Co. Ltd. (vLov)
By: /s/ Qing Qing Wu____________________________ June 11, 2008
Qing Qing Wu, Chairman
Jinduren International Fashion Co. Ltd

Exhibit E. SEC vs. Stock Promoters

SEC Freezes Out Couple from Great White North **Posted July 07, 2010 12:25PM**
The Securities and Exchange Commission has frozen the assets of a Canadian couple as well as two companies they control over allegations that the pair profited from selling U.S. microcap stocks they were simultaneously touting online, a practice known as **"scalping."**

Working with the Quebec regulator Autorite des Marches Financiers, the SEC claims that Montreal residents Carol McKeown and Daniel Ryan sang the praises of small stocks on their website PennyStockChaser.com, trying to push up the value of the stocks while at the same time selling the same stocks, some of which had gone public via reverse mergers. The website invites investors to sign up for daily stock touts and alerts through email, texts, Facebook and Twitter.

One company whose stock got the hype treatment is Bluewave Group Inc. out of Fort Lauderdale. The shell company is highlighted in the complaint as having benefited from the praise of the Canadian pair. Although, the complaint does not allege any problem behavior by Bluewave.

The complaint charges that since April 2009, the couple received millions of shares of the companies they were touting via Downshire Capital and Meadow Vista Financial Corp., two companies controlled by the couple, in exchange for hyping the stocks. The SEC also maintains that one of the companies controlled by the couple failed to fully disclose the full amount of compensation McKeown and Ryan pulled down in exchange for pushing the stocks. The complaint states that the couple made at least $2.4 million from selling the stocks they scalped.

Besides the emergency relief already granted by the U.S. District Court for the Southern District of Florida, the SEC is requesting a preliminary injunction as well as a permanent injunction, a disgorgement of profits plus prejudgment interest, financial penalties and penny stock bars against the couple. Source: SEC Complaint
http://reversemerger.dealflowmedia.com/wires/archive.cfm?nd=070510

SEC Sues over Alleged $20M Pump and Dump **Posted January 25, 2010 2:47PM**
The Securities and Exchange Commission filed suit last week against **Summit Advisory Partners** and its managing partner Robert Feeback for allegedly swindling more than $20 million from investors in the "pump and dump" of three reverse merger companies.

The complaint, filed in U.S. District Court in Dallas, alleges that Feeback and his firm directed stock promoters Ryan Reynolds, Jason Wynn and Carlton Fleming to acquire large stakes in **Beverage Creations**, **Alchemy Creative** and **My Vintage Baby**.

The SEC said that the promoters would organize reverse mergers into publicly traded shell companies, purchase large blocks of stock for pennies a share from the companies in Rule 504 offerings, then pump and dump the shares to the investing public.

Rule 504 of Regulation D of the Securities Act provides for an exemption from registration requirements to issue restricted shares to a small number of investors in a private offering.

The commission is seeking for Summit and Feeback to disgorge ill-gotten gains, pay civil penalties, and to bar them from future penny stock offerings. Source: Legal Filing
http://reversemerger.dealflowmedia.com/wires/archive.cfm?nd=012510

SEC Sues Over Alleged $1.7M Pump and Dump **Posted October 01, 2009 3:20PM**

The Securities and Exchange Commission filed suit against Jason Genet yesterday in a New York federal court alleging that he "pumped and dumped" the stock of China Energy Savings Technology for a profit of $1.7 million. **China Energy** completed a reverse merger in 2004. Source: SEC Complaint http://reversemerger.dealflowmedia.com/wires/archive.cfm?nd=092809