

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Administrative Proceedings Rulings
Release No. 6561 / May 3, 2019

Administrative Proceeding
File No. 3-17886

In the Matter of

**China Biopharma, Inc.,
China Linen Textile Industry,
Ltd.,
China Water Group, Inc.,
Scout Exploration, Inc., and
Teryl Resources Corp.**

Notice Concerning Service

On March 21, 2017, the Commission issued an order instituting proceedings pursuant to Section 12(j) of the Securities Exchange Act of 1934. China Linen Textile Industry, Ltd., a Cayman Islands corporation located in China, is the only Respondent remaining.¹ The allegations in the OIP remain pending as to China Linen because it has not yet been served with the OIP.

On April 26, 2019, the Division filed an update on its attempts to achieve service following my order of March 20, 2019. *See China Biopharma*, Admin. Proc. Rulings Release No. 6514, 2019 SEC LEXIS 557. China Linen is believed to be located on Chendong Street, Lanxi County, Heilongjiang Province, People's Republic of China. Working with the Office of International Affairs, the Division has contacted the United States Department of State to determine which newspapers in Heilongjiang Province have the highest circulation and would be most likely available to China Linen. OIA has provided the Division with the name of an entity that might be able to provide current contact information for China Linen's

¹ *See* OIP at 2; *China Biopharma, Inc.*, Initial Decision Release No. 1127, 2017 SEC LEXIS 1253 (ALJ Apr. 27, 2017), *notice of finality*, Exchange Act Release No. 81127, 2017 SEC LEXIS 2063 (July 11, 2017).

officers and directors and the Division will pursue the possibility of finding valid contact information for someone authorized by law to receive notice.

The Division has also learned that China Linen's CEO, president and board chair may be associated with Harbin Sunshine Textile Co., Ltd., and it is seeking to confirm this information and Harbin's contact information, hoping this could provide a means of achieving service. Finally, the Division continues efforts, so far unsuccessful, to have the China Ministry of Justice serve China Linen pursuant to the Hague Convention.

The Commission's Rules of Practice make it difficult to impossible to serve an issuer in a Section 12(j) proceeding where the issuer has no connections in the United States and foreign authorities are uncooperative. The Division's diligent efforts to advance this proceeding by achieving service on China Linen—which allegedly has not filed a required report in eight years—has revealed some potential avenues for achieving service. The Division is directed to continue to attempt service and to provide updates on the status of service every 45 days.

Brenda P. Murray
Chief Administrative Law Judge