

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

**UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,**

Plaintiff,

v.

**AHMAD FNAIKHER ALYASIN and
OPTIMA GLOBAL FINANCIAL, INC.,**

Defendants.

:

:

: **Civil Action No. : _____**

:

: **COMPLAINT**

:

:

:

:

:

:

:

Plaintiff Securities and Exchange Commission (the "Commission") alleges as follows:

SUMMARY

1. This matter arises from multiple violations of the federal securities laws by Defendants Ahmad Fnaikher Alyasin ("Alyasin"), a Houston, Texas businessman, and his wholly-owned entity Optima Global Financial, Inc. ("Optima"). From at least September 2010 through at least March 2011, Alyasin and Optima engaged in a fraudulent stock lending scheme through which they fraudulently obtained shares of China North East Petroleum Holdings Limited ("CNEP") and illegally sold them in unregistered transactions in the market.

2. Under three related lending agreements (the "Funding Agreement," the "Lock-out Agreement," and the "Amendment to the Funding Agreement," sometimes collectively referred to herein as the "Lending Agreements"), Alyasin and Optima loaned a total of \$3.5 million to a CNEP insider (the "Borrower") who, when the lending agreements were executed, was a member of CNEP's Board of Directors, was on administrative leave from his position as CNEP's

Chief Executive Officer and President, and had recently resigned as Chairman of CNEP's Board of Directors. The Lending Agreements, which were signed by Alyasin (as CEO of Optima) and the Borrower, were secured by a pledge of 2.5 million shares of restricted CNEP securities owned by the Borrower.

3. Under the provisions of the Lending Agreements, Alyasin and Optima agreed to use the Borrower's CNEP shares solely as collateral and not to sell the shares for the one-year term of the loan. Rather than retain the shares as collateral, however, Alyasin and Optima fraudulently obtained the removal of the restrictive legends on the shares based on false and legally deficient opinion letters, and subsequently sold the Borrower's CNEP shares into the public markets. By engaging in this fraudulent stock lending scheme, Alyasin and Optima violated the registration and antifraud provisions of the federal securities laws.

4. The Commission brings this action against Alyasin and Optima seeking permanent injunctive relief to prevent future violations of the federal securities laws, disgorgement of ill-gotten gains along with prejudgment interest, and civil penalties.

JURISDICTION

5. This Court has jurisdiction over this action pursuant to Sections 21(d), 21(e) and 27 of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §§ 78u(d), 78u(e) and 78aa].

6. Defendants, directly and indirectly, made use of the mails and of the means and instrumentalities of interstate commerce in connection with the acts, practices and courses of business described in this Complaint.¹

¹¹ CNEP's common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and was listed on the NYSE MKT, LLC ("NYSE"). All share transactions described herein were executed on the NYSE.

DEFENDANTS

7. Ahmad Fnaikher Alyasin is a 56-year-old resident of Houston, Texas and is the Chairman and CEO of Optima Global Financial, Inc.

8. Optima Global Financial, Inc. is a Texas corporation wholly owned and operated by Ahmad Alyasin, and engaged in various business ventures. As the sole shareholder and officer of Optima, Alyasin made all trading and other decisions on behalf of Optima.

FACTUAL ALLEGATIONS

9. On September 29, 2010, Alyasin, Optima, and the Borrower entered into the Funding Agreement, whereby Alyasin and Optima obtained 2 million shares of restricted CNEP stock worth at least \$13 million as collateral (the "Collateral Shares") for a \$3.5 million loan. Alyasin and Optima falsely represented to the Borrower and the Borrower's representatives that the Borrower's CNEP shares would be held as collateral, would not be sold, would be returned to the Borrower after the one-year term of the Funding Agreement, and the Borrower would maintain the right and ability to vote the shares throughout the term of the loan.

10. At the time the Funding Agreement was executed, no registration statement was in effect concerning the Collateral Shares, there was no valid exemption allowing the offer or sale of the shares without a valid registration statement, and the Borrower was an affiliate or control person of CNEP, rendering any securities sold by the Borrower in a private transaction subject to a six-month holding period.

11. On September 29, 2010, along with the Funding Agreement, Alyasin, Optima, and the Borrower also entered into the Lock-out Agreement, which stated:

The lock-out agreement shall be for a term of 1 (one) year with an option to renew upon any extension of the loan set forth herein as agreed by both parties. During the term of the lock-out agreement [sic] shall disallow Optima's right to sell the Collateral. Additionally, during the term of the

loan or extension of the term thereof, Optima, and or its affiliates, shall not sell, sell short, or otherwise cause any additional volume in the underlying collateral shares except in the event of a default.

12. At the time Alyasin and Optima entered into the Funding Agreement and the Lock-out Agreement, they planned to margin the Borrower's CNEP shares to fund the loan to the Borrower and to fund other investments of their own. Alyasin and Optima materially misrepresented to the Borrower and the Borrower's representatives that the Collateral Shares would be held as collateral for one year and would not be sold, and made material omissions by failing to disclose that they intended to sell the Borrower's CNEP shares as needed to fund other investments, if the share price declined, or to cover margin calls.

13. Because Optima's securities brokerage firm would only accept unrestricted stock for margin, Alyasin and Optima used the Funding Agreement and the Lock-out Agreement to obtain a false and legally deficient opinion letter stating that the restrictive legend could be removed from the Collateral Shares. Alyasin and Optima then provided the opinion letter to CNEP's transfer agent to induce the transfer agent to remove the restrictive legends from the Borrower's CNEP shares, which the transfer agent did. In addition to the misleading opinion letter, Alyasin and Optima materially misrepresented to CNEP's transfer agent that the Collateral Shares would be held as collateral for one year and would not be sold, and made material omissions by failing to disclose that they intended to sell the Borrower's CNEP shares as needed to fund other investments, if the share price declined, or to cover margin calls.

14. Notwithstanding the opinion letter, the terms of the Funding Agreement and the Lock-out Agreement, or the other misrepresentations and omissions by Alyasin and Optima, the Collateral Shares remained restricted, and the restrictive legends should not have been removed. The Collateral Shares continued to be restricted for six months from the date of their transfer to

Alyasin and Optima because they were acquired in an unregistered, private transaction with the Borrower, an affiliate of the issuer. Private agreements cannot render restricted securities unrestricted or otherwise alter the operation of federal securities laws governing the unregistered sale of securities.

15. In contravention of the federal securities laws and the express terms of the Funding Agreement and the Lock-out Agreement, Alyasin and Optima began selling the Borrower's CNEP shares into the market within two months of signing the Funding Agreement and the Lock-out Agreement. After depositing the Collateral Shares with a broker, Alyasin and Optima obtained margin based on the value of the shares. Alyasin and Optima used that margin to purchase other securities, and withdrew cash from the account for various purposes. Alyasin and Optima also ultimately sold the Collateral Shares as needed to allow further transfers and withdrawals and to satisfy margin calls. Between November 23, 2010 and February 7, 2011, Alyasin and Optima sold 1,463,800 shares of CNEP (over 73% of the initial collateral provided in connection with the Lending Agreements).

16. On February 7, 2011, Alyasin, Optima and the Borrower entered into the Amendment to the Funding Agreement, which provided, in part, that the Borrower would provide Alyasin and Optima with an additional 500,000 shares of CNEP as collateral (the "Additional Collateral Shares") that also would be subject to the terms of the Lock-out Agreement. As with the original Collateral Shares, the Additional Collateral Shares, which were worth at least \$2.5 million when received by Alyasin and Optima, were restricted CNEP shares owned by the Borrower, a CNEP insider. Although some of the original Collateral Shares previously pledged had already been sold, Alyasin and Optima did not disclose that material fact to the Borrower or the Borrower's representatives; instead, Alyasin and Optima again made

material misrepresentations and omissions that both the Collateral Shares and the Additional Collateral Shares would be held as collateral during the one-year term of the Funding Agreement, and would not be sold. In addition, Alyasin and Optima materially misrepresented that the Amendment to the Funding Agreement was being entered into “[i]n order to prevent the sale of the Collateral Shares due to the trading price of the Collateral Shares and margin maintenance set by the prime broker” and that “such shares shall remain on deposit”

17. In anticipation of entering into the Amendment to the Funding Agreement, Alyasin and Optima again obtained a false and legally deficient attorney opinion letter, which was provided to CNEP’s transfer agent to induce the transfer agent to improperly remove the restrictive legend from the Additional Collateral Shares provided by the Borrower. The second opinion letter falsely misrepresented that Alyasin and Optima were bound by the terms of the Lending Agreements that expressly disallowed Optima’s right to sell any of the Borrower’s CNEP shares, including the Additional Collateral Shares. In fact, as noted above, Alyasin and Optima had already sold a majority of the Collateral Shares in contravention of the federal securities laws and the express terms of the Funding Agreement and the Lock-out Agreement, a material fact that was not disclosed to CNEP’s transfer agent. As with the original Collateral Shares, because the Additional Collateral Shares were transferred from an affiliate in a private transaction, the Additional Collateral Shares remained restricted for six months and could not be sold without a registration statement or a valid exemption.

18. Notwithstanding the restricted nature of the Collateral Shares and Additional Collateral Shares, and in contravention of the federal securities laws, after signing the Amendment to the Funding Agreement, Alyasin and Optima sold the remaining 1,036,200 restricted CNEP shares received from the Borrower. Alyasin and Optima ultimately sold all of

the Collateral Shares and Additional Collateral Shares received from the Borrower – 2,500,000 shares of restricted CNEP stock, in total – by March 17, 2011, approximately six months before the September 29, 2011 expiration of the Lock-out Agreement and within the 6-month holding period during which the Collateral Shares and Additional Collateral Shares remained restricted.

FIRST CLAIM FOR RELIEF

Violations of Sections 5(a) and 5(c) of the Securities Act

19. Paragraphs 1 through 18 are realleged and incorporated herein by reference.

20. By engaging in the conduct described above, Alyasin and Optima violated Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and (c)], which prohibit the sale of securities using any means or instruments of transportation or communication in interstate commerce or of the mails unless a registration statement has been filed and is effective or the transaction is effected pursuant to a valid exemption to registration.

SECOND CLAIM FOR RELIEF

Violations of Section 17(a) of the Securities Act

21. Paragraphs 1 through 20 are realleged and incorporated herein by reference.

22. By engaging in the conduct described above, Alyasin and Optima violated Section 17(a) of the Securities Act [15 U.S.C. § 77q], which prohibits, in connection with the offer or sale of securities, by the use of any means or instrumentalities of interstate commerce or of the mails, directly or indirectly, acting with the requisite degree of knowledge or state of mind, employing any device, scheme, or artifice to defraud; obtaining money or property by means of untrue statements of material facts or omissions of material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

THIRD CLAIM FOR RELIEF

Violations of Section 10(b) of the Exchange Act and Rule 10b-5

23. Paragraphs 1 through 22 are realleged and incorporated herein by reference.

24. By engaging in the conduct described above, Alyasin and Optima willfully violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], which prohibit, directly or indirectly, in connection with the purchase or sale of securities, by the use of the means or instrumentalities of interstate commerce or of the mails, or of any facility of any national securities exchange, knowingly or recklessly employing any device, scheme, or artifice to defraud; making untrue statements of material fact or omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that the Court:

(1) Enter a final judgment permanently enjoining Defendants from violating Sections 5(a), 5(c), and 17(a) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c), and 77q], Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5];

(2) Enter a final judgment ordering disgorgement of ill-gotten gains along with prejudgment interest, and civil penalties; and

(3) Grant the Commission such other and further relief as is just and appropriate.

Dated: March 3, 2015

Respectfully submitted,

s/ David B. Reece

David B. Reece
Attorney-in-Charge
Texas Bar No. 242002810
SD Bar No. 896560
U. S. Securities and Exchange Commission
Burnett Plaza, Suite 1900
801 Cherry Street, Unit #18
Fort Worth, Texas 76102-6882
Tel: (817) 978-6476
Fax: (817) 978-4927
Reeced@sec.gov

John J. Bowers
North Carolina State Bar No. 23950
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549
Tel: (202) 551-4645
bowersj@sec.gov

Ansu N. Banerjee
U.S. Securities and Exchange Commission
444 South Flower Street, Suite 900
Los Angeles, CA 90071
Tel: (323) 965-3313
banerjeea@sec.gov

Attorneys for Plaintiff

JS 44 (Rev. 12/12)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

<p>I. (a) PLAINTIFFS U.S. Securities and Exchange Commission</p> <p>(b) County of Residence of First Listed Plaintiff _____ <i>(EXCEPT IN U.S. PLAINTIFF CASES)</i></p> <p>(c) Attorneys (Firm Name, Address, and Telephone Number) David B. Reece 801 Cherry St., Suite 1900 Fort Worth, TX 76102 (817) 978-6476</p>	<p>DEFENDANTS Ahmad Fnaikher Alyasin and Optima Global Financial, Inc.</p> <p>County of Residence of First Listed Defendant <u>Travis</u> <i>(IN U.S. PLAINTIFF CASES ONLY)</i></p> <p>NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.</p> <p>Attorneys (If Known)</p>
--	---

<p>II. BASIS OF JURISDICTION (Place an "X" in One Box Only)</p> <p><input checked="" type="checkbox"/> 1 U.S. Government Plaintiff</p> <p><input type="checkbox"/> 2 U.S. Government Defendant</p> <p><input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)</p> <p><input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)</p>	<p>III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> <td style="width:40%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> </tr> <tr> <td>Citizen of This State</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business In This State</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business In Another State</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> </tr> </table>		PTF	DEF		PTF	DEF	Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
	PTF	DEF		PTF	DEF																				
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4																				
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5																				
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6																				

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395f) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input checked="" type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS			
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

1 Original Proceeding 2 Removed from State Court 3 Remanded from Appellate Court 4 Reinstated or Reopened 5 Transferred from Another District (specify) 6 Multidistrict Litigation

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
§§ 5(a), 5(c) and 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder

Brief description of cause:
securities violations

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ _____ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions): JUDGE _____ DOCKET NUMBER _____

DATE: 3/3/2015 SIGNATURE OF ATTORNEY OF RECORD: s/ David B. Reece

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____