
The Commission temporarily suspended trading in the securities of China Expert because of questions that have been raised about the accuracy and adequacy of publicly-disseminated information concerning, among other things, China Expert’s: (1) financial performance and business prospects and (2) current financial condition.

The Commission cautions brokers, dealers, shareholders, and prospective purchasers that they should carefully consider the foregoing information along with all other currently available information and any information subsequently issued by the company.

Further, brokers and dealers should be alert to the fact that, pursuant to Rule 15c2-11 under the Exchange Act, at the termination of the trading suspension, no quotation may be entered unless and until they have strictly complied with all of the provisions of the rule. If any broker or dealer has any questions as to whether or not it has complied with the rule, it should not enter any quotation but immediately contact the staff in the Division of Market Regulation, Office of Interpretation and Guidance, at (202) 551-5760. If any broker or dealer is uncertain as to what is required by Rule 15c2-11, it should refrain from entering quotations relating to China Expert’s securities until such time as it has familiarized itself with the rule and is certain that all of its provisions have been met. If any broker or dealer enters any quotation which is in violation of the rule, the Commission will consider the need for prompt enforcement action.

If any broker, dealer or other person has any information which may relate to this matter, they should contact the New York Regional Office of the Securities and Exchange Commission at 212-336-1100.