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U.S. Court-appointed Receiver for Sino Clean Energy Inc. (Nasdaq "SCEI") Files Criminal Charges in Hong Kong against Chairman of Nasdaq-listed China energy company accusing him of fraud on U.S. and Chinese investors

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XI'AN, China, NEW YORK, LAS VEGAS, and HONG KONG, June 23, 2015 /PRNewswire/ -- Robert Seiden, Esq., the Court-appointed receiver (the "Receiver"), over Sino Clean Energy, Inc. ("SCEI") filed criminal charges with the Hong Kong Police Commercial Crimes Bureau on May 22, 2015 detailing that SCEI's Chairman, Baowen Ren, undertook a fraudulent backdated-transfer of shares in the Hong Kong subsidiary of the company, Wiscon Holdings Limited ("WHL") to a shell company in the British Virgin Islands that he controls, Dacona Limited ("Dacona"), thereby stealing the shareholders' interest (including the shares held by many U.S. and Chinese citizens). The forms memorializing these actions were filed in November 2014, which was six months after the Receiver's appointment and were filed secretly without the Receiver's knowledge or approval and after the Receiver had effectively taken control over WHL.

Seiden, a former Manhattan prosecutor and President of the global firm Confidential Security Investigations ("CSI") filed the police report after his auditors in Hong Kong uncovered the fraud on WHL.

The Hong Kong criminal complaint states in part that:

[t]he alleged share allotment is a willful attempt by Mr. Ren to steal WHL, hence all the operating companies in China, from SCEI.... [and] is a blatant and illegal act of Mr. Ren to embezzle the entire assets of SCEI.

The 2nd Judicial District Court of Nevada (the "Court") appointed Seiden as Receiver on May 13, 2014 to hold SCEI accountable and act to maximize the value of SCEI on behalf of all shareholders after the company abruptly stopped filing its required Form 10-Q's and 10-K's with the U.S. Securities and Exchange Commission ("SEC") in May 2012, failed to convene required Annual Shareholders' Meetings and Elections of Directors under Nevada statutes, and was sanctioned and de-listed by the NASDAQ. The Receiver's agents in China have conducted a series of meetings with Ren in China since October 2014 in an effort to settle the above-described issues and to have Ren account for SCEI's finances, but Ren has consistently rebuffed these entreaties and violated the Court's orders. As a result, on June 4, 2015, the Receiver, through his U.S. lawyers at Foley & Lardner, LLP and McDonald Carano Wilson LLP, filed a rarely used motion for civil and criminal contempt with the Court against Ren to have Ren ordered to be jailed and fined for his willful violations of the Court's orders.

SCEI was previously reported to be one of the largest producers of clean energy fuel in China when it entered the U.S. equity market via a reverse merger and its stock reached a high of \$9.40 per share in April 2010.

For any media inquiries, please speak with the office of the Receiver at (212) 626-6708 or email Heike Vogel at hvogel@csilegal.com.

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