

08-11407

Statement of Charles M. Cerny in response to questions posed by Alan Levine

Re: letter to me dated April 4, 2016

RECEIVED
 APR 13 2016
 10:09 AM
 FEDERAL BUREAU OF INVESTIGATION
 U.S. DEPARTMENT OF JUSTICE

April 7, 2016

Dear Mr. Levine,

I have been a pro se litigant in a number of legal proceedings derived from the fraud associated with Syntax Brilliant (SBC).

I started out by showing up in Bankruptcy Court in July 2008 in order to find out how my investment had become worthless, what I found out was that **fraud was SBC's primary business plan** and SBC was never a legitimate enterprise.

In hindsight, it is my opinion that had any government agency intervened on behalf of shareholders in the bankruptcy proceedings it would have relieved me of the burden of attempting to be my own counsel.

Although any agency could (and should) have intervened it appears that the SEC was the most negligent. See list below of selected Chinese Reverse Merger Fraud's (CRM's). The SEC needed to name the company (SBC) as a defendant, as it ordinarily does in lawsuits, but failed to in the case of SBC. Had the SEC chose to name the company it would have had to balance that choice, engage the bankruptcy, and make a claim. Please review the list below that illustrates the disposition of other SEC litigated CRM frauds¹. (The list provided is not comprehensive or guaranteed to be 100% accurate. It exists primarily to demonstrate that ordinary procedure requires naming the company in lawsuits).

- | | | | |
|---|-------------------|---|--|
| - | Shengdatech Inc. | Filed Bankruptcy 11-52649 chapter 11
SEC did not file a lawsuit (high officer owned percentage) | SEC did file a claim in BK |
| - | Syntax Brilliant | Filed Bankruptcy 08-11407 BLS chap 11
Lawsuit filed by SEC | No claim filed in Bankruptcy Co. not named, only certain officers |
| - | Agfeed Industries | Lawsuit filed by SEC - no BK | Co. and others were named |
| - | Soyo Inc. | Filed Bankruptcy 09-19355 chap 7
Lawsuit did not name company (Similar to SBC, except SBC was Chap. 11) | No claim filed in Bankruptcy |

¹ Only a small fraction of CRMs actually went to bankruptcy, or even had public lawsuits filed against them by the SEC, for the most part, the now defunct companies just deliberately failed to file "K's" with the SEC, the officers ran (as they had already accomplished their embezzlement objectives) and the stocks were revoked in internal SEC Admin proceedings (too numerous to mention here). Some (not many) went private.

- AutoChina Int'l Lawsuit filed by SEC - no BK **Co. and others were named**
- China Natural Gas Lawsuit filed by SEC - no BK **Co. and others were named**
- China N.E. Petrol Hldgs Lawsuit filed by SEC – no BK **Co. and others were named**
- ChinaCast Education Lawsuit filed by SEC – no BK **Co. not named, only officers**
- Keyuan Petrochemicals Lawsuit filed by SEC – no BK **Co. and others were named**
- NIVS IntelliMedia Tech Lawsuit filed by SEC – no BK **Co. and others were named**
- Puda Coal Lawsuit filed by SEC – no BK **Co. not named, only officers**
- China Intelligent Light'g Lawsuit filed by SEC – no BK **Co. and others were named**
- Yuhe International Lawsuit filed by SEC – no BK **Co. and others were named**
- Fuqi International Lawsuit filed by SEC – no BK **Co. and others were named**
- RINO International Lawsuit filed by SEC – no BK **Co. and others were named**
- Subaye Inc. Lawsuit filed by SEC – no BK **Co. and others were named**
- China Energy Svgs Tech Lawsuit filed by SEC – no BK **Co. and others were named**
- China Sky One Medical Lawsuit filed by SEC – no BK **Co. and others were named**
- China Digital Media Corp Lawsuit filed by SEC – no BK **Co. and others were named**
- Universal Travel Group Lawsuit filed by SEC – no BK **Co. and others were named**
- China MediaExpress Lawsuit filed by SEC – no BK **Co. and others were named**

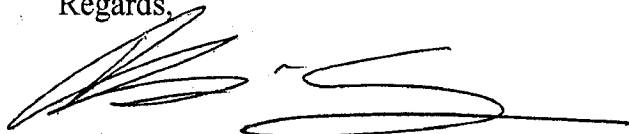
I assert that the SEC was the only legal entity who could have realistically relieved me from having to do the work that I did in the bankruptcy court. By not engaging, the SEC forced me to fill the void and depend upon myself to be my own unskilled lawyer. **My decision to protect my own interests in lieu of the vacuum created is impossible to fault.**

As far as answering your questions regarding all of the legal proceedings I have been involved in which derived from SBC herein are the case numbers (which are all public records). From the case dockets you will see my position. All that I believe is contained in the case dockets, I

cannot attend in person or by phone, and if you require anything else you will have to subpoena me by court order.

Class action in Arizona	2:07-cv-02204-FJM
Bankruptcy In Delaware	08-11407 – BLS
Appeal from Del BK court	Civil Action No. 13-1108-GMS
NY Lawsuit	Cerny v. Rayburn, et al.; 11-cv-03263 SL T (VVP)
NY Appeal – 2 nd circuit	13-3548
SEC WB Appeal – 2 nd circuit	16-934

Regards,



Charles M. Cerny