

## **Securities Fraud: Class Plaintiffs in Securities Fraud Case Against Chinese Company Facing Difficulties**

*By Rita Zhao on June 21, 2011*

In *Perry*, a shareholder class sued a Chinese printing company, as well as its current and former officers and directors, for making false and misleading statements in violation of the Securities and Exchange Act of 1934. Plaintiffs allege that the company failed to disclose certain details about its expenses and made deceptive statements thereby damaging the class Plaintiffs. The defendants in *Perry* include the company's current and former directors and officers.

Duoyuan Printing is a Wyoming company that is headquartered in Beijing, China. The difficulties in serving companies and related parties in China often force plaintiffs to abandon their lawsuits. But, there are ways around these roadblocks. A good team of gumshoe financial detectives, for example, can help U.S. plaintiffs tie Chinese companies and individuals to domestic companies and/or assets over which the U.S. courts may have jurisdiction. Once identified, plaintiffs can seek injunctive relief, freeze assets, and obtain other remedies for which "notice," rather than formal notice, is required. A foreign defendant's efforts to evade service will take a backseat to the more immediate problem of "unfreezing" assets. This may bring a Chinese defendant to the table, helping plaintiffs obtain relief.

The Miami, Florida-based law firm of Diaz Reus & Targ, LLP regularly represents defrauded investors in securities-related class actions, as well as actions to recover from Ponzi and other fraudulent investment schemes.

Diaz, Reus & Targ, LLP

Bank of America Tower at International Place

100 S.E. Second Street, Suite 2600 Miami, Florida 33131

P: (305) 375-9220

F: (305) 375-8050