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# re: The Auditors

## Benjamin Wey Sent Me A Threatening Email About AgFeed

By [Francine](#) • Apr 3rd, 2014 • Category: [Fraud](#), [Pure Content](#)

I received a threatening email yesterday from Chinese stock promoter Tianbing “Benjamin” Wey, whose New York Global Group (“NYGG”) was closely affiliated with the failed, fraudulent Chinese hog producer AgFeed during the period under litigation by the SEC and shareholders. He did not like my mention of his relationship to AgFeed, its auditor and its executives in [a recent post](#) about AgFeed’s audit firms.

The lead audit partner on the AgFeed engagement, Ahmed Mohidin, for its first audit firm, Goldman Parks Kurland Mohidin LLP, provided accounting services to at least eight other Wey-promoted stocks through his prior firm, Kabani & Co, according to a private class action lawsuit against AgFeed, its officers, directors and audit firms by its shareholders, [Lawrence Blitz v. AgFeed Industries, Inc., Goldman Kurland & Mohidin LLP, McGladrey & Pullen LLP, et al.](#)

That lawsuit, [Lawrence Blitz v. AgFeed Industries, Inc., Goldman Kurland & Mohidin LLP, McGladrey & Pullen LLP, et al.](#), describes the close relationship between Benjamin Wey and Ahmed Mohidin as well as Wey’s relationship with several AgFeed officers/directors.

Wey invariably recommends that clients use Mohidin of Goldman. For example, Wey’s client CleanTech Innovations, Inc. was removed from the NASDAQ after it concealed some of Wey’s involvement with it. CleanTech later sued the NASDAQ, and attached as exhibits certain of its formal communications with the NASDAQ regarding Wey’s role. CleanTech stated that Wey and NYGG had introduced it to a variety of law firms and investment banks, but only one auditor: Goldman. 15

58. Similarly, Wey’s clients employed Ahmed Mohidin at Goldman, or Mohidin at his previous firm, Kabani & Co. Wey’s known clients include: Bodisen Biotech, Inc. (delisted and subsequently dismissed Mohidin when it dismissed Wey); 16 Deer Consumer Products, Inc. (delisted by NASDAQ for making “false and misleading disclosures” and its “involvement in a scheme to illicitly transfer corporate funds to a group of stockbrokers [i.e., Wey and his cronies] through a bogus consulting contract”); 17 Genex Pharmaceutical, Inc.; 18 China Natural Gas, Inc., (restated financial results and sued by investors and the SEC for fraud); China Housing & Land Development, Inc.; 19 Shiner International, Inc.; 20 and AgFeed.

15 Source: CleanTech Innovations, Inc. v. NASDAQ Stock Market LLC, Index No./653524-2011, Dkt. # 11-7, Exh. 4 (Email from William Uchimoto, counsel to CleanTech, to Michael J. Wolf of NASDAQ).

16 Source: Bodisen Biotech, Inc., 10-K for the year ended December 31, 2007, at F-2, filed with the SEC on April 15, 2008.

17 Source: Deer Consumer Products, Inc., Form 8-K filed with the SEC on October 9, 2012.

18 Source: Genex Pharmaceutical, Inc., 10-KSB for the year ended December 31, 2004, filed with the SEC on May 16, 2005.

19 Source: China Housing & Land Development, Inc., 10-K for the year ended December 31, 2006, at F-2, filed with the SEC on April 2, 2007.

20 Source: Shiner International, Inc., 10-K for the year ended December 31, 2011, at F-1,

Just as Wey regularly installs Goldman as auditor, he regularly installs Defendant Staloff as a director and audit committee member or chair of Wey’s companies.

60. Staloff was audit committee chair or member in Wey vehicles Smartlheat, Inc., 21 CleanTech Innovations, Inc., 22 Deer Consumer Products, Inc., 23 Shiner International, Inc., 24 and, most significantly, AgFeed. 25 As audit committee chair or member, Staloff selected the audit firm. In every single case, he made sure to hire the firm chosen by Wey because it would not challenge improper accounting, i.e., Goldman.

21 Letter from Smartlheat Inc. to the SEC dated October 7, 2011, at 13.

22 CleanTech Innovations, Inc., Amended 10-K filed with the SEC on September 30, 2011, at 45.

23 Source: Deer Consumer Products, Inc., Form 10-K for the year ended December 31, 2011, at 40, filed with the SEC on March 29, 2012.

24 Shiner International, Inc., Proxy Statement filed April 30, 2010 [unpaginated].

25 AgFeed Industries, Inc., Amended 10-K filed April 30, 2010, at 4.

Defendant Arnold Staloff (“Staloff”) was an affiliate of stock promoter Benjamin Wey (“Wey”) and a director of AgFeed and chair of its audit committee from the time of its reverse merger in 2007 until July 5, 2010. Staloff had previously been a senior officer of the Philadelphia Stock Exchange at the time it became embroiled in a conflict-of-interest scandal involving Ashton Technologies, Inc., another Wey-affiliated company. Staloff thereafter became an affiliate of Wey, and served on the boards of many other Wey-promoted Chinese stock frauds, including SmartHeat, Inc., Shiner International, Inc., Deer Consumer Products, Inc., and CleanTech, Inc.

Arnold Staloff is [a defendant in the shareholder class action litigation](#) against AgFeed and its directors and the audit firms.

There are many more details in the [shareholder class action lawsuit](#), which is public information available through court records, regarding Wey’s tactics and affiliations with other AgFeed executives such as Van Gothern (who is also a defendant in a lawsuit brought by the SEC) and Fred Ritterreiser, as well as ongoing investigations of Wey’s activities, including a 2012 FBI raid of his home.

Benjamin Wey clearly has a strong interest in all the media reports of his activities, lately regarding AgFeed. He tried to silence journalists Roddy Boyd and Dune Lawrence via the same tactics he attempts in this email, and repeated his threats to them, to me below. Wey has also filed lawsuits in the past, to no avail, for what he construes is defamation. This passage, again, from the [AgFeed shareholder class action lawsuit](#).

65. Before the Class Period, AgFeed was expressly warned by its investor relations firm regarding Wey, but did not disclose the warning to investors and did not investigate the possibility of Wey's misconduct with respect to AgFeed. Specifically, Dixon Chen ("Chen") of Global Consulting Group warned executives at AgFeed to distance themselves from Wey.

66. In a February 4, 2008 e-mail from Chen to AgFeed's executives, including Defendant Yan, Chen stated that "[m]any people wonder why [Wey] is not in jail for what he did to investors two years ago." Chen also warned that Wey's promotion of AgFeed "exposed the company to liability."<sup>31</sup>

31 Subsequently, Wey sued the maker of these statements for defamation. However, in an opinion dated May 23, 2011, Justice Sherwood of the New York State Supreme Court determined that the allegedly defamatory statements were substantially true.

What Wey seems to have forgotten while squealing, I mean harassing me, is some important admonitions he received from Justice Sherwood in that lawsuit:

**Opinions have absolute immunity. Expressions of pure opinion 2 are protected by the First Amendment of the United States Constitution** on the theory that an idea or opinion cannot be said to be true or false and any harm which may be caused by an opinion can be corrected only through the competition of other ideas, and not through judicial intervention (see *Epstein v Board of Trustees*, 152 AD2d 534, 535- 536 [2d Dept 1989] [letters to student newspaper criticizing a teacher's performance were clearly assertions of opinion and therefore they were constitutionally protected, however unreasonable or erroneous they might be]; see also *Restatement [Second] of Torts § 566, Comment b*)).

2 A pure opinion is a statement of opinion which is accompanied by a recitation of the facts upon which it is based or does not imply that it is based upon undisclosed facts (see *Steinhilber v Alphonse*, 68 NY2d 283, 289 [1986]).

**Truth is a complete defense to defamation claims** (see *Fleckenstein v Friedman*, 266 NY 19 [1934]; *Present v Avon Prods.*, 265 AD2d 183 [IS! Dept 1999]). Further, statements which are substantially true are sufficient to defeat a defamation charge (see e. g. *Leibowitz v St. Luke's/Roosevelt Hosp. Ctr.*, 281 AD2d 350 [151 Dept 2001]). Therefore, **truth as a defense need not be established to a literal degree** (see *Love v William Morris and Co.*, 193 AD2d 586 [2d Dept 1993]).

Paragraph #2 in the email below where Wey asks me to defend against his claims of libel and defamation are not my words but those of lawyers for the AgFeed shareholders, truly and accurately quoted from a publicly available lawsuit against AgFeed and its officers and directors, [Lawrence Blitz v. AgFeed Industries, Inc., Goldman Kurland & Mohidin LLP, McGladrey & Pullen LLP, et al.](#) The allegations in the lawsuit are reasonably supported, in my opinion, and will be judged as to their truthfulness and relevancy to the the suit by the courts, not me. I have no obligation to investigate the claims made in the litigation. I only completely and accurately report them.

The rest of Wey's email is cut-and-paste confused slop. In fact, it appears to be directed at someone else who lives in Beijing and teaches at a university there. I confirmed late last night that Professor Paul Gillis, author of the [China Accounting Blog](#), also received a threatening email from Wey and that some of the complaints against me were meant for him.

In spite of Wey's signature identifying him as a "Publisher and Investigative Reporter", I think we can surmise from all the evidence here and otherwise what Wey really is. I would suggest Wey look over his own shoulder. I think I can see the SEC, Department of Justice and FBI gaining on him.

Here's the full text of Wey's email to me. I have highlighted the threatening portions.

**From:** "Benjamin Wey" <[bwey@nygggroup.com](mailto:bwey@nygggroup.com)>

**Date:** April 2, 2014 at 4:15:41 PM CDT

**To:** [fmckenna@mckennapartners.com](mailto:fmckenna@mckennapartners.com)

**Subject: Re: Need your comments – Publication deadline is April 3, 2014**

Dear Ms. McKenna, Apart from your peaceful world, I just learned that you also write a blog. A piece here is concerning to us and we advise you to take actions to remove our names: <http://retheauditors.com/2014/02/28/a-china-fraud-dissected-part-2-agfeeds-auditors/>

Since you mentioned my name and portrayed it in negative light, I need to ask you a couple of questions: 1. What is the reason and factual basis that you have, by mentioning my name in negative light? As you associated my name with a fraudulent company which frauds were connected with a racist reporter Bloomberg Dune Lawrence?

2. You mentioned that Benjamin Wey "Goldman and Mohidin will continue to have lucrative relationships with Chinese reverse merger companies so long as they satisfy Wey. Thus, where other auditors seek to cultivate a reputation for probity and independence, Goldman and Mohidin seek to cultivate Wey's good opinion of them and their usefulness to Wey's purposes. "who had promoted many Chinese reverse mergers, including AgFeed"? What is your factual basis for these libelous statements?

If you do not have any factual basis for your statements, I consider it libel and please take immediate actions to correct the mistake. It would go a long way towards your redemption. I am not your enemy. Please do not create a hostile environment for yourself. It is not necessary. It is up to you to remove your slanderous statement before April 3, 2014

This is the SEC complaint against individuals involved in AgFeed: <http://www.sec.gov/News/PressRelease/Detail/PressRelease/1370541102314> As you can read through the materials on the SEC's website, neither Benjamin Wey nor New York Global Group is a party to the SEC complaint. If would not agree to immediately remove all and any contents associated with Benjamin Wey or New York Global Group, please address the following questions since **you will prominently featured, every day, in yoru(SIC) face, 360 days a year:** 3. What is your relationship with a Roddy Boyd, a close friend of Dune Lawrence? As exposed in this article: <http://theblot.com/roddy-boyd-exposed-journalist-manipulating-americas-companies-7715982>

4. It was known that you have close friendship with con man Jon Carnes and the Jon Carnes crime family, and you have abetted his fraud. Is it true? <http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/regulator-alleges-fraud-by-silvercorp-short-seller/article16057626/>

5. What is your relationship with Dune Lawrence? What is the basis for your statement that: "Dune Lawrence of Bloomberg wrote an [excellent expose](#) on Agfeed last Dec-ember." Have you been involved in AgFeed in any way? What is your factual basis for calling it an "excellent expose"? What independent fact checking that you have done in deriving such a conclusion?

6. Dune Lawrence has not written a single positive article about china. You rely on a chinese university for compensation. Could you explain why a fair person would not have written a single piece positive about China? You live in Beijing, apparently you have some positive views towards China. Can you explain Dune Lawrence's odd behavior?

7. Do the President of Beijing University and the Dean of Guanghai school, whom I know, endorse your obvious anti-China stance? I would like to put their positions on the record, either through us or through Xinhua. Your comments could with a more colorful story. I am not your enemy. I am here to seek the truth. I am helping you correct your statement in your own blot. Our publication deadline is April 3, 2014. **If you like reading this article, we can work on more, for you and about you:** <http://theblot.com/jon-carnes-crime-family-lands-2-years-prison-implicating-nasdaq-fooling-journalists-7717059>

If you do not remove the false contents, have your lawyers call me. I am asking to be fair, truthful and do the right thing.

Benjamin Wey

Publisher and Investigative Reporter



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## 10 Responses »

1. *Anonymous* on [April 3rd, 2014 at 11:17 am](#):

What a bombast

2. [Don't pick a fight with someone who buys pixels by the terabyte and especially someone with 13,700 Twitter followers](#) | [Nonprofit update](#) on [April 3rd, 2014 at 12:10 pm](#):

[...] Francine McKenna got a threatening email from a guy who had a role in a failed company. You can read all about it: Benjamin Wey Sent Me A Threatening Email About AgFeed. [...]

3. [Don't pick a fight with someone who buys pixels by the terabyte and especially someone with 13,700 Twitter followers](#) | [Outrun Change](#) on [April 3rd, 2014 at 12:11 pm](#):

[...] Francine McKenna got a threatening email from a guy who had a role in a failed company. You can read all about it: Benjamin Wey Sent Me A Threatening Email About AgFeed. [...]

4. *Kevin* on [April 3rd, 2014 at 8:55 pm](#):

I can't think of a person less likely to be intimidated by bloviating paper tiger threats than you. The clown is truly clueless.

5. [Francine](#) on [April 4th, 2014 at 8:20 am](#):

@Kevin

You know it! Thanks for your support.

fm

6. *Andrew B* on [April 4th, 2014 at 8:21 am](#):

From the web site for this courageous defender of principle and freedom, a paragon of integrity and profound salve for all America's economic woes:

BENJAMIN WEY'S LEADERSHIP CREDO:

"If a man has courage and believes in the truth, he won't bend his principles under any circumstances."

BENJAMIN WEY'S LIFE PRINCIPLES:

1) "Important principles may, and must, be inflexible." – Abraham Lincoln

2) "No publicity is bad publicity." – Donald Trump

3) "Facts are stubborn things." – Ronald Reagan

Beware, O Unbeliever! Shrink not from laving the God of Truth's feet, with gentle waves of approbation! For he has courage and believes in not bending himself!

7. *Oversight for the Better* on [April 5th, 2014 at 2:53 am](#):

Wey seems very naïve. Maybe there are cultural elements, like coming from an environment with a lack of available means to confront something you don't like and a lack of experience with strong women.

8. [Francine](#) on [April 6th, 2014 at 10:44 am](#):

@ Andrew B

Ha, thanks. fm

9. *reader M* on [April 6th, 2014 at 4:35 pm](#):

To “Investigative Reporter”: It’s called connecting the dots with public disclosure documents. And how ironic of you to call MORE attention to yourself with a nasty note that ends up on a publicly accessible website.

10. Carl on [April 9th, 2014 at 12:44 pm](#):

This guy Wey loves to argue and twist the truth, especially with his favorite phrase “You so green”....

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### • About the author

 Francine McKenna (@retheauditors) is the Transparency Reporter at MarketWatch.com, a Dow Jones publication, where her work is also featured frequently in the Wall Street Journal. McKenna had more than twenty-five years of experience in consulting and professional services including tenure at two Big 4 firms, both in the US and abroad before becoming a journalist. Look for her prior columns, ["Accounting Watchdog"](#) at Forbes.com and ["Accountable"](#) at American Banker. For more information, click "About" at the bottom of this page. For more information contact Francine McKenna, [fmckenna@mckennapartners.com](mailto:fmckenna@mckennapartners.com)

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