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STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT

TO: Yan Yao Chen, a/k/a Yanyao Chen, President, CEO
Frank Chen, CFO
Yangquan Chen, Secretary
Hsiao Mei Chu
Leading Edge Marketing, Inc.
36 W Bay State Street
Alhambra, CA 91801

DESIST AND REFRAIN ORDER
(For violations of sections 25110 and 25401 of the Corporations Code)

The California Commissioner of Business Oversight finds that:

1. At all relevant times, Yan Yao Chen, also known as Yanyao Chen (hereinafter “Yan Yao Chen”), was President and/or CEO of Leading Edge Marketing, Inc. (hereinafter “Leading Edge Marketing”), a Delaware corporation doing business in California at 36 W Bay State Street, Alhambra, California.
2. At all relevant times, Frank Chen was CFO of Leading Edge Marketing.
3. At all relevant times, Yangquan Chen was Secretary of Leading Edge Marketing.
4. At all relevant times, Hsiao Mei Chu was an agent of Leading Edge Marketing (hereinafter “Chu”).
5. Beginning in or about May 2012, Yan Yao Chen, Frank Chen, Yangquan Chen, Chu and Leading Edge Marketing offered or sold securities in the form of stock in Leading Edge Marketing.
6. Through means of general solicitation, Yan Yao Chen, Frank Chen, Yangquan Chen, Chu and Leading Edge Marketing offered or sold 20 billion shares of stock, in subscriptions for up to 400,000 shares of stock, at either \$1.00 per share or \$.50 per share of stock to raise either \$400,000 or \$200,000 per subscription.

1 7. Investors were told that Leading Edge Marketing had invented certain automobile
2 technologies which were a breakthrough in the automotive industry, and that with such invention,
3 Leading Edge Marketing had become a valuable company. As such, investors were told that Leading
4 Edge Marketing was in the process of issuing its initial public offering, or IPO, and that investors
5 could pre-purchase the securities at a discounted price before Leading Edge Marketing went public.
6 Investment monies, however, were paid to Chu and/or Frank Chen in the sale of the securities.

7 8. These securities were offered or sold in this state in issuer transactions. The Department of
8 Business Oversight has not issued a permit or other form of qualification authorizing any person to
9 offer and sell these securities in this state.

10 9. In connection with these offers and sales, Yan Yao Chen, Frank Chen, Yangquan Chen, Chu
11 and Leading Edge Marketing misrepresented to investors that their monies would be held in a trust
12 fund until the IPO was completed, when in fact Leading Edge Marketing never completed its IPO and
13 never returned to investors their money.

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15 Based upon the foregoing findings, the California Commissioner of Business Oversight is of
16 the opinion that the shares of stock of Leading Edge Marketing are securities subject to qualification
17 under the California Corporate Securities Law of 1968 and are being or have been offered or sold
18 without being qualified in violation of Corporations Code section 25110. Further, pursuant to section
19 25403 of the Corporations Code, any person who controls or induces another person to violate a
20 provision of the Corporate Securities Law of 1968, or any person who provides substantial assistance
21 to another person in the violation of the Corporate Securities Law of 1968, shall be liable for the
22 violation. Pursuant to section 25532 of the Corporate Securities Law of 1968, Yan Yao Chen, also
23 known as Yanyao Chen, Frank Chen, Yangquan Chen, Hsiao Mei Chu, and Leading Edge Marketing,
24 Inc. are hereby ordered to desist and refrain from the further offer or sale in the State of California of
25 securities in the form of shares of stock, unless and until qualification has been made under the law.
26 This Order is necessary, in the public interest, for the protection of investors and consistent with the
27 purposes, policies, and provisions of the Corporate Securities Law of 1968.

28 In addition, the California Commissioner of Business Oversight is of the opinion that the

1 securities of Leading Edge Marketing were offered or sold in this state by means of written or oral
2 communications which included an untrue statement of a material fact or omitted to state a material
3 fact necessary in order to make the statements made, in the light of the circumstances under which
4 they were made, not misleading in violation of section 25401 of the Corporate Securities Law of
5 1968. Further, pursuant to section 25403 of the Corporations Code, any person who controls or
6 induces another person to violate a provision of the Corporate Securities Law of 1968, or any person
7 who provides substantial assistance to another person in the violation of the Corporate Securities Law
8 of 1968, shall be liable for the violation. Pursuant to section 25532 of the Corporate Securities Law of
9 1968, Yan Yao Chen, also known as Yanyao Chen, Frank Chen, Yangquan Chen, Hsiao Mei Chu,
10 and Leading Edge Marketing, Inc. are hereby ordered to desist and refrain from offering or selling or
11 buying or offering to buy any security in the State of California, including but not limited to shares of
12 stock, by means of any written or oral communication which includes an untrue statement of a
13 material fact or omits to state a material fact necessary in order to make the statements made, in the
14 light of the circumstances under which they were made, not misleading. This Order is necessary, in
15 the public interest, for the protection of investors and consistent with the purposes, policies, and
16 provisions of the Corporate Securities Law of 1968.

17 Dated: June 23, 2014
18 Sacramento, California

19 JAN LYNN OWEN
20 California Commissioner of Business Oversight

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22 By _____
23 MARY ANN SMITH
24 Deputy Commissioner
25 Enforcement Division
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