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Florida Attorney General's Office News Release

AG Moody and OFR File Complaint to Stop Scheme Targeting Seniors

TALLAHASSEE, Fla.—Attorney General Ashley Moody today announced a consolidated nationwide enforcement action alongside the Florida Office of Financial Regulation to disrupt a fraudulent precious metals scheme that has scammed seniors and vulnerable investors nationwide out of more than $180 million.

Attorney General Moody, OFR, the U.S. Commodity Futures Trading Commission and 28 other states announced that a complaint has been filed in the U.S. District Court for the Northern District of Texas alleging that Metals.com acted with a reckless disregard for the truth resulting in virtually every one of their investors losing the majority of the funds invested in fraudulently overpriced precious metals bullion.

Attorney General Ashley Moody said, “Countless seniors and other vulnerable investors have been scammed out of more than $180 million nationwide through this fraudulent scheme of touting precious metals at grossly-inflated prices. In Florida alone, at least 60 consumers were victimized by this scheme. I am sickened by the way these fraudsters preyed on vulnerable investors’ fears of market instability and economic uncertainty. Even worse, senior investors suffered substantial losses from retirement savings by relying on the false representations made by the defendants and their sales representatives. I am confident that through our action we will put a stop to this fraudulent scheme that knowingly took advantage of our most vulnerable citizens.”
OFR Commissioner Russell C. Weigel, III. said, “OFR is proud to partner with Attorney General Moody and the U.S. Commodity Futures Trading Commission to stop this predatory investment scheme from harming more Florida seniors. The OFR is committed to fighting financial crime and halting scams, especially those that prey on our seniors, retirees, and vulnerable individuals. Investor protection is our top priority, and we will continue seeking justice for victims.”

The complaint names TMTE Inc., also known as Metals.com, Chase Metals Inc., Chase Metals LLC, Barrick Capital Inc., Simon Batashvili, Lucas Thomas Erb a/k/a Lucas Asher a/k/a/ Luke Asher as defendants, and Tower Equity, LLC as a relief defendant. The unregistered Beverly Hills, California-based firm and its sales representatives are accused of targeting elderly investors through traditional and social media marketing and sales tactics. According to the filing, the sales tactics include providing unregistered investment advisory services designed to instill fear in elderly and retirement-aged investors and build trust with investors based on representations of political or religious affinity. Investors were allegedly advised to liquidate their holdings at registered investment firms to fund investments in precious metals through self-directed individual retirement accounts and bullion coins.

The defendants also are accused of failing to disclose, among other things, what Metals.com

and Barrick charged investors for their precious metals bullion products and that investors could lose the majority of their funds immediately upon completing a transaction. The defendants charged investors prices for gold or silver bullion averaging from 100% to more than 300% the melt value or spot price of that gold or silver bullion. In many cases, the market value of the precious metals sold to investors was substantially lower than the value of the securities and other retirement savings investors had liquidated to fund their purchases.

Attorney General Moody and OFR are seeking relief from the defendants for alleged fraudulent conduct in violation of the federal Commodity Exchange Act, CFTC regulations, Florida's Deceptive and Unfair Trade Practices Act and the Florida Securities and Investor Protection Act. Florida's action alleges that at least 60 Florida investors have been victimized by the nationwide scheme.

The complaint requests the Court to order the defendants to cease sales activity, return money to investors, stop defrauding investors, and end violations of federal and state laws going forward. The complaint also requests that a receiver be app

To view to complaint, click here.

Attorney General Moody encourages investors to come forward if they suspect they have been targeted by similar precious metals investment schemes. To report precious metal schemes, or any other suspected scams, visit MyFloridaLegal.com, call 1(866) NO-SCAM, or download the No Scam app available on all Apple and Android devices.ointed to take over the companies to marshal funds for the benefit of investors across the country.

Metals.com and its agents have been under regulatory scrutiny for the past two years. Prior to today's action, 12 states have taken separate enforcement actions against the firm and its sales representatives. Despite these regulatory measures, the firm, in new iterations, continued to prey on elderly investors. Today's coordinated state and federal action was a result of a multistate collaboration by members of the North American Securities Administrators Association, of which OFR is a member, and the Commodity Futures Trading Commission's Office of Cooperative Enforcement.