



**State of Wisconsin**  
*Department of Financial Institutions*

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Tony Evers, **Governor**

Kathy Blumenfeld, **Secretary**

**For Immediate Release:** March 15, 2021

**Receiver Processing Claims for \$185 Million Precious Metals Scheme Targeting Elderly Investors, \$2.7 Million from Wisconsin Investors**

MADISON, Wis. – The [Wisconsin Department of Financial Institutions \(DFI\)](#), [Wisconsin Department of Justice \(DOJ\)](#), and the [Commodity Futures Trading Commission \(CFTC\)](#) recently [filed a joint civil enforcement action](#) against TMTE, Inc., (a/k/a Metals.com), Chase Metals, Inc., Chase Metals, LLC, Barrick Capital, Inc., Tower Equity, and their owners, Lucas Thomas Erb (a/k/a Lucas Asher), and Simon Batashvili. The agencies have accused the defendants of perpetrating a fraudulent precious metals investment scheme. The case is significant – it allegedly involves 1,600 investors and more than \$185 million in customer funds, including \$2.7 million from Wisconsin residents. A court has now appointed a receiver to process claims.

“DFI stands ready to assist defrauded investors as they navigate the claims process and request a return of money,” said DFI Secretary Kathy Blumenfeld. “We are committed to protecting senior citizens and other victims from illegal scams, and therefore, we are encouraging defrauded investors to promptly begin working with the receiver to request a return of funds before the April 30, 2021, deadline to return the claim form.”

“DOJ, DFI, and others are working to get restitution to the victims of this fraudulent investment scheme,” said Attorney General Josh Kaul. “We will continue protecting the public by holding scammers accountable for their unlawful actions.”

So far, DFI and DOJ have identified 19 Wisconsin residents who invested approximately \$2.7 million in precious metals through Metals.com. Many of the investors lost more than half of their retirement savings as a result of the exorbitant prices they were charged by Metals.com and its agents.

Recently, the United States District Court for the Northern District of Texas entered an injunction and a restraining order freezing the assets of the defendants. It also appointed a receiver – an official responsible for marshaling assets of the defendants and relief defendant for the benefit of defrauded investors. The receiver’s name is Kelly Crawford.

State securities regulators are committed to making sure that any available funds are distributed to the defrauded investors. DFI and DOJ are ready to assist defrauded investors as they navigate the claims process and request a return of money.

**How to Make a Claim:** Defrauded investors should complete and send their claims forms, and direct questions about the claims process, to the court-appointed receiver, Kelly Crawford. They can contact Kelly Crawford at [kelly.crawford@solidcounsel.com](mailto:kelly.crawford@solidcounsel.com) or 214-706-4213. Kelly Crawford also maintains a website that provides information about the claims process, and it is accessible at <https://www.metalsandbarrickcapitalreceivership.com>. Defrauded investors can also contact Assistant Attorney General Shannon Conlin at [conlinsa@doj.state.wi.us](mailto:conlinsa@doj.state.wi.us) or (608) 266-1677.

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In the coming months, Kelly Crawford will submit the claims to the court for approval to start distributing the remaining money to defrauded investors. As part of the process, Kelly Crawford will be sending correspondence, instructions, and a claims form to investors that have been identified to date. Defrauded investors must complete and return their claims forms to Kelly Crawford to participate in the claims process and request a return of the remaining, available money.

**THE DEADLINE TO RETURN THE CLAIM FORM IS APRIL 30, 2021.**

DFI also encourages investors to come forward if they suspect they have been targeted by similar precious metals investment schemes. DFI can also provide additional information and explanation relating to the allegations of fraud, the lawsuit, the receivership, and the claims process. Contact DFI's Division of Securities at (608) 266-2139 or email [DFISecurities@dfi.wisconsin.gov](mailto:DFISecurities@dfi.wisconsin.gov).

For more information on how to protect yourself from investment fraud visit [www.wdfi.org](http://www.wdfi.org).

**Background:** In [September 2020](#), the State of Wisconsin joined CFTC and 29 other states in filing a complaint in the U.S. District Court for the Northern District of Texas alleging Metals.com and Barrick Capital Inc. solicited \$185 million from seniors and other vulnerable investors nationwide by touting precious metals at grossly inflated prices that were not disclosed.

The complaint named Los Angeles, California-based companies TMTE Inc., also known as Metals.com, Chase Metals Inc., Chase Metals LLC, Barrick Capital Inc., along with Simon Batashvili, Lucas Asher, and Tower Equity LLC. The defendants were accused of using cold calling, television, radio, and social media advertisements 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 advised to liquidate their holdings at registered investment firms to fund investments in precious metals bullion through self-directed individual retirement accounts and bullion coins, the complaint said.

The defendants were also accused of failing to disclose, among other things, the markup 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 purchase.

The complaint requested the Court order the defendants to cease sales activity, return money to investors, and stop defrauding investors and violating federal and state laws going forward. The complaint also requested that a receiver be appointed to take over the companies to marshal funds for the benefit of investors across the country.

Metals.com and its agents have attempted to evade previous regulatory actions from 12 states by, among other tactics, changing its business name.

This coordinated state and federal action to put a stop to the company's efforts to continue to prey on elderly investors is the result of a multi-state collaboration by members of the [North American Securities Administrators Association \(NASAA\)](#), of which DFI is a member, and the CFTC's Office of Cooperative Enforcement.

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