

## Attorney General Lynn Fitch, Secretary Michael Watson, CFTC, 29 State Regulators Reach Settlement with Safeguard Metals in \$68 Million Fraud Targeting Elderly Adults



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*Lynn Fitch*

**(Jackson, Mississippi)** Attorney General Fitch and Secretary of State Michael Watson announced today, in partnership with the U.S. Commodity Futures Trading Commission (CFTC) and 29 other state regulators, the parties have reached a settlement with precious metals dealer Safeguard Metals, LLC and Jeffrey Ikahn in a federal lawsuit filed in February 2022, in the United States District Court for the Central District of California. The lawsuit alleged Safeguard and Ikahn engaged in a \$68 million fraudulent scheme which targeted the elderly. In Mississippi, six investors were defrauded out of nearly \$892,000 in the execution of this national scheme.

A key finding in the Consent Order is between October 2017 and July 2021, Safeguard and Ikahn deceived more than 450 customers nationwide into purchasing precious metals through false and misleading statements, including misrepresenting Safeguard's and Ikahn's credentials and the risk and safety of customer investments in traditional retirement accounts.

"These seniors had worked a lifetime with the hope of living comfortably in their retirement and found themselves the target of scam artists," **said General Fitch.** "This kind of exploitation will not be tolerated in Mississippi. The Attorney General's Office is proud to work with Secretary Watson and his team to protect Mississippi seniors and other investors."

As part of the court approved settlement, Safeguard and Ikahn agreed to a permanent injunction which enjoins them from violating several federal and state laws including laws prohibiting commodities fraud, securities and investment adviser fraud, and providing unlicensed investment advice.

"Mississippians should be able to invest their hard-earned money without worry," **said Secretary Michael Watson.** "I am incredibly proud of our Securities team for being an integral part of this enforcement action and for taking action on behalf of the people of this state. Our office will continue to work to protect all Mississippians."

In addition, Ikahn agreed to an order barring him from any position of employment, management, or control of any investment adviser, broker-dealer, or commodity adviser in Mississippi. Further, he agreed to orders barring him from the securities industry in other states and to a federal commodity trading ban. In the next phase of the litigation, the appropriate amount of customer restitution and civil monetary penalties will be determined.

Safeguard and Ikahn also agreed to settle a federal lawsuit filed by the Securities and Exchange Commission (SEC) alleging violations of federal Securities Laws. The Attorney General's Office and the Secretary of State's Office wish to thank the CFTC, other state regulators, and the SEC for their assistance in this action.

Attorney General Fitch and Secretary Watson encourage investors to contact the Attorney General's Office Consumer Protection Division or the Secretary of State's Securities Division if they suspect they have been targeted by similar precious metals investment schemes.

For questions or concerns, please contact the Attorney General's Office at [consumer@ago.ms.gov](mailto:consumer@ago.ms.gov) or the Office of the Secretary of State's Securities Division at (601) 359-1334 or [securities.customerservice@sos.ms.gov](mailto:securities.customerservice@sos.ms.gov).

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