



AG Attorney General

Attorney General Nessel Reaches Multistate Settlement with Safeguard Metals in \$68 Million Fraud Targeting Elderly Adults

October 27, 2023

Media Contact:

Danny Wimmer

Press Secretary

agpress@michigan.gov

LANSING – Michigan Attorney General Dana Nessel announced that, in partnership with the U.S. Commodity Futures Trading Commission (CFTC) and 29 other state regulators, a settlement was reached with precious metals dealer Safeguard Metals, LLC and Jeffrey Ikahn to resolve a [federal lawsuit](#). The lawsuit alleged that Safeguard and Ikahn engaged in a \$68 million fraudulent scheme that targeted the elderly.

Per [the Consent Order](#), 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.

Many investors in Michigan liquidated the securities that were already in their retirement accounts. In total, Michigan investors surrendered approximately \$2.33 million of their retirement savings to buy metals from Safeguard.

"Michigan residents work hard to save for a comfortable retirement," Nessel said.

"Deceitfully targeting retirees for virtually worthless investments in order to generate profit is unethical and illegal. It is critically important to do research before making any

investments. Ask lots of questions, and if the answers seem too good to be true, keep your money in trusted accounts.”

The order finds that the defendants charged an average markup of 51 to 71 percent on the precious metals, which was substantially more than the amounts the defendants represented in Safeguard Metals’ customer agreements as “operating margins” of 23 to 42 percent. Safeguard Metals steered over 97 percent of its sales from mostly inexperienced investors into overpriced silver coins which had significantly higher markups than gold coins and generated approximately \$66 million for Safeguard.

As part of the court-approved settlement, Safeguard and Ikahn agreed not to provide unlicensed investment advice. 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 the state of California. 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.

The Department of Attorney General encourages consumers who have experienced fraudulent practices in connection with investment advisory services or the sale of commodities, and any unfair, unlawful, deceptive, and abusive practices from a financial service provider to contact the Department’s Consumer Protection Team:

Consumer Protection Team

P.O. Box 30213

Lansing, MI 48909

517-335-7599

Fax: 517-241-3771

Toll free: 877-765-8388

[Online complaint form](#)

###

MI Newswire

Attorney General

Press Release

Elder Abuse

Elder Abuse Task Force

Consumer Protection

Related News

AG Nessel Supports Lawsuits Challenging Public Media Funding Cuts

Pantsuits and Lawsuits Releases Part Two of Podcast Series Marking 10 Years Since Obergefell Marriage Equality Decision

AG Nessel Secures Injunction Protecting Michigan's Federal Transportation Funding

Cincinnati Man Sentenced to Lifetime Imprisonment for 1997 Lenawee County Homicide

AG Nessel Moves to Dismiss DOJ Lawsuit Aimed at Blocking Potential Climate Action Against Fossil Fuel Industry

AG Nessel Seeks to Protect Michigan Customers from Costs of DOE's Unlawful Emergency Order Forcing Continued Operation of Coal Plant

Pottersville Man to Stand Trial for First-Degree Criminal Sexual Conduct

AG Nessel Challenges DOE Order Mandating Continued Operation of Consumers Energy Coal-Powered Electric Plant

Attorney General argues the Order will burden Michigan utility customers with unnecessary costs and needless additional pollution from the 60-year-old Ottawa County coal plant that was scheduled to close May 31st

Sandra Baxter Pleads Guilty to Providing False Statement in Unlock Michigan Campaign Finance Investigation

AG Nessel Joins Bipartisan Effort to Protect Veterans' Education Benefits



Attorney General Nessel Reaches Multistate Settlement with Safeguard Metals in \$68 Million Fraud Targeting Elderly Adults

Copyright State of Michigan