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PRESS RELEASE

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Maryland Partners with CFTC and 26 State Securities Regulators to Stop \$68 Million Precious Metals Scheme that Targeted the Elderly

BALTIMORE, MD (February 1, 2022) – The Office of the Attorney General’s Securities Division announced today that it is participating in a multijurisdictional, coordinated enforcement action to stop a fraudulent precious metals scheme that resulted in investments exceeding \$68 million from at least 450 investors nationwide.

The Securities Division has joined the Commodity Futures Trading Commission (CFTC) and 26 other state securities regulators in filing a [complaint](#) in the United States District Court for the Central District of California alleging Safeguard Metals LLC and Jeffrey Santulan, a/k/a Jeffrey Hill, solicited investors nationwide by touting precious metals at grossly inflated prices that were not disclosed.

The investors in this case were advised to liquidate their holdings at registered investment firms to fund investments in precious metals, bullion, and bullion coins through self-directed individual retirement accounts (IRAs). Self-directed IRAs should not be confused with traditional IRAs or other retirement vehicles.

“Any time you are advised to liquidate your assets, be alarmed. If you are advised to invest all the money in bullion or cryptocurrency, run in the opposite direction,” said Attorney General Frosh.

The defendants are accused of failing to disclose the markup charge for their precious metals bullion products and that investors could lose the majority of their funds once a transaction was completed. 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 liquidated to fund their purchase. In Maryland, six known investors were defrauded out of approximately \$350,000 in this nationwide scheme.

Attorney General Frosh encourages investors to contact the Securities Division if they suspect they have been targeted by similar precious metals investment schemes. The Securities Division can be contacted by telephone at 410-576-6360 or email at securities@oag.state.md.us.

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