



FINANCIAL
SERVICES
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AUTHORITY

Press release

COLE & RUSHTON LLC – ERNST & TAYLOR LLP – FRIEDMAN GLOBAL – SHANGHAI DERIVATIVES EXCHANGE (SHDEX) – CAÏS CAPITAL LLC – RBCT TRADING – PWL TRADING – BNK TRADING – EAST TECH TRAD. – NYT TRADING – TAML TRADING – SUREKEEP MARKETING – CRE GROUP INC (OU C.R.E. GROUP INC) – FINSOLVED MANAGEMENT & CONSULTANCY – RAISER LIMITED

The Financial Services and Markets Authority (FSMA) warns the public against the activities of the supposed law firms Cole & Rushton LLC and Ernst & Taylor LLP, which are offering to help victims of investment fraud recover the money they had invested.

The alleged law firms Cole & Rushton LLC and Ernst & Taylor LLP approached the victims of 'boiler room' type fraud, leading them to believe that there are criminal proceedings under way against the boiler rooms of which these persons were victims, and offering to represent them for the purposes of these proceedings.

The victims who replied favourably to this offer were then invited to pay a series of different fees: advances on legal fees, court costs, payment of taxes on the amounts recovered as a result of the proceedings, etc. Despite the payments and the promises made by the law firms, the victims have never recovered the amounts invested.

These practices are characteristic of '**recovery room**' fraud. We would like to recall that 'recovery room' fraud consists of contacting victims of an earlier fraud, unsolicited and often by telephone, to offer assistance in recovering the losses incurred. **In spite of the promises made by the persons offering these services, the fees collected do not enable the victims to recover their losses**, and hence the fees paid for the purpose are thus lost money. The FSMA published a [warning](#) against this type of fraud in March 2015.

In this case, among the dossiers of which the FSMA was informed, victims had previously made payments to the companies **Friedman Global** and **Shanghai Derivatives Exchange (SHDEX)**, which no longer seem to be active. These companies approached the victim with proposed investments without holding an authorization as an investment firm. They are therefore not allowed to offer investment services in or from Belgium. According to the information available to the FSMA, this constitutes 'boiler room' fraud (for more information on this type of fraud, see our [warning](#) of 16 December 2015). These societies have also been the subject of a [warning](#) by the Finansinspektionen, the Swedish supervisory authority, published on 5 December 2012.

The Belgian victims were also approached by **Caïs Capital LLC**, which had put them in touch with the supposed law firm Cole & Rushton LLC.

The supposed law firm Cole & Rushton LLC uses the website www.ohioseclawyers.com. It also uses various accounts opened with banks based in the Philippines, respectively in the name of the following



Press release / Cole & Rushton LLC – Ernst & Taylor LLP – Friedman Global – Shanghai Derivatives Exchange (SHDEX) – Cai's Capital LLC – RBCT Trading – PWL Trading – BNK Trading – East Tech Trad. – Nyt Trading – TAML Trading – Surekeep Marketing – CRE Group INC (ou C.R.E. Group INC) – Finsolved Management & Consultancy – Raiser Limited

companies: RBCT Trading; PWL Trading; BNK Trading; East Tech Trad.; Nyt Trading; TAML Trading and Surekeep Marketing.

The supposed law firm Ernst & Taylor LLP uses the website www.laxsolicitors.com and claims to have its registered office in the United States (4311 Wilshire Blvd. Suite 701, Los Angeles, CA 90010). It also uses various accounts opened with banks based in the Philippines, in the names of the following companies respectively: CRE Group INC. (or C.R.E. Group INC) and Finsolved Management & Consultancy.

Friedman Global, for its part, used the website www.friedman-global.com (now offline) and claimed to be based in Hong Kong (Two Exchange Square, 8 Connaught Place, Central Hong Kong). Shanghai Derivatives Exchange (SHDEX) used the website www.shdex.org (now offline) and claimed to have its registered office in China (Chong Hing Finance Center, 288 Nanjing, West Road, Shanghai 200003). These two companies used a bank account opened with the Hongkong and Shanghai Banking Corporation (Hong Kong) in the name of the company Raiser Limited.

Cai's Capital LLC claims to be established in the United States (590 Madison Ave, 7th floor, New York 10022).

The FSMA **strongly advises against responding to any offers of financial services or to offers of assistance in recovery made by the above-mentioned firms and against transferring money** to any account number they might mention. It further reiterates its warnings against 'boiler rooms' and 'recovery rooms', and refers to its [general recommendations](#) for combating these types of fraud.

Would you like to enquire more generally as to whether a transaction being proposed complies with the financial legislation? If so, please use the [search function](#) on the FSMA website.

You can also contact the FSMA directly (email address: info@fsma.be).

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