

Kelly Crawford  
Receiver  
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October 7, 2020

RE: *Commodity Futures Trading Commission, et al v. TMTE, Inc. a/k/a Metals.com, Chase Metals, Inc., Chase Metals, LLC, Barrick Capital, Inc., Lucas Thomas Erb a/k/a Lucas Asher a/k/a Luke Asher, Simon Batashvili, Defendants and Tower Equity, LLC, Relief Defendant.; Cause No. 3:20-CV-2910-L; pending in the United States District Court for the Northern District of Texas, Dallas Division*

Dear Investor:

On September 22, 2020, the Commodity Futures Trading Commission and 30 States filed a Complaint against TMTE, Inc., also known as Metals.com, Chase Metals, Inc., Chase Metals, LLC, Barrick Capital, Inc., Lucas Thomas Erb, also known as Lucas Asher, also known as Luke Asher, and Simon Batashvili, as Defendants, and Tower Equity, LLC as Relief Defendant. The lawsuit was filed in the federal court in Dallas, Texas. In addition, the federal district court entered an Order that appoints me as the Receiver for the assets of the Defendants and the Relief Defendants and all affiliates or subsidiaries under their control (collectively referred to as the "Receivership Defendants).

The Receivership Defendants were shut down on the morning of September 22, 2020, and are no longer in business. Agents with the Federal Bureau of Investigation executed a search warrant upon the principal business premises of the Receivership Defendants in Beverly Hills, California that morning, and thereafter the business premises were released to me, as Receiver.

In order to provide you with information regarding the receivership I set up a website called [www.metalsandbarrickcapitalreceivership.com](http://www.metalsandbarrickcapitalreceivership.com). Also, attached are my responses to Frequently Asked Questions that may be useful to you.

At a later date I will provide you with a form to complete and return to me regarding your investment in the purchase of gold/silver and the monies you lost. I

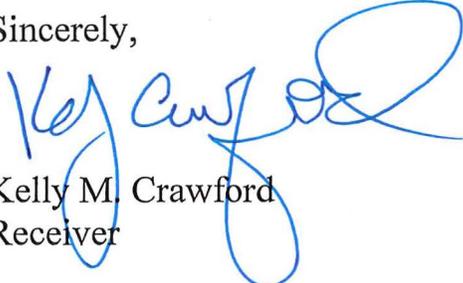
will be requesting the Court to establish a process for investors to file claims in the receivership for the monies lost. At this point I do not know how much will be able to be distributed to investors with approved claims.

Please understand that your monies in your Self-Directed IRA are NOT in receivership. However, many investors granted the Defendants or Relief Defendant a power of attorney or otherwise authorized them to act on behalf of the investor regarding the disposition of the monies in the Investors' Self Directed IRA. The Defendants and Relief Defendants ARE NO LONGER AUTHORIZED to act on behalf of the investors regarding the Investors' Self Directed IRA. The Receiver revoked and terminated all powers of attorney and other authorizations that were executed by Investors in favor of the Defendants or Relief Defendant.

**CAUTION TO INVESTORS:** You may be approached by persons or entities seeking to buy your metals/coins at a discounted rate. Please be very cautious in dealing with such persons or entities and 1) make sure they are not owned or controlled by the Defendants or Relief Defendant; 2) make sure they have a good reputation in the industry; and 3) verify anything you may be told as a reason to discount the sale of your metals/coins. You are entitled to make your own decision regarding the disposition of your metals/coins, but you are strongly encouraged to seek the advice of an independent financial advisor regarding the gold and silver market and whether the sale of such metals/coins at this time is in your best interest.

If you have any information regarding the Defendants or Relief Defendant that you believe would assist the Receiver in locating and taking possession of assets of the Defendants or Relief Defendant, please contact the Receiver immediately. In addition, if you are contacted by any of the Defendants or Relief Defendant or solicited by any person or entity controlled by any of the Defendants or Relief Defendant, please contact the Receiver immediately.

Sincerely,



Kelly M. Crawford  
Receiver

Enclosure

## THE RECEIVER

Kelly Crawford is an attorney in Dallas, Texas. He has served as the receiver or counsel to the receiver in more than 14 cases brought by the Commodity Futures Trading Commission, the Securities and Exchange Commission, or the Federal Trade Commission during the past 20 years. He has been appointed the receiver by federal courts in each of the four districts of Texas, as well as by the federal court for the Southern District of New York. He is a founder of the National Association of Federal Equity Receivers. The Receiver Kelly Crawford may be contacted by telephone at (214) 706-4213, or by email at [kelly.crawford@solidcounsel.com](mailto:kelly.crawford@solidcounsel.com). When contacting Mr. Crawford, if he is not available please leave a message and either Mr. Crawford or one of his attorneys will respond to your message.

## FREQUENTLY ASKED QUESTIONS

**What is a receivership?** A receivership is an equitable remedy in which a court takes jurisdiction and possession over the assets and records of an individual or entity and places them under the control of a receiver. The powers of the receiver are set forth in the Court order that appoints the receiver, which is referred to as the "Receivership Order". Once the assets or records are placed in receivership they are under the exclusive control of the receiver and the individual or entity subject to the receivership order is no longer authorized to possess or control the assets or records.

**Who is in receivership?** The Receivership Order places the assets and records of the following individuals and entities in receivership and subject to the control of the Receiver Kelly Crawford:

- \* TMTE, Inc., also known as Metals.com
- \* Chase Metals, Inc.
- \* Chase Metals, LLC
- \* Barrick Capital, Inc.
- \* Lucas Thomas Erb, also known as Lucas Asher, also known as Luke Asher
- \* Simon Batashvili

- \* Tower Equity, LLC
- \* All affiliates or subsidiaries owned or controlled by any of the foregoing

**How do I get my money back?** Pursuant to the Receivership Order the Receiver will take possession of the assets of the entities and individuals in receivership. With the permission of the Receivership Court, the Receiver will sell or liquidate the assets. The Receiver will request the Receivership Court to establish a claims process for investors who lost money due to the actions of the Defendants. Similar to a bankruptcy, investors will be asked to complete a proof of claim and submit it to the Receiver for the Receiver's review. The Receiver will submit the claims to the Receivership Court and after notice and hearing the Receivership Court will determine the amount of claim allowed for each investor. With the approval of the Receivership Court, the Receiver will distribute the monies available in the receivership estate to all of those who hold claims approved by the Receivership Court.

**How much of the money I lost will I get back?** It is too early to provide any estimate of the amount, if any, that will be available to be returned to investors who lost money. It depends upon the total amount of assets that are recovered by the Receiver and the total amount of claims allowed by the Receivership Court. As more information becomes available to the Receiver, this response will be updated.

**How long will the receivership last?** At this point it is too early to predict how long the receivership will last. However, receiverships usually last many months and can last more than a year or two.

**How do I treat my lost investment on my tax return?** The Receiver cannot provide any accounting advice. You should inform your accountant of the receivership and ask your accountant to determine how you should treat any losses you have suffered for tax purposes.

**How is the Receiver and his team paid?** The Receiver and those he has employed to assist him in the receivership are paid out of the assets recovered in the

receivership. The Receiver is required to file a fee petition with the Receivership Court and may only be paid upon the Receivership Court entering an Order approving the fees and expenses of the Receiver. The Receiver is not employed by the Court, the Commodity Futures Trading Commission, or any of the States. In addition, the Receiver has no relationship to and is not affiliated with any of the Defendants or Relief Defendant.

**Are the monies in my Self Directed IRA in receivership?** No. However, many investors granted the Defendants or Relief Defendant a power of attorney or otherwise authorized them to act on behalf of the investor regarding the disposition of the monies in the Investors' Self Directed IRA. The Defendants and Relief Defendants ARE NO LONGER AUTHORIZED to act on behalf of the investors regarding the Investors' Self Directed IRA. The Receiver revoked and terminated all powers of attorney and other authorizations that were executed by Investors in favor of the Defendants or Relief Defendant.

**What can I do to help the Receiver?** If you have any information regarding the Defendants or Relief Defendant that you believe would assist the Receiver in locating and taking possession of assets of the Defendants or Relief Defendant, please contact the Receiver immediately. In addition, if you are contacted by any of the Defendants or Relief Defendant or solicited by any person or entity controlled by any of the Defendants or Relief Defendant, please contact the Receiver immediately.

**CAUTION TO INVESTORS:** You may be approached by persons or entities seeking to buy your metals/coins at a discounted rate. Please be very cautious in dealing with such persons or entities and 1) make sure they are not owned or controlled by the Defendants or Relief Defendant; 2) make sure they have a good reputation in the industry; and 3) verify anything you may be told as a reason to discount the sale of your metals/coins. You are entitled to make your own decision regarding the disposition of your metals/coins, but you are strongly encouraged to seek the advice of an independent financial advisor regarding the gold and silver market and whether the sale of such metals/coins at this time is in your best interest.