



SEC Obtains Emergency Order Halting Alleged Diamond-Related ICO Scheme Targeting Hundreds of Investors

FOR IMMEDIATE RELEASE

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Washington D.C., May 21, 2019 — The Securities and Exchange Commission today announced it has obtained a court order halting an ongoing \$30 million Ponzi scheme targeting more than 300 investors in the U.S. and Canada. The SEC complaint unsealed Monday charges South Florida-based Argyle Coin, LLC, a purported cryptocurrency business, and its principal Jose Angel Aman with using investor funds to run a Ponzi scheme.

On May 20, the Honorable Judge Robin L. Rosenberg of the U.S. District Court for the Southern District of Florida granted the SEC's request for a temporary restraining order and temporary asset freeze against Aman, Argyle Coin and other companies charged by the SEC as relief defendants. The court also appointed Jeffrey D. Schneider as a Receiver over Argyle Coin.

The SEC's complaint alleges that Aman operated Argyle Coin as a Ponzi scheme -- it used new investor funds to pay prior investors their purported returns. As alleged, this fraud is a continuation of a scheme Aman orchestrated with two other companies he owns, Natural Diamonds Investment Co. (Natural Diamonds) and Eagle Financial Diamond Group Inc (Eagle). According to the complaint, Aman engaged in unregistered offerings of securities in Natural Diamonds and Eagle as early as May 2014, falsely promising investors that the companies would invest in whole diamonds to cut down and sell for huge profits. Aman was assisted by Harold Seigel and Jonathan H. Seigel, who also have interests in Natural Diamonds and Eagle. According to the complaint, in October 2017, Aman and Jonathan H. Seigel continued the scheme by luring investors to invest in Argyle Coin, falsely claiming the investment was risk-free because it was backed by fancy colored diamonds, and promising to use investor funds to develop the cryptocurrency business. Instead, according to the complaint, Aman, Natural Diamonds, Eagle, and Argyle Coin, misused or misappropriated more than \$10 million of investor funds to pay other investors their purported returns and for Aman's personal expenses, including rent on his home, purchases of horses, and riding lessons for his son.

"As alleged, Aman operated a complicated web of fraudulent companies in an effort to continually loot retail investors and perpetuate the Ponzi schemes as well as divert money to himself," said Eric I. Bustillo, Director of the SEC's Miami Regional Office. "The SEC's diligent investigative work uncovered the Ponzi schemes and our goal is to bring justice to the harmed investors."

The SEC's complaint charges Natural Diamonds, Eagle, Argyle Coin, Aman, Harold Seigel and Jonathan H. Seigel with violations of the securities registration provisions and also charges Natural Diamonds, Eagle, Argyle Coin and Aman with violations of the antifraud provisions of the federal securities laws. The SEC's complaint seeks disgorgement of allegedly ill-gotten gains and prejudgment interest from Natural Diamonds, Eagle, Argyle Coin, Aman, Harold Seigel, and the relief defendants, and financial penalties against Natural Diamonds, Eagle, Argyle Coin, Aman, Harold Seigel and Jonathan H. Seigel.

The SEC's investigation was conducted in the Miami office by Linda S. Schmidt with assistance from Kathleen Strandell, under the supervision of Glenn S. Gordon and Elisha L. Frank. The litigation is being led by Amie Riggle Berlin. The SEC appreciates the assistance of the Florida Office of Financial Regulation.