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JAMES N. HATTEN, Clerk
By *[Signature]* Deputy Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

CRE CAPITAL CORPORATION and
JAMES G. OSSIE

Defendants.

Civil Action File No.

1 09-CV-0114

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff Securities and Exchange Commission (the "Commission") files this complaint and alleges the following:

SUMMARY

1. Since at least as early as April 2008, CRE Capital Corporation ("CRE") and its President and Chief Operating Officer, James G. Ossie ("Ossie"), have been operating a fraudulent Ponzi scheme that has raised more than \$25 million from over 120 investors.

2. CRE, located in Alpharetta, Georgia, has been offering “30 Day Currency Trading Contracts,” which promise a guaranteed ten percent (10%) return (the “ROI”) in thirty days, the equivalent of over a 120% annual percentage rate. In some case, investors have been promised up to 20% every thirty days. Investors have been permitted to pool their funds with other investors to reach a minimum \$100,000 investment level. CRE and Ossie have been claiming that they generate profits sufficient to pay these guaranteed returns by trading United States and Japanese currency contracts as the exchange rate fluctuates. Investors have been told that the program involves very little risk because CRE has established a large reserve fund. The “reserve” funds are purportedly not traded or exposed to any risk and are available to pay the 10% ROI, plus redeemed principal, if CRE’s trading activities are less profitable than expected in any particular month.

3. In fact, CRE’s currency trading has generated cumulative losses of over \$12 million. The investment program is a Ponzi scheme and returns to investors are paid from principal, or from funds contributed by new investors.

4. The investments offered by CRE are securities, as that term is defined in the federal securities laws.

5. Though their conduct, CRE and Ossie have violated and, unless enjoined, will continue to violate Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] and Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. §§ 78j(b)] and Rule 10b-5 [17 C.F.R. §§ 240.10b-5] promulgated thereunder.

JURISDICTION AND VENUE

6. This Court has jurisdiction over this action pursuant to Sections 20(b) and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b) and 77v] and Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e) and 78aa].

7. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b)(1) and (2); Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)]; and Section 27 of the Exchange Act [15 U.S.C. § 78aa]. Some of the sales of the investments occurred in this district. CRE maintains its offices in this district. Ossie lives in this district.

8. CRE and Ossie have made use of the mails, the means and instruments of transportation and communication in interstate commerce, and the means and instrumentalities of interstate commerce, in connection with the transactions, acts, practices and courses of business alleged in this Complaint.

DEFENDANTS

9. CRE Capital Corporation is a Georgia corporation with offices in Alpharetta, Georgia. CRE was organized on March 26, 2007.

10. James G. Ossie, 48 years of age, is the president and chief executive officer of CRE. Ossie resides in Atlanta, Georgia.

FACTS

11. Since at least as early as April 2008, CRE and Ossie have been offering to investors “30 Day Currency Trading Contracts,” with CRE which promise a ten percent (10%) return in thirty days.

12. CRE requires its customers to be business entities, rather than individuals. Accordingly, to open a 30 Day Currency Trading Contract with CRE, an individual must first form a limited liability company or other business entity.

13. CRE has allowed investors to enter into contracts of \$100,000, \$300,000, \$500,000, \$1 million, \$5 million, and \$10 million. However, CRE does permit investors with less than \$100,000 to pool their funds with those of other investors to reach the minimum \$100,000 investment level.

14. The investment program is managed by Ossie, on behalf of CRE. CRE, through Ossie, has been claiming that it generates profits sufficient to pay the

promised ten percent in thirty days by trading United States and Japanese currency contracts as the exchange rate fluctuates.

15. CRE and Ossie have been telling investors that the program involves little risk because CRE has established a large, defensive reserve fund. Ossie has represented to investors that these “reserve” funds would not be traded or exposed to any risk and would be available to pay the 10% ROI, plus redeemed principal, if CRE’s trading activities are less profitable than expected in any particular month.

16. CRE and Ossie promise investors, and in at least some instances have guaranteed investors, that at the end of each 30 day period, all investors would receive their 10% ROI by wire transfer, as well as the option to receive a full refund of their principal. Investors have been permitted to roll over their principal into a new 30 Day Currency Trading Contract, or to invest additional funds to open a new 30 Day Currency Trading Contract in a higher amount.

17. CRE and Ossie have raised more than \$25 million from over 120 investors.

18. CRE recruits most, and possibly all, of its investors through its “correspondents,” which are salespeople located throughout the United States. Each “correspondent” has its own internet website, requiring a password and user identification to access.

19. CRE pays its correspondents commissions on the 30 Day Trading Contracts. These commissions are paid not only for the first time an investor contributed funds to CRE's 30 Day Currency Trading Program, but also upon the ensuing renewals of that contract every 30 days. The percentage commission paid by CRE to its correspondents every 30 days varied among investors, but has ranged as high as 16%. Thus, in some cases, the commission payment made to the correspondent every 30 days has been even higher than the ROI paid to the investor.

20. Many, if not all, of CRE's correspondents have also been investors in its 30 Day Currency Trading Contracts. CRE has provided extra compensation to its correspondents by allowing many, if not all of them, for at least some 30 day periods, to receive guaranteed ROI of 20%, twice the 10% ROI promised to most of CRE's clients.

21. Ossie holds periodic conference calls with the correspondents and potential investors in which he describes the program to them. On these conference calls, CRE, through Ossie, has been making various misrepresentations, as described below.

22. CRE and Ossie did use a portion of the funds invested in the 30 Day Currency Trading Program for currency trading. They did this through two separate trading accounts.

23. In April 2008, CRE and Ossie opened a trading account in the name of CRE at Forex.com, a division of Gain Capital Group, LLC (“Gain Capital”). CRE and Ossie deposited over \$5 million into the Forex.com trading account. Since June 18, 2008, CRE and Ossie traded foreign currency futures in the Forex.com account and incurred losses totaling over \$4 million, including commissions and fees.

24. On or about December 2, 2008, CRE and Ossie represented to Forex.com, in response to inquiries from that firm, that all of the funds they had deposited into CRE’s trading account were their own funds, and not those of customers or investors. These statements were false.

25. In approximately June 2008, CRE and Ossie opened a second trading account in the name of CRE in London, at Deutsche Bank. From June through December 2008, CRE and Ossie transferred \$12 million of investor funds to the Deutsche Bank trading account in London. From June 2008 through January 8, 2009, CRE and Ossie’s currency trading in the account generated losses totaling \$8,067,032.40.

Misrepresentations and Omissions

26. CRE and Ossie have been representing to investors, directly and through correspondents, that the ten percent ROI per month return which is paid to them is produced by profits from CRE's currency trading. This representation is false. In fact, CRE has lost over \$12 million through its currency trading. CRE's program functions as a Ponzi scheme, with "profits" of investors paid from principal or from money invested by subsequent investors.

27. CRE and Ossie also represented to investors that the 30 Day Currency Trading program was audited by the Robert Half firm. That statement was false.

28. CRE and Ossie have told investors repeatedly that if all investors requested a return of their principal and ROI, that CRE had sufficient funds on hand to make all of these payments within a thirty day period of time as the contracts matured. In fact, CRE would not be able to repay all of its investors if they requested their principal and ROI back.

29. CRE and Ossie have also represented to potential investors that CRE is planning on making a \$100 million stock offering in early 2009, and that the offering will not be registered with the SEC. In connection with the stock offering, CRE and Ossie have told investors in conference calls that CRE business operations have been analyzed by an independent firm for estimation of stock

value, and that the firm opined that CRE stock should be worth \$40 to \$45 per share. Given that CRE is insolvent, there is no reasonable basis for this statement.

30. On information and belief, on Friday, January 9, 2009, CRE and Ossie represented to investors on a conference call that CRE could no longer make ROI payments to investors because the SEC had allegedly frozen its accounts. This statement was false.

COUNT ONE- FRAUD

Violations of Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)]

31. Paragraphs 1 through 30 are hereby realleged and are incorporated herein by reference.

32. At various times between April 2008 and the present, CRE and Ossie, in connection with the offer or sale of securities described herein, by the use of the means and instruments of interstate commerce and by use of the mails, directly and indirectly:

- (a) employed devices, schemes, or artifices to defraud;
- (b) obtained money or property by means of untrue statements of material facts or omissions of material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) engaged in transactions, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchasers of securities, all as more particularly described in the paragraphs above.

33. By reason of the foregoing, CRE and Ossie directly and indirectly, violated and unless restrained and enjoined, will continue to violate Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)].

COUNT TWO- FRAUD

Violations of Sections 17(a)(2) and 17(a)(3) of the Securities Act [15 U.S.C. § 77q(a)(2) and (a)(3)]

34. Paragraphs 1 through 30 are hereby realleged and are incorporated herein by reference.

35. At various times between April 2008 and the present, CRE and Ossie, in the offer or sale of securities, directly or indirectly, obtained money or property by means of untrue statements of material facts or omissions of material facts

necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading and/or engaged in transactions, practices, or courses of business which operated as a fraud or deceit upon the purchasers of securities, all as more particularly described above.

36. While engaging in the courses of conduct described above, Defendants CRE and Ossie, directly or indirectly, made use of the mails, or means or instruments of transportation or communication in interstate commerce, or means or instrumentalities of interstate commerce.

37. By reason of the foregoing, Defendants CRE and Ossie violated and, unless restrained and enjoined, will continue to violate Sections 17(a)(2) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77q(a)(2) and (3)].

COUNT THREE-FRAUD

Violations of Section 10(b) of the Exchange Act [15 U.S.C. 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]

38. The Commission realleges and incorporates by reference the allegations contained in Paragraphs 1 through 30 above.

39. At various times between April 2008 and the present, CRE and Ossie, in connection with the purchase and sale of securities described herein, by the use

of the means or instrumentalities of interstate commerce or by use of the mails, or of any facility of any national securities exchange, directly and indirectly:

- (a) employed devices, schemes, and artifices to defraud;
- (b) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and
- (c) engaged in acts, practices, and courses of business which would and did operate as a fraud and deceit upon other persons, as more particularly described above.

40. Defendants CRE and Ossie knowingly, intentionally, and/or recklessly engaged in the aforementioned devices, schemes and artifices to defraud, made untrue statements of material facts and omitted to state material facts, and engaged in fraudulent acts, practices and courses of business. In engaging in such conduct, CRE and Ossie acted with scienter, that is, with an intent to deceive, manipulate or defraud or with a severe reckless disregard for the truth.

41. By reason of the foregoing, defendants CRE and Ossie directly and indirectly violated and, unless restrained and enjoined, will continue to violate Section 10(b) of the Exchange Act [15 U.S.C. §78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder.

PRAYER FOR RELIEF

WHEREFORE, the Commission, respectfully prays that the Court:

I.

Make findings of fact and conclusions of law in accordance with Rule 52 of the Federal Rules of Civil Procedure, finding that Defendants CRE and Ossie committed the violations alleged herein.

II.

Issue a temporary restraining order, preliminary and permanent injunctions enjoining defendants, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with him who receive actual notice of the order by personal service or otherwise, and each of them, from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

III.

Issue an order requiring an accounting by CRE and Ossie of the proceeds they collected through the scheme alleged in the complaint and ordering the disgorgement of all ill-gotten gains from the illegal conduct with prejudgment interest.

IV.

Issue an order pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)] imposing civil penalties against the defendants.

V.

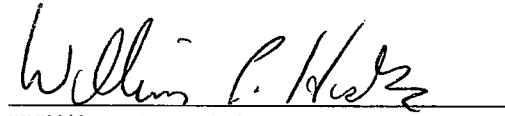
Appoint a Receiver for CRE.

VI.

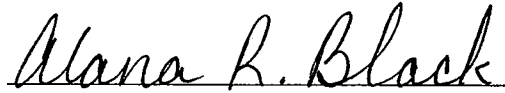
Grant such other and further relief as this Court may deem just, equitable, and appropriate in connection with the enforcement of the federal securities laws and for the protection of investors. Further, the Securities and Exchange Commission respectfully prays that the Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that are entered or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

DATED: January 15, 2009

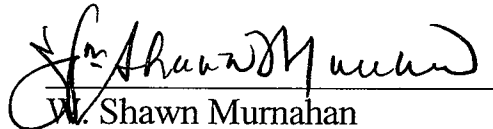
RESPECTFULLY SUBMITTED,



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