

SEC Shuts Down Company for Operating \$600 Million Ponzi Scheme

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The Securities and Exchange Commission has filed charges against a North Carolina company, alleging that it was really a \$600 million [Ponzi scheme](#). The charges highlight that any company dealing with large sums of investor funds and promising high rates of return will likely pique the interest of the SEC.

In this case, the [SEC](#) alleges that online marketer Paul Burks and his company Rex Venture Group defrauded more than one million Internet customers located all over the world through the website ZeekRewards.com. Customers were allegedly told that by paying subscription fees and becoming “affiliates,” they could share in the company’s profits and earn returns of up to 50 percent.

The SEC also froze the company’s bank accounts, contending emergency action was needed to halt the company’s operations because it was “teetering on collapse.” Last month, ZeekRewards reportedly brought in approximately \$162 million while total investor cash payouts were approximately \$160 million.

Burks has agreed to settle the SEC charges without admitting or denying wrongdoing. He will also pay a \$4 million penalty and must give up his stake in the firm. It is unclear if additional criminal charges may follow.

How We Can Help

There is often a fine line between a legitimate business operation and a Ponzi scheme. If you have been charged with running a Ponzi scheme in Arizona, you need expert legal help. At the Law Offices of Ashley D. Adams, our experienced white-collar-crime attorneys understand the complexities of fraud charges and can provide you the most effective and diligent defense available.

About Ashley D. Adams, PLC

At Ashley D. Adams, PLC, we have a well-established track record of success in false claim cases that can make a difference. For both organization defending against false claims charges and individuals pursuing qui tam claims, Ashley’s background with the complex law is a substantial advantage.

We practice excellence, one client at a time. That means each of our clients is given personal attention and aggressive representation. Contact us today at info@azwhitecollarcrime.com or 1-480-646-4956 to schedule a free 30-minute consultation with one of our attorneys.