



Commodity Futures Trading Commission
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U.S. District Court Appoints Fund Administrator to Disburse Restitution in the CFTC's Forex Anti-Fraud Action Against Emerald Worldwide Holdings, Inc.

Approximately \$1.5 Million Is Available To Be Distributed As Restitution

Washington, D.C. — The U.S. Commodity Futures Trading Commission (CFTC) announced today the issuance of an Order for Distribution of Restitution and Appointment of Fund Administrator in the CFTC's foreign currency (forex) anti-fraud action against **Emerald Worldwide Holdings, Inc.** (see CFTC News Release 4871-03, December 8, 2003). The order was issued on May 17, 2007, by Judge A. Howard Matz of the U.S. District Court for the Central District of California.

Previously, on November 30, 2006, Judge Matz issued a consent order of permanent injunction settling the CFTC's action against **Emerald Worldwide Holdings, Inc. (Emerald), of City of Industry, California, and Jian Zhuang (Zhuang), of Japan** (See CFTC News Release 5266-06, December 19, 2006). This consent order stemmed from an amended complaint filed by the CFTC on May 10, 2004, alleging that defendants Emerald and Zhuang, along with co-defendants **Hao Jan Lu**, of Rowland Heights, California, and **City Trust and Investment Co. Inc.** of Japan, fraudulently solicited customers in Japan and China to invest more than \$5 million to trade illegal off-exchange forex futures contracts in the United States. (See CFTC News Release 4929-04, May 21, 2004.)

The consent order permanently enjoined Emerald and Zhuang from, among other things, engaging in any commodity-related activity, including but not limited to commodity trading and soliciting customers to invest in commodity futures and options.

The consent order also required Emerald to pay \$3,433,722.61 in restitution and a \$9 million civil monetary penalty. Zhuang is jointly and severally liable for the restitution in the amount of \$2,264,879.94, and individually liable for a \$250,000 civil monetary penalty.

Currently, approximately \$1.5 million is available to be distributed as restitution. The Order for Distribution of Restitution and Appointment of Fund Administrator appoints **Robb Evans & Associates LLC** as Fund Administrator.

As Fund Administrator, **Robb Evans & Associates LLC** is authorized to create and manage the administration of the claims procedures and distribution of the funds currently available for restitution to eligible claimants. The order provides that the Fund Administrator will send a letter to the last known address of individuals and/or entities (claimants), other than a defendant or relief defendant, that deposited investment funds directly into a U.S. bank account of defendant Emerald, relief defendant ACE Capital Advisory Group Inc. and/or relief defendant ACE Emerald W. Holding Inc. during the period of March 2002 through April 2004.

The letter will identify all known deposits and withdrawals by the claimant and the claimant's resulting net loss. The letter will direct the claimant to provide a statement, which confirms the deposits, withdrawals and net loss stated in the letter. A claimant will receive a *pro rata* distribution from the restitution fund if the claimant provides the requested statement to the Fund Administrator and the Fund Administrator has determined, by an analysis of relevant financial and other records provided, that the claimant suffered a net loss. Claimants whose withdrawals were greater than their deposits are not eligible to receive any distribution.

Claimants may contact **Robb Evans & Associates LLC** via mail at:

11450 Sheldon Street, Sun Valley, CA 91352-1121 or via email at **emerald@robbevans.com**.

Information about the distribution will be available at <http://www.robbevans.com/html/emerald.html>.

The following CFTC Division of Enforcement staff members are responsible for this case: Christine Ryall, Patricia Gomersall, Paul Hayeck, and Joan Manley.

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