

Release Number 8226-20

CFTC Charges Multiple Individuals and Entities in \$28 Million Ponzi Scheme that Targeted Churchgoers

August 28, 2020

Washington, D.C. — The Commodity Futures Trading Commission today announced the filing of a civil enforcement action in the United States District Court for the District of Maryland charging **Dennis Jali**, a South African citizen who previously resided in Maryland, with orchestrating a \$28 million Ponzi scheme. The complaint also charges **Arley Ray Johnson** and **John Frimpong** of Maryland with fraudulently soliciting funds from members of the public for the “1st Million Pool” through and on behalf of **1st Million LLC**, **Smart Partners LLC**, and **Access to Assets LLC**. The complaint alleges that the defendants fraudulently solicited participants to trade in foreign currency (forex) and digital assets such as bitcoin through pooled trading accounts controlled by Jali.

According to the complaint, from 2017 to 2020, over 1000 participants contributed at least \$28 million to the 1st Million Pool, often pursuant to so-called “secure contracts” that falsely promised participants’ funds would be held in trust or escrow, used to trade forex and bitcoin, and then returned in their entirety at the end of the pool participation term. The complaint alleges that the defendants misappropriated at least \$7 million of 1st Million Pool funds and used it to pay for expensive cars, personal travel, and living and business expenses.

Related Criminal Action

The U.S. Attorney for the District of Maryland indicted Jali, who fled the United States in May of 2019, but has since been arrested in South Africa, on federal charges of conspiracy, wire fraud, securities fraud, and money laundering [See *United States v. Dennis Jali*, Case No. TDC-20-220 (D. Md)]. The indictment was returned on July 27, 2020 and unsealed at Frimpong’s initial appearance on August 28, 2020.

Case Background

The defendants allegedly targeted members of church communities by portraying the 1st Million Pool as a means to obtain financial freedom and support charitable religious causes. According to the complaint, the defendants lied about their backgrounds and trading experience, as well as the likelihood of profit and risk of loss. For example, the defendants promised pool participants they would receive rates of return on trading of up to 30% per month and falsely represented that Jali had a proven track record of positive returns. The complaint further alleges that Jali told certain participants that he had achieved positive returns of over 1700%. Jali also allegedly proclaimed in an online promotional video that his trading had generated returns of “400% in six weeks, all live trading in real markets” and that he was so successful a “forex trader” that “my wife has never worked a day in her life.”

The complaint alleges that instead of generating trading profits as promised, defendants used at least \$18 million of participants’ funds to make Ponzi scheme-like payments for the purpose of creating the illusion of profitability. The complaint also charges all defendants with failing to register with the CFTC as required.

In its continuing litigation, the CFTC seeks full restitution to defrauded pool participants, disgorgement of ill-gotten gains, civil monetary penalties, permanent registration and trading bans, and a permanent injunction against violations of the federal commodities laws, as charged.

The CFTC acknowledges and thanks the U.S. Attorney's Office for the District of Maryland and the Securities and Exchange Commission for their assistance in this matter.

The Division of Enforcement staff members responsible for this action are Joseph Patrick, Elizabeth N. Pendleton, Cristina Covarrubias, Venice Bickham, David Terrell, Scott R. Williamson, and Robert T. Howell.

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CFTC's Forex Fraud Advisory

The CFTC has issued several customer protection Fraud Advisories that provide the warning signs of fraud, including the [Forex Trading Fraud Advisory](#), to help customers identify these scams.

The CFTC also strongly urges the public to verify a company's registration with the Commission before committing funds. If unregistered, a customer should be wary of providing funds to that entity. A company's registration status can be found using [NFA BASIC](#).

Customers and other individuals can report suspicious activities or information, such as possible violations of commodity trading laws, to the Division of Enforcement via a toll-free hotline 866-FON-CFTC (866-366-2382) or [file a tip or complaint](#) online.

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