

# Federal Law Enforcement in Chicago Seizes \$214 Million in Alleged “Pump and Dump” Investment Fraud Investigation; Seven Defendants Indicted

CHICAGO — Seven individuals have been indicted on criminal charges as part of a federal investigation that disrupted an alleged “pump-and-dump” investment fraud scheme and resulted in government seizures of approximately \$214 million.

From November 2024 to February 2025, the defendants engaged in misleading promotion and coordinated trading of shares of China Liberal Education Holdings, Ltd., a company incorporated in the Cayman Islands that purported to provide educational services in China, according to an indictment returned Thursday in U.S. District Court in Chicago. The scheme, known as a “pump-and-dump,” allegedly involved individuals in China posing as U.S.-based investment advisors on social media and messaging platforms and falsely promising significant returns from investments in the company. The misleading promotion and coordinated trading caused the stock price to artificially rise, at which point the defendants sold thousands of shares and made millions of dollars in profits, the indictment states. The stock price ultimately decreased significantly, at the expense of other investors, some of whom lost almost the entirety of their investment.

Charged with wire fraud and securities fraud are LIM XIANG JIE CEDRIC, 50, of Malaysia, MING-SHEN CHENG, 36, of Taiwan, KO SEN CHAI, 57, of Malaysia, KING SUNG WONG, 39, of Malaysia, SIONG WEE VUN, 37, of Malaysia, CHIEN LUNG MA, 54, of Taiwan, and KOK WAH WONG, 56, of Malaysia. The defendants are not in custody and warrants have been issued for their arrests.

During the investigation, federal law enforcement seized approximately \$214 million in alleged proceeds from the fraud scheme. The funds are currently in U.S. custody. The U.S. Attorney’s Office in Chicago on Thursday filed a civil complaint seeking to have the money permanently forfeited to the United States, which would allow the government to return the money to victim investors.

The indictment and forfeiture complaint were announced by Morris Pasqual, Acting United States Attorney for the Northern District of Illinois, and Douglas S. DePodesta, Special Agent-in-Charge of the Chicago Field Office of the FBI. Valuable assistance was provided by the Boston Regional Office of the U.S. Securities and Exchange Commission and the SEC’s Office of Inspector General. Assistant U.S. Attorney Jared Hasten represents the government.

Each count of securities fraud is punishable by up to 25 years in federal prison, while the maximum sentence for each count of wire fraud is 20 years. The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendants are presumed innocent and entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

If you believe you or someone you know may have been victimized by the fraud scheme charged in the indictment, you are encouraged to notify the FBI by completing this [online form](#).