



NEWS RELEASE

Office of the United States Attorney
Eastern District of Texas

FOR IMMEDIATE RELEASE

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FUGITIVE SENTENCED FOR SCAMMING INVESTORS

(Sherman, TX) A 36-year-old Justin man was sentenced to 33 months in federal prison for securities fraud and failure to appear. RONALD RAY MASON was also ordered by U.S. District Judge Paul Brown to pay \$74,000 in restitution.

According to information presented by prosecutors, beginning in October 2000, and continuing through September 2001, Mason represented to potential investors that he owned stock in a corporation called Mag-Lev Transportation Corporation. Mason claimed that Mag-Lev was going to build a high speed rail line from Las Vegas, Nevada to California. Mason solicited investors to purchase some of his shares in the corporation. However, Mason did not own any shares in the corporation, and he did not use the investor's money to purchase any shares. Mason never delivered any shares to the investors who gave him money to purchase shares. When investors inquired as to when they would receive their share certificates, Mason made false statements as to why they had not received the certificates. A federal grand jury returned an indictment against Mason on April 10, 2002, for securities fraud.

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Mason was scheduled for sentencing on the securities fraud charge on September 20, 2002, but failed to appear in court for sentencing. Mason was then indicted for his failure to appear for sentencing. Mason was arrested in Boston, Massachusetts in February and was returned to Texas to face sentencing.

Matthew D. Orwig, United States Attorney for the Eastern District of Texas commended the Federal Bureau of Investigation for their work on this case, "This type of fraud is very elaborate and difficult to investigate. The agents were diligent in their pursuit of justice."

The case was prosecuted by Assistant U.S. Attorney Andy Williams.

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