



April 26, 2007

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**PENSACOLA BUSINESSMAN SENTENCED TO
FOURTEEN YEARS IN FEDERAL PRISON FOR TAX FRAUD**

Pensacola, Florida - Gregory R. Miller, United States Attorney for the Northern District of Florida, announced that Fred "Sports" Suttle was sentenced today on conviction for one count of Conspiracy to Defraud the Internal Revenue Service (IRS), two counts of Willfully Attempting to Evade or Defeat Tax (Tax Evasion), six counts of Willful Failure to Withhold, Collect, Account For or Pay Over to the IRS Federal Income Tax and Federal Insurance Contributions Act (FICA) Taxes, and one count of Obstruction of Justice - Endeavoring to Obstruct and Impede the IRS.

Following a ten-day trial, a jury returned guilty verdicts against Suttles on January 18, 2007. Evidence at trial focused on Suttles' maneuverings to hide assets and avoid payment of taxes for some sixteen (16) years. Co-defendant Mary Ham lent her name to help Suttles hide assets, serving as head of "Diamond Brokers" and "C&R Corporation" since 1996, though evidence at trial proved she had little to do with their operation. Instead, the Government's proof showed that Suttles created two ways to funnel money to Ham to maintain her luxurious lifestyle and to avoid payment of taxes. He created a fake loan account on the books of Diamond Brokers, and paid Ham under the guise of a "loan repayment." Suttles also made Ham an "employee" of Diamond Brokers, enabling her to draw a salary three times that of some employees, although she did not actually work for Suttles' business. Suttles and Ham misrepresented to IRS that Suttles was Ham's employee at Diamond Brokers, paid a nominal weekly salary. Ham was convicted of the single charge against her, Conspiracy to Defraud the Internal Revenue Service, and is pending sentencing.

United States District Judge M. Casey Rodgers sentenced Suttles to fourteen (14) years imprisonment and ordered him to pay over \$800,000 restitution to the IRS and to pay the costs of prosecution. Judge Rodgers further assessed a \$1,000 special monetary assessment, and placed Suttles on three years of supervised release following completion of his prison term.

The investigation was conducted by IRS Criminal Investigations. The case was prosecuted by Assistant U.S. Attorney Michelle M. Heldmyer.