



Department of Justice

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JURY CONVICTS TWIGG IN ADVANCE FEE INVESTMENT SCHEME

ATLANTA, GA – KATHERINE TWIGG, 48, of Hoschton, Georgia, has been convicted by a federal jury late this afternoon on one count of conspiracy to commit mail and wire fraud, and three counts of wire fraud. The trial lasted for four days. The jury reached its verdict after five hours of deliberation.

Atlanta United States Secret Service Special Agent in Charge Jeffrey Gilbert said, “The Secret Service has established a long history of protecting American entrepreneurs and small business owners from con artists who defraud victims with elaborate advance fee scams. Our agency, in conjunction with our law enforcement partners, will continue to investigate these crimes, bringing to justice anyone who receives upfront fees under false pretenses.”

Martin Phanco, Inspector in Charge, Atlanta Division, United States Postal Inspection Service, said, “The U.S. Postal Inspection Service is very pleased with the guilty verdict returned today. This clearly demonstrates the hard work and commitment by U.S. Postal Inspectors and other law enforcement agencies when it comes to investigating crimes involving the fraudulent use of the U.S. Mail. We will continue to vigorously protect the American public from becoming victimized by those who are responsible for this type of criminal activity.”

Joe Doyle, Administrator of the Governor's Office of Consumer Affairs, said of today's guilty verdict, “The Governor's Office of Consumer Affairs is gratified that this joint investigative effort has taken criminals off the streets and put them in prison where they belong. We are proud of our role in this case. People like Twigg and Tobin, should not be allowed to prey upon the citizens of Georgia, or any other state, and always need to be brought to justice.”

A co-defendant in the case, ANTHONY TOBIN, 52, of Atlanta, Georgia, previously pleaded guilty to federal charges of conspiracy to commit mail and wire fraud and one count of wire fraud. TOBIN testified against TWIGG at her trial.

According to Acting United States Attorney Yates and information presented at trial: TWIGG was indicted in March 2009 as a co-conspirator in an advance fee fraud scheme that was operated between January 2004 and June 2008. Specifically, TWIGG combed the internet for business owners and entrepreneurs who were seeking funding for their business projects. TWIGG sent them letters, inviting them to Atlanta to meet with her co-conspirators to discuss their potential projects and how they could best obtain funding for their business ideas.

After identifying and luring potential victims into the scheme, TWIGG and her co-conspirators said that they had access to investment funds and venture capital through TOBIN's companies' consortium of private investors. Victims were told they should come to Atlanta for purpose of presenting their business proposals to receive funding from the consortium. As a precondition to this funding, the victims were required to pay non-refundable advance expenses and fees.

TWIGG also served as a reference, purporting to be the owner of "Atlanta Health and Fitness" which she claimed had already successfully obtained \$2 million in such funding. At trial, one specific victim, identified as "G.W.," testified that she directly spoke to TWIGG and believed TWIGG's story of obtaining \$2 million, and that TWIGG's reference and recommendation were the prime reasons why "G.W." sent over \$24,000 to the co-conspirators in hopes of growing her business. In fact, "G.W." did not receive any investor or venture capital funding. Testimony at trial showed no victim received any such funding. Instead, the evidence showed that the incoming monies from the victims went to TWIGG and her co-conspirators for their personal enrichment.

TOBIN admitted organizing the conspiracy. Over three dozen victims lost money in the scheme. Total losses were estimated to be approximately \$3.7 million.

The third co-defendant in the case, EYAL DULIN, 40, of Snellville, Georgia, remains a fugitive, possibly in South Africa. Anyone with information on DULIN is asked to call the United States Secret Service or the United States Postal Inspection Service.

Sentencing for TWIGG has been set for February 17, 2010, at 10:30a.m., before United States District Judge Timothy C. Batten, Sr. No sentencing date has been set for TOBIN. TWIGG faces a maximum sentence of 20 years in prison on each count and a fine of up to \$1 million on each count. In determining the actual sentence, the Court will consider the United States Sentencing Guidelines, which are not binding but provide appropriate sentencing ranges for most offenders.

This case is being investigated by Special Agents of the United States Secret Service, Postal Inspectors from the U.S. Postal Inspection Service and the (Georgia) Governor's Office of Consumer Affairs.

Assistant United States Attorneys Bernita Malloy and Robert McBurney prosecuted the case.

For further information please contact Sally Q. Yates, Acting United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.usdoj.gov/usao/gan.