

Department of Justice

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Peoria Couple Sentenced to Prison for \$1.8 Million Investment Fraud Scheme, Eluding Police for 12 Years

Peoria, Ill. – A Peoria couple who eluded sentencing for nearly 12 years after admitting they defrauded investors of \$1.8 million was sentenced today. U.S. District Judge Joe Billy McDade sentenced Nelson Hallahan, 65, aka Andrew Howard Wheeler, to serve a total of 22 ½ years in federal prison. Nelson Hallahan was ordered to serve 210 months (17 ½ years) for the fraud scheme, to be followed by a consecutive term of 60 months (five years) for failure to appear. Nelson’s wife, Janet Hallahan, 55, aka Diane Lee, was ordered to serve 135 months (11 years, 3 months) for her role in the fraud scheme, to be followed by a consecutive sentence of 60 months (five years) for her failure to appear. The couple was also ordered to pay restitution in the amount of \$1,446,114 to victims of the fraud scheme.

In October, Nelson and Janet Hallahan each pleaded guilty to failure to appear for sentencing on May 4, 2000. Both had pled guilty in January 2000, to defrauding family and friends of approximately \$1.8 million from November 1993 to June 1999, in a scheme that promised investors greater returns than insurance policies and mutual funds. The Hallahans, however, failed to appear for sentencing and were arrested on May 5, 2012, near Phoenix, Ariz., by U.S. Marshals. The day prior to their arrest, the couple was featured on “America’s Most Wanted” and the Marshals Service received a tip about their location.

The fraud charges were investigated by the IRS Criminal Investigations; U.S. Postal Inspection Service; FBI, and the Illinois Secretary of State Securities Department. The Pekin Police Department also assisted in the investigation. The cases were prosecuted by Assistant U.S. Attorney Darilynn J. Knauss.

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