



U.S. Department of Justice

United States Attorney
Northern District of Illinois

Patrick J. Fitzgerald
United States Attorney

327 South Church Street, Suite 3300
Rockford, Illinois 61101

FOR IMMEDIATE RELEASE
THURSDAY, DECEMBER 29, 2011
www.justice.gov/usao/iln

PRESS CONTACT:
AUSA Scott A. Verseman (815) 987-4444

HUNTLEY MAN PLEADS GUILTY TO FRAUD

Rockford — A Huntley, Ill. man pleaded guilty today in Federal Court to wire fraud. The defendant, Frank L. Beaudette, 60, admitted that from 1995 to September 2010, he fraudulently obtained loans totaling more than \$800,000 from at least 10 individuals by making false representations about the purpose for which he needed their money.

In a written plea agreement, Beaudette admitted that he first befriended his victims. Then, after he gained their confidence, Beaudette persuaded his victims to lend him money. Beaudette admitted that on most occasions, he falsely told his victims he had a “friend” in the computer business who needed capital to complete a large sale of computer equipment. Beaudette then persuaded the victims to loan money to him so that he could provide the money to his “friend” for the computer transaction. In return, Beaudette gave the victims personal promissory notes, promising to repay their principal together with large amounts of interest. As he acknowledged in the plea agreement, however, Beaudette did not have a friend who was selling computers. Instead Beaudette spent all of the victims funds on his own personal expenses.

Beaudette also admitted that when promissory notes came due, he falsely told the victims he could not repay the loans because his “friend” had been unable to collect what was owed after the computer sale transaction. Beaudette often promised victims that he would repay them with profits earned from a business he owned. Specifically, Beaudette told these victims that he owned

a business known as “Thunderbird Aviation,” which allegedly brokered sales of airplanes. Beaudette frequently promised his victims that he would repay the loans with profits from upcoming airplane sales transactions. Beaudette further acknowledged that he caused some of his victims to provide additional funds to him by telling them that he needed these additional monies until Thunderbird Aviation could complete a purported upcoming airplane sale.

The charge in this case carries a maximum penalty of 20 years in prison, and a \$250,000 maximum fine, or an alternate fine totaling twice the loss or twice the gain, whichever is greater, a period of supervised release of up to 3 years following imprisonment, and restitution. The actual sentence will be determined by the United States District Court, guided by the advisory United States Sentencing Guidelines. Sentencing has been set for April 10, 2012, at 2:30 p.m.

The investigation was conducted under the auspices of the Financial Fraud Enforcement Task Force, which includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes. For more information on the task force, visit: www.StopFraud.gov.

The guilty plea was announced today by Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois; Robert D. Grant, Special Agent-in-Charge of the Chicago Office of Federal Bureau of Investigation; and Illinois Secretary of State Jesse White.

The government is represented by Assistant U.S. Attorney Scott A. Verseman.

#####