

NEWS

United States Department of Justice
U.S. Attorney, District of New Jersey
401 Market Street, Fourth Floor
Camden, New Jersey 08101



Christopher J. Christie, U.S. Attorney

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Assistant U.S. Attorney

DEBORAH PRISINZANO MIKKELSEN
856-757-5231

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FOR IMMEDIATE RELEASE
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Camden County Man Pleads Guilty to Scheme To Defraud Investors of Millions of Dollars

(More)

Greg Reinert, PAO
Public Affairs Office

856-757-5233
973-645-2888

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CAMDEN – The president and CEO of All Freight Logistics, Inc., pleaded guilty today to mail fraud and money laundering charges in connection with his Ponzi scheme to defraud investors of millions of dollars through the offering of exorbitant rates of return, U.S. Attorney Christopher J. Christie announced.

Glyn Richards, 44, of Haddon Heights, made his first appearance in federal court and pleaded guilty before U.S. District Judge Renée Marie Bumb to a two-count Information, charging mail fraud and money laundering. As part of his plea, Richards has agreed to pay restitution, the amount of which will be determined by the court at sentencing. Judge Bumb released the defendant on a \$350,000 secured bond pending sentencing, which is scheduled for Oct. 14.

Richards was first arrested on July 25, 2007, by investigators with the Camden County Prosecutor's Office on state charges. The case was adopted for further investigation and prosecution by the U.S. Attorney's Office.

At his plea hearing, Richards stated that prior to May 2005 he incorporated All Freight Logistics, Inc. in New Jersey and served as the company's president and CEO. In May 2005, Richards began soliciting investments in the company and provided investors with a contract describing the nature of the investment in All Freight Logistics and the profits to the investor, he admitted.

Richards admitted that the contract stated that All Freight Logistics was in the business of transporting military equipment for the U.S. Department of Defense. Furthermore, the contract stated that the investment funds were to be utilized to pay "up-front costs and expenses to overseas agents and steamship lines" in connection with the transportation of equipment, Richards admitted.

Typically a contract provided for a 120-day investment of \$25,000 into the company in exchange for a 44-percent return on the investment, which was paid out over the next four months, Richards admitted.

Richards admitted that as president of All Freight Logistics and individually, he executed contracts with investors. Richards also admitted that All Freight Logistics never transported military equipment for the Department of Defense.

In regards to the money laundering count, Richards admitted that in connection with the fraudulent investment scheme, on March 24, 2006, he cashed a check from an investor in the amount of \$25,000 at United Check Cashing in Clementon.

The charge of mail fraud carries as a statutory maximum penalty of 20 years in prison. The money laundering count carries a statutory maximum prison sentence of 10 years. Both

counts carry a fine of \$250,000 or twice the aggregate loss to the victims or gain to the defendants, whichever is greatest.

In determining an actual sentence, Judge Bumb will consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Investigators with the Camden County Prosecutor's Office, under the direction of Acting Prosecutor Joshua M. Ottenberg; Special Agents of the FBI's Cherry Hill Resident Agency, under the direction of Janice K. Fedarck in Philadelphia; the IRS criminal Investigation, under the direction of William Offord in Newark; Secret Service, under the direction of Robert W. Slama in Philadelphia; U.S. Postal Inspection Service, under the direction of Inspector in Charge Teresa L. Thome in Philadelphia; and Police Officers with the Audubon Police Department, under the direction of Chief Thomas Tassi, with the investigation leading to the guilty plea.

The Government is represented by Assistant U.S. Attorney Deborah Prisinzano Mikkelsen of the Criminal Division in Camden.

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Defense Attorney: Jaime Kaigh, Esq. Blackwood