



*United States Attorney
Southern District of New York*

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**CONTACT: U.S. ATTORNEY'S OFFICE
HERBERT HADAD, YUSILL SCRIBNER,
REBEKAH CARMICHAEL, JANICE OH
PUBLIC INFORMATION OFFICE
(914) 993-1900, (212) 637-2600**

**FORMER INVESTMENT ADVISOR SAMUEL ISRAEL III PLEADS GUILTY
TO FAILING TO SURRENDER TO BEGIN A 20-YEAR SENTENCE**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, announced that SAMUEL ISRAEL, III, pleaded guilty today before United States District Judge KENNETH M. KARAS in White Plains federal court to a one-count Information charging him with failing to surrender to serve a 20-prison sentence, in violation of Title 28, United States Code, Section 3146.

As stated by ISRAEL during his plea and by the Government at various proceedings in the case:

ISRAEL pleaded guilty on September 29, 2005, to charges of Conspiracy to Commit Investment Advisor Fraud and Mail Fraud, Investment Advisor Fraud, and Mail Fraud.

On April 14, 2008, United States District Judge COLLEEN MCMAHON sentenced ISRAEL to 20 years' imprisonment, and ordered him to surrender to a federal prison on June 9, 2008, to begin serving his sentence. ISRAEL knew that he was required to surrender to the Federal Medical Center in Devens, Massachusetts, to begin serving his sentence on June 9, 2008.

On or about June 9, 2008, ISRAEL left his car at the Bear Mountain Bridge in the vicinity of Cortlandt, New York, traveled to a rest area near the intersection of Interstates 684 and 84, picked up an RV that he had parked there, and drove off. ISRAEL did not surrender to the Federal Medical Center in Devens and remained a fugitive until July 2, 2008.

Mr. DASSIN praised the investigative efforts of the U.S. Marshals Service, the Federal Bureau of Investigation, and the New York State Police.

ISRAEL faces a maximum sentence of 10 years in prison, and is scheduled to be sentenced by Judge KARAS on June 24, 2009.

Assistant United States Attorneys SARAH R. KRISOFF and MARGERY B. FEINZIG are in charge of the criminal prosecution.

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