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FORMER CHAIRMAN AND CEO OF MAYFAIR CAPITAL GROUP, LLC
SENTENCED IN MANHATTAN FEDERAL COURT
TO 41 MONTHS IN PRISON

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that STEPHEN R. GREEN, former Chairman and CEO of Mayfair Capital Group ("Mayfair Group") was sentenced today to 41 months in prison for committing securities fraud arising from his scheme to defraud investors of over \$5.75 million for his own use. The sentence was imposed in Manhattan federal court by United States District Judge JOHN G. KOELTL.

According to the criminal Information previously filed against GREEN, other documents filed in this case, and statements made during GREEN's plea proceeding:

Between 2005 and 2009, GREEN made false representations to a number of investors (the "victim-investors") that he would invest their funds in limited partnership vehicles and/or an asset management company. Based on those false representations, GREEN defrauded the victim-investors of approximately \$5.75 million.

For instance, in late 2005, GREEN falsely represented to an individual investor ("Investor 1") that he was starting Mayfair Group, an investment company that purportedly planned to invest in the hospitality industry, and more specifically restaurant franchises. In March 2006, Investor 1 gave GREEN approximately \$1 million for the Mayfair Group. Next, in late 2007, GREEN falsely represented to Investor 1 that another investor ("Investor 2") was prepared to invest \$18 million in Mayfair Group, and explained to Investor 1 that Investor 1's stake would be diluted unless he invested an additional \$1 million. In furtherance of his fraudulent scheme, GREEN also provided Investor 1 with a Restated Agreement of Limited Partnership that falsely represented that Investor 2 had invested \$18 million with Mayfair Group. On November 20, 2007, Investor 1 transferred an additional \$1 million to Mayfair Group's bank account.

GREEN further solicited Investor 1 to invest in Mayfair India, a subsidiary of Mayfair Group purportedly formed solely to invest in Copal Partners L.P. ("Copal"). In 2006, GREEN falsely represented to Investor 1 that he held warrants in Copal, a limited partnership with an ownership interest in a financial services research and analytic services business. He further represented that Copal would "go public" on the London Stock Exchange by the end of 2006, and that the warrants could be converted into shares of Copal provided that he could obtain \$2 million to finance the warrant-to-shares transaction. GREEN falsely asserted that Mayfair Group would invest \$1 million, that GREEN would personally invest \$250,000, and that he was seeking a \$750,000 investment from Investor 1. On August 7, 2006, Investor 1 invested approximately \$750,000 in Mayfair India, after which GREEN falsely represented to Investor 1 that he owned approximately a 7% equity interest in Copal, and that his investment had "doubled or trebled in value." Contrary to GREEN's representations however, he never made an investment in Copal on behalf of Mayfair Group, Mayfair India, himself or Investor 1, and no Copal shares were ever issued to GREEN, Mayfair Group, or any of its subsidiaries.

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GREEN, 46, of Locust Valley, New York, previously pleaded guilty before Judge KOELTL on December 14, 2009, to two counts of securities fraud. In addition to his prison term, Judge KOELTL sentenced GREEN to three years of supervised release and ordered him to pay \$5,775,000 in restitution and to forfeit \$5,775,000 in proceeds from his offenses.

Mr. BHARARA praised the investigative work of the Federal Bureau of Investigation.

Assistant United States Attorney JULIAN J. MOORE is in charge of the prosecution.

This case was brought in coordination with President BARACK OBAMA's Financial Fraud Enforcement Task Force, on which Mr. BHARARA serves as a Co-Chair of the Securities and Commodities Fraud Working Group. President OBAMA established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated, and proactive effort to investigate and prosecute financial crimes. The task force 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.

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