



*United States Attorney
Southern District of New York*

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**FORMER CONTROLLER AT MANHATTAN INVESTMENT FIRM
SENTENCED IN MANHATTAN FEDERAL COURT TO 30 MONTHS
IN PRISON FOR EMBEZZLEMENT SCHEME**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced today that RICHARD TEDESCHI, the former Controller of Cain Brothers, a Manhattan-based investment firm, was sentenced today by U.S. District Judge LEWIS A. KAPLAN to 30 months in prison for embezzling more than \$734,000 from the firm over a seven-year period.

According to the criminal Information to which TEDESCHI pled guilty, documents previously filed in this case in Manhattan federal court, and statements made in court:

While he was Controller of Cain Brothers, TEDESCHI forged the signatures of officers who had check-signing authority on company checks, and used the company checks to make payments on his personal expenses or to himself directly. TEDESCHI also obtained authorized representatives' signatures on Cain Brothers' checks to make payments on what TEDESCHI represented to be company expenses, but which were actually for his personal expenses. Additionally, TEDESCHI caused unauthorized charges to be made on the firm's American Express account.

In all, TEDESCHI stole over \$734,000 from Cain Brothers, more than \$633,000 of which was used to pay his personal American Express bills. TEDESCHI directed \$7,500 to payment on a home equity loan; \$2,500 to the payment of telephone bills; and \$12,000 to personal expenses charged on Cain Brothers' credit card account. He also caused Cain Brothers to pay him directly approximately \$79,000.

On March 18, 2010, TEDESCHI, 51, of Morris Plains, New Jersey, pled guilty to one count of mail fraud and one count of aggravated identity theft.

In addition to the term of imprisonment, Judge KAPLAN also sentenced TEDESCHI to three years of supervised release and ordered that he pay \$521,000 in restitution. During the sentencing proceeding, Judge KAPLAN said that TEDESCHI committed a "brazen crime," and called his conduct an "abuse of trust." The Judge added that "the world has to know you can't do this...there's a price [for this conduct], it's not worth the risk."

Manhattan U.S. Attorney PREET BHARARA stated: "With this sentence, Richard Tedeschi's seven-year career of theft from his employer has come to an end. We will continue to partner with the Federal Bureau of Investigation to pursue those who abuse positions of trust to enrich themselves."

Mr. BHARARA praised the work of the Federal Bureau of Investigation in the investigation of this case.

This case is being handled by the Office's Complex Frauds Unit. Assistant U.S. Attorney DAVID I. MILLER is in charge of the prosecution.

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