



*United States Attorney
Southern District of New York*



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**MANHATTAN WOMAN PLEADS GUILTY IN MANHATTAN FEDERAL
COURT TO "WATER PARK FOR FOSTER KIDS" FRAUD**

PREET BHARARA, United States Attorney for the Southern District of New York, announced that LILIANA TRAFFICANTE pled guilty yesterday in Manhattan federal court to conspiracy to commit wire fraud in connection with an approximately five-year scheme to obtain money by claiming that it was for a project intended to help foster children. In reality, TRAFFICANTE spent much of the money on personal expenses and other purposes. TRAFFICANTE also agreed to pay restitution to the victims of her offense.

According to the Information to which TRAFFICANTE pled guilty before U.S. District Judge DEBORAH A. BATTS, the criminal Complaint previously filed in this case, and statements made during the guilty plea proceeding:

TRAFFICANTE held herself out as the founder and Chief Executive Officer of International Dreams, a Manhattan-based entity. She was also the principal of, or otherwise affiliated with, a number of entities related to International Dreams, including GoOcean Park and Resort LLC, Bouchville Manors, The Little Water Park That Could, and Signature A (collectively, the "Trafficante Entities"). TRAFFICANTE claimed to be raising money for the purchase of land and completion of a water park for foster children (the "Water Park Project"). TRAFFICANTE raised money through postings on the Craigslist website and made numerous false statements to individuals in order to induce them to make loans to and/or investments in the Trafficante Entities.

For example, TRAFFICANTE told one individual that land had been located for the Water Park Project. TRAFFICANTE claimed that the land was rich with natural resources, the exploration of which prior to construction could help fund the Water Park Project. Based on these representations, the individual loaned \$100,000 to one of the Trafficante Entities. In connection with this loan, the individual and TRAFFICANTE executed a promissory

note that states that the "purpose" of the \$100,000 loan was to help "GoOcean Water Park & Resort purchase excavating equipment." In fact, no land had been purchased by TRAFFICANTE for a water park, or for any other purpose, and the money was not used for equipment of any kind. Rather, among other non-equipment payments, TRAFFICANTE made \$40,000 in rent payments the same day that the \$100,000 was wired to her account.

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TRAFFICANTE faces a maximum of sentence of 5 years in prison and a maximum fine of \$250,000, or twice the gross gain or loss from the offense.

TRAFFICANTE is scheduled to be sentenced on January 24, 2011, at 11:00 a.m. by Judge BATTIS.

Mr. BHARARA praised the work of the FBI in the investigation of this case.

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.

This case is being handled by the office's Securities and Commodities Fraud Task Force. Assistant U.S. Attorney EUGENE INGOGLIA is in charge of the prosecution.

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