



U.S. Department of Justice

United States Attorney

Eastern District of Pennsylvania

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September 27, 2007

PHILADELPHIA – United States Attorney Pat Meehan today announced that a six-count indictment¹ was filed charging EDWARD RONALD SCHNABLE, JR., a/k/a “Ron Schnable,” with five counts of mail fraud and one count of wire fraud in connection with a scheme to defraud investors of more than \$5 million dollars.

The indictment alleges that from 1995 through 2003, defendant Schnable, doing business through various entities such as Mainland Mortgage, RLS Holdings, Tri-Quest Partners, Tri-Quest Management and Core Group, executed a fraudulent scheme to defraud numerous investors out of funds which Schnable had assured would be placed in safe investments that would produce a guaranteed return of 10% to 14% within a specified time. Contrary to his representations, Schnable used the majority of investor funds to repay early investors part of what he owed them and used other investor funds for his own personal and business uses. Schnable invested only a small percentage of the money given to him, which he put into highly speculative investments in Costa Rica.

If convicted, the defendant faces a possible maximum sentence of 120 years imprisonment, a \$1,500,000 fine, 5 years supervised release, plus restitution to investor victims in the amount of approximately \$5 million.

The case was investigated by the Federal Bureau of Investigation (FBI)/Fort Washington Resident Agency, with assistance from the Internal Revenue Service/Criminal Investigation Division (IRS/CID), Bethlehem Office, the Pennsylvania Securities Commission, and the Souderton Borough Police Department. The case has been assigned to Assistant United States Attorney Seth Weber.

INFORMATION REGARDING THE DEFENDANT

NAME	ADDRESS	AGE OR DATE OF BIRTH
EDWARD RONALD SCHNABLE, JR., a/k/a “Ron Schnable”	Souderton, PA	47 years old

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¹An Indictment or Information is an accusation. A defendant is presumed innocent unless and until proven guilty.