



U.S. Department of Justice

United States Attorney

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### NORRISTOWN MAN SENTENCED FOR MULTI-MILLION DOLLAR FRAUD

PHILADELPHIA - Michael G. Spada, 50, of Norristown, PA, was sentenced today to 72 months in prison, in connection with a fraud scheme in which he embezzled more than \$6 million from his employer, announced United States Attorney Zane David Memeger. Spada pleaded guilty to wire fraud, bank fraud, filing a false tax return, and making a false statement to the federal government on March 18, 2010. He hid the embezzlement from both a bank, that extended him a \$3.2 million line of credit, and from the Internal Revenue Service. He embezzled the funds by diverting company checks to his own account and taking more than \$400,000 in unauthorized salary between 2000 and 2009. He then failed to report most of the embezzled money on his tax returns and lied to IRS agents about his embezzlement during a meeting on June 22, 2009.

In addition to the prison term, U.S. District Court Judge Legrome D. Davis ordered Spada to pay restitution in the amount of \$3,990,208 to his employer and the IRS.

The case was investigated by the FBI and the IRS and is being prosecuted by Assistant United States Attorney Mark B. Dubnoff.

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