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August 15, 2011

BERWYN MAN PLEADS GUILTY TO PONZI SCHEME

Robert Stinson Jr., 56, of Berwyn, PA, pleaded guilty today to charges contained in a 26-count indictment detailing a Ponzi scheme that defrauded more than 260 investors of more than \$17 million, announced United States Attorney Zane David Memeger. Stinson pleaded guilty, before U.S. District Court Judge Michael M. Baylson, to five counts of wire fraud, four counts of mail fraud, nine counts of money laundering, one count of bank fraud, three counts of filing false tax returns, two counts of obstruction of justice, and two counts of making false statements to federal agents. Sentencing is scheduled for December 13, 2011. Stinson faces an advisory sentencing guideline range of 324 to 405 months in prison.

The indictment alleged that since 2006, Stinson ran a company called Life's Good, Inc., that solicited investments in one of four real estate hedge funds, promising fixed returns of between 10 to 16 percent annually. However, rather than invest the money as promised, Stinson ran an elaborate "Ponzi" scheme that he used to steal more than \$17 million from the investors. According to the indictment, Stinson falsely represented to investors that he was a graduate of Massachusetts Institute of Technology with a wealth of business experience, when, in reality, he had been convicted of fraud multiple times and had previously been enjoined from committing securities fraud by the United States Securities and Exchange Commission.

As part of this investigation, the Federal Bureau of Investigation executed numerous search warrants on June 29, 2010 and seized two Mercedes Benz sedans that Stinson had purchased with proceeds from his fraud. At the time of the search, Stinson allegedly obstructed justice by wiring stolen funds out of Life's Good bank accounts to other accounts.

The case was investigated by the Federal Bureau of Investigation, the United States Postal Inspection Service, the Internal Revenue Service Criminal Investigation Division, and the Securities Exchange Commission. It is being prosecuted by Assistant United States Attorney David L. Axelrod.

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