



U.S. Department of Justice

United States Attorney

Eastern District of Pennsylvania

615 Chestnut Street
Suite 1250
Philadelphia, Pennsylvania 19106-4476
(215) 861-8200

May 5, 2011

PONZI SCHEMER SENTENCED TO MORE THAN 17 YEARS IN PRISON

PHILADELPHIA - Donald Anthony Young, 40, of Palm Beach, Florida, was sentenced to 210 months in prison for running a multi-million dollar Ponzi scheme through his Chester County investment firm, Acorn Capital Management II LP, announced United States Attorney Zane David Memeger. Young's firm, located in Kennett Square, Pennsylvania, also went by the names Acorn Capital Management LLC, and Acorn II. Young pleaded guilty, July 20, 2010, to one count of mail fraud and one count of money laundering. He solicited individuals to invest with him, claiming that their funds would be invested in the stocks of large stable companies. Ultimately, Young obtained more than \$95 million from his investors. Instead of investing all of these funds as promised, Young diverted millions of dollars of investor funds for his own use, purchasing, among other things, luxury homes for himself in Palm Beach, Florida, Coatesville, Pennsylvania, and Northeast Harbor, Maine. When investors requested redemptions, Young was forced to liquidate other investors' funds to make the pay outs. When the United States Securities and Exchange Commission opened an investigation into Young's business, Young attempted to obstruct the investigation by providing false and misleading information to the SEC and by refusing to provide the SEC documents, to which it was legally entitled.

Young laundered the proceeds of his fraud by, among other things, stealing approximately \$1.9 million of an investors' funds and using these funds to purchase his luxury home in Palm Beach, Florida.

In addition to the prison term, U.S. District Court Judge Juan R. Sanchez ordered Young to pay restitution in the amount of \$21,166,488.

The case was investigated by the United States Securities and Exchange Commission, the Federal Bureau of Investigation, and the United States Postal Inspection Service, and was prosecuted by Assistant United States Attorney Paul L. Gray.

**UNITED STATES ATTORNEY'S OFFICE
EASTERN DISTRICT, PENNSYLVANIA
Suite 1250, 615 Chestnut Street
Philadelphia, PA 19106**

**Contact: PATTY HARTMAN
Media Contact
(215) 861-8255**