



Department of Justice

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RESTITUTION TRUST FUNDS IMPLEMENTED FOR FOREIGN VICTIMS OF SEX TOURISM

WASHINGTON – Restitution trust funds for the benefit of two minor victims of sex tourism in the Philippines were executed and implemented yesterday through the signing of trust documents by Filipino social welfare authorities and a U.S. based trustee, announced Assistant Attorney General Lanny A. Breuer of the Criminal Division and U.S. Attorney Wifredo A. Ferrer of the Southern District of Florida.

The trusts were established as a result of an order of restitution against Donald Mathias of Davie, Fla., in the criminal case against him. Mathias, 64, was sentenced on March 3, 2010, to 20 years in prison for engaging in sex tourism in the Philippines, and also ordered to pay \$200,000 in restitution to his victims.

The trusts serve to ensure that restitution money obtained for the victims of Mathias' crimes is used for appropriate purposes and for the benefit of the victims. The trustee role is served by the Center for Special Needs Trusts (CSNT), a Clearwater, Fla., based non-governmental organization offering specialized administrative services for unique trust situations. CSNT will oversee and manage disbursements of money from the trusts to ensure that restitution money is properly used. This is believed to be the first case in which restitution trusts have been set up for the benefit of foreign victims of sex tourism. The trusts are being initially funded with proceeds from the sale of property Mathias transferred to the custody of the United States as part of his plea agreement. The proceeds of the sales are currently deposited with the U.S. District Court for the Southern District of Florida, and will now be transferred to an account set up by the trustee, for the benefits of the victims.

Mathias pleaded guilty in U.S. District Court in Ft. Lauderdale, Fla., on Dec. 22, 2009, to four counts of traveling in foreign commerce and engaging in illicit sexual conduct. He was indicted on those charges on Oct. 27, 2009. As part of his plea agreement, Mathias admitted that from 2005 until December 2008, he communicated and arranged with the mother of two minor females to travel to the Philippines, where they were located, and engaged in sexual conduct with the minors. During this time, Mathias and the mother exchanged hundreds of e-mails regarding sexual activity between Mathias and the minors.

Mathias admitted that he traveled to the Philippines in April 2007 and again in December 2007, engaged in sexual conduct with the minors on those trips and recorded those acts with a video camera. Mathias also admitted that he made the minors sign a contract in December 2007, requiring the minors to be his sex slaves. According to court documents, money transfer and

email records showed that Mathias sent thousands of dollars to the mother between 2005 and December 2008. Mathias also admitted that he traveled to the Philippines in December 2008 to engage in sexual conduct with the minors again. However, Filipino law enforcement officials detained Mathias and he was not successful in meeting the minors. On Oct. 14, 2009, Mathias was arrested by U.S. law enforcement officers in Miami. The mother of the minors is in custody in the Philippines and is being prosecuted by Filipino authorities.

The trusts were developed through the work of the Criminal Division's Child Exploitation and Obscenity Section (CEOS), U.S. Attorney's Office for the Southern District of Florida and the Criminal Division's Office of International Affairs, with assistance from the U.S. Embassy in Manila. These components worked in consultation with a trust attorney to develop suitable trust agreements and identify an appropriate trustee, and also worked with authorities in the Philippines to determine how the trusts would be implemented.

This case was prosecuted by Trial Attorney Anitha Ibrahim of CEOS and Assistant U.S. Attorney Marlene Rodriguez of the Southern District of Florida. This case was investigated by Homeland Security agents in Miami and Manila, Philippines, with assistance from the Philippines Department of Justice.

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