

The United States Attorney's Office

Southern District of Florida

Press Release

STUART MAN SENTENCED TO 9 YEARS IN PRISON IN FOREIGN CURRENCY INVESTMENT SCHEME

January 30, 2009

FOR IMMEDIATE RELEASE

R. Alexander Acosta, United States Attorney for the Southern District of Florida, Betty N. Stewart, Acting Special Agent in Charge, Internal Revenue Service, Criminal Investigation Division, and Jonathan I. Solomon, Special Agent in Charge, Federal Bureau of Investigation, announced that defendant **Frank DeSantis**, 40, of Stuart, F, was sentenced today by U.S. District Court Judge Daniel T. K. Hurley to 108 months' imprisonment, followed by three years of supervised release on each count of conviction, on charges of conspiring to commit mail and wire fraud and conspiracy to defraud the Internal Revenue Service. Restitution will be determined at a later date.

DeSantis pled guilty in August 2008 to a two-count Information. During his plea, DeSantis admitted his participation in conspiracy to commit mail and wire fraud while operating and having a financial interest in several investment and telemarketing rooms throughout South Florida. To execute the scheme, defendant DeSantis made and caused others to make misrepresentations of material investment facts to potential investors, in order to convince them to invest in foreign currency options known as "forex." For example, investors were told that they could expect to make high profits with very little risk. In addition, DeSantis and others deliberately failed to tell the investors that more than 95% of the investors had lost money and that DeSantis had been previously barred by the national Futures Association from acting as a broker. Through this scheme, investors were defrauded out of millions of dollars during 2002 through 2005.

In addition, Frank DeSantis conspired with others to impede and obstruct the Internal Revenue Service by failing to report, account, and pay approximately \$2,097,326 in income taxes that DeSantis should have paid to the Internal Revenue Service during tax years 2002 through 2005.

Mr. Acosta thanked the Commodities Futures and Trading Commission (CFTC) in Washington, D.C., for their assistance in the investigation. Acosta also thanked the Internal Revenue Service, Criminal Investigation Division, and the Federal Bureau of Investigation for their investigation of this long-term international scheme. This case is being prosecuted by Assistant United States Attorney Jeffrey H. Kay.

A copy of this press release may be found on the website of the United States Attorney's Office for the Southern District of Florida at <http://www.usdoj.gov/usao/fls>. Related court documents and information may be found on the website of the District Court for the Southern District of Florida at <http://www.flsd.uscourts.gov> or on <http://pacer.flsd.uscourts.gov>.

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