



Department of Justice

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**FORMER CEO OF SOMMET GROUP SENTENCED TO 20 YEARS IN PRISON FOR
\$25 MILLION FRAUD SCHEME**

NASHVILLE, Tenn. - June 9, 2015 - L. Brian Whitfield, 49, formerly of Franklin, Tennessee, was sentenced yesterday to serve 20 years in prison, announced David Rivera, United States Attorney for the Middle District of Tennessee. On November 7, 2014, a jury found Whitfield guilty of conspiracy, wire fraud, theft from an employee benefit program, filing a false tax return, and money laundering.

Today's sentence, handed down by U.S. District Court Judge Todd J. Campbell, also included imposition of a \$1.8 million money judgment and a term of 3 years of supervised release. Judge Campbell also ordered Whitfield to pay more than \$25.9 million in restitution.

"This sentence demonstrates that those at the highest levels of corporations, especially chief executives whose criminal schemes rob the innocent of their health, financial future and economic stability, will not find shelter in false assertions of a failing economy," said United States Attorney David Rivera. "This defendant's massive fraud scheme harmed more than a thousand victims, and this sentence serves as an appropriate punishment."

During the trial before Judge Campbell last year, the evidence established that Whitfield controlled the finances and funds of the Sommet Group LLC, a payroll processing company that operated in Franklin, Tennessee. From 2008 until 2010, Whitfield diverted millions of dollars of client funds that had been earmarked to fund client employee retirement accounts, to pay health claims, and to pay taxes. Instead of using these client funds as Sommet had promised, Whitfield diverted millions of dollars to prop up affiliated companies that he controlled and spent millions of dollars to acquire the naming rights of Nashville's professional hockey arena, which came to be known as the Sommet Center. Whitfield also diverted client money to pay for personal expenses including purchasing a \$430,000 houseboat, a \$99,000 ski boat, luxury clothing and the construction of a \$150,000 pool in his backyard.

As a result of Whitfield's fraud, retirement funds were not fully deposited into the accounts of employees whose paychecks were processed by Sommet, medical and prescription-drug claims by employees were not fully paid, and taxes owed by clients to federal, state, and local governments went unpaid.

The evidence at trial also proved that Whitfield vastly underreported wages and taxes on Sommet's quarterly employer tax return that he personally prepared and filed. Across six quarters from 2008 – 2010, Sommet paid more than \$83 million in wages to its employees and the employees of its clients, but Whitfield reported less than \$4 million in wages to the IRS, resulting in an underpayment of more than \$20 million in taxes.

In July 2013 D. Edwin Todd, a part owner of Sommet, pleaded guilty to one count of conspiracy in this case, and Marsha Whitfield, Sommet's Vice President of Payroll, pleaded guilty to one count of conspiracy and one count of wire fraud. Both Todd and Marsha Whitfield await sentencing.

This case was investigated by agents with the Internal Revenue Service- Criminal Investigation, the Federal Bureau of Investigation and the Department of Labor, Employee Benefits Security Administration. The case was prosecuted by Assistant U.S. Attorneys William F. Abely, Sandra G. Moses, and Stephanie N. Toussaint.

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