

# ***NEWS RELEASE***

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***OFFICE OF THE UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF CALIFORNIA  
San Diego, California***

***United States Attorney  
Karen P. Hewitt***

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***For Immediate Release***

**FEDERAL JURY CONVICTS THREE IN MULTI-MILLION  
DOLLAR INVESTMENT SCAM**

**NEWS RELEASE SUMMARY - June 17, 2008**

San Diego, CA - United States Attorney Karen P. Hewitt announced today that a federal jury sitting in San Diego found Randall T. Treadwell, Ricky D. Sluder, and Larry C. Saturday guilty of conspiracy and wire fraud, arising from the defendants' participation in a nation-wide, multi-million dollar investment scam.

According to the indictment and evidence introduced at trial, the defendants used companies named Learn Waterhouse, Inc., Wealth Builders Club, Inc., and Qwest International, Inc., to fraudulently solicit over \$50 million from members of the public, purportedly for participation in high-yield trading programs and venture capital investments. The defendants falsely represented that the money would be used for investments that would generate returns ranging from a guaranteed minimum of 2% per month to projected returns of 50% per month or more. For example, the defendants falsely represented that they had engaged

in a \$3 million “program” that returned 500% in 40 banking days. They also represented that they dealt only with “top” U.S. banks, that their investment programs were “risk free,” and they had a long track record of success.

However, according to evidence introduced at trial, Learn Waterhouse, Wealth Builders Club and Qwest never generated any profit through any investment activity, but instead merely used investors’ funds to make lulling payments to other investors. The defendants also converted investor funds to their own use. For example, Treadwell used investor funds for a Jacksonville Jaguars luxury box, a \$100,000 boat and a Caribbean cruise and to pay the mortgage on his personal residence in Savannah, Georgia.

The defendants’ scheme ended in October 2004, when the Federal Bureau of Investigation executed multiple search warrants and when the Securities and Exchange Commission simultaneously obtained a court order appointing a receiver and freezing assets held by the defendants.

Both the United States Attorney’s Office and the Federal Bureau of Investigation specifically note the contributions of the Securities and Exchange Commission, the Alabama Securities Commission, the Florida Bureau of Financial Investigations, and the Texas State Securities Board to this prosecution.

United States Attorney Hewitt stated, “This case stands as a reminder that promises of exceptionally high returns over short periods of time are typically false. The law does not tolerate those who prey on the public with these types of false representations.”

FBI Special Agent in Charge Keith Slotter stated, “Today’s guilty verdicts send a clear message to those would falsely misrepresent their investment products and take advantage of the public’s trust.”

Sentencing for Treadwell, Sluder and Saturday is scheduled before United States District Judge Thomas J. Whelan on September 22, 2008, at 9:00 a.m. in federal court in San Diego.

A fourth defendant, Arnulfo M. Acosta, previously pled guilty to conspiracy and making a false statement to a federal officer. Acosta’s sentencing is currently scheduled before Judge Whelan on July 7, 2008, at 9:00 a.m.

**DEFENDANTS**

**Case No. 05-CR-1570-W**

Randall T. Treadwell

Ricky D. Sluder

Larry C. Saturday

**SUMMARY OF CHARGES**

Title 18, United States Code, Section 371 - Conspiracy to Commit Offenses Against the United States  
Maximum penalties: 5 years in prison and a \$250,000 fine

Title 18, United States Code, Section 1343 - Wire Fraud  
Maximum penalties: 20 years in prison and a \$250,000 fine

**PARTICIPATING AGENCIES**

Federal Bureau of Investigation  
Securities and Exchange Commission  
Alabama Securities Commission  
Bureau of Financial Investigations, State of Florida  
Texas State Securities Board