



Department of Justice

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MAN PLEADS GUILTY IN INVESTMENT FRAUD SCHEME

Jacksonville, FL - United States Attorney Robert E. O'Neill today announced that Milan Martinic, 47, of Ramona, California, pleaded guilty to wire fraud charges. Martinic faces maximum penalties of twenty years' imprisonment and a \$250,000 fine.

According to the plea agreement, beginning in 1998 and continuing through 2005, Martinic provided prospective investors with documents describing a business, Titan Global Strategies, Ltd. ("TGSL"), which purportedly was involved in foreign currency exchange ("forex") investments. The documents detailed the way in which TGSL supposedly bought and sold foreign currencies and represented that in the past TGSL had provided investors with a monthly rate of return of about 2% to 3%. Martinic provided investors with monthly statements purporting to show the balances of their accounts and the earnings that TGSL had obtained on their investments. In this manner, Martinic obtained more than \$6 million from more than twenty victims, two of whom reside in the Jacksonville area. Several of the victims invested hundreds of thousands of dollars each with Martinic.

In fact, TGSL had never earned any returns. Martinic invested only a small percentage of the funds he obtained--a total of approximately \$260,000 in foreign currencies. The monthly statements provided to investors were fictitious, reflecting

non-existent returns on non-existent investments in the foreign exchange market. Martinic deposited the investment funds into accounts over which he had personal control, and he spent the money on vehicles, art, entertainment, travel, and other goods and services obtained for his personal use.

The investigation was conducted by the Federal Bureau of Investigation. The case was prosecuted by Assistant United States Attorney Arnold B. Corsmeier.