



**U.S. Department of Justice**

**Stephen J. Murphy  
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**For Immediate Release:**

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**EVENT: Sentencing**

**Defendant: Raymond Joseph**

**BLOOMFIELD HILLS RESIDENT INDICTED ON MILLION  
DOLLAR INVESTMENT "PONZI" SCHEME**

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Raymond Joseph, 52, of Bloomfield Hills, was arraigned on two counts of wire fraud, two counts of transportation of stolen money or property, and nine counts of monetary transactions in criminally derived property, as alleged in a December 5, 2007 indictment, United States Attorney Stephen J. Murphy announced.

Mr. Murphy was joined in the announcement by Special Agent in Charge Maurice Aouate, Internal Revenue Service Criminal Investigation Division and Special Agent in Charge Andrew G. Arena, Federal Bureau of Investigation.

According to court records, during 2002 through 2006, Joseph solicited money from several individuals to invest in a number of business ventures. Joseph promised them a stated date of repayment with a fixed amount of return. When Joseph received the investment money, he deposited it into financial accounts that he controlled. Some of these investor's checks totaled over \$350,000. As in a typical "Ponzi" scheme, some of the money was used to repay the other investors who had earlier invested with him and some of it was

used for his own personal expenses, including credit card, house and car payments. As a result of his fraudulent acts, Joseph obtained over \$1 million in which he failed to repay back to the investors.

United States Attorney Stephen J. Murphy stated, "Even sophisticated business people can be deceived by an attractive Ponzi scheme, because at first, the returns look like the real thing. Although federal investigators are well-equipped to unravel such schemes, Investors need to be on their guard against these schemes as the first line of defense."

"Today's swindlers still target the unsuspecting with offers that are too good to be true," said Aouate. "IRS Criminal Investigation will continue to diligently follow the money in order to bring these greedy people to justice."

Wire Fraud carries a maximum penalty of twenty years imprisonment and a \$250,000 fine. Transportation of stolen money or property carries a maximum penalty of ten years imprisonment and a \$250,000 fine. Monetary transactions in criminally derived property carries a maximum penalty of ten years imprisonment and a fine of not more than twice the amount of the criminally derived property involved.

An indictment is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

United States Attorney Murphy thanked the IRS Criminal Investigation and the FBI for their investigation of the case. The case is being prosecuted by Assistant U.S. Attorney Paul Burakoff.