



NEWS RELEASE
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MIDDLE DISTRICT OF LOUISIANA

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United States Attorney David R. Dugas announced that WALTER JAMES THOMAS, age 39, a resident of Baton Rouge, was charged yesterday in a Bill of Information alleging a mail fraud scheme to steal over \$1 million, money laundering, and making false statements to the United States on his 1998 federal income tax return.

THOMAS, formerly a Louisiana licensed insurance salesman, operated a business known as Executive's Choice Insurance and Financial Group, in Baton Rouge, Louisiana. The Bill of Information charges that from at least October 11, 1993, through August 14, 2003, THOMAS defrauded customers of Executive's Choice.

The Bill of Information charges that the scheme to commit mail fraud involved THOMAS soliciting customers to invest their money with him and Executive's Choice, promising them that their money would be properly invested with reputable companies or in stocks and bonds that he would choose to maximize their investments. THOMAS is charged with then creating fraudulent booklets and bond certificates that were purportedly from the life insurance and other investment companies in which he claimed to be investing the

monies of his victim customers. THOMAS is also charged with creating fraudulent periodic account statements from these companies which he mailed or e-mailed to his customers, falsely indicating how well their investments were growing, thereby lulling them into advancing more of their money to him.

The bill charges that instead of investing his customer's money, THOMAS deposited the money into his own personal or business checking accounts and spent the money on personal expenses or on expenditures necessary to further promote the scheme.

The second count charges that on November 14, 2002, THOMAS laundered a check of over \$49,000, drawn on an Executive's Choice account at Whitney National Bank by using the check to purchase four cashier's checks from Whitney; that the transaction involved the proceeds of the mail fraud scheme; and that THOMAS knew the proceeds of the transactions came from some form of illegal activity.

In the third count, THOMAS is charged with lying on his 1998 federal income tax form, filed on December 31, 1999, by reporting approximately \$84,510 in gross receipts from his business, when, in fact, he had received at least \$394,000.

THOMAS could receive a maximum sentence of imprisonment of 20 years for each of Counts 1 and 2 and a maximum prison sentence of 3 years for Count 3. He could be fined up to twice the gross gain or loss for Count 1; he could receive a fine of up to \$500,000 for Count 2; and he could receive a fine of up to \$250,000 for Count 3, as well as being ordered to pay the cost of prosecution.

The case was investigated by Special Agent Janet Magee of the Internal Revenue Service and is being prosecuted by Assistant United States Attorney Ian F. Hipwell.

NOTE: A bill of information is merely an accusation by the United States Attorney that offenses have been committed by the defendants. The defendant, of course, is presumed innocent until and unless proven guilty at trial.

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