



Department of Justice

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FINANCIAL ADVISOR SENTENCED FOR DEFRAUDING INVESTORS

Dennis Martin Sentenced to More Than 11 Years in Federal Prison for Stealing \$6.6 Million from His Investor Clients

Atlanta, GA - DENNIS A. MARTIN, 37, of Marietta, Georgia, was sentenced today by United States District Judge Timothy C. Batten, Sr. on charges of mail fraud stemming from MARTIN's scheme to steal more than \$6.6 million from the investors he advised.

"The substantial penalty Mr. Martin will pay corresponds to the substantial harm he caused to investors who entrusted him with their life's savings," said United States Attorney David E. Nahmias. "While we do not tolerate financial fraud of any kind, we will act particularly swiftly and forcefully when investment professionals abuse their clients' trust for their own personal gain. Mr. Martin's case was referred to us in May of this year, he pleaded guilty in June, and he is now headed to federal prison to serve a lengthy sentence."

MARTIN was sentenced to 11 years and 3 months in prison to be followed by 3 years of supervised release. He was also ordered to pay \$5,716,437 in restitution to his victims. MARTIN was convicted of these charges on June 22, 2006, following his guilty plea to a criminal information.

According to United States Attorney Nahmias and the information presented in court: MARTIN served as an independent financial advisor for Linsco/Private Ledger ("LPL"), a registered securities broker/dealer, from April 2004 until his contract was terminated by LPL in April 2006. During this time, MARTIN invested the funds his clients had saved, including for their retirement, in annuity contracts offered through LPL. Between 2004 and 2006, MARTIN stole from his clients either by forging their signatures on withdrawal requests submitted to the annuity issuers or by fraudulently advising his clients that they should liquidate their annuities to allow MARTIN to purchase more favorable annuity contracts or other low risk securities. In response to the forged or fraudulently obtained withdrawal requests, the annuity issuers drafted and mailed distribution checks to MARTIN, which he deposited into accounts he controlled. To conceal his fraud, MARTIN manufactured false account statements that he distributed to his victims.

As a result of his scheme, MARTIN fraudulently liquidated more than \$6.6 million of his investors' funds. While MARTIN used some of the proceeds to refund certain of his clients' accounts, he converted more than \$5.7 million in investor funds to his personal use. In particular, after misappropriating his ex-wife's identity to open an account, MARTIN used the stolen investor funds to engage in high risk derivative securities trading, primarily in option contracts. He continued to steal from his clients as he suffered mounting losses attributable to his high risk and undisclosed securities trading.

This case was investigated by Special Agents of the Federal Bureau of Investigation. The U.S. Attorney's Office also recognizes the significant assistance provided Linsco/Private Ledger in the investigation of this matter.

Assistant United States Attorneys Aaron Danzig and Paul Monnin prosecuted the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.usdoj.gov/usao/gan.