

The Office of Consumer Litigation, United States Department of Justice, working with the United States Attorney's Offices for the Southern District of Florida and the District of Nevada, prosecuted the cases described below. The individual defendants and the months of prison imposed at sentencing are listed. Where no sentence is indicated, the defendant is awaiting sentencing or in the status otherwise describing the defendant below.

In 2006, charges were brought by indictment or information against 27 individuals in connection with frauds at eight different ventures. Three jury trials resulted in four convictions and one mistrial due to a defendant's inability to continue trial. Twenty-three individuals were convicted by verdict or guilty plea, and 25 defendants were sentenced. Defendants sentenced in 2006 received a total of over 160 years in prison, with an average sentence of almost 6 ½ years of imprisonment. These cases involved losses of more than \$86,000,000 to more than 4,800 consumers. In 2005-2006 combined, 46 individuals have been convicted of felonies.

AmeriP.O.S. - Kiosk Selling Prepaid Debit Cards, Phone Cards, and Internet Access

United States v. Harris Cohen, et al., 05-60029-CR-COHN/SNOW (S.D. Florida, filed February 15, 2005), and related cases.

Harris Cohen	135 months
Alex Moncayo	63 months [this defendant was sentenced in 2005].
Michael Borzillo	97 months
Richard Nye	48 months
Scott Smith	24 months [this defendant was sentenced in 2005].
Jerome Cohen	37 months
Steven Mishkin	81 months [this defendant was sentenced in 2005].
Martin Geller	78 months [this defendant was sentenced in 2005].
Isaac Denis Savariego	57 months [this defendant was sentenced in 2005].
David Ross	72 months [this defendant was sentenced in 2005].
Richard Balber	37 months

Charges were brought in 2005, and the proceedings continued into 2006. Eleven defendants were charged and pled guilty to various felonies including mail fraud, conspiracy, and contempt of court. They were sentenced to terms of imprisonment ranging from 24 to 135 months, with a total of 729 months of imprisonment imposed. Restitution totaling \$16,659,826.94 was also ordered. AmeriP.O.S. victimized over 1,500 people and caused over \$19,000,000 in consumer loss. Five of these defendants were sentenced in 2006.

A.E.D. (American Entertainment Distributors) - DVD Rental Machines

United States v. Russell G. MacArthur, Jr., et al., Case No. 05-60203-CR-MARTINEZ (S.D. Florida, filed August 11, 2005), and related cases.

Russell MacArthur	Awaiting extradition.
James R. MacArthur	121 months
Evan J. Feig	
Edmond Grigorian	
Thomas R. Kling	33 months

Cesar Menendez
Michael H. Menkes
Karl Wagner
Mauricio Paz
Athanasios Cakiades

Charges were brought in 2005 naming eight defendants. Five of them pled guilty to various felonies, and a jury convicted two after trial in October 2006. Two other defendants were charged separately in 2006 and have since pled guilty to felonies. One of the defendants is in prison in Costa Rica awaiting extradition. A.E.D. victimized approximately 400 people of about \$20,000,000. In 2006, the court sentenced two defendants to prison terms, including one sentence of more than 10 years in prison. Over \$12,000,000 in restitution has been ordered. Seven defendants are awaiting sentencing.

Pantheon Holdings - Internet Kiosks

United States v. Jay Mayne, et al., Dkt. No. 06-20114-CR-MARTINEZ (S.D. Florida, filed May 11, 2006), and related cases.

Jay Mayne	180 months
James Vitale	37 months
Sanford Gold	108 months
Kathy Eidelstein	36 months
Eric Bridges	82 months
Michael Press	34 months
Jeffrey Kuba	188 months
Blake Ladenheim	60 months
Mark Pelle	108 months
Martin Raff	12 months
Alan Glaubman	
Denise Righetti	
Frank DePierre	Awaiting retrial.

In May 2006, an indictment was returned naming nine defendants. Thirteen people were eventually charged in connection with this scheme. Eleven of them pled guilty to various felonies. A jury convicted one defendant after trial in September 2006. A mistrial as to the other defendant was declared because he could not complete the trial. Pantheon victimized over 700 people and caused more than \$18,000,000 in victim losses. Ten defendants have been sentenced to prison terms totaling 845 months in prison, with individual sentences from 12 months to over 15 years in prison. More than \$18,000,000 in restitution has been ordered. Two defendants are awaiting sentencing.

Cash Link Systems - "Cashless ATM Machines" - receipt taken to store counter for cash or purchases

United States v. Leonard Needelman, et al., 06-60137-CR-COHN/SNOW (S.D. Florida, filed May 11, 2006), and related cases.

Alan Levine	70 months [this defendant was sentenced in 2005].
Leland Balber	42 months [this defendant was sentenced in 2005].
Leonard Needelman	97 months
Jason Kowal	77 months

In May 2006, an indictment was returned naming two defendants. Four people in total were charged and convicted in connection with this scheme, pleading guilty to various felonies. Cash Link Systems victimized over 900 people and caused over \$16,000,000 in victim losses. The four defendants have been sentenced to prison terms totaling 286 months in prison, with individual sentences ranging from 42 to 97 months in prison. More than \$16,000,000 in restitution has been ordered.

Global Resources - Terminals with Prepaid Cellular Telephones and Cellular Minutes

United States v. Richard Goodman, Dkt. No. 06-20511-CR-SEITZ (S.D. Florida, filed September, 28, 2006), and related case.

William Judd	70 months [this defendant was sentenced in 2005].
Richard Goodman	

Charges were brought in 2005 against one individual, and in 2006 against another. Both have now pled guilty to felony mail fraud in connection with this scheme. Global Resources victimized 152 consumers and caused approximately \$3.2 million in loss.

Master Vend - Candy, Snack, and Soda Vending Machines

United States v. Eric Baros, et al., Cr. No. #: 1:06-cr-20742-UUB-1 (S.D. Florida, filed November 30, 2006).

On November 30, 2006, a grand jury in Miami indicted three individuals for conspiracy to commit wire fraud in connection with this business opportunity. The charges are pending. On December 7, 2006, the government notified the court that all defendants intend to plead guilty to the felony charges.

Investment Fraud - CheckMate Financial, Inc. - Mobile Check Cashing Business

United States v. Melvin Webman, et al., Cr. #: 06-CR-20069-CMA (S.D. Florida, filed January 31, 2006).

Ronald Sloan	63 months
Melvin Webman	102 months
Chester Potash	102 months
Ian Alan Weiss	51 months
Max Bacal	70 months
Scott Rose	16 months

In March 2006 a superseding indictment charged six individuals with conspiracy, mail, and wire fraud in connection with this investment scam. Five of them pled guilty, and a jury convicted the sixth after trial in August 2006. The defendants have been sentenced to serve a total of 404 months in prison, with individual sentences ranging from 16 to 102 months in prison. Restitution exceeding \$3,000,000 has been ordered. CheckMate Financial took in over \$3,000,000 from more than approximately 140 victims.

Las Vegas, Nevada - Success Vending - Candy Vending Machine

United States v. Gary Taylor, Case No. 2:06cr047 (D. Nevada, filed February 7, 2006).

In March 2006, an individual pled guilty to conspiracy to commit mail fraud in connection with this candy vending machine business which caused at least \$7,000,000 in losses to over 1,000 consumers.