

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA

San Diego, California

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For Immediate Release

TWO SENTENCED IN INVESTMENT SCAM

NEWS RELEASE SUMMARY - January 12, 2009

San Diego, CA - United States Attorney Karen P. Hewitt announced that today United States District Court Judge Thomas J. Whelan sentenced Ricky D. Sluder to serve 188 months in federal prison and ordered him to pay \$44,872,152.38 in restitution, and co-defendant Larry C. Saturday to serve 63 months in federal prison and ordered him to pay \$22,436,076.19 million in restitution. A federal jury found them guilty on June 7, 2008, of conspiracy and wire fraud. Judge Whelan also ordered both defendants to serve a three-year term of supervised release following their release from prison.

According to the indictment and evidence introduced at trial, the defendants used companies named "Learn Waterhouse, Inc.," "Wealth Builders Club, Inc.," and "Qwest International, Inc.," to fraudulently solicit over \$50 million from members of the public, purportedly for participation in high-yield trading programs and venture capital investments. The defendants falsely represented that the money would be used for investments that would generate returns ranging from a guaranteed minimum of 2% per month to

projected returns of 50% per month or more. For example, the defendants falsely represented that they had engaged in a \$3 million “program” that returned 500% in 40 banking days. They also represented that they dealt only with “top” U.S. banks, that their investment programs were “risk free,” and that they had a long track record of success.

However, according to evidence introduced at trial, Learn Waterhouse, Wealth Builders Club, and Qwest never generated any profit through any investment activity but instead merely used investors’ funds to make lulling payments to other investors. The defendants also converted investor funds to their own use.

On December 11, 2008, co-defendant Randall T. Treadwell was sentenced to serve 300 months in federal prison and ordered him to pay \$44 million in restitution following his conviction by a federal jury on June 7, 2008, of conspiracy and wire fraud. Also sentenced in December 2008, co-defendant Arnulfo M. Acosta, an attorney licensed in Texas, was sentenced to serve 87 months in custody and ordered to pay \$20 million in restitution based on his guilty plea, on May 10, 2007, to making a false statement and conspiracy charges.

Both the United States Attorney’s Office and the Federal Bureau of Investigation specifically note the contributions of the Securities and Exchange Commission, the Alabama Securities Commission, the Florida Bureau of Financial Investigations, and the Texas State Securities Board to this prosecution.

Judge Whelan ordered Sluder and Saturday to begin serving their sentence by March 6, 2009.

DEFENDANTS

Case No. 05CR1570-W

Ricky D. Sluder

Larry C. Saturday

SUMMARY OF CHARGES

Title 18, United States Code, Section 371 - Conspiracy to Commit Offenses Against the United States
Title 18, United States Code, Section 1343 - Wire Fraud

PARTICIPATING AGENCIES

Federal Bureau of Investigation
Securities and Exchange Commission

Alabama Securities Commission
Bureau of Financial Investigations, State of Florida
Texas State Securities Board