



FOR IMMEDIATE RELEASE  
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## **TUCSON MAN PLEADS GUILTY TO SECURITIES AND TAX FRAUD**

TUCSON – David R. Holst, 43, of Tucson, pleaded guilty Thursday to securities fraud and filing a false income tax return, in U.S. District Court in Tucson.

Holst had been charged with violations of Securities Fraud and Subscribing and Filing a False Income Tax Return. In May 2007, Holst, a securities broker in Tucson, began a financial advisory company (DRH). Holst solicited clients to invest in mutual funds through DRH; however, Holst gambled the money intended for investment in the mutual funds at a casino. Investment payments were not forwarded to mutual fund companies, and clients were defrauded of approximately \$350,000. Holst created fictitious account statements for the clients, making it appear that monies were sent to the mutual funds thus hiding the fraud. Holst also failed to report the illegal income on his 2006 and 2007 individual income tax returns.

The guilty pleas occurred before Magistrate Judge Jacqueline Marshall. Sentencing is set on February 12, 2009, at 9:00 a.m., before U.S. District Judge Raner C. Collins.

A conviction for securities fraud carries a maximum penalty of 25 years, a \$1,000,000 fine or both. A conviction for filing a false income tax return carries a maximum penalty of 3 years, a \$250,000 fine or both.

The investigation in this case was conducted by the Federal Bureau of Investigation and the Internal Revenue Service, Criminal Investigation Division. The prosecution is being handled by Danny N. Roetzel, Special Assistant U.S. Attorney, and Munish Sharda, Assistant U.S. Attorney, District of Arizona, Tucson.

CASE NUMBER: CR-08-1491-TUC-RCC  
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