



Department of Justice

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SECURITIES BROKER PLEADS GUILTY TO MULTI-MILLION DOLLAR FRAUD

Atlanta, GA - DENNIS A. MARTIN, 37, of Marietta, Georgia, pleaded guilty today in federal district court to a single-count criminal information charging him with mail fraud.

“The defendant is a securities broker who abused the trust of his clients and stole millions of dollars. We seek ‘real-time’ investigation and prosecution of corrupt professionals in the securities industry. The defendant broke the law in March 2006 and, less than three months later, he is facing a lengthy prison sentence for his crimes,” said U.S. Attorney David E. Nahmias.

According to United States Attorney Nahmias and the information presented in court:

MARTIN was a financial advisor and registered representative of Linsco/Private Ledger, a securities broker registered with the Securities and Exchange Commission (SEC). In late April 2006, several of MARTIN’s clients complained to Linsco/Private Ledger claiming that MARTIN misled them into believing that MARTIN would invest the proceeds of their investments in annuity contracts with better rates of return. In fact, however, MARTIN converted these funds to his own personal use either through forged distribution requests or distribution requests actually executed by his clients who were led to believe that MARTIN intended to legitimately reinvest the client’s money. Some of MARTIN’s clients’ funds were invested in annuities held by Pacific Life Insurance Company.

MARTIN’s scheme victimized more than ten clients, resulting in losses of approximately \$4,600,000. In furtherance of his scheme, on or about March 21, 2006, MARTIN caused Pacific Life Insurance Company to draft a check in the amount of \$198,077.57, which represented funds in an annuity contract owned by one of MARTIN’s clients, to be mailed to MARTIN at his office in Atlanta, Georgia. MARTIN then converted those funds for his personal benefit.

MARTIN pleaded guilty to a criminal information charging him with mail fraud. He could receive a maximum sentence of 20 years in prison and a fine of up to \$250,000.

Sentencing is scheduled for September 14, 2006 at 10:00 a.m., before United States District Judge Timothy C. Batten, Sr.

This case is being investigated by Special Agents of the Federal Bureau of Investigation.

Assistant United States Attorneys Paul N. Monnin and Aaron M. Danzig are prosecuting the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney or F. Gentry Shelnett, Chief, Criminal Division, 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.