



Department of Justice

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FOR IMMEDIATE RELEASE

03/20/08

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ATLANTA MAN SENTENCED TO FEDERAL PRISON IN \$29 MILLION "PONZI" SCHEME

Atlanta, GA - TRAVIS E. CORRELL, 31, of Atlanta, Georgia, was sentenced to federal prison today by United States District Judge Orinda D. Evans on a charge of wire fraud related to a so-called "Ponzi" scheme.

"The amounts of money we are seeing in some of these investment schemes is remarkable," said United States Attorney David E. Nahmias. "This defendant is like many who use a Ponzi scheme to scam tens of millions from investors. Potential investors should take care to check out where their hard-earned money is going. Even though this defendant is going to federal prison, some of the money he stole is simply gone and probably will never be recovered."

CORRELL was sentenced to 12 years in federal prison, to be followed by 3 years of supervised release, and ordered to pay restitution in the amount of \$29 million. He pleaded guilty to the charges on November 30, 2007.

According to United States Attorney Nahmias and the information presented in court: From late 2001 to December 2005, CORRELL operated an investment program known as "Horizon Establishment," which offered high monthly rates of return to investors. CORRELL falsely represented that he would invest investors' principal in high-yield programs with foreign banks, which were regulated differently than United States financial institutions, thus enabling such foreign banks to pay extraordinarily generous returns. CORRELL promised the investors that they would receive a monthly return on their investments of between 4 and 8 percent, and ultimately be refunded their invested principal. In less than 5 years, he took in over \$100 million in investment money from private individual investors. Almost from the beginning, CORRELL operated Horizon as a "Ponzi" scheme, using investment money received from later investors to pay substantial returns to some of the early investors. Federal investigators estimate that CORRELL recirculated approximately \$71 million to investors, resulting in losses of approximately \$29 million.

The money was never invested with any foreign banks, and CORRELL used much

of the money for his own business and personal expenses.

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

Assistant United States Attorney David McClernan 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.