



Department of Justice

United States Attorney David E. Nahmias
Northern District of Georgia

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CONTACT: Patrick Crosby

(404)581-6016

FAX (404)581-6160

MARIETTA ATTORNEY CHARGED IN \$28 MILLION INVESTMENT FRAUD SCHEME

Copeland to Plead Guilty to Defrauding Over 125 Victims

Atlanta, GA - ROBERT P. COPELAND, 48, of Marietta, Georgia, was charged today in a criminal information relating to a \$28 million investment fraud scheme that duped more than 125 investors.

United States Attorney David E. Nahmias said of the case, "This case involves yet another disturbing and tragic Ponzi scheme, in which the defendant tricked more than 125 of his fellow citizens into giving him millions of dollars of retirement and other savings. These frauds will continue to land their perpetrators in prison for a long time."

Nahmias added, "But we hope this case sends a second message as well. This defendant came forward, reported his crimes, and pledged his full cooperation, which has already resulted in numerous seizures of assets that will be restored to the victims. While his punishment will reflect the seriousness of his massive and long-running scam, his contrition and cooperation will also be given consideration. You are much better off knocking on our door to confess, instead of waiting for the FBI to come knocking on your door. This investigation is continuing, with the defendant's cooperation."

FBI Atlanta Special Agent in Charge Gregory Jones said, "The FBI has seen a steady increase in the number of these fraudulent investment schemes. Investors must exercise due diligence and do their homework before turning their hard earned money over to someone promising a high rate of return on their money."

According to United States Attorney Nahmias, the Criminal Information and other information presented in court: COPELAND, a Marietta-based real estate attorney, allegedly operated a fraudulent investment scam, commonly known as a "Ponzi" scheme, from at least 2004 through early 2009. He solicited individuals directly, through seminars he participated in, and through financial planners to whom he paid commissions in exchange for referrals of investment clients. COPELAND represented that he would use an investor's money in lucrative real estate financing and/or development activities, such

as by funding a mortgage or bridge loan to a real estate purchaser who needed financing.

In the scheme, COPELAND promised returns as high as 15% every 6 to 12 months, and would furnish the investor a note and security deed that would purport to document the investor's secured interest in a particular piece of real estate. Based on these representations, COPELAND raised more than \$40 million since 2004 from hundreds of investors nationwide. Some of these investors were elderly and used up their retirement funds.

The Criminal Information alleges that COPELAND's investment business was a scam. He was engaged in little if any real estate financing, development, or other profit-making activities with investor funds. The notes and security deeds he furnished investors were in almost all cases bogus. Instead of using investor funds in the ways he had represented, he operated a so-called "Ponzi" scheme, in which COPELAND used the money from new investors to pay earlier investors the distributions that he had promised to them. When the time came to pay the new investors, he would have to solicit and take in yet more investments. This created an unsustainable and ever-expanding mountain of debt. When the scheme collapsed in early 2009, COPELAND was left owing over \$28 million to over 125 victims.

COPELAND was charged with one count of wire fraud, which encompassed his entire five-year scheme. The charge carries a maximum sentence of 20 years in prison, a fine of up to \$250,000, full restitution to all victims, and forfeiture of any assets traceable to the proceeds of the offense. In determining the actual sentence, the Court will consider the United States Sentencing Guidelines, which are not binding but provide appropriate sentencing ranges for most offenders. As part of a civil complaint filed in March 2009 by the United States Attorney's Office in Atlanta, the United States has already seized 12 properties to which alleged proceeds of the offense have been traced.

COPELAND is expected to plead guilty to the charges contained in the information before a United States District Judge within the next few weeks although an exact date has not yet been set.

Members of the public are reminded that the information contains only allegations. A defendant is presumed innocent of the charges and it will be the government's burden to prove a defendant's guilt beyond a reasonable doubt at trial.

This case is being investigated by Special Agents of the Federal Bureau of Investigation, in cooperation with the staff of the Atlanta Division of the U.S. Securities and Exchange Commission.

Assistant United States Attorney Justin S. Anand and Special Assistant United States Attorney Gerald S. Sachs are prosecuting 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.