

NEWS

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Clifton Woman Sentenced to 70 Months in Prison for
Operating a \$15 Million Ponzi Scheme

(More)

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NEWARK – The former operator of a Clifton-based real estate investment program was sentenced to 70 months in federal prison today for operating a Ponzi-scheme in which she raised in excess of \$15 million from hundreds of investors in New Jersey and throughout the United States, U.S. Attorney Paul J. Fishman announced.

U.S. District Judge Katharine S. Hayden also ordered Marcia Sladich, 51, to serve 3 years of supervised release upon completion of her prison term. Judge Hayden will decide the amount restitution at a future hearing. Sladich has been in federal custody since her arrest in August 2008.

Sladich pleaded guilty before Judge Hayden on July 30, 2009, to a one-count Information that charged her with mail fraud in connection with the fraudulent real estate scheme she orchestrated and ran from 2004 through December 2007.

In 2004, Sladich began soliciting investors to invest in a purported real estate investment program. At her plea hearing, Sladich admitted that she told investors that the money they invested would be invested in real estate in the United States and overseas. Sladich also admitted that she promised investors that they would make a 100 percent return on their investment within one year and that their investments would be secure and risk-free.

To induce more investors to provide money, Sladich said she promised existing investors extra money for every new investor they recruited to invest. During her plea hearing, Sladich admitted that contrary to these representations, she did not make real estate investments, but used new investor money to make principal and interest payments to existing investors and to purchase real estate in Florida and Brazil in her name and in the names of her relatives, and to pay personal expenses, including the mortgage on her personal residence and personal credit card bills. In total, Sladich raised more than \$15 million from investors during the scheme.

Sladich also admitted that she obstructed justice during the course of the investigation.

Fishman credited Special Agents of the FBI, under the direction of Acting Special Agent in Charge Kevin B. Cruise in Newark, and Postal Inspectors with the U.S. Postal Inspection Service, under the direction of Postal Inspector in Charge David L. Collins, with the investigation. Fishman also thanked the U.S. Securities and Exchange Commission, under the direction of George S. Canellos, the Regional Director in New York, for its assistance in the investigation.

The case is being prosecuted by Assistant U.S. Attorney Justin W. Arnold of the U.S. Attorney's Office Securities and Healthcare Fraud unit in Newark.

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Defense Counsel: Joseph Donahue, Esq. - River Edge