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**PRINCIPAL OF \$80 MILLION PONZI SCHEME SENTENCED
IN MANHATTAN FEDERAL COURT TO 97 MONTHS IN PRISON**

PREET BHARARA, United States Attorney for the Southern District of New York, announced that VANCE MOORE II was sentenced today to 97 months in prison for his participation in an \$80 million Ponzi scheme involving investments in Automated Teller Machines ("ATMs"). MOORE previously pled guilty in October 2010 before U.S. District Judge THOMAS P. GRIESA to one count of wire fraud conspiracy and nine counts of wire fraud for his involvement in the scheme. MOORE's co-defendant, WALTER NETSCHI, previously was found guilty of the same charges by a federal jury after a three week trial presided over by Judge GRIESA.

Manhattan U.S. Attorney PREET BHARARA said: "Vance Moore created an elaborate scheme to deceive investors, and he continued to lie when questions were asked. Today's sentencing is another reminder that those who engage in Ponzi schemes will not go unpunished. This Office will continue to work with our partners at the FBI to combat fraud schemes that victimize innocent investors."

According to the evidence introduced at trial and other documents and proceedings in this case:

From 2005 through January 2008, MOORE, assisted by NETSCHI, successfully solicited more than \$80 million dollars' worth of investments in ATMs purportedly placed in various retail locations around the country, including convenience stores, gas stations, malls, and hotels. MOORE and NETSCHI claimed that the ATMs were bought by NETSCHI from third parties and serviced by MOORE. They also claimed that the ATMs would generate revenue streams for the investors, based on fees the ATMs charged for cash withdrawals. MOORE provided investors with false documents he created showing that the investor-owned ATMs were earning monthly revenue. In fact, 90 percent of the more than 4,500 ATMs were actually owned by other people or companies, or did not even exist. MOORE lied repeatedly to investors who inquired about their machines after noticing irregularities in the reports.

Additionally, the monthly revenue payments that investors received were not actual revenues from ATMs, but rather other investors' money misappropriated by MOORE and NETSCHI in order to further conceal their scheme from the victims.

The scheme also involved engaging in sham purchase negotiations with other companies that owned ATMs, so that MOORE and NETSCHI could acquire information on ATMs during the purported due diligence process. MOORE and NETSCHI then used the information and documents they obtained from these other companies to further deceive their investors, providing them with what looked like legitimate documents purporting to show that MOORE and NETSCHI actually owned and serviced the machines they claimed to have sold to the investors.

During the guilty plea proceeding on October 18, 2010, MOORE admitted that he participated in a fraudulent scheme to obtain money from investors to buy ATMs from NETSCHI that neither he nor NETSCHI ever owned. He further admitted generating false revenue reports for those ATMs to show investors the amount of money they purportedly were earning from their investment. He also admitted that the money he sent to investors as revenue from the ATMs was actually money he had gotten from other investors in the fraudulent scheme.

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MOORE, 57, of Raleigh, North Carolina, was sentenced by Judge GRIESA to 97 months in prison and two years of supervised release.

NETSCHI is scheduled to be sentenced by Judge GRIESA on April 22, 2011.

Mr. BHARARA praised the work of the FBI in the investigation of this case.

The case is being handled by the Office's Complex Fraud Unit. Assistant U.S. Attorneys ANTONIA M. APPS and CARRIE H. COHEN are in charge of the prosecution.

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