
TWO MEN INDICTED FOR ALLEGEDLY OPERATING MULTIMILLION DOLLAR SPORTS BETTING PYRAMID SCHEME IN LAS VEGAS

Defendants Allegedly Defrauded More Than 600 Investors

LAS VEGAS, Nev. – Two Las Vegas residents made their initial court appearances in U.S. District Court on Friday for charges in connection with a multimillion dollar investment fraud scheme, announced U.S. Attorney Nicholas A. Trutanich of the District of Nevada and Special Agent in Charge Aaron C. Rouse of the FBI.

A federal grand jury returned a 14 count indictment on Tuesday, charging John Frank Thomas III, 75, and Thomas Joseph Becker, 72, both of Las Vegas, with one count of conspiracy to commit wire fraud and 13 counts of wire fraud. Thomas is also known as “John Frank,” “Johnathan West,” “John Frank Rodgers,”

“John Marshall,” and “John Edwards.” Following their arrests on Friday, Thomas and Becker made their initial appearances before U.S. Magistrate Judge Nancy J. Koppe, who scheduled a jury trial for January 4, 2021.

“Nevada has earned a worldwide reputation as the gold standard in gaming integrity,” said U.S. Attorney Trutanich. “Our office will continue working with our law enforcement partners and the gaming industry, including the FBI, to maintain Nevada’s reputation — which reflects the efforts of hardworking Nevadans across our state — by investigating and prosecuting violations of the law, and by helping enhance compliance programs.”

“The men and women of the FBI work hard every day to identify and apprehend those responsible for taking advantage of trusting citizens who were swindled out of their investments,” said Special Agent in Charge Rouse.

According to allegations in the indictment, from September 2010 to August 2019, Thomas and Becker maintained — and advertised to investors as supposed investment funds — the following entities: Sports Psychometrics; Vegas Basketball Club; Vegas Football Club; Einstein Sports Advisory; Quantum Sports Advisory; Wellington Sports Club; and Welscorp, Inc. Thomas and Becker made false representations to investors that they would use their sports betting skills and strategy to make sports bets with the investors’ money:

- For example, Thomas and Becker told investors that their “‘special insights’ and ahead-of-the-curve strategies... can generate an Average-Profit-Per-Bet of +140% per \$100 bet... and possibly as high as +180% or plus \$180 per \$100 bet. In essence, unlimited riches.”
- Similarly, they advertised a “perfect investment opportunity,” offering “quick access to funds – funds that can be withdrawn by wire or transfer in only one day” and “exceptionally high yield – we achieved a +10.75% ROI per betting day during 2014 Football Season.”

Thomas and Becker also allegedly misrepresented to investors that their accounts were multiplying in value due to successful sports betting, when in fact no such betting occurred. And when investors tried to cash out their investments, Thomas and Becker ignored their calls and emails, and made various excuses for why they could not distribute the money, ranging from purported medical reasons to issues with banks and sportsbooks. To the extent any investors were paid out, those payments came from money deposited by other investors, rather than successful sports bets.

Thomas and Becker induced more than 600 individuals to deposit money —from less than

\$10,000 to over \$500,000 — into their purported investment funds, for a total of at least \$29 million. The estimated loss amount to investors is alleged to be at least \$9 million dollars. Thomas and Becker spent investors' funds on personal expenses, including dining, housing, home improvement, and transportation.

The statutory penalty per count for conspiracy to commit wire fraud and wire fraud is 20 years in prison, as well as a fine of either \$250,000 or twice the gross gain or gross loss resulting from the offense.

An indictment merely alleges that crimes have been committed. Every defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

This case was investigated by the FBI. Assistant U.S. Attorney Simon F. Kung is prosecuting the case.

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