



## Bergen County, N.J. Woman Sentenced To More Than Three Years In Prison For \$8 Million Ponzi Scheme

FOR IMMEDIATE RELEASE

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NEWARK, N.J. – A Bergen County, N.J., woman who owned a purported wholesale merchandise broker and admitted running a multimillion-dollar Ponzi scheme that resulted in more than \$2 million in losses to investors was sentenced today to 37 months in prison, U.S. Attorney Paul J. Fishman announced.

Jenifer Devine, 40, of Fair Lawn, owner of Devine Wholesale, was sentenced by U.S. District Judge Claire C. Cecchi in Newark federal court. Devine previously pleaded guilty before Judge Cecchi to an Information charging her with wire fraud.

According to documents filed in this case and statements made in court:

From December 2008 through September 2010, Devine, through Devine Wholesale, solicited investors from New Jersey and throughout the United States, telling them she would use their money to fund her wholesale clothing and electronics business. Devine admitted that to induce the investors to make 30- to 60-day investments she promised returns of up to 25 percent per investment. Devine also showed some investors false and fraudulent inventory lists of products she was purportedly reselling. As a result of these solicitations, more than 15 investors sent over \$8 million to Devine and her company during this time period.

Devine admitted that, contrary to her representations to investors, Devine Wholesale was not a legitimate business. Devine said that instead of using the investor money to purchase clothing or electronics, she used the vast majority of new investor funds to make principal and interest payments to existing investors in Ponzi scheme fashion. Devine also used a portion of the investors' money on various personal expenses, such as a Royal Caribbean cruise and purchases at luxury retailers such as Burberry, Gucci and Coach.

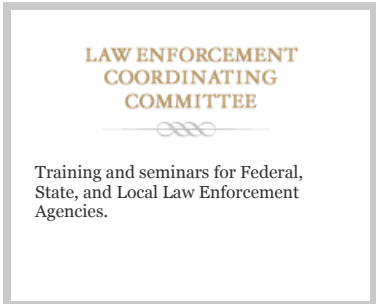
Devine admitted that as a result of her conduct, investors lost more than \$2 million.

In addition to the prison term, Judge Cecchi sentenced Devine to three years of supervised release and ordered to pay restitution of \$2 million.

U.S. Attorney Fishman credited special agents of the FBI, under the direction of Special Agent in Charge Michael B. Ward, for the investigation leading to today's guilty plea.

The government is represented by Assistant U.S. Attorney Matthew E. Beck of the U.S. Attorney's Office Economic Crimes Unit in Newark.

This case was brought in coordination with President Barack Obama's Financial Fraud Enforcement Task Force. President Obama established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated, and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.



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