



PRESS RELEASE

Internal Revenue Service - Criminal Investigation Cincinnati Field Office *Acting Special Agent in Charge Troy N. Stemen*

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BELMONT MAN INDICTED IN INVESTMENT FRAUD SCHEME

COLUMBUS, OHIO -- A federal grand jury here has indicted Matthew J. Hoyo, 56, of Belmont, Ohio charging him with six counts of money laundering and two counts of mail fraud relative to an investment fraud scheme.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Troy N. Stemen, Acting Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office announced the indictment returned today.

According to the indictment, between February 2012 and March 2015 Hoyo allegedly defrauded a victim out of substantial funds that were purported to be used for investments; however, Hoyo allegedly used the funds for his own personal use.

It has been alleged that Hoyo raised funds by making numerous representations about his connections with people in the political and financial worlds, his employment history, and his current employment. Based on these alleged misrepresentations, the victim believed that Hoyo was an expert in finances and investments.

For example, Hoyo represented that he was friends with and in frequent communication with Donald Trump; that he managed over 80 investment portfolios for other investors; that he had traveled internationally many times, including a trip to China where he assisted with the building of a casino, as well as helicopter rides to Toronto, Canada in order to attend meetings; that he negotiated the contract for Coronet Foods to provide lettuce to McDonald's; and that he had been employed on Wall Street after leaving Coronet Foods. Tax records revealed that Hoyo has never had a job or filed an income tax return. In addition, Hoyo allegedly told the victim about the company he worked for and the income he allegedly earned. Hoyo represented that his job required the use of software that cost \$100,000 per month to use, that his fee for his time was \$325,000 per hour, and that he received a bonus of \$1.3 million in 2014.

Hoyo allegedly represented to the victim that the funds would be invested in gold, silver, certificates of deposit, stocks, and stock short-sales. The victim was able to provide the funds to Hoyo through a combination of stock sales from his/her investment portfolio, receipt of retirement funds, and transfers from his/her mother's money market account, on which he/she maintained signatory authority.

In furtherance of this scheme, Hoyo allegedly instructed the victim to sell portions of his/her stock portfolio and to receive lump-sum payments from his/her retirement account. The funds from the victims stock

sales and lump-sum payments from his/her retirement account were provided to Hoyo through personal checks or cashier's checks.

Additionally, Hoyo allegedly provided fake statements to the victim showing information about his/her purported investments. These documents contained misspellings and other inconsistencies, and were devoid of any type of investment company identifiers.

It has been alleged that Hoyo committed money laundering by depositing the personal checks or cashier's checks that he received from the victim into a Premier Bank and Trust account, a holding account that Hoyo had sole signatory authority. Between June 2012 and August 2013, Hoyo received approximately \$275,205 from the victim. On occasion, Hoyo only deposited a portion of the funds received from the victim, rather choosing to receive cash back and depositing the balance of the funds.

Hoyo was arrested on November 9, 2015 by way of a criminal complaint and was released on bond. Hoyo will be provided with a court date to answer to the charges contained in the indictment.

Money laundering carries a maximum penalty of 10 years in prison and a fine of up to \$250,000. Mail fraud carries a maximum penalty of 20 years in prison and a fine of up to \$250,000.

"Investment fraud schemes are often described as a house of cards. The underlying structure can fall apart at any time and expose the individuals responsible," said Troy N. Stemen, Acting Special Agent in Charge, IRS, Criminal Investigation, Cincinnati Field Office.

This case is being prosecuted by Assistant United States Attorney Jessica H. Kim and was investigated by special agents of IRS-Criminal Investigation.

An indictment merely contains allegations, and the defendant is presumed innocent unless proven guilty in a court of law.

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