



PRESS RELEASE

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BELMONT MAN PLEADS GUILTY IN INVESTMENT FRAUD SCHEME

COLUMBUS, OHIO – Matthew J. Hoyo, 56, of Belmont, Ohio pleaded guilty to one count of money laundering and one count of mail fraud relative to an investment fraud scheme. The guilty plea was entered October 17 following a jury trial which began on October 3rd. The government rested their case following four days of testimony and their presentation of its case-in-chief. Following the presentation of the government's case-in-chief, several legal issues were ruled on and the trial was to continue on October 17th with the presentation of the defense's case. However, prior to that occurring, Hoyo pleaded guilty as mentioned above. Hoyo agreed to pay restitution to the victims of this investment fraud scheme in the amount of \$392,577.

Benjamin C. Glassman, United States Attorney for the Southern District of Ohio and Kathy A. Enstrom, Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office announced the guilty plea entered before U.S. District Judge Michael H. Watson.

According to court documents, between February 2012 and March 2015 Hoyo devised a scheme to defraud two individuals of over \$400,000. Hoyo convinced one individual that he was an expert in financial matters and an investment genius. This individual introduced another individual to Hoyo. Hoyo, through his friendship and lies, convinced one individual to sell her stocks and transfer the money to her mother's money market account, and to request that her retirement funds be issued in a lump-sum payment. Hoyo then convinced her to turn over all of these funds to him for purported investments. Hoyo stated he would invest the money into gold, silver, stocks, and stock short-sales. The other individual also provided money to Hoyo for investment purposes.

Rather than invest the money, Hoyo took the money and deposited some of it into his personal bank account, spent a portion of it on personal expenditures, and withdrew the remaining funds in cash. Hoyo used the cash to fund his gambling activities.

Hoyo was able to convince these individuals of his expertise through multiple claims regarding his financial connections, employment and previous work history, all of which were outlandish and false.

For example:

1. Hoyo claimed he negotiated a contract through which Coronet Foods, a produce company that formerly operated in the St. Clairsville, Ohio area, supplied lettuce to McDonalds. Hoyo claimed these negotiations put him in contact with individuals associated with the Italian mafia. Hoyo

never worked for Coronet Foods and never associated with any members of organized crime families.

2. Hoyo claimed he traveled to Macau to manage the construction of a casino. Hoyo has never travelled outside of the U.S.
3. Hoyo claimed he once lived in New York City and worked for Goldman Sachs as a stock trader and lived near a current Fox Channel News personality. Hoyo never worked for Goldman Sachs and lives in the basement of his parent's home in Belmont, Ohio.
4. Hoyo claimed that between 2012 and 2015 he worked for a company headquartered in Pittsburgh, PA and that this company was led by "Allen" and "Mark." Hoyo claimed that "Mark" was connected to the Federal Reserve Bank and Liz Chaney, daughter of former Vice-President Dick Chaney, was on the board of directors of this company. In addition, Hoyo claimed that he made his secretary, "Nikki," rich by investing her money.
5. Hoyo claimed that he was paid over \$300,000 per hour for his time and the software he used cost \$100,000 per month. Hoyo claimed he earned income comparable to Ben Roethlisberger, or approximately \$21.6 million per year. Hoyo also claimed that he received a bonus of \$1.3 million from his company and he purchased two boat docks in Palm Beach, FL. In reality, Hoyo has not had a job since the mid 1980's, has not filed an income tax return since that time, and, has not assets and no money of his own.
6. Hoyo claimed that he took frequent helicopter rides to various U.S. cities and to Canada in order to attend meetings.
7. Hoyo claimed that his company provided advice to Stanley Druckenmiller, the former hedge fund manager and current billionaire. Hoyo claimed that Druckenmiller ignored his advice and it caused Druckenmiller a lot of money.
8. Hoyo claimed he managed over 80 investment portfolios for other investors.
9. Hoyo attended a party at one of the individual's home and the other individual also attended the party. Hoyo brought a female to the party and told the individuals that she was a Russian translator who he needed for a meeting the following day. The Russian translator was actually a person Hoyo met at the Wheeling Island Casino. On the night of this party, Hoyo called this female and asked her to meet him at the Wheeling Island Casino, where he asked her to attend this party and asked her to tell people she was a Russian translator.
10. Hoyo claimed he was in frequent contact with Donald Trump. Hoyo showed these individuals a listing of received and placed telephone calls on his phone to "Trump D." "Trump D" was a telephone number that actually belonged to an acquaintance of Hoyo.

As a result of his lies and in furtherance of his scheme, Hoyo deposited \$235,570 and received cashback totaling \$39,635, and later withdrew \$205,610, all of which were lost at gambling at Wheeling Island Casino, The Meadows Casino, Washington, PA and other casino's in the St. Clairsville, OH area.

Of the remaining funds, Hoyo spent \$31,779.19 on personal expenditures such as Enterprise Rent-A-Car to rent a Chrysler 300, at Walmart, and at Kroger. In addition to these funds, one of the individuals provided Hoyo with approximately \$133,730 in the form of cash, gift cards, and other checks.

"Mr. Hoyo built a house of cards laced with a web of financial lies. Well, the underlying structure fell apart and exposed him for who he really is, a thief," said Kathy A. Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. "Investment schemes that seem too good to be true should be a signal to investors to stay clear."

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

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