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Southern District of New York*



FOR IMMEDIATE RELEASE
OCTOBER 22, 2010

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**FRAUDSTER SENTENCED IN MANHATTAN FEDERAL COURT TO 20
YEARS IN PRISON FOR PERPETRATING MULTIMILLION DOLLAR
ADVANCE-FEE SCHEME AND BANKRUPTCY FRAUD**

PREET BHARARA, United States Attorney for the Southern District of New York, announced that CLYDE "PETER" HALL was sentenced today in Manhattan federal court to 20 years in prison for defrauding investors of millions of dollars by fraudulently promising them access to high yield investment programs and bank instruments with purported high rates of return. HALL, who decades ago played football for the New York Giants, was also sentenced on separate charges of bankruptcy fraud. The sentence was imposed by U.S. District Judge RICHARD J. SULLIVAN.

Manhattan U.S. Attorney PREET BHARARA said: "Today's sentence reaffirms our commitment to prosecute anyone who targets the innocent through advance-fee schemes or attempts to manipulate the bankruptcy system to the disadvantage of the unsuspecting. This Office will continue to work with our law enforcement partners to protect victims of fraud and intercept those who would seek to perpetrate them."

According to the Indictment to which HALL pled guilty, documents filed in this case, and statements made in court:

HALL held himself out as the "representative" or "attorney-in-fact" of two purported business trusts and told his victims that in exchange for upfront or advance fees he could obtain various bank instruments worth hundreds of millions of dollars which could be used as collateral for loans or to fund trading in high yield investment programs.

Despite HALL's promises to victims that the advance fees were completely refundable, and that he had over a decade of success promoting these investments, HALL used the advance fees to pay personal and family expenses and for the benefit of his co-conspirators. At the time of his arrest, HALL possessed fake bank letters of credit or bank guarantees on paper bearing the

logos of well-known international banks, including UBS AG, ABN-AMRO, Citibank, J.P. Morgan Chase Bank, Bank of America, and Sumitomo Mitsui Banking Corporation.

In addition to the advance-fee scheme, HALL also committed bankruptcy fraud. Specifically, In April 2003, HALL and his wife ANNE TORSELIUS HALL signed a \$5,800 per month, one-year lease for an apartment occupying the top three floors of a five-story brownstone building on Manhattan's Upper West Side. In November 2003, the HALLs stopped paying rent to the owner of the apartment (the "Owner") and refused to move out when the lease expired in May 2004. Between August 2004 and December 2004, and after the Owner successfully obtained an order for the HALLs' eviction, CLYDE HALL filed or caused to be filed a series of last-minute bankruptcy petitions in U.S. Bankruptcy Court for the Southern District of New York, which contained false representations, for the purpose of halting the eviction proceeding and allowing him to remain in the apartment without paying rent.

The HALLs eventually moved out of the apartment in early January 2004, and into a new, \$9,500 per month apartment on the Upper West Side. By that time, the HALLs owed the Owner approximately \$81,200 in rent, which they never paid. At the same time, CLYDE HALL caused a total of approximately \$78,000 to be paid to his new landlord for alterations to the new apartment and to pre-pay a significant amount of the rent.

HALL, 71, pled guilty to one count of conspiring to commit wire fraud and five counts of substantive wire fraud on April 20, 2009, in connection with the advance-fee scheme. On November 4, 2009, HALL pled guilty to one count of conspiracy to commit bankruptcy fraud. HALL's wife, ANNE TORSELIUS HALL, 45, pled guilty on November 3, 2009, to a charge related to HALL's bankruptcy fraud scheme and is scheduled to be sentenced on November 3, 2010.

In addition to the prison term, Judge SULLIVAN sentenced HALL to three years of supervised release and ordered HALL to forfeit \$4.275 million and to pay over to \$1.9 million in restitution.

During the sentencing proceeding, Judge SULLIVAN said that HALL left a "wake of wreckage" and that he crafted the sentence to "send a message about what will be tolerated and what will not be tolerated."

Mr. BHARARA thanked the FBI, the IRS-CID, USPIS, the Office of the U.S. Bankruptcy Trustee for the Southern District of New York, and the U.S. Attorney's Office Criminal Investigators for their assistance in the case.

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These cases were brought in coordination with President BARACK OBAMA's Financial Fraud Enforcement Task Force, on which Mr. BHARARA serves as a Co-Chair of the Securities and Commodities Fraud Working Group. 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.

This case is being handled by the Office's Complex Frauds Unit. Assistant U.S. Attorney THOMAS G. A. BROWN is in charge of the prosecution.

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