

Department of Justice
U.S. Attorney's Office
Southern District of Ohio

FOR IMMEDIATE RELEASE

Wednesday, March 9, 2016

**Financial Management Company Owner Sentenced to 48
Months for Defrauding Clients**

COLUMBUS, Ohio – Douglas E. Cowgill, 60, of Westerville, Ohio, was sentenced today in U.S. District Court to 48 months in prison, three years of supervised release and ordered to pay approximately \$841,000 in restitution for wire fraud, theft or embezzlement from employee benefit plans, and perjury.

Carter M. Stewart, United States Attorney for the Southern District of Ohio, Angela L. Byers, Special Agent in Charge, Federal Bureau of Investigation (FBI), Cincinnati Field Division, James Vanderberg, Special Agent in Charge, the United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations, and Joseph Rivers, Cincinnati Office Director of the U.S. Department of Labor - Employee Benefits Security Administration, announced the sentence handed down today by U.S. District Judge Michael H. Watson.

From July 2013 through August 2014, Cowgill was president and sole owner of Professional Investment Management (PIM), Inc. in Columbus, where he had been employed since July 1981. Cowgill used his positions at PIM to defraud investors and use their funds for his own use. From March 2008 through October 2013, he misappropriated approximately \$840,575. He manually altered account balances in company software and wired the misappropriated funds to an account for his own use. Cowgill paid various personal obligations with the money, depositing the money into his bank accounts, bank accounts of his wife, and bank accounts of the Northwest Swim Club, a non-profit swim club in Columbus for which he served as the treasurer.

PIM had the funds of approximately 300 individual clients under management, and Cowgill's fraudulent scheme harmed at least 125 victims.

Most of the victims had their money in one of approximately 15 retirement plans. Each of the retirement plans was a qualified employee pension benefit plan under the Employee Retirement Income Security Act of 1974, and Cowgill pleaded guilty to theft or embezzlement from employee benefit plans.

On January 23, 2014, Cowgill lied under oath before officers of the Securities and Exchange Commission (SEC) while the SEC was conducting an investigation to determine whether there had been violations of federal securities laws in connection with PIM.

In January 2014, in Columbus, Ohio, Cowgill gave a deposition in connection with the SEC's investigation. As part of the deposition, Cowgill took an oath that he would testify truthfully and that all materials prepared by him in anticipation of his testimony were accurate and complete.

In connection with the deposition, Cowgill prepared responses to a background questionnaire that, in part, asked him to list all accounts in his name, in which he had any beneficial interest, or over which he had any control. In response, Cowgill failed to disclose his control of over five bank accounts associated with the Northwest Swim Club for which he was an authorized signatory. During his sworn deposition, Cowgill affirmed that his answers to the questionnaire were accurate, and again failed to disclose the five Northwest Swim Club accounts to the officers of the SEC. At the time of the deposition, Cowgill knew that the Northwest Swim Club had been a recipient of a substantial portion of the funds misappropriated by him. In doing so, Cowgill attempted to conceal his misappropriation of client funds from investigators.

Cowgill pleaded guilty to wire fraud, theft or embezzlement from employee benefit plans, and perjury in November 2015.

U.S. Attorney Stewart commended the cooperative investigation by the FBI and the U.S. Department of Labor - Office of the Inspector General and U.S. Department of Labor - Employee Benefits Security Administration, as well as Assistant United States Attorney Peter Glenn-Applegate, who is representing the United States in this case. U.S. Attorney Stewart also commended the SEC for its work on the related civil matter, prior to the initiation of this criminal case.

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