

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

FOR IMMEDIATE RELEASE

Friday, February 10, 2017

LOCAL BUSINESSMAN PLEADS GUILTY IN \$70 MILLION PONZI SCHEME

DAYTON – William M. Apostelos, 55, formerly of Springboro, Ohio, pleaded guilty in U.S. District Court today to charges related to a \$70 million Ponzi scheme that defrauded nearly 500 victims. Specifically, Apostelos pleaded guilty to conspiracy to commit wire and mail fraud and conversion of funds from an employee benefit fund.

Benjamin C. Glassman, United States Attorney for the Southern District of Ohio; Troy N. Stemen, Acting Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office; Angela L. Byers, Special Agent in Charge, Federal Bureau of Investigation (FBI); Christopher White, Assistant Inspector in Charge, U.S. Postal Inspection Service; James Vanderberg, Special Agent in Charge, U.S. Department of Labor Office of Inspector General; Joe Rivers, Regional Director of the U.S. Department of Labor Employee Benefits Security Administration; and Brian Peters, Enforcement Attorney, Ohio Department of Commerce Division of Securities, announced the plea entered into today before U.S. District Judge Thomas M. Rose.

Apostelos and his wife, Connie, also known as Connie Coleman, were indicted in October 2015. According to court documents, beginning in 2009, and continuing for at least five years, the couple and others orchestrated a Ponzi scheme in the Dayton area in which nearly 480 investors lost more than \$20 million collectively. Apostelos received \$70 million in investment funds in total.

William Apostelos operated and oversaw multiple purported investment and asset management companies in the Dayton area, including WMA Enterprises, LLC, Midwest Green Resources, LLC and Roan Capital. He falsely reported that he held a degree in mathematics and was a registered securities broker.

Connie Apostelos also operated and oversaw multiple companies in the Dayton area, including Coleman Capital, Inc. and Silver Bridle Racing, LLC. These companies were allegedly operated through improper use of investor funds to William Apostelos' companies.

The couple recruited investors from 37 states to invest in WMA and Midwest Green, telling the investors that their money would be used for acquiring stocks or securities, purchasing real estate or land, providing loans to business and buying gold and silver.

Rather than investing the money, the couple used it to pay for personal luxuries. According to court documents, William Apostelos was spending \$35,000 per month on his wife's horse racing company and \$400 per month on Victoria's Secret lingerie.

When the defendants became late on interest payments to the victims, they advised that their bank account had been hacked, a bank mistakenly failed to wire payment and/or the deal the victim had invested in was temporarily on hold.

The government has seized two race horses, vehicles, jewelry, artwork and cash totaling approximately \$650,000 from the couple.

“William Apostelos took advantage of nearly 500 people, defrauding them of honestly earned money, in order to fuel his own lavish lifestyle,” U.S. Attorney Glassman said. “We will hold schemers like Apostelos accountable for their actions.”

“The investigation of William Apostelos uncovered a multi-million dollar Ponzi scheme laced with a web of financial lies that left approximately 500 investors in financial peril,” said Troy N. Stemen, Acting Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. “When you knowingly mix deceit and trickery into the financial well-being of individuals, you create a recipe for devastation that could last a lifetime. Combining the financial investigative expertise of the IRS with the skills and resources of our law enforcement partners and the U.S. Attorney’s Office makes a formidable team for combating major, greed-driven crimes.”

“William Apostelos engaged in an extensive fraud scheme that impacted hundreds of victims, including American workers who lost approximately \$1.9 million in ERISA covered pension assets. We will continue to work with our law enforcement partners to safeguard employee benefit plan assets,” stated James Vanderberg, Special Agent-in-Charge of the Chicago Regional Office of the United States Department of Labor, Office of Inspector General.

William Apostelos pleaded guilty to conspiracy to commit mail and wire fraud and theft or embezzlement from an employee benefit plan. As part of his plea agreement, the parties involved have recommended to the court a sentence of 180 months in prison. That sentencing recommendation will be considered by the Judge at a future sentencing hearing, which has yet to be scheduled.

Steven Scudder, 62, of Centerville, an attorney who served as trustee of the WMA Trust, pleaded guilty in U.S. District Court on January 19 to wire fraud, admitting that he used his position as an attorney to facilitate the fraudulent investment scheme.

U.S. Attorney Glassman commended the investigation of this case by law enforcement, and Assistant United States Attorney Brent G. Tabacchi and Deputy Criminal Chief Laura Clemmens, who are prosecuting the case.

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