



Department of Justice

United States Attorney Melinda Haag
Northern District of California

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SARATOGA ATTORNEY CONVICTED IN INVESTMENT FRAUD SCHEME

SAN FRANCISCO – A federal jury today convicted a Saratoga, Calif., attorney of five counts of wire fraud, United States Attorney Melinda Haag announced. The guilty verdict followed a three-week trial before U.S. District Court Judge Charles R. Breyer. The jury did not reach a verdict on two other counts with which David Boyer Prince was charged.

Evidence at trial showed that Prince, 49, of Saratoga, carried out an investment fraud scheme from August 2005 to January 2007, in which he defrauded more than 30 victims of \$1.1 million. Prince recruited investors to invest in two investment funds—MJE Invest! and the Leopard Fund. Prince lied to investors by promising them that their principal would be guaranteed, by assuring them that they would receive rates of return as high as five to 25 percent a month, by promising them their money would be invested in the stock market and by reassuring them about the legality of his investment funds because he is an attorney. Prince also made false statements to the Texas State Securities Board regarding his investment activities.

Ultimately, Prince lost most of the investors money through risky options trading. Evidence at trial showed that Prince intentionally used investor money to make payments to prior investors. Prince also converted investors' funds into cash and for his personal use, such as credit card payments and the leasing of a Mercedes automobile.

Prince is scheduled to be sentenced on Jan. 11, 2012, before Judge Breyer in San Francisco. The maximum statutory penalty for each count of wire fraud in violation of Title 18, United States Code, Section 1343, is 20 years in prison and a fine of \$250,000, plus restitution. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

Assistant United States Attorneys Joseph Fazioli and Allison Danner prosecuted the case with the assistance of Legal Assistants Kamille Singh and Nina Williams and Paralegal Specialists Alycee Lane and Lakisha Holliman. The prosecution is the result of a multi-year investigation by the Federal Bureau of Investigation.

Further Information:

Case #: 10-00153 CRB

A copy of this press release may be found on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Jack Gillund at (415) 436-6599 or by e-mail at Jack.Gillund@usdoj.gov.

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