

SECURITIES AND EXCHANGE COMMISSION V. FREDRICK D. SCOTT

U.S. SECURITIES AND EXCHANGE COMMISSION

Litigation Release No. 22962 / April 2, 2014

**Securities and Exchange Commission v. Fredrick D. Scott, Civil Action No. 13-cv-5113 (DLI)
(E.D.N.Y. September 17, 2013)**

Former Head of Investment Advisory Firm Sentenced to 63 Months Imprisonment for Conspiracy to Commit Wire Fraud and Making a False Statement to SEC Staff

The Securities and Exchange Commission announced today that on April 1, 2014, the Honorable Roslynn R. Mauskopf of the United States District Court for the Eastern District of New York sentenced Fredrick D. Scott of New York, New York, to 63 months imprisonment, to be followed by three years of supervised release, and ordered Scott to pay \$1,388,190 in restitution. (United States v. Scott, Criminal Action No. 13-cr-520 (RRM) (E.D.N.Y.)). Scott is the former head of an SEC-registered investment adviser and pleaded guilty to charges of conspiracy to commit wire fraud and making a false statement to SEC staff.

On September 17, 2013, the SEC filed a civil injunctive action against Scott, alleging that he used his status as a registered investment adviser to bolster his credibility in fraudulently offering too-good-to-be-true investment opportunities. The SEC's complaint also alleges that Scott filed a false Form ADV and aided and abetted his firm's improper registration under the Investment Advisers Act of 1940. The SEC's case remains pending.

For further information, see Litigation Release No. 22799 (Sept. 17, 2013).