



FLORIDA OFFICE OF FINANCIAL REGULATION

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Orlando Man Sentenced To Three Years in Federal Prison for Mail Fraud

On August 15, 2013, Gurudeo Persaud, owner of White Elephant Trading Company (WETCO), located in Orlando, Fla. was sentenced to three years in federal prison to be followed by two years of supervised release. Persaud was also ordered to pay \$948,340.00 in restitution. Persaud had previously pled guilty to one count of mail fraud.

The joint FBI/OFR investigation revealed that from July 2007 to January 2010, Persaud, through WETCO, raised over \$1,000,000 from 14 investors through fraudulent pretenses and representations. Persaud promised investors risk free returns of 6%-18% annually. Persaud, however, failed to disclose that his trading strategy was based on lunar cycles and the gravitational pull between the moon and the earth.

The investigation further determined that Persaud engaged in a Ponzi scheme and misappropriated approximately \$415,000 of investor funds for his personal use. Persaud's activity came to light in June 2012 when the SEC filed a civil suit against Persaud and WETCO.

The Bureau of Financial Investigations teamed with the FBI after receiving notice of the complaint filed by the SEC. The case was prosecuted by the United States Attorney's Office.