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## **Former Wellington Resident Charged in Investment Fraud Scheme**

On September 4, 2013, Joseph Paul Zada was indicted by a federal grand jury and charged with 27 counts of mail fraud, wire fraud, interstate transportation of stolen property and money laundering.

Zada, who has residences in Michigan and Florida, ran an apparent investment scheme that initially preyed on wealthy horse owners. Zada purportedly told his victims that he was an expert in oil futures, sat on the board of directors of a major oil company and was the financial manager for Russian ice hockey players. The joint FBI/IRS/OFR investigation determined that from 1998 through 2009, Zada sold \$27 million of promissory notes that paid annual rates of return between seven and twelve percent. The investors were led to believe Zada would use their money to invest in oil ventures. An analysis of the bank records revealed that instead of using the investors' money to invest in oil ventures, Zada purportedly used the money to support his lavish lifestyle and to pay returns to earlier investors.

On or about November 10, 2010, the United States Securities and Exchange Commission filed an action against Zada and his company Zada Enterprises, LLC charging Zada with securities fraud. The SEC was granted a summary judgment in its case on July 31, 2013.

This case is being prosecuted by Assistant U.S. Attorney Rolando Garcia.

View the [United States Attorney's press release](#).