

Department of Justice

U.S. Attorney's Office

Middle District of Pennsylvania

FOR IMMEDIATE RELEASE

Friday, April 1, 2022

Rochester Man Sentenced To 10 Years' Imprisonment In Multi-Million Dollar Nationwide Ponzi Scheme

SCRANTON - The United States Attorney's Office for the Middle District of Pennsylvania announced today that John Law, age 43, of Rochester, New York, was sentenced to 10 years' imprisonment and ordered to pay \$1.3 million in restitution by United States District Court Judge Malachy E. Mannion for his role in a national Ponzi scheme.

According to United States Attorney John C. Gurganus, Law previously pleaded guilty to conspiring to commit mail fraud, wire fraud, and bank fraud in connection with a Ponzi scheme that netted over \$115 million and resulted in more than \$70 million in losses to victims, some of whom were located in the Middle District of Pennsylvania. Law conspired with Perry Santillo, also of Rochester, New York, who also previously admitted his role in the scheme and was recently sentenced in New York to serve 210 months' imprisonment. Santillo is awaiting sentencing in the Middle District of Pennsylvania.

Santillo and Law offered and sold securities to the public and provided investment advice to customers around the country. Law operated what purported to be legitimate investment advisory business in Scotrun, Pennsylvania. Law and Santillo admitted that the Scotrun business was fraudulent and operated as a Ponzi scheme where the fraudsters misappropriated substantial amounts of the investor's funds and used the remaining funds to pay off investors who requested withdrawals from their accounts. The Scotrun operation, one of many operated by Santillo, used various business names, including Advice and Life Group, Poconos Investments, First American Securities, and Financial Planners Group of America.

As part of the scheme, Santillo and others travelled the country and bought books of business from investment professionals such as registered representatives and investment advisors. The Scotrun business was purchased from Anthony Diaz in 2015. Coincidentally, Diaz was convicted of perpetrating an entirely different fraudulent investment scheme and was sentenced by Judge Mannion to serve 210 months' imprisonment on March 26, 2021. Many of the customers defrauded by Santillo and Law were previously defrauded by Diaz.

The case was investigated by the U.S. Federal Bureau of Investigations; the Securities and Exchange Commission; United States Postal Inspection Service; the Internal Revenue Service, Criminal Investigation Division; the U.S. Department of Labor, Office of Inspector General, Office of Investigations – Labor Racketeering and Fraud; the New York State Department of Financial Services; and the Harrisburg Police Department. Assistant U.S. Attorney Sean A. Camoni is prosecuting the case.

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Topic(s):
Financial Fraud

Component(s):
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