

Director's Office, 350 Winter St. NE, Room 200, Salem, Oregon 97301-3878

For immediate release:
Sept. 21, 2009

For more information: Lisa Morawski,
DCBS, 503-947-7897; Bracken McKey,
Washington County D.A.'s office,
503-846-8671

Beaverton Woman Sentenced to 57 months Prison for Ponzi Scheme

(Hillsboro) — A Washington County judge sentenced Yongsu Meade to 57 months in prison today and ordered her to pay more than \$644,000 in restitution for operating a Ponzi scheme.

Over a four-year period, Meade took in approximately \$2 million from at least 20 investors. Meade pleaded guilty to four counts of aggravated theft and four counts of selling unregistered securities. Due to the statute of limitations, the state was only able to prosecute Meade for defrauding four investors.

Meade defrauded investors by soliciting investments for the purported purpose of trading foreign currencies in the international foreign exchange market. Meade caused investors to believe that, based on her alleged extensive experience, she would trade foreign currencies on their behalf in return for a share of the profits generated by her trading activities. Investors were led to believe that Meade was generating positive monthly returns trading foreign currencies. However, as in a typical Ponzi scheme, the “profits” returned to investors were usually other investors’ money. When Meade did trade in the foreign currency market, she lost significant amounts of investors’ money.

In December 2007, one of Meade’s investors, a California doctor, filed a complaint with the Internet Crime Complaint Center (IC3), www.ic3.com. IC3 is an alliance among the National White Collar Crime Center, the Federal Bureau of Investigation, and the Bureau of Justice Assistance. The complaint was forwarded to the Washington County FITE team (Fraud and Identity Theft Enforcement). This initial complaint led to a multi-agency investigation that uncovered Meade’s Ponzi scheme. The Oregon Division of Finance and Corporate Securities (DFCS), United States Postal Inspection Service (USPIS), Hillsboro Police Department, Washington County Sheriff’s Office, United States Attorney’s Office, and the Washington County District Attorney’s Office all assisted in the prosecution of this case.

“In our experience, Ponzi scheme victims are often reluctant to contact authorities for a variety of reasons including a belief that nothing can be done, said David Tatman, DFCS administrator. “Fortunately, in this case, one victim did come forward and brought this scheme to an end.”

DFCS also permanently barred Meade from working in any program area regulated by the Department of Consumer and Business Services, including securities, mortgage lending, insurance, and consumer finance. This order, along with all final orders issued by DFCS, can be found at: http://www.cbs.state.or.us/external/dfcs/securities/enf/orders/ord_srch.html

DFCS is a division of the Department of Consumer and Business Services, Oregon's largest business regulatory and consumer protection agency. A complete list of the institutions regulated by DCBS can be found at <http://www.dcbs.oregon.gov>.

###