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Fraud scheme indictment unsealed

FROM STAFF REPORTS

RALEIGH — Seven people involved in a fraud scheme obtained \$70 million from people who thought they were investing in mobile billboards, according to a federal indictment unsealed this week.

The scheme ran from 2001 to 2004, according to the indictment, announced today by the office of U.S. Attorney George E.B. Holding. At its peak in 2004, the scheme was taking in about \$4 million a month through a company called Mobile Billboards of America Inc., the indictment said.

Among those indicted on charges of conspiracy and mail fraud was Arthur J. Anderson Jr. of Raleigh, described in the indictment as a salesman. Anderson operated under the names Arthur Anderson Retirement Planning Inc. and Legacy Estate Concepts LLC, the indictment said.

Also indicted were Michael A. Lomas, of Pasadena, Calif.; Michael L. Young, who lives out of the country; Barry C. Maloney of Bethesda, Md.; Laurinda Holohan of Concord, Ohio; Susan Knight of Eastlake, Ohio; and Scott B. Hollenbeck, of Orlando, Fla.

The scheme asked investors looking for a sound retirement future to pay \$20,000 for seven years. They were told to expect a \$13.49 percent annual return, generated by advertising mounted on the sides of trucks.

The indictment did not name victims or provide their towns, instead referring by initials to people living in Roanoke Rapids, Garysburg, Oxford and Raleigh

The 18-count indictment was issued by a grand jury on May 10 after investigations by the FBI and the North Carolina Department of State Securities Division. Assistant United States Attorney Clay C. Wheeler is in charge of the prosecution.

The government is also seeking the forfeiture of property from the defendants.

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