



**United States Department of Justice  
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District of Minnesota**

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# **News Release**

FOR IMMEDIATE RELEASE  
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## **Thomas Petters, Petters Company, Inc., and Petters Group Worldwide, LLC, Indicted**

A 20-count Indictment was returned earlier today by a federal grand jury in the District of Minnesota. The Indictment charged Thomas Joseph Petters, age 51, of Wayzata, Minnesota, along with two companies, Petters Company, Inc., and Petters Group Worldwide, LLC, with wire fraud, mail fraud, conspiracy, and money laundering.

The Indictment alleges that between 1995 and September of 2008, the defendants, aided and abetted by others, knowingly and unlawfully devised and participated in a scheme to defraud and to obtain billions of dollars in money and property by means of materially false and fraudulent pretenses, representations, and promises.

According to the Indictment, the defendants and their agents made numerous false statements, false representations, and material omissions to induce investors to provide Petters Company, Inc., and Petters Group Worldwide, LLC, with billions of dollars. Those funds were purportedly used to purchase merchandise that would be resold to retailers at a profit. The Indictment alleges, however, no such purchases or resales were made. Instead, the defendants and their co-conspirators allegedly diverted the funds for other purposes. Proceeds from the scheme allegedly were used to make lulling payments to investors, pay off those who assisted in the scheme, fund businesses owned or controlled by the defendants, and finance the extravagant lifestyle of defendant Thomas Joseph Petters.

If convicted, Petters faces a potential maximum penalty of 20 years in prison on each of the seven mail fraud counts filed against him, 20 years for each of the three wire fraud counts, 20 years for the single money laundering conspiracy count, ten years for each of the eight money laundering counts, and five years for the single count of conspiracy to commit mail fraud and wire fraud. Any sentence will be determined by a federal district court judge.

The defendants will be arraigned in federal court on a future date not yet determined.

This case is the result of an investigation conducted by the FBI; the Internal Revenue Service, Criminal Investigation Division; and the U.S. Postal Inspection Service. It is being prosecuted by Assistant U.S. Attorneys Joe Dixon, John Docherty, John Marti, and Tim Rank.

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An indictment is a determination by a grand jury that there is probable cause to believe that offenses have been committed by the defendant. The defendant, of course, is presumed innocent until he or it pleads guilty or is proven guilty at trial.