

Ponzi scheme operator ordered to repay \$2.2 million

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FORT WAYNE, Ind. (WANE) - Authorities say a Fort Wayne man used his Christian beliefs to swindle investors out of more than \$30 million as part of a Ponzi scheme. Bradley Collins even dressed as a pastor sometimes to help convince his victims to invest.

Charges were filed against Collins after an investigation was initiated by the Indiana Secretary of State's Prosecution Assistance unit learned of the Ponzi scheme.

"Collins worked under the guise of a religious man and told his victims he only worked with God-fearing, church going people and was blessed to be blessing potential investors," said Secretary of State Connie Lawson. "His portrayal of a Christian man put many of his victims at ease, increasing the amount of funds they invested.

Collins was sentenced to eight years, although he may not serve any time in prison. He will serve two years at Allen County Community Corrections Work Release, and if that is successfully completed, he will serve the remaining six years of his term on probation.

The investigation identified 129 victims of which 59 live in Allen County. Almost all of his victims told investigators that Collins claimed to be a good Christian man.

As part of Collins' plea agreement, he agreed to plead guilty to the sale of unregistered securities. He also agreed to testify in a federal criminal action involving an alleged conspirator in the state of Michigan.

From the U.S. Securities and Exchange Commission: What is a Ponzi scheme?

A Ponzi scheme is an investment fraud that involves the payment of purported returns to existing investors from funds contributed by new investors. Ponzi scheme organizers often solicit new investors by promising to invest funds in opportunities claimed to generate high returns with little or no risk. In many Ponzi schemes, the fraudsters focus on attracting new money to make promised payments to earlier-stage investors and to use for personal expenses, instead of engaging in any legitimate investment activity.

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