

Name: Alert ID: TMML2024038603706 SALT LAKE CITY — After nine years of court wrangling, including a dismissal and a mistrial, a Utah real estate investor accused of bilking investors out of tens of millions of dollars appears headed to prison. A jury found Claud R. "Rick" Koerber guilty of 15 counts of wire fraud, fraud in the offer and sale of securities and money laundering Thursday after a three-week trial in U.S. District Court. The eight-man, four-woman jury acquitted him on two tax evasion charges. Federal prosecutors say it's one of the biggest Ponzi schemes in state history. U.S. Attorney John Huber called it "emblematic" of the types of fraud in Utah. "Mr. Koerber, using talents that he has, gathered up almost \$100 million dollars of investors' money. He used a substantial portion of that to repay other investors under the guise of interest payments. It was all a fraud. It was all a swindle," Huber said. Koerber, who has profusely proclaimed his innocence throughout the long running case, did not immediately emerge from the courthouse for comment. He has maintained that he defrauded no one but ran a profitable business and was singled out by bureaucrats angered by his radio show, "The Free Capitalist." Judge Frederic Block scheduled a sentencing hearing for Jan. 21. Prosecutors will make a sentencing recommendation over the next few months. Koerber will remain free from custody in the interim. "It's in your best interest to behave yourself," the judge told him. "There won't be any problems, your honor," Koerber replied. The indictment alleged Koerber used his businesses — Founders Capital, and related companies Franklin Squires Investments and Franklin Squires Cos. — as a \$100 million Ponzi scheme from 2004 to 2008. Prosecutors say about half the money was "redistributed" to other investors. While investors believed their money would be used in secure real estate investments, Koerber spent it instead on luxury sports cars, producing a low-budget horror movie and his own lavish living, according to federal prosecutors. Huber said it would be difficult to get investors' money back because much of it is gone. Federal prosecutors first filed charges against Koerber in 2009. Judge Clark Waddoups dismissed the case before it reached a jury in 2014, citing a "pattern of widespread and continuous misconduct" and violations of the Speedy Trial Act. Prosecutors went on to file charges against Koerber a second time, but after weeks of testimony and seven days of deliberations last year, the jury couldn't reach a unanimous decision. Judge David Nuffer declared a mistrial, leaving the door open for prosecutors to refile the case. Huber said it was worth the resources spent over the past nine years to get a conviction. "It's always worth it to seek justice and to find justice," he said, adding federal agents and prosecutors would not let go of the case. Huber said every trial, jury and judge is different, so it's hard to pin down how the second trial ended with a conviction. "We know from our review that the majority of the jurors in the past case saw it our way, but that's the beauty of this system, that someone who's accused of a crime has the community judging them and not a prosecutor," he said.