



The United States Attorney's Office

Central District of California



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Release No. 07-125

October 3, 2007

FORMER ATTORNEY CHARGED IN RELATION TO 'ARBITRAGE' PONZI SCHEME THAT COST VICTIMS OVER \$19 MILLION

A former California lawyer currently in custody on fraud charges has been charged in an unrelated case in California with defrauding approximately 100 victims out of more than \$19.7 million.

Mark Forrest Cohn, 53, formerly of Woodside, California, was named in a two-count information filed Monday in United States District Court in Los Angeles. Cohn is currently in custody in Arizona after being convicted in Maryland of wire fraud and mail fraud.

The criminal information charges Cohn with conspiracy and wire fraud. The information outlines a scheme in which Cohn and his co-conspirators raised approximately \$45 million from investors in Cohn's company, Four Star Financial Services. According to the information, victim-investors were told that their money would be placed in "telephone arbitrage" investments, when in fact Cohn knew that none of the funds would be used for that purpose.

If convicted of the two charges, Cohn faces a maximum statutory penalty of 10 years in federal prison.

A criminal information contains allegations that a defendant has committed a crime. Every defendant is presumed to be innocent until proven guilty in court.

Cohn is expected to be furloughed from a halfway house for several days and to transport himself to Los Angeles to make his initial court appearance on October 22.

The case against Cohn is the result of an investigation by the Federal Bureau of Investigation and IRS-Criminal Investigation Division.

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