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United States Attorney Dena J. King

United States Attorney's Office
Western District of North Carolina

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Contact: Lia Bantavani
Public Affairs Officer
Lia.Bantavani@usdoj.gov

**PONZI SCHEME OPERATORS ARE SENTENCED TO PRISON FOR \$4 MILLION
INVESTMENT FRAUD**

CHARLOTTE, N.C. – The operators of a \$4 million Ponzi scheme were sentenced to prison today, announced Dena J. King, U.S. Attorney for the Western District of North Carolina. U.S. District Judge Frank D. Whitney ordered Austin Delano Page, 27, of Grover, N.C., to serve 97 months in prison, followed by two years of supervised release. Brandon Alexander Teague, 27, of Belmont, N.C., was sentenced to 48 months in prison and two years of supervised release. The defendants were also ordered to pay restitution in the amount of more than \$4.1 million.

North Carolina Secretary of State Elaine F. Marshall, Michael C. Scherck, Acting Special Agent in Charge of the Federal Bureau of Investigation (FBI), Charlotte Division, and Tommy D. Coke, Inspector in Charge of the Atlanta Division of the U.S. Postal Inspection Service (USPIS), which oversees Charlotte, join U.S. Attorney King in making today's announcement.

"The defendants orchestrated an elaborate investment fraud scheme that caused extensive financial harm to their unsuspecting victims, some of whom were at or near retirement age," said U.S. Attorney King. "Working with our law enforcement counterparts we will continue to investigate and prosecute scoundrels who cheat and lie their way into their investors' pockets, only to squander away their victims' money."

"People placed their faith as well as their funds with Mr. Page and Mr. Teague. That trust was repeatedly broken over the course of this scam as Page and Teague spun false promises and falsified documents to create a fiction of highly lucrative trading, at one point indicating a \$16 million balance for a brokerage account that was in fact broke, with a balance of under \$7. Calling our Securities Division would have revealed that neither Page nor Teague were registered to sell securities in North Carolina, and that should always send up a major red flag for anyone considering an investment," said Secretary Marshall.

"The U.S. Postal Inspection Service has been at the forefront of protecting consumers from fraud schemes for many years," said Inspector in Charge Coke. "The U.S. Postal Inspection Service is proud to work along our fellow law enforcement partners and hold accountable anyone who engages in this type of financial fraud scheme."

According to filed documents and court hearings, from October 2020 to December 2021, Page, assisted by Teague, engaged in an investment scheme that defrauded hundreds of investors of more than \$4 million. Court documents show that the defendants falsely represented to victims

that Page and Teague were operating D&T Investment Group (D&T), a hedge fund in Kings Mountain, N.C., that invested in various securities, including stock of well-known companies like Apple. Contrary to representations made to victim investors, D&T was not a hedge fund and it did not hold any securities licenses or registrations. Also, Page and Teague were not licensed to sell securities and did not have a background associated with the sale of securities.

According to court documents, Page was largely responsible for the “trading” side of the D&T business while Teague was largely responsible for the “back office” side of the D&T business. Both Page and Teague, as well as other D&T employees, were involved in the solicitation of investors. Page and Teague had investors sign, among other documents, an investment contract with D&T. These documents contained false information, including that D&T would guarantee 100% of the investors’ initial investment, and that investors would receive 70% of the trading profits. In reality, the investors’ money was not guaranteed, and the purported profits investors received were Ponzi-style payments, whereby the defendants used new investors’ money to make payments to existing investors. To cover up the fraud, Page caused Teague to send victim investors monthly statements that reflected fictitious trading gains, which Page had falsely reported to Teague. When certain investors and D&T employees, including Teague, began to question the legitimacy of D&T’s operations, Page created fictitious screenshots of various financial accounts that reflected inflated D&T account balances.

In addition to using a portion of the funds to make Ponzi payments, the defendants spent a significant portion of the investors’ money to pay excessive salaries and other compensation to D&T employees, including to members of Page’s family. Page also used victims’ money to pay for personal expenses such as clothing, jewelry, travel, luxury car rentals, and entertainment.

On December 2, 2021, as the fraudulent scheme was collapsing, the defendants traveled to Italy. On the same day, Page informed D&T employees, who did not know that D&T was a fraud, that they would be closing the company. The defendants were arrested on New Year’s Eve at JFK Airport in New York upon their voluntary return to the United States.

On April 20, 2022, Page pleaded guilty to wire fraud and Teague to securities fraud. They are currently released on bond and will be ordered to report to the federal Bureau of Prisons to begin serving their prison sentences upon designation of a federal facility.

In making today’s announcement U.S. Attorney King thanked the Securities Division of the North Carolina Secretary of State, the FBI and USPIS for their investigation of the case.

Assistant U.S. Attorney Daniel Ryan of the U.S. Attorney’s Office in Charlotte, prosecuted the case.

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