



# Quick Facts

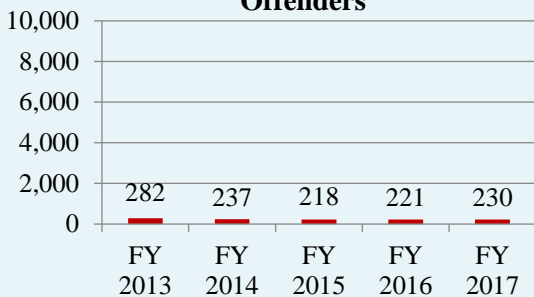
▶ THERE WERE 66,873 CASES REPORTED TO THE UNITED STATES SENTENCING COMMISSION IN FISCAL YEAR 2017.

▶ OF THESE CASES, 6,237 INVOLVED THEFT, PROPERTY DESTRUCTION, OR FRAUD.<sup>1</sup>

▶ 3.7% OF THEFT, PROPERTY DESTRUCTION, AND FRAUD OFFENSES INVOLVED SECURITIES AND INVESTMENT FRAUD.<sup>2</sup>

## Securities and Investment Fraud Offenses<sup>2</sup>

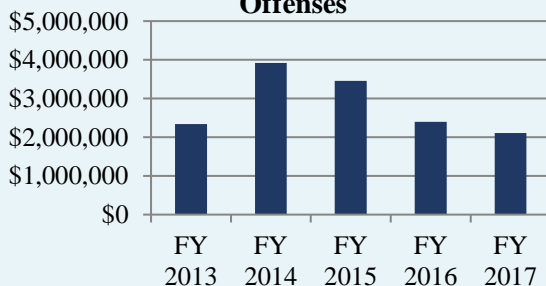
**Number of Securities and Investment Fraud Offenders**



**Top Five Districts Securities and Investment Fraud Offenders FY 2017**

|  |
|--|
| Northern District of Ohio<br>(N=26)      |
| Southern District of Florida<br>(N=24)   |
| Southern District of New York<br>(N=21)  |
| Eastern District of New York<br>(N=14)   |
| Central District of California<br>(N=10) |

**Median Loss for Securities and Investment Fraud Offenses**



In fiscal year 2017, there were 230 securities and investment fraud offenders, who accounted for 0.4%<sup>3</sup> of all offenders sentenced under the guidelines. The number of securities and investment fraud offenders decreased by 18.4% from fiscal years 2013 to 2017.

### Offender and Offense Characteristics

- In fiscal year 2017, almost all securities and investment fraud offenders were men (92.2%).
- The majority of these offenders were White (79.9%) followed by Hispanic (9.6%), Black (5.7%), and Other Races (4.8%).
- The average age of these offenders at sentencing was 51 years.
- Almost all securities and investment fraud offenders were United States citizens (92.6%).
- The majority of securities and investment fraud offenders had little or no prior criminal history (84.8% of these offenders were assigned to Criminal History Category I).
- The median loss for these offenses was \$2,106,154.
  - ◆ 36.0% of securities and investment fraud offenses involved loss amounts greater than \$3,500,000.<sup>4</sup>
  - ◆ 21.5% of securities and investment fraud offenses involved loss amounts of \$550,000 or less.
- Sentences for securities and investment fraud offenders were increased for:
  - ◆ The number of victims or the extent of harm to victims (76.5%);
  - ◆ Use of sophisticated means to execute or conceal the offense (36.1%);<sup>5</sup>
  - ◆ Violation of a securities or commodities law by an officer or director of a publicly traded company, broker, dealer, or investment adviser (21.4%);
  - ◆ Leadership or supervisory role in the offense (17.4%);
  - ◆ Abusing a public position of trust or using a special skill (15.2%); and
  - ◆ Obstructing or impeding the administration of justice (7.8%).
- Sentences for securities and investment fraud offenders were decreased for:
  - ◆ Minor or minimal participation in the offense (6.1%).

<sup>1</sup> Theft, property destruction, and fraud offenses include cases with complete guideline application information in which the offender was sentenced under §2B1.1 (Larceny, Embezzlement, and Other Forms of Theft; Offenses Involving Stolen Property; Property Damage or Destruction; Fraud and Deceit; Forgery; Offenses Involving Altered or Counterfeit Instruments Other than Counterfeit Bearer Obligations of the United States) using a *Guidelines Manual* in effect on November 1, 2001 or later. See [www.ussc.gov/research/quick-facts](http://www.ussc.gov/research/quick-facts) for the *Quick Facts* on §2B1.1 offenders.

# Quick Facts

## Securities and Investment Fraud Offenses

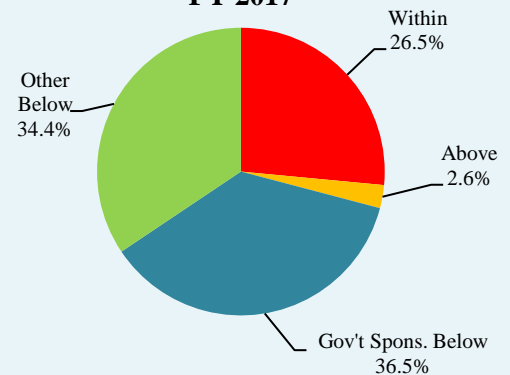
### Punishment

- Most securities and investment fraud offenders were sentenced to imprisonment (90.9%).
- The average sentence length for securities and investment fraud offenders was 52 months.

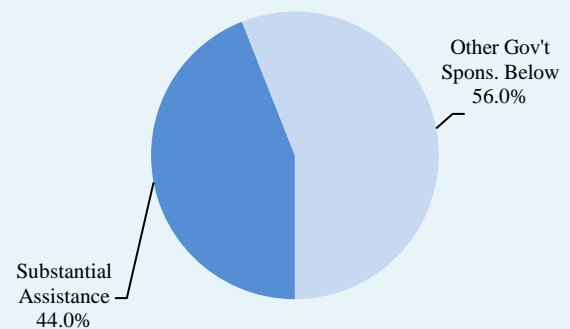
### Sentences Relative to the Guideline Range

- During the past five years, the rate of within range sentences for securities and investment fraud offenders has decreased from 44.0% in fiscal year 2013 to 26.5% in fiscal year 2017.
- In each of the past five years, approximately one-quarter to one-third of securities and investment fraud offenders received a sentence below the applicable guideline range because the government sponsored the below range sentence.
  - ◆ Substantial assistance departures were granted in approximately 16 to 28 percent of securities and investment fraud cases in each of the past five years.
    - ◇ These offenders received an average reduction of 63.4% in their sentence during the five-year time period.
  - ◆ Other government sponsored departures were granted in approximately seven to 20 percent of securities and investment fraud cases in each of the past five years.
    - ◇ These offenders received an average reduction of 45.3% in their sentence during the five-year time period.
- The rate of non-government sponsored below range sentences varied during the past five years but were granted in approximately one-quarter to one-third of securities and investment fraud cases.
  - ◆ The average reduction for these offenders was 44.0% during the five-year time period.
- During the past five years, the average sentence and the average guideline minimum for securities and investment fraud offenders varied, but decreased overall.
  - ◆ The average sentence imposed ranged from 49 months to 77 months during that time period.
  - ◆ The average guideline minimum ranged from 74 months to 107 months during that time period.

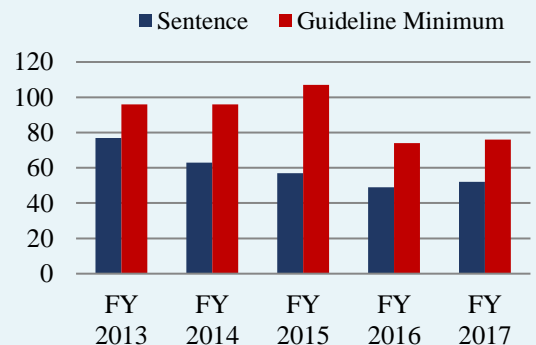
Sentence Relative to the Guideline Range  
FY 2017



Government Sponsored Below Range Sentences  
FY 2017



Average Sentence and Average Guideline Minimum  
(in months)



<sup>2</sup> Securities and investment fraud includes cases where the offense conduct as described in the Presentence Report involved the deception of investors or the manipulation of financial markets.

<sup>3</sup> Of the 66,873 offenders sentenced in fiscal year 2017, 4,956 were excluded from this analysis due to incomplete guideline application information.

<sup>4</sup> The Loss Table and Victims Table were amended effective November 1, 2015.

<sup>5</sup> The Sophisticated Means adjustment was amended effective November 1, 2015. SOURCE: United States Sentencing Commission Fraud Team Datafiles, 2013 through 2017, USSCFTFY13-USSCFTFY17.

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One Columbus Circle, N.E.  
Suite 2-500, South Lobby  
Washington, DC 20002-8002  
T: (202) 502-4500  
F: (202) 502-4699  
[www.ussc.gov](http://www.ussc.gov)  
[@theussc.gov](mailto:@theussc.gov)