Quick Facts — Securities and Investment Fraud Offenses —

**Fiscal Year 2018**

- In FY 2018, 69,425 cases were reported to the U.S. Sentencing Commission.
- 5,948 of these involved theft, property destruction, and fraud.
- 3.6% of theft, property destruction, and fraud offenses involved securities and investment fraud.
- Securities and investment fraud has decreased by 10.1% since FY 2014.

**Number of Securities and Investment Fraud Offenders**

<table>
<thead>
<tr>
<th>Year</th>
<th>Offenders</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2014</td>
<td>237</td>
</tr>
<tr>
<td>FY 2015</td>
<td>218</td>
</tr>
<tr>
<td>FY 2016</td>
<td>221</td>
</tr>
<tr>
<td>FY 2017</td>
<td>230</td>
</tr>
<tr>
<td>FY 2018</td>
<td>213</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Loss (in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2014</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>FY 2015</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>FY 2016</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>FY 2017</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$500,000</td>
</tr>
</tbody>
</table>

**Offender and Offense Characteristics**

- 92.0% of securities and investment fraud offenders were men.
- 81.5% were White, 7.1% were Black, 6.6% were Hispanic, and 4.7% were Other races.
- Their average age was 53 years.
- 94.8% were United States citizens.
- 82.2% had little or no prior criminal history (Criminal History Category I).
- The median loss for these offenses was $2,580,271.
  - 17.3% involved loss amounts of $550,000 or less;
  - 20.4% involved loss amounts greater than $9,500,000.
- Sentences were increased for:
  - the number of victims or the extent of harm to victims (66.7%);
  - using sophisticated means to execute or conceal the offense (37.6%);
  - violation of a securities or commodities law by an officer or director of a publicly traded company, broker, dealer, or investment adviser (22.5%);
  - leadership or supervisory role in the offense (18.8%);
  - abusing a public position of trust or using a special skill (22.5%);
  - obstructing or impeding the administration of justice (10.8%).
- Sentences were decreased for:
  - minor or minimal participation in the offense (7.0%).
- The top five districts for securities and investment fraud offenders were:
  - Southern District of New York (19);
  - Central District of California (17);
  - Eastern District of New York (17);
  - Southern District of Florida (16);
  - Northern District of Illinois (13).

**Punishment**

- The average sentence for securities and investment fraud offenders was 54 months.
- 91.5% were sentenced to prison.
- Less than 1% were convicted of an offense carrying a mandatory minimum penalty.

For more Quick Facts, visit https://www.ussc.gov/research/quick-facts.
Sentences Relative to the Guideline Range

- Of the 62.4% of securities and investment fraud offenders sentenced under the Guidelines Manual:
  - 50.4% were sentenced within the guideline range.
  - 36.8% received a substantial assistance departure. Their average sentence reduction was 61.6%.
  - 12.0% received some other downward departure. Their average sentence reduction was 48.4%.

- 37.6% received a variance; of those offenders:
  - 96.3% received a downward variance. Their average sentence reduction was 42.4%.
  - 3.7% received an upward variance. Their average sentence increase was 68.4%.

- The average guideline minimum and average sentence imposed has fluctuated over the past five years, but stabilized over the past three years.
  - The average guideline minimum decreased from 96 months in fiscal year 2014 to 77 months in fiscal year 2018.
  - The average sentence imposed decreased from 63 months in fiscal year 2014 to 54 months in fiscal year 2018.

**Sentence Imposed Relative to the Guideline Range FY 2018**

- Variances 37.6%
- Under Guidelines Manual 62.4%
- Substantial Assistance 23.0%
- Other Downward 7.5%
- Upward Departure 0.5%
- Within Range 31.5%

**Average Guideline Minimum and Average Sentence (months)**

**Sentence Relative to the Guideline Range (%)**

- Within Range
- Substantial Assistance
- Other Downward

1. Cases with incomplete sentencing information were excluded from the analysis.
2. 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 for the Quick Facts on §2B1.1 offenders.
3. 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.
4. The Loss Table and Victims Table were amended effective November 1, 2015.
5. The Sophisticated Means adjustment was amended effective November 1, 2015.