



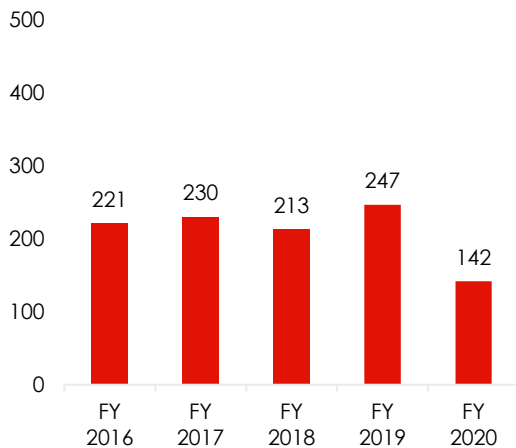
Quick Facts

— Securities and Investment Fraud Offenses —

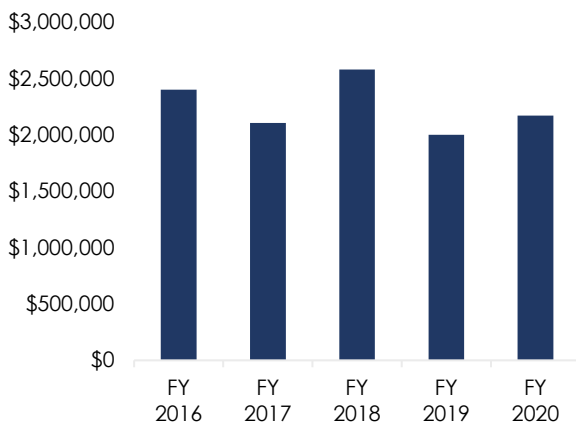
Fiscal Year 2020

- ▶ IN FY 2020, 64,565 CASES WERE REPORTED TO THE U.S. SENTENCING COMMISSION.
- ▶ 4,356 OF THESE INVOLVED THEFT, PROPERTY DESTRUCTION, AND FRAUD.
- ▶ 3.3% OF THEFT, PROPERTY DESTRUCTION, AND FRAUD OFFENSES INVOLVED SECURITIES AND INVESTMENT FRAUD.^{1, 2, 3}
- ▶ SECURITIES AND INVESTMENT FRAUD HAS DECREASED BY 35.7% SINCE FY 2016.

Number of Securities and Investment Fraud Offenders



Median Loss for Securities and Investment Fraud Offenses



Offender and Offense Characteristics

- 93.0% of securities and investment fraud offenders were men.
- 83.8% were White, 7.1% were Hispanic, 4.9% were Other races, and 4.2% were Black.
- Their average age was 52 years.
- 84.5% were United States citizens.
- 83.8% had little or no prior criminal history (Criminal History Category I).
- The median loss for these offenses was \$2,170,607;⁴
 - ◆ 12.1% involved loss amounts of \$250,000 or less;
 - ◆ 18.1% involved loss amounts greater than \$9,500,000.
- Sentences were increased for:
 - ◆ the number of victims or the extent of harm to victims (72.5%);⁵
 - ◆ using sophisticated means to execute or conceal the offense (39.4%);
 - ◆ violation of a securities or commodities law by an officer or director of a publicly traded company, broker, dealer, or investment adviser (21.1%);
 - ◆ a leadership or supervisory role in the offense (10.6%);
 - ◆ abusing a public position of trust or using a special skill (9.2%);
 - ◆ obstructing or impeding the administration of justice (12.7%).
- Sentences were decreased for:
 - ◆ minor or minimal participation in the offense (7.8%).
- The top six districts for securities and investment fraud offenders were:
 - ◆ Southern District of New York (26);
 - ◆ Eastern District of New York (13);
 - ◆ Eastern District of Pennsylvania (8);
 - ◆ Central District of California (7);
 - ◆ Southern District of Florida (7);
 - ◆ District of Massachusetts (7).

Punishment

- The average sentence for securities and investment fraud offenders was 46 months.
- 86.6% were sentenced to prison.
- 3.5% were convicted of an offense carrying a mandatory minimum penalty; of those offenders, 40.0% were relieved of that penalty.



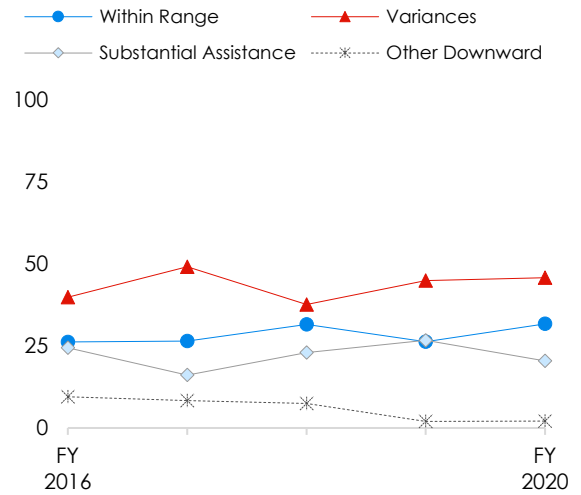
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— Securities and Investment Fraud Offenses —

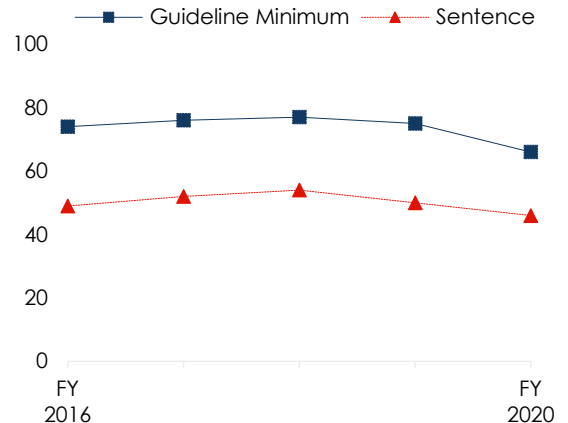
Sentences Relative to the Guideline Range

- Of the 54.2% of securities and investment fraud offenders sentenced under the *Guidelines Manual*:
 - ◆ 58.4% were sentenced within the guideline range.
 - ◆ 37.7% received a substantial assistance departure.
 - ◇ Their average sentence reduction was 69.3%.
 - ◆ 3.9% received some other downward departure.
 - ◇ Their average sentence reduction was 55.0%.
- 45.8% received a variance; of those offenders:
 - ◆ 86.2% received a downward variance.
 - ◇ Their average sentence reduction was 60.5%.
 - ◆ 13.8% received an upward variance.
 - ◇ Their average sentence increase was 60.5%.
- The average guideline minimum and the average sentence imposed decreased over the past five years.
 - ◆ The average guideline minimum decreased from 74 months in fiscal year 2016 to 66 months in fiscal year 2020.
 - ◆ The average sentence imposed decreased from 49 months in fiscal year 2016 to 46 months in fiscal year 2020.

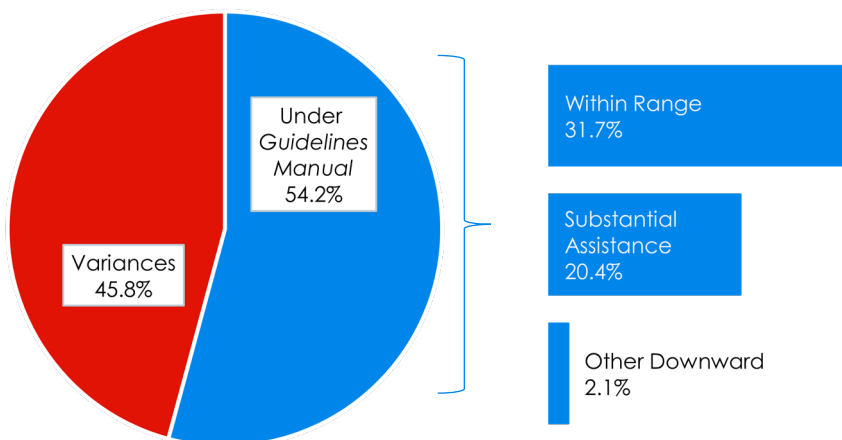
Sentence Relative to the Guideline Range (%)



Average Guideline Minimum and Average Sentence (months)



Sentence Imposed Relative to the Guideline Range FY 2020



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 was amended effective November 1, 2001 and November 1, 2015.

⁵ The Victims Table and Sophisticated Means adjustment were amended effective November 1, 2015.