

Former Roseburg man convicted in international pyramid scheme

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More than 5,000 victims from 41 countries lost over \$4 million

A federal jury in Eugene convicted Richard J. Dompier, 48, of North Carolina and formerly of Roseburg, Oregon, for his role in spearheading a pyramid scheme, which he promoted in 41 countries, causing more than 5,000 victims to lose a total of \$4 million.

Karin J. Immergut, United States Attorney for the District of Oregon, announced yesterday's verdict, which involved convictions on 29 charges, including mail fraud, money laundering, and tax fraud.

In July 1998, Dompier launched an investment opportunity through his business, The New Millennium Group (NMG), headquartered in Roseburg, Oregon. Dompier told potential investors that if they invested \$98 with his company, he would provide them with a one-ounce bar of silver and commission checks totaling \$15,853.50 over a fourteen month period. Dompier utilized the internet, direct mail, and a number of promoters he had in the United States and England to sell the scheme. In reality, the program was a pyramid scheme as NMG had no legitimate business activities, and Dompier paid initial investors with funds obtained from investors who later joined the NMG silver program.

The scheme was initially successful, generating hundreds of thousands of dollars. Dompier moved to North Carolina in March of 1999 and opened an NMG office in Lincolnton, North Carolina, as well as in Park Rapids, Minnesota. In June of 1999, Dompier authorized a salesman named Simon Hill in England to promote the scheme overseas. Hill heavily promoted the silver scheme in England and other parts of Europe, generating an additional \$1.5 million dollars for Dompier.

From July 1998 through about October 2000, Dompier sold 75,920 silver bars to more than 5,000 investors, promising them they would collectively receive approximately \$1.2 billion dollars. The victims were mainly from the United States, England, and Canada, but also involved victims in Africa and Australia.

Dompier issued minor commission checks to early investors, making it appear that the NMG silver program was legitimate. This false appearance helped generate additional investors into the program. After not receiving their promised commissions, NMG investors eventually began complaining to Attorney Generals and other regulatory agencies in the United States and in the United Kingdom.

The Federal Bureau of Investigation and the Internal Revenue Service, Criminal Investigation Division, commenced an investigation in the Summer of 2000. Investigators with the Serious Fraud Office in London, England and the Oregon Department of Justice assisted in the investigation.

A federal grand jury returned a superseding indictment in May of 2006, charging Dompier with mail fraud, illegally transferring funds taken by fraud interstate, money laundering and failure to file corporate income tax returns.

After a seven day trial in Eugene, Oregon, a jury returned guilty verdicts on all 29 counts of the indictment.

United States District Judge Michael Hogan presided over the trial and is expected to sentence Dompier in June of 2007. Under federal sentencing guidelines, Dompier faces a suggested sentence of approximately 20 years in prison.

The public is warned to be extremely cautious before investing in non-traditional investment opportunities that involve guaranteed profits or excessive profit earning potential. Websites such as www.fbi.gov, www.sec.gov, and www.fraudaid.com are available to help educate individuals on investment and other types of financial fraud schemes.

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