



Commonwealth of Kentucky Public Protection Cabinet

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FOR IMMEDIATE RELEASE

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The following press release was issued by the Office of the United States Attorney Eastern District of Kentucky. The Kentucky Department of Financial Institutions (DFI) assisted in the investigation. The Office of the U.S. Attorney prosecuted the case. This is the second of four defendants in this case to be sentenced.

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California Man Sentenced to 13 Years for Multi-Million Dollar Fraud Scheme in Kentucky

FRANKFORT - On Sept. 8, a federal judge sentenced a California man to 13 years in federal prison for his role in an oil investment scheme in Kentucky that defrauded over 200 investors, nationwide, out of more than \$3 million.

U.S. District Judge Gregory Van Tatenhove sentenced Henry Irving Ramer, 76, for mail fraud, securities fraud, and conspiracy to launder money. Under federal law, Ramer must serve at least 85 percent of his prison sentence. Upon his release, he will be under the supervision of the U.S. Probation Office for 3 additional years.

Ramer was convicted by a jury in May of this year. According to the evidence at trial, Ramer and others raised money from investors by making misrepresentations and failing to disclose material facts about the oil well investments in Barren, Monroe, and Cumberland Counties. Ramer's role was as a salesman and manager of two Los Angeles-based telemarketing sales operations. In 2013 and 2014, he and his team coldcalled potential investors around the country and fraudulently convinced many of them to invest. Ramer also created false offering memorandums and a promotional video. Every one of the investors lost all or nearly all of their investment.

In January 2015, John Westine, another leader of the scheme, was convicted of mail fraud, securities fraud, and money laundering conspiracy after a two-week jury trial. He is scheduled for sentencing on September 18. Another co-defendant, Mark Cornell, has pleaded guilty and is also set for sentencing later this month. A fourth defendant, Westine's half-brother Michael Hicks, was sentenced in July to three years in prison for his role.

Kerry B. Harvey, U.S. Attorney for the Eastern District of Kentucky; Dugan Wong, Inspector in Charge of the U.S. Postal Inspection Service; and Charles Vice, Commissioner of the Kentucky Department of Financial Institutions, jointly made the announcement.

The investigation started when investors submitted complaints to the Kentucky Department of Financial Institutions, Division of Securities. The investigation was conducted by the U.S. Postal Inspection Service, including Postal Inspector Roberta Bottoms, and the Kentucky Department of Financial Institutions, Division of Securities.

Assistant U.S. Attorneys Ken Taylor and Neeraj Gupta prosecuted these cases on behalf of the federal government.

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By Office of U.S. Attorney Kerry B. Harvey of the Eastern District of Kentucky

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