



# Department of Justice

United States Attorney Scott C. Blader  
Western District of Wisconsin

FOR IMMEDIATE RELEASE

APRIL 4, 2018

[WWW.JUSTICE.GOV/USAO/WIW](http://WWW.JUSTICE.GOV/USAO/WIW)

CONTACT: AARON WEGNER

PHONE: (608) 264-5158

TWITTER: @USAO\_WDWI

## WAUNAKEE MAN PLEADS GUILTY TO INVESTMENT FRAUD SCHEME

### *Patrick O'Connor Admits Scheme Involving \$9 Million*

MADISON, WIS. – Scott C. Blader, United States Attorney for the Western District of Wisconsin, announced that Patrick O'Connor, 61, Waunakee, Wisconsin, pleaded guilty today to wire fraud and money laundering. The wire fraud and money laundering charges stem from O'Connor's involvement in a large-scale investment fraud scheme involving a financial loss to multiple victims in excess of \$9,000,000.

Beginning in 2011 and continuing until 2018, O'Connor solicited funds from several investors for investment in an entity he created entitled "Madison Financial Services." As part of his solicitations, O'Connor made various material misrepresentations to investors regarding Madison Financial Services.

O'Connor represented that Madison Financial Services would invest all of the investors' funds into a TradeStation online brokerage account. O'Connor represented that he would use the TradeStation account to actively trade purchased securities and he projected an average annual return on the investment of 2% a month, or 24% annually.

In fact, O'Connor used a large portion of the investors' funds for his own personal expenses, including expenses related to his real estate development business and to repay other investors. Of the funds that O'Connor actually deposited into his TradeStation accounts and actively traded, he either lost or withdrew the vast majority of the funds and rarely generated any profit.

To further perpetuate the fraud, O'Connor provided investors with purported account statements from their investments with Madison Financial Services. The account statements were fictitious and showed the investors' supposed year-to-date profits and their supposed current portfolio balance.

U.S. District Judge William Conley scheduled sentencing for July 30, 2019 at 1:00 p.m. O'Connor faces a maximum penalty of 20 years in federal prison on the wire fraud

charge and a maximum penalty of 20 years on the money laundering charge. The charges against him are the result of an investigation by IRS Criminal Investigation. The prosecution of this case is being handled by Assistant U.S. Attorney Aaron Wegner.

# # # #