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**For Immediate Release
July 28, 2006**

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MADIGAN, WHITE: CHICAGO MAN INDICTED FOR LOAN AND SECURITIES FRAUD

Chicago – Illinois Attorney General Lisa Madigan and Illinois Secretary of State Jesse White announced today that on July 17, 2006, a Cook County Grand Jury returned five separate indictments against a Chicago man in connection with his illegal activities as a loan broker and a securities broker.

The grand jury returned indictments of Robert L. Schillaci, 58, on 14 felony counts of theft, forgery, and violations of the Illinois Loan Broker Act. Three of the indictments are based on allegations that Schillaci convinced several investors to give him over \$500,000 to trade in foreign currency futures. Schillaci allegedly then sent statements to the investors which misrepresented the value and nature of their respective holdings. Additionally, Schillaci allegedly diverted large portions of the investors' money for his own personal benefit.

In these indictments, Schillaci is charged with theft of over \$100,000, a Class 1 felony, punishable by four to fifteen years in the Illinois Department of Corrections and forgery, a Class 3 felony punishable by two to five years in the Illinois Department of Corrections.

Two other indictments are based on allegations that Schillaci, acting as a loan broker, accepted \$150,000 from two separate Florida residents who were attempting to secure commercial loans each in excess of \$1 million. Schillaci allegedly violated the Illinois Loan Broker Act based on his failure to register with the Illinois Securities Department. Schillaci also allegedly made

misrepresentations to the borrowers. In both instances, the borrowers never obtained the loans and, in fact, lost their money.

In these indictments, Schillaci is charged with acting as a loan broker without registration and fraud by a loan broker, Class 4 felonies punishable by one to three years in the Illinois Department of Corrections.

Schillaci is scheduled to appear before Chief Judge Paul P. Biebel, Jr. at 2650 S. California in Chicago on August 9, 2006 for arraignment on all charges.

The public is reminded that these are merely charges and the defendant is presumed innocent until proven guilty. Special Agents from the Illinois Securities Department, a division of Secretary of State White's Office, investigated the case. Assistant Attorney General Neal Goodfriend is handling the prosecution for the Office of the Illinois Attorney General.