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NEWS RELEASE

PHILADELPHIA -- Michael R. Stiles, U.S. Attorney for the Eastern District of Pennsylvania, Bob C. Reutter, Special Agent in Charge, Federal Bureau of Investigation, and Edward J. Litchko, Chief, Criminal Investigation Division, Internal Revenue Service, announced today (9/27/96) that a federal grand jury in Philadelphia has returned a 82 count indictment, charging John G. Bennett, Jr., president of the Foundation for New Era Philanthropy (New Era), with crimes relating to the operation of New Era.

Bennett, 59, formerly of 291 Stonegate Drive, Devon, Pennsylvania, was charged with sixteen counts of mail fraud, eighteen counts of wire fraud, one count of bank fraud, one count of false statements to the government, three counts of filing false tax returns, one count of impeding the administration of the revenue laws, fifteen counts of money laundering, and twenty-seven counts of money laundering to promote an unlawful activity. The maximum penalty for the bank fraud count is 30 years imprisonment and a \$1 million fine. For some of the money laundering counts, the maximum penalty is 10 years imprisonment and a \$250,000 fine. The penalties for the fraud counts are 5 years imprisonment and a \$250,000 fine. The total maximum penalty for these offenses is 907 years imprisonment, a \$28,000,000 fine, 5 years of supervised release, and a \$4,100 special assessment.

The charges against Bennett stem from his operation of New Era, which resulted in losses of \$135,000,000 and the filing for bankruptcy protection in May, 1995. As charged in the indictment, the scheme began in 1989 as an attempt to cover a bank fraud: the original donations by philanthropists, solicited by Bennett on behalf of New Era and other charitable organizations, went to cover bad checks written by Bennett.

* An indictment is an accusation. A defendant is presumed to be innocent unless and until proven guilty.

