

Orlando Sentinel



ADVERTISEMENTS

<http://www.orlandosentinel.com/news/local/volusia/orl-vrubin0307apr03,0,4268134.story?coll=orl-news-headlines-volusia>

Investment banker pleads guilty to fraud

Rebecca Mahoney
Sentinel Staff Writer

April 3, 2007

Dan Rubin turned heads a few years ago when he blew into Lake Helen in a silver Lamborghini, made a lavish bid for mayor and launched a series of high-profile business ventures.

Now Rubin, who bought the publicly traded 1-800-Attorney Inc., has joined the ranks of disgraced chief executive officers convicted of scamming investors and manipulating stock prices.

Rubin, 35, pleaded guilty last week to securities fraud and conspiracy.

The plea was part of a deal that requires him to forfeit \$2 million to the government.

He could also face a prison sentence of up to 25 years and fines of up to \$250,000, but a sentencing date has not been set.

Rubin still owns property in Lake Helen but no longer lives there.

Prosecutors with the U.S. Attorney's Office in New York said Rubin used his investment group to falsely inflate stock prices before selling the shares at a substantial profit.

Rubin used more than 20 telemarketers at the Lake Helen office to cold call hundreds of small public companies and encourage them to sell large blocks of their stock at a discount to his investment group.

Then he unloaded the shares at higher prices in the open market, reaping a profit for himself while simultaneously driving down the market price of the companies' remaining stock, prosecutors said.

In court last week, Rubin admitted he instructed his staff to promise the companies that he would recommend their stock to his company's investors and would not sell their stock in the open market despite having no intention of honoring that promise.

He also admitted to duping a New Jersey company, Augrid Corp., saying he had agreed to purchase 280



million of the company's shares in exchange for investment-banking services.

Instead, he sold the shares and refused to pay Augrid for them, prosecutors said.

"The defendants profited by victimizing small publicly held companies and the investing public," U.S. Attorney Roslynn Mauskopf said in a statement. "They will now be held to account for their crimes."

Rubin's lawyer, Marc Mukasey, did not return a phone call seeking comment Monday.

Other co-defendants who had pleaded guilty earlier and await sentencing are Glen Santha, who formerly worked in Lake Helen; Daniel Nourani; and Andrew Saksas.

Rubin earned a reputation as an outrageous Wall Street whiz kid when he arrived in Lake Helen in 2002.

In the picturesque Volusia city, where many residents travel by bicycle, Rubin and his flashy sports car drew attention wherever he went.

He briefly ran for mayor the next year, but he quit the campaign a month before the election after questions were raised about his application.

Rebecca Mahoney can be reached at rmahoney@orlandosentinel.com or 386-851-7914.

Copyright © 2007, [Orlando Sentinel](#) / [Get home delivery - up to 50% off](#)

Get your news *on the go* by going to www.orlandosentinel.com on your mobile browser.