



THE UNITED STATES
DEPARTMENT of JUSTICE

United States Attorney's Office
Western District of Texas

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El Paso Man Sentenced to 7 Years in Prison for Operating \$9 Million Ponzi Scheme Disguised as Crypto Investment Firm

EL PASO, Texas – An El Paso man was sentenced in a federal court in El Paso to 84 months in prison for wire fraud.

According to court documents, Abner Tinoco, 27, operated a Ponzi scheme through his business by soliciting millions of dollars of investments from clients and claiming he would invest their money into funds dealing with cryptocurrency and foreign exchange markets. Out of approximately \$9 million worth of investments deposited into his business accounts, Tinoco spent more than half on personal expenses to include luxury cars, private jets, real estate and jewelry. Tinoco furthered the deception by providing some of the misappropriated funds as profits to his clients.

“This defendant manufactured a predatory scheme, investing less than half a percent of funds from over a dozen victims who trusted him with millions of dollars in investments,” said U.S. Attorney Jaime Esparza for the Western District of Texas. “We will continue to strongly prosecute rapacious fraudsters who take advantage of unsuspecting victims while also holding the defendants responsible for those victims’ lost funds.”

“The defendant orchestrated an elaborate cryptocurrency investment fraud scheme that caused extensive financial harm to unsuspecting victims,” said Special Agent in Charge John S. Morales for the FBI El Paso Field Office. “The FBI El Paso’s Complex Financial Crimes Task Force will continue to investigate and seek justice for individuals who fall victim to criminals who cheat and lie their way into victims’ pockets for the sole purpose of taking their hard-earned income for their own personal gain.”

In a separate civil case stemming from the above scheme, the Commodities Futures Trading Commission (CFTC) secured a civil consent decree against Tinoco and his business, imposing a ban relating to trading activities. The Department of Justice will work to achieve additional restitution for victims of Tinoco’s scheme. A restitution hearing is scheduled to be held in 2024.

The FBI investigated the case.

Assistant U.S. Attorneys Shane Romero and Chris Skillern prosecuted the case.

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