

## **Poker company founder freed on bail in NY case**

July 10 2012, by LARRY NEUMEISTER

---

(AP) — An Internet poker company founder who surrendered last week to face charges he operated his business like a Ponzi scheme was released on bail Monday.

Raymond Bitar was freed on \$2.5 million bond after agreeing to post \$2 million in property to ensure he returns to U.S. District Court in Manhattan when required.

Bitar flew to New York from Ireland last week to face charges in a prosecution that shut down the U.S. operations of the three largest Internet poker companies. Bitar, 40, is the founder of Full Tilt Poker.

Prosecutors sought to have the Glendora, California, resident held without bail, saying that new charges could carry a life sentence and that he falsely told poker players their money would be safe but nearly \$300 million owed to players worldwide was missing from the company bank accounts. They said half of that was owed to U.S. players.

Bitar has pleaded not guilty and said in a statement that he had "worked hard" for the last 15 months to help players get repaid. He called returning to face charges "part of that process."

But after he surrendered, the government revealed a new indictment that boosted the amount of time he could face upon conviction from a few years in prison to life in prison. Prosecutors argued that the increased danger of incarceration made him likely to flee.

Judge Paul Engelmayer granted bail, though, after boosting the amount of cash or property needed to secure bail from \$1 million to \$2 million. Bitar also must submit to electronic monitoring.

The judge said he credited the fact that Bitar, a U.S. citizen, returned to the United States to face charges, though he called the case facing him "very serious."

In court papers filed last week, Assistant U.S. Attorney Arlo Devlin-Brown said Bitar rejected an attempt by his company's shareholders, most of them U.S. residents, to replace him and the company's board last year amid criminal charges.

The prosecutor said Bitar insisted that his role at the company was too critical and that he could raise money from new investors.

"This struck several of the shareholders as preposterous — how could a CEO indicted on bank fraud and money laundering charges that he declined to face be the best person to represent the company with new investors? — but Bitar, backed by several allies, held on to control," he wrote. "In retrospect, the impetus of Bitar's desire to remain at the helm is clear. As of the date the indictment was unsealed, Full Tilt [Poker](#) was little more than a Ponzi scheme, and Bitar wanted to prevent it from unraveling."

Copyright 2012 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Poker company founder freed on bail in NY case (2012, July 10) retrieved 3 July 2024 from <https://phys.org/news/2012-07-poker-company-founder-freed-bail.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is

provided for information purposes only.