



NEWS RELEASE

Office of the United States Attorney
Eastern District of Texas

FOR IMMEDIATE RELEASE

DATE: October 15, 2004

Contact: Davilyn Brackin

Public Affairs Specialist

(409) 839-2538

PLANO MAN CONVICTED OF LAUNDERING PROCEEDS OF PROSTITUTION RING

(Sherman, TX) A 43-year-old Plano man has been convicted of money laundering and making a false statement in an elaborate prostitution ring. **JED STEWART LINEBERRY** was found guilty by a jury on Wednesday on eighteen counts of money laundering and one count of making a false declaration before a court. The verdict was read in open court after a five day trial before U.S. District Judge Paul Brown in Sherman.

According to court records, Lineberry organized and began operating a prostitution ring out of his Plano residence in July 2001. He utilized an Internet website and "1-800" number to advertise prostitutes and schedule sexual activities with clients. Testimony at trial established that Lineberry opened various bank accounts to launder cash and accepted various major credit cards as payment for services rendered by the prostitutes.

The investigation was initiated by the Internal Revenue Service after being contacted by the Plano Police Department. A federal grand jury indicted Lineberry on February 11, 2004.

--more--

Judge Brown set a sentencing hearing for February 24, 2005 at 1:30 p.m. Lineberry faces up to nine years in federal prison and a fine of up to \$500,000 or twice the value of the property involved in the transaction. He remains in custody pending sentencing.

Matthew D. Orwig, U.S. Attorney for the Eastern District of Texas, praised the work of the prosecution team, "This Defendant used an intricate plan to hide the profits from his illegal activities. The investigators and prosecutors did an exceptional job resolving this case and presenting the evidence to the jury."

The case was investigated by the Internal Revenue Service and prosecuted by Assistant U.S. Attorneys Andrew Stover and Michele Ratcliffe.

###