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**Internet Escort Services Firms Charged With Money Laundering; Agree To Fine And Forfeiture Totaling \$6.4 Million**

FOR IMMEDIATE RELEASE

November 1, 2011

The United States Attorney's Office for the Middle District of Pennsylvania today announced the filing of a Criminal Information charging money laundering and criminal forfeiture allegations against Philadelphia-based corporations, R.S. Duffy, Inc. and National A-1 Advertising, Inc., and a plea agreement calling for the forfeiture of \$4.9 million and a \$1.5 million fine.

According to United States Attorney Peter J. Smith, the Information, filed in Williamsport, Pennsylvania, alleges that the corporate defendants operated an Internet enterprise called Escorts.com which facilitated interstate prostitution activities. The defendants allegedly developed and operated an Internet web site, using the domain name Escorts.com, and created an on-line network for prostitutes, escort services, and others to advertise their illegal activities to consumers and users of those services.

The Information alleges that the defendants received subscription fees and payments in the form of money orders, checks, and credit card credits, and wire transfers from users of Escorts.com throughout the nation. The funds the defendants allegedly received were the proceeds of violations of federal laws prohibiting interstate travel in aid of racketeering enterprises, specifically prostitution, and aiding and abetting such travel.

The money laundering conspiracy charge alleges that the defendants agreed to engage in monetary transactions in property of a value greater than \$10,000 derived from those unlawful activities. In addition, the Information alleges that in connection with the operation of Escorts.com, the defendants created and maintained a network of Internet customer service accounts which facilitated and caused the transfer and movement of the proceeds of these unlawful activities from locations throughout the United States, including the Middle District of Pennsylvania, to the defendants' business operations at 106 South 7th Street in Philadelphia and to the defendants' accounts at financial institutions, investment funds, and financial services providers.

Pursuant to a plea agreement also filed today with the U.S. District Court in Williamsport, National A-1 Advertising and R.S. Duffy agreed to enter guilty pleas to the money laundering conspiracy charge alleged in the Information, to serve a probation term of 18 months, and to pay a \$1,500,000 fine. In addition, under the terms of the plea agreement, the defendants have agreed to the criminal forfeiture of \$4.9 million in cash derived from the unlawful activity, as well as forfeiture of the domain name, Escorts.com, all of which represent property used to facilitate the commission of the offenses.

The case was investigated by the Pennsylvania State Police, the Federal Bureau of Investigation and the Internal Revenue Service Criminal Investigations. Prosecution of this matter is assigned to Assistant United States Attorneys George J. Rocktashel, James T. Clancy and Amy Phillips.

Mr. Smith noted that assistance was provided by the United States Attorney's Office for the Eastern District of Pennsylvania, Cybercrimes and Forfeiture Units, and the Philadelphia Police Department.

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An Indictment or Information is not evidence of guilt but simply a description of the charge made by the

Grand Jury and/or United States Attorney against a defendant. A charged Defendant is presumed innocent until a jury returns a unanimous finding that the United States has proven the defendant's guilt beyond a reasonable doubt or until the defendant has pled guilty to the charges.

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**MIDDLE DISTRICT of PENNSYLVANIA**  
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