

# Companies' owner reaches settlement

## SEC accused businessman of siphoning investors' money

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# owner Settlement siphoning investors' money

**By Jon Burstein**  
SUN SENTINEL

The owner of two Lauderdale-by-the-Sea companies has agreed to pay \$1 million in fines and restitution after federal authorities accused him of lying to investors and siphoning off money for personal expenses.

Edward DeNigris cut the deal with the U.S. Securities and Exchange Commission without admitting or denying any wrongdoing in how he ran Amante Corp. and Commonwealth Capital Management. The companies brought in more than \$6.15 million from clients who were told at varying points they were buying precious metal or investing in an Internet business set to start publicly offering its stock, according to court records.

When the SEC shut down the two businesses in October, there was less than \$11,000 left in bank accounts and investors' records had been removed from the companies' shared office at 233 E. Commercial Blvd., according to court records.

DeNigris never initiated the paperwork to publicly offer Amante's stock and since January 2006, received at least \$672,000 from the companies, court records show. Investor's money also was used to pay for such things as \$1,670 in dinners at Cafe Martorano in Fort Lauderdale to \$65,000 in auto expenses, according to bank records.

Despite DeNigris' Aug. 10 settlement in the SEC lawsuit, investors shouldn't expect to get any money back, said attorney Jeffrey Schneider, who is representing the court-appointed receiver for both companies.

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DeNigris, 60, has left the country and is living in Costa Rica, according to court records.

"I seriously doubt that Mr. DeNigris is going to come up with a dollar much less than a million," Schneider said.

No criminal charges have been filed against DeNigris or anyone else for their involvement in Amante and Commonwealth Capital Management. The SEC declined to comment on whether here is criminal investigation.

DeNigris' attorney, Jim Sallah, said his client did not admit nor deny wrongdoing in the case. He did not comment further on the allegations.

In court pleadings, DeNigris invoked his Fifth Amendment right against self-incrimination.

Court records show that within a day or two of funds

being deposited in Amante and Commonwealth accounts, DeNigris sometimes would withdraw money or make out cashier's checks to himself. On at least two occasions, he immediately took a cashier's check to a check-cashing store, according to the SEC.

Amante and Commonwealth also made nearly \$200,000 in payments directly to a man described in a sworn statement by a Broward Sheriff's detective as having "known organized crime ties," according to court filings. Another man who did telemarketing work for Commonwealth, Louis Anthony Cuomo, was sentenced in April 2009 to more than 12 years in federal prison for unrelated mortgage fraud and foreign currency fraud.

Most of the businesses' cash flow went to "potential

insiders/related parties," wrote the companies' court-appointed receiver, Soneet Kapila. About \$182,000 went back to the investors.

Schneider said he believes Amante and Commonwealth had no more than 30 investors.

"It's very difficult to determine if there was a legitimate component or if it was entirely fraud," he said.

Amante employees told some investors that the company developed software for Internet gambling and would be offering public stock soon, court records show. Other investors were pitched investments in precious metals that would be kept in storage for them. One client was told her money would be used by Amante to merge with a medical company, according to the SEC lawsuit.

The SEC alleges that in one instance Amante em-

ployee William Dyer persuaded an investor to take out a home equity line of credit for \$300,000. After Amante received the money, DeNigris immediately had the bank issue him a cashier's check for \$160,000, according to court records.

Dyer entered into his own settlement agreement with the SEC on Aug. 10, agreeing to pay \$21,192 in fines and restitution.

"The SEC complaint did not accuse Mr. Dyer of committing fraud, rather it solely alleged that he acted as an unregistered securities broker," said his attorney David Chase. "Mr. Dyer settled the SEC case by neither admitting nor denying this sole allegation."

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