

Press Release

Montgomery County Man Sentenced to Four Years in Prison for \$72 Million Fraud Scheme

Tuesday, September 23, 2025

For Immediate Release

U.S. Attorney's Office, Eastern District of Pennsylvania

PHILADELPHIA – United States Attorney David Metcalf announced that Joshua Coleman, 39, of North Wales, Pennsylvania, was sentenced today to 48 months in prison, three years of supervised release, and \$57,239,616.90 in restitution by United States District Judge Kelley Brisbon Hodge, in connection with a scheme in which he defrauded two lenders that had loaned him approximately \$72 million in total, with the fraud loss between \$9.5 million and \$25 million.

In August 2023, Coleman was charged by information with four counts of wire fraud arising from the scheme and he pleaded guilty that September.

As detailed in court filings and admitted to by the defendant, from August 2020 to June 2022, Coleman deceived two lenders (Lender #1 and Lender #2) into loaning approximately \$72 million to companies owned and controlled by the defendant, who falsely represented to the lenders that the money would be used to purchase insurance companies. Of the \$72 million, Coleman only used approximately \$10.9 million to buy insurance companies. He used the remaining \$61 million to pay for personal expenses, business debts, and other companies that he owned and controlled.

Specifically, court filings show, despite promising to use the money to buy insurance companies, one day after obtaining approximately \$25 million in loan proceeds from Lender #1, Coleman wired approximately \$20.2 million to Individuals #1 and #2, former investment advisor clients of his, and their associated entity. In May 2020, the defendant entered into an agreement in which he acknowledged that he used approximately \$20 million of these former clients' assets without their knowledge or consent and agreed to pay back the debt with interest. In sum, Coleman used most of Lender #1's money to repay earlier investors whose money he misappropriated.

By August 2021, Coleman needed millions of dollars to repay Lender #1 and other business debts that he incurred, and to purchase two actual insurance companies. In or about September 2021, he began to negotiate with Lender #2 for a loan that authorized him to use loan proceeds to purchase insurance companies.

Before the loan agreement could become fully effective, the defendant had to provide proof that certain liens had been terminated by November 2, 2021. Coleman provided what purported to be four lien termination forms to Lender #2 before the November deadline. In truth, all four liens were still in place at the time. The defendant falsified other critical documents, as well, to convince Lender #2 to enter into the loan agreement and to make disbursements of loan proceeds.

In total, the defendant received approximately \$47.6 million from Lender #2. Approximately \$10.9 million was used to purchase Insurance Company #1. The remaining \$36.8 million was misappropriated by the defendant, with most of the money spent on unrelated business debts, including approximately \$11.5 million of Lender #2's funds used to repay Lender #1.

"Coleman brazenly lied to his lenders, falsifying documents and forging signatures to help conceal his scheme," said U.S. Attorney Metcalf. "Instead of using the funds as intended, he spent most of those millions paying off business debts and for personal expenses. My office will continue to target significant financial crimes like this and prosecute the fraudsters responsible."

"This sentencing reflects our commitment to holding accountable those who seek personal profit through lies and deceit," said Wayne A. Jacobs, Special Agent in Charge of the FBI's Philadelphia Field Office. "Alongside our law enforcement partners, the FBI will continue our pursuit of those who orchestrate and execute complex financial fraud schemes."

This case was investigated by the FBI and the Federal Housing Finance Agency Office of Inspector General, with the Securities and Exchange Commission (SEC), and prosecuted by Assistant United States Attorneys Anita Eve and Francis Weber.

The SEC also filed civil charges against Coleman.

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