



PRESS RELEASE

Long Island Man Sentenced To 18 Years In Prison Following Conviction At Trial For Defrauding Cryptocurrency Investors And Others Of More Than \$12 Million

Wednesday, April 23, 2025

For Immediate Release

U.S. Attorney's Office, Southern District of New York

Jay Clayton, the United States Attorney for the Southern District of New York, announced that EUGENE WILLIAM AUSTIN, JR., a/k/a “Hugh Austin” (“AUSTIN”) was sentenced today to 18 years in prison. AUSTIN was convicted following a jury trial in September 2024 of conspiracy to commit wire fraud, conspiracy to commit money laundering, and conspiracy to commit interstate transportation of stolen property. The defendant’s son, BRANDON AUSTIN (“BRANDON”), was previously sentenced to four years in prison in connection with his role in the scheme. U.S. District Judge P. Kevin Castel imposed both sentences.

U.S. Attorney Jay Clayton said: “For years, Hugh Austin was the leader of a fraud and money laundering scheme that stole more than \$12 million from more than two dozen victims. Austin involved his own son in his crimes, working with him to rip off victims and spending investor money on personal expenses, like

luxury hotels. Thanks to the work of the career prosecutors of this Office and our law enforcement partners, Austin will now be held accountable for the harm he caused to individual investors and others.”

As reflected in the evidence presented at trial and other public filings:

AUSTIN was the leader of a scheme with his son BRANDON and others to steal money from entrepreneurs, investors, and other victims by fraudulently offering to, among other things: serve as a broker for sales of large quantities of cryptocurrency; provide short-term investments in cryptocurrency for purportedly high returns; and secure investors for startups and other small businesses from their network of high net worth individuals. AUSTIN also frequently sought personal loans from friends and acquaintances in connection with AUSTIN’s purported cryptocurrency and investment businesses, falsely promising to pay lenders back with interest. In each instance, investors and lenders lost their money. AUSTIN and BRANDON frequently spent investors’ funds on personal expenses, including airline travel, luxury hotels, restaurants, shopping, as well as nominal payments to victims to prolong the scheme. In total, AUSTIN and BRANDON have caused more than \$12 million in losses to more than two dozen victims.

* * *

In addition to the prison term, AUSTIN, 62, of Port Jefferson, New York, was sentenced to three years of supervised release and ordered to forfeit \$6,062,564 and pay restitution in the amount of \$12,662,564.

Mr. Clayton praised the outstanding investigative work of Homeland Security Investigations.

The prosecution of this case is being handled by the Office’s Complex Frauds and Cybercrime Unit. Assistant U.S. Attorneys Olga I. Zverovich, Matthew Weinberg, and Andrew K. Chan are in charge of the prosecution, with assistance from Paralegal Specialists Chanel-Ashley Foster, Frank Mastroianni, and Christine Woods.

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Southern District of New York

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