

## Ponzi scheme leader sentenced to 100 years

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By LOU HIRSH / The Press-Enterprise

A federal judge in Riverside this morning sentenced Richard M. Harkless to 100 years in prison for his role in running the MX Factors investment scheme, which took in nearly \$60 million from more than 600 people between 2000 and 2003.

U.S. District Judge Virginia Phillips said Harkless had shown no remorse for his actions, either during his trial or in pre-sentence filings. The judge said many of Harkless' victims were vulnerable to deception, and several lost homes or had to declare bankruptcy because of their losses.

Harkless, 65, was convicted in July on seven counts: three of mail fraud, three of wire fraud and one of money laundering. He faced a maximum sentence of 130 years in prison.

The judge said Harkless must also join his previously convicted co-defendants in paying more than \$35 million in restitution to victims. Prosecutors said the MX Factors scheme resulted in more than \$39 million in losses, and only about \$4 million has since been recovered.

Harkless, who represented himself during his trial and sentencing, acknowledged the sentence amounted to a "death sentence," but vowed to work to pay back victims.

Assistant U.S. Attorney Eric Vandavelde, who prosecuted the case, said after court proceedings that the sentence was "very fair" under the circumstances.

"I think it sends a strong message, especially in this climate where so many investors have been vulnerable to fraud schemes," he said.

**Harkless is the final person to be convicted in connection with MX Factors, following the conviction of three associates on federal charges: Daniel J. Berardi, Thomas Hawkesworth and Randall Harding. The three were sentenced to a total of 15 years in prison and ordered to pay nearly \$40 million in civil fines and penalties.**

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