



THE UNITED STATES ATTORNEY'S OFFICE
NORTHERN DISTRICT *of* OHIO

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Department of Justice

U.S. Attorney's Office

Northern District of Ohio

FOR IMMEDIATE RELEASE

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Rocky River businessman C. David Snyder sentenced to two years in prison, ordered to pay \$781,000 in restitution for embezzlement and tax crimes

Rocky River business executive C. David Snyder was sentenced to two years in prison for embezzlement and tax crimes.

Snyder was also ordered to pay approximately \$781,000 in restitution.

A federal jury convicted Snyder earlier this year on six charges related to embezzling \$126,000 from an employee retirement fund and collecting nearly \$860,000 from his employees but not paying the money to the IRS.

Snyder, 61, served as chairman, president and chief executive officer of Attevo, Inc., a technology consulting company headquartered in Cleveland. He also served as chairman and primary shareholder at Ruralogic, Inc., headquartered in Bryan, Ohio.

Attevo employees prepared financial records and schedules, quarterly and annual returns and reports for Attevo, at Snyder's direction. Snyder ranked Attevo's payables in order of importance, according to court documents.

Snyder, on behalf of Attevo, and the IRS in 2011 agreed to a monthly payment plan of \$48,350 per month to repay the company's outstanding payroll tax liabilities. Attevo made 10 payments totaling \$483,500 then made no further payments, according to court documents.

Snyder withheld payroll tax from employees but failed to pay it to the IRS. Snyder failed to pay over approximately \$328,355 of employee's portion of payroll taxes in 2010 and approximately \$530,778 in 2012, according to court documents.

Snyder created a 401(k) and profit-sharing plan for Attevo employees in 2009. Ruralogic was added to the plan in 2010. The plan was funded through employee payroll deferrals. Between 2010 and 2012, Snyder failed to pay into the plan approximately \$126,000 in contributions and loan repayments withheld from Attevo and Ruralogic employee wages, according to court documents.

During the time of his criminal conduct, instead of paying Attevo's employment taxes, Snyder paid \$20,000 per month for the rental of a personal residence in Lakewood and his vacation home in Chautauqua, New York, leases on four vehicles and other personal expenses, according to trial testimony and court documents.

He also used Attevo's American Express to pay personal expenses, including women's clothing at Ann Taylor, Nieman-Marcus and other stores, beauty supplies at Oro Gold in Las Vegas, travel to resorts in Florida and for pool/spa renovations, according to trial testimony and court documents.

Snyder earned income from Attevo totaling approximately \$1.6 million between 2009 and 2012, according to the court documents and trial testimony.

"This defendant embezzled money from his employees and pocketed taxes he took out of their paychecks, which he used to pay for his vacation home, swimming pool renovation and to otherwise fund his lifestyle," U.S. Attorney Justin Herdman said. "This sentence demonstrates that we take fraud seriously and criminals will be held accountable, whether they operate on street corners or in corner suites."

"C. David Snyder was placed in the utmost position of trust by Attevo, Inc. and Ruralogic, Inc., but he chose to abuse that position of trust for his own personal greed," said Ryan L. Korner, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. "These companies ended up being his own personal piggy bank as he used their money to pay for his residence, vacation home, vehicles, and other personal expenses. Now he is a convicted felon and owes a substantial amount of money to the IRS."

"Charles David Snyder embezzled over \$126,000 from his employees' 401(k) retirement plan. We will continue to work with our law enforcement partners and the U.S. Department of Labor's Employee Benefits Security Administration to protect the retirement assets covered by the Employee Retirement Income Security Act," said James Vanderberg, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

This case was investigated by the Internal Revenue Service – Criminal Investigations and the U.S. Department of Labor – Office of Inspector General. It is being prosecuted by Assistant U.S. Attorneys Megan R. Miller and Michael L. Collyer.

Topic(s):

Financial Fraud

Tax

Component(s):USAO - Ohio, Northern**Contact:**

Mike Tobin

216.622.3651

michael.tobin@usdoj.gov

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