

Feds Get Break In Suicide Fugitive Case

Girlfriend Of Millionaire Suspect In Bridge-Jumping Hoax Says She Helped Him Pack



[Play CBS Video Hedge Fund Crook Fakes Death](#)

Samuel Israel, who was supposed to be driving to prison, left his car on a bridge with the phrase "Suicide is Painless" scrawled on its hood. The victims of his fraud say they doubt he killed himself.



This wanted poster provided by the U.S. Department of Justice Marshals Service shows Samuel Israel III, a hedge-fund swindler whose abandoned car was found the day he was supposed to be driving himself to prison. While "Suicide is Painless" was scrawled in dust on the

(AP) If Samuel Israel III had reported to prison like he was supposed to, he would probably be washing dishes, mopping floors or serving meals to fellow inmates today. And he might be getting up at 4:30 a.m. to do it.

It wasn't a life to look forward to for a man who became fabulously rich - wealthy enough to rent a house from Donald Trump at \$32,000 a month - as he swindled hedge-fund investors out of hundreds of millions.

Israel, 48, told a judge that the idea of spending 20 years in prison was so distasteful he had considered suicide. But he eventually decided: "I have to take responsibility for my actions no matter what the consequences."

That sentiment didn't last long. Within two months, federal investigators said, Israel settled on life as a fugitive. On the day he was to surrender, authorities said, he abandoned his SUV on a bridge in the New York City suburbs, etched "Suicide is Painless" in the dust on the hood to make it seem he had jumped, and skedaddled.

On Thursday, 10 days later, agents got their first big break when Debra Ryan, the girlfriend Israel left behind, told them she had helped him pack a recreational vehicle with his belongings and a motor scooter. Ryan was arrested and charged with helping Israel escape.

hood of Israel's SUV, no body has been found since the car was discovered. **(AP)**

Authorities released a photo of the RV and its license plate number, and said Israel might be spotted at campgrounds or highway rest areas, possibly using the names Sam Ryan or David S. Clapp.

Skepticism about his "suicide" started almost as soon as state police determined the vehicle belonged to Israel. When no body was found beneath the 150-foot-high bridge over the Hudson River, authorities said they suspected a scam. So did investors who were hoping to get some of their money back.

"This is a very smart guy, a very crafty guy who was able to steal a lot of money from other smart people," said Ross Intelisano, an attorney for 20 investors in Israel's Bayou Group funds. "My gut tells me he's not the type to jump off a bridge."

Within a week, the search for a body was called off, and Israel was officially declared a fugitive. A "wanted" poster and other bulletins revealed his Social Security number, his bird tattoo and his aliases: Sam Ryan and David S. Clapp.

Israel's girlfriend at first told police that he left their Armonk house on June 9 to drive to prison. He'd been expected at a federal penitentiary in Massachusetts for inmates with special health care needs.

After Israel stopped on Bear Mountain Bridge, near West Point about 40 miles north of New York City, surveillance video showed a second car slowly pass his SUV and then stop. Agents were hoping to enhance the images to find out what happened next. Federal officials refused to confirm reports that the driver of the second car has been questioned.



(AP/U.S. Marshals Service)

This detail of a wanted poster showing a white 2007 Coach Frelander Recreational Vehicle owned by Samuel Israel, III. Authorities believe that Israel is possibly on the run in this vehicle.

They also won't go into detail about the search for Israel. But a former federal prosecutor said fugitives who carefully plan their getaways often left clues behind.

"You have to be very thorough, very meticulous in setting up your escape," said Lawrence Barcella Jr., who is now a defense attorney specializing in white-collar crime. "But it's hard to do that without leaving some hint, some trail,

about your thought process or even your destination.

"If he went online to find out about a place, if he called there on a cell phone, they can find that out. The advances in technology and all the security upgrades since 9/11 have made it much easier to track someone down," Barcella said.

He said falsified travel documents would be available to someone with money, "but again, the government is much more sensitive to that now and much more sophisticated in the detection of that. It's much harder to leave the country now than it used to be."

Agents will also apply old-fashioned pressure, potentially including threats of prosecution, to Israel's friends and associates, as they already have to the girlfriend.

"You know what they say, 'We have ways of making you talk,'" Barcella said.

Wherever he is, Israel probably won't be able to resume a life of conspicuous consumption if he wants to evade detection.

"You have to tone it down," Barcella said. "The more you spend, the easier you are to find. You also have to cut yourself off completely from your past. That means putting the people and places you love behind you.

Quote

It's much harder to leave the country now than it used to be.

Lawrence Barcella Jr., white-collar crime defense attorney

"It takes a level of mental discipline. You can't even engage in those things that are familiar. If you love to go kayaking, you may not want to go kayaking because that's a profile the feds are going to have."

"It's a lot like witness protection," he said. "It works if you follow the rules, but people who are set in their ways sometimes can't handle the change in their lifestyle. They miss the familiarity, the comfort of what they were doing before."

Hiding out might also be complicated by Israel's medical needs. He's had nine back surgeries, wears a pacemaker and is addicted to painkillers, according to prosecutors.

His ailments - along with 2½ years of cooperating with authorities - helped him get less than the maximum 30-year sentence. Judge Colleen McMahon also granted him two months to surrender to prison after he was sentenced.

A co-defendant who also got 20 years was ordered to prison immediately. Calls to McMahon's chambers were not returned.

Another path Israel could take - if he gives up on the RV - is to settle in a country that does not have an extradition treaty with the U.S. He could also flee to a place that is ill-equipped to deal with such a case or somewhere that might welcome his money.

Jacob "Kobi" Alexander, who is accused of pocketing millions of dollars while manipulating stock options as chief executive of Comverse Technology Inc., has been living openly in Namibia with his family for two years. He is battling extradition in a slow-moving court system and funding scholarships and investing in low-income housing.

"Of course, Namibia's in the African desert," Barcella said. "It's not the Costa del Sol. On the other hand, it's not the federal penitentiary, either."

At the prison in Massachusetts, most inmates have jobs and the newer inmates generally get stuck with kitchen duty for their first 90 days. Whoever draws the breakfast shift has to get up at 4 or 4:30 a.m., while others sleep until 6.

Colautti, the prison spokesman, said he didn't know if Israel would still be coming there if he's caught.

Barcella said a tighter-security prison is more likely.

"The feds don't like it when you don't show up after they put all this time and effort into prosecuting you," he said.