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The unauthorized profile of Charlie Javice, the millennial founder convicted of swindling JPMorgan to the tune of $175 million

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Charlie Javice, founder of Frank, center, arrives at federal court in New York on Tuesday, June 6, 2023.

BING GUAN/BLOOMBERG VIA GETTY IMAGES

When a Manhattan jury issued a guilty verdict for fraud last month, it marked the final undoing of a young woman whose life and career had once held so much promise. It was in the spring of 2009 that Howard Finkelstein, an attorney who advises startups, first met Charlie Javice at the Microfinance Club of New York, a startup event hosted by New York University. The budding entrepreneur flitted about the meeting like a seasoned professional, easily shaking hands and making small talk with executives. She was there to network on behalf of her new startup PoverUp, a platform to help students launch microfinance clubs. "She could start conversations with anyone and continue endlessly," Finkelstein remembers.

At the time, she was 17 years old.

She was so young, in fact, that when she approached Finkelstein to advise her on setting up the startup, he said he'd need a parent's permission in order to advise her. Even then, Finkelstein could see that Javice was different. She was smart with a good sense of humor, and she had an opinion on nearly everything. She also had big dreams and was driven to accomplish them. Javice wanted to start a worldwide organization that would "help people out of poverty and unify literally millions of people," Finkelstein said. "Yeah, she wanted to change the world."

More than a dozen years later, her world had certainly changed, but not in the way she had in mind. A Manhattan federal court in March convicted Javice of several counts of fraud for tricking JPMorgan Chase into buying her startup, financial aid company Frank.

Javice's defense focused on pointing the finger at JPMorgan Chase. Her attorneys argued that the bank was careless with the Frank acquisition, rushing the deal because they mistakenly believed another buyer was lurking. The strategy didn't work and Javice, who turned 33 last month, is scheduled for sentencing in August and faces years in a federal prison. The story of how such a promising young businesswoman could find herself on the cusp of making it big—on track to sell her second startup to JPMorgan for a dizzying $175 million—only to have it all fall apart after she was accused of faking a customer list, has left the people that once knew her grasping for answers. What may have pushed her over the edge as alleged in the lawsuit? Was she an Elizabeth Holmes type, determined from the start to pull one over on the world? A striving perfectionist who at a critical point felt desperate and decided to color outside the lines? Or just a really young entrepreneur, who found herself way over her head? Even her former classmates from Wharton aren't exactly sure. "When people are so ambitious…I don't know," one told *Fortune*. "You get lost in it sometimes. Maybe that happened to her." A high school classmate was left bewildered that a twentysomething thought she could fool the world's largest and most sophisticated bank. "How can she think she could get away with this? How did she even sleep?" they wondered.

Who is Charlie Javice?

With all the publicity surrounding her case, Javice's personality has remained somewhat of a mystery. She grew up in the posh Westchester suburbs of New York, where she attended the elite French American School of New York, or FASNY, which provides a bilingual education for children as young as three all the way up to 18 years of age.

Entrepreneurship ran strong in the Javice family. Her father Didier Javice, who is French, has worked in the alternative asset management industry for nearly four decades, including stints at Goldman Sachs' risk management advisory, the alternative investments group of Merrill Lynch, and hedge fund Dynamic Capital Management, according to his LinkedIn. He was a founding principal of Risk Management Advisors as well as a managing partner of W Fund Advisors, his LinkedIn says. More recently, Didier Javice was employed at 1859 Capital, another hedge fund. *Fortune* was not able to reach him through 1859 Capital and messages through LinkedIn were not returned. Natalie Rosin, Charlie's mother, also ran her own business, NDR Life Coaching, from her apartment in Rye, N.Y., for several years, her LinkedIn said. (The website for NDR has been taken offline.)

In a *Persistence 360* podcast from 2019, Charlie Javice spoke about her parents' efforts to reinvent themselves. Her mother, Natalie Rosin, "changed careers and got all these degrees," including a master's in education and a degree in substance abuse counseling. Her father, who was about 61 or 62 years old at the time, was again starting a new hedge fund, she said. "You would think after that career, you don't need to go do that. But loving to start new things and that challenge is something I really admire," she said of her father's plans.

Charlie Javice grew up surrounded by money but likely not her own. Her parents appear to have divorced in 2001, according to filings from the Westchester Supreme Court. Charlie and her brother, Elie, moved with their father from Rye to Mamaroneck, a 3.2-square-mile village in southern Westchester County. (Didier Javice sold his two-bedroom, two-and-a-half-bath condo on 30 Waters Edge in Rye, N.Y., in 2002 for nearly $800,000, according to the City of Rye assessor's office.) Located on the Long Island Sound, Mamaroneck boasts French cafés, pizzerias, and a movie theater along its main strip. Didier Javice and Natalie Rosin shared custody of their kids; Charlie and her brother would stay with one parent one week and have a few dinners that week with the other parent, a second former FASNY classmate said. The next week, they'd switch homes and dinner plans. "There was a lot of going back and forth," the friend said. When the entrepreneur stayed with her father, it was at his house in the Orienta Point section of Mamaroneck. He rented an unassuming three-bedroom, two-and-a-half-bath townhouse on Hall Street, about a block from Long Island Sound, according to neighbors and a realtor. The Javices paid about $3,500 a month.

When Charlie Javice and her brother lived with their mother, it was in her one-story house in Larchmont, N.Y., that was also rented.

Didier moved to the Hall Street house when his marriage broke up, so "he could be with his daughter," one neighbor said. From her home on Hall Street, which is modest for Mamaroneck, the young Charlie Javice could see, and likely visit, much bigger and grander homes of the village with cobbled drives, in-ground swimming pools, and private access to the beach. Javice's home had a one-car garage and a driveway.

As a teenager, Charlie wasn't a rule-breaker. She was a quiet, serious student while at FASNY, the classmate said. Her grades were good but she wasn't at the top of the class. "She talked really slowly and really monopolized the time around her," the former classmate said. People who knew her at the time describe her as a normal teen, neither extremely nice nor extremely mean. She loved fashion and was into colors like red and yellow. She favored slim black jeans and a red jumper that accentuated her long, dark brown curly hair, a classmate recalled. "We used to argue whether Paris or New York was the fashion capital," the first FASNY classmate said. In 2005, her father Didier gave a last-minute lecture at his teenage daughter's school on how to start a business, a former classmate said. "He taught us how to build a company. It was weird but nice," the classmate remembered.

Javice may not have been rich, but she had an affluent lifestyle, Finkelstein said. The attorney noted that FASNY costs about $34,000 a year for nursery students, and jumps to $41,000 for high school students. Javice also spent summers abroad in Paris or Israel, "dressed nicely, took cabs, and knew how to deal with baristas and not the street vendors," he said. She also rode horses. When Finkelstein had lunch with her father, the elder Javice always paid. "This was more David Copperfield than Oliver Twist," Finkelstein said.

The atmosphere in Westchester was competitive and intense, with a third FASNY classmate of Javice's describing it as "success at any cost." Social status was very important and the college application period for many teenagers was very high-stakes, the second FASNY classmate remembers. Many of the French families didn't know "how to play the U.S. college game," they said. The Javice family did. "They were hyper-aware that you had to bulk up on the extracurriculars," the third person said. (Multiple messages to Natalie Rosin were not returned.) Charlie Javice was driven and her parents supported and encouraged her ambitions, the second FASNY classmate said.

Charlie Javice's high school résumé was indeed strong on extracurriculars. It was at FASNY that Javice developed and created her first startup, PoverUp. In 2011 she told Knowledge@Wharton High School, a web publication targeting high school students and their teachers, that she came up with the idea for the startup while in the 10th grade when she was teaching English in Thailand and Myanmar. Javice also launched a soup kitchen and book drive while at FASNY, according to a local news report from Patch. Javice told *Persistence 360* that her family was always very involved in the community and that she launched the soup kitchen while in the ninth grade. Javice, at the time of the podcast, said the FASNY soup kitchen still existed and she would typically give an annual speech where she would tell students to "go kick some ass while serving food." (Natalie Rosin, Javice's mother, worked at FASNY as a teacher for nearly five years, from 1999 to 2004, according to her LinkedIn profile.) FASNY did not return messages or calls for comment.

“We emphatically rejected her”

Javice continued working on PoverUp when she attended the University of Pennsylvania, Wharton. PoverUp helped her gain admission to the school’s venture initiation program (VIP), a joint incubator-accelerator that aims to introduce students to key aspects of building a startup like fundraising, networking, market product fit, and business planning. *The Daily Pennsylvanian* reported in 2011 that Javice was the first freshman admitted to VIP since Wharton Entrepreneurial Programs began managing the program in 2006. Some former students who were part of VIP told *Fortune* that they found PoverUp confusing and without a clear goal. Javice was known to “hype things up,” but was “still able to convince people to let her into the venture initiation program and work with her…somehow people pretended to understand it,” the first former Wharton classmate said.

Javice was also part of an entrepreneurship group at Wharton, which shared a co-working space. Perks were limited to some desks they could work from along with tap water and sometimes air conditioning in the summer. “We were in the trenches together. We sweated it out in the summers and falls,” a second Wharton person said. The group of students were close. By day they worked on their projects either individually or together, often going out together at night. Many of the students were type A personalities, whose primary motivation was making their own destinies, the person said. “[Javice] always dreamed big and was able to see the big picture,” the second Wharton classmate said.

Others maintained that Javice wasn’t as interested in socializing and making friends. The young businesswoman treated the University of Pennsylvania as a way to make connections and push her projects to success rather than learning, according to a third Wharton classmate. Javice “was just trying to get school out of the way. It wasn’t the normal four-year thing. She was trying to get boxes checked,” the person said. This seriousness also extended to her personal life. Javice was hyper-focused on success and never really dated in high school or in college, the third FASNY classmate said.

PoverUp also helped her land a spot in the finals of the Thiel Fellowship, a two-year program for entrepreneurs younger than 20 years of age. Winners, who either skip or dropped out of college, receive a $100,000 grant to start their companies, according to the fellowship’s website.

In April 2012, Javice and about 50 other finalists were flown to San Francisco to interview and “compete” for the prize. The competition, featured on a “20 Under 20” CNBC special in August of that year, featured the young Javice not following directions. The first episode showed a scavenger hunt where contestants had to work in teams to solve the clues and are told they need to work together. But according to press reports at the time and Michael Patrick Gibson, who was vice president for grants at the Thiel Foundation, Javice’s team didn’t follow the rules and split up to move faster. “Funny enough, [Javice] didn’t bother to solve the clues. Instead, she ditched out and went shopping at the mall,” Gibson told *Fortune*.

Charlie Javice among other fellow candidates in CNBC's 20 Under 20 documentary.
COURTESY OF CNBC

The second episode showcased a pitch competition where founders were given two minutes to present their ideas on stage to an audience filled with founders from the Thiel network, as well as mentors, and other investors. The entrepreneurs were directed to stand in front of a podium and speak on a microphone. But Javice ignored the directions, walked to the center of the stage and began talking. For several moments, no one could hear her before she finally moved to the podium. When she could be heard, Javice spoke about her "passion to end poverty." Javice talked about her time at the University of Pennsylvania, Wharton, where she was a sophomore. Her pitch lasted longer than two minutes and the organizers turned off her microphone. Later in the episode, the Thiel mentors and members of the evaluation team discussed how Javice initially refused to stand at the podium, and seemed to lack humility. "She was constantly pushing the envelope," Gibson said to *Fortune,* a characterization that is shared by the other mentors in the taped show.

Gibson recalled that during the competition Javice wasn't effusively nice unless you were in a position to help her get what she wanted. She was a name dropper and liked to reference high-status things, he said. Javice was rejected when it became clear she hadn't thought through the consequences of how PoverUp would work, Gibson said. This conflicts with a February 2022 Medium post from Michael Eisenberg, cofounder of early-stage VC fund Aleph, which invested in Frank. Eisenberg, in the Medium post, said that Javice was selected to be a Thiel Fellow but turned it down. Gibson said this is a lie. "We emphatically rejected her," he told *Fortune*. (Eisenberg did not return messages for comment.)

More than 10 years later, Javice's behavior was enough that Gibson still remembered Javice. "She was such a larger-than-life character and caused us headaches," said Gibson, who has since cofounded venture firm 1517 Fund.

Staying on target

Entrepreneurship wasn't a popular major at Wharton during the early 2010s, a third ex-classmate said. Most people who attended Wharton were attracted to finance, the person said. "She struck me as a striver, which is not unusual. I put myself in that category." Other friends and associates who knew Javice at Wharton described her as "very ambitious," "a builder," and "very, very confident."

Javice had friends but didn't have a gaggle of associates. Instead, she was "head down, eye-on-the-prize," type, the third Wharton person said. Several of the ex-classmates said they were friendly with Javice, who was quick to smile, but not actual friends. Javice was too busy with her side projects, the third ex-classmate said. "I don't believe I ever saw her out," they said. A fourth former classmate said they did see Javice at parties but that she wasn't "over the top."

As she tried to build out her business, her parents were cheering from the sidelines. Didier sat on PoverUp's board and attended meetings with Charlie, the lawyer Finkelstein recalls. He remembers one where the young entrepreneur publicly argued a point with her father in front of the room. The elder Javice didn't have a problem with the public rebuke; in fact, he was proud of his daughter and loved what she did. "She had him wrapped around her finger and he didn't know it," Finkelstein said.

Rosin frequently took to social media to praise her children. In February 2010, Rosin wrote on Facebook that "Charlie (my terrific daughter) has entered to win a $50,000 Dell Innovation Competition. She needs our support!" Months later, in June 2010, Rosin announced that Charlie Javice had graduated from FASNY at the "top of her class" and was off to Wharton while her son, Elie, who also attended FASNY, would spend his summer at Harvard. "Must admit I am a very proud mom," Rosin said. The mother then posted a link to a *Forbes* 2011 story on PoverUp referring to it as "my kids and their business venture." Elie in 2011 was accepted to the engineering school at Columbia University and to the University of Chicago on an academic scholarship, she wrote on Facebook. In June of that year, Rosin wrote, "my two children never cease to amaze me. I am so very proud of them," and linked to a *Fast Company* story that named Charlie Javice among the "Most Creative People 2011."

In 2012, Rosin posted repeatedly about her children's appearance on CNBC for PoverUp. Elie Javice, her son, was chief technical officer of the startup, according to a 2011 story from the *Philadelphia Business Journal*. "The special will talk about the company they started. PoverUp!!! So very proud of them," she said in July of that year.

Finkelstein remembered visiting Javice's workspace in Manhattan for her team at PoverUp during her first or second summer at Wharton. He said he found Javice acting a "queen bee, floating around" with her employees asking her what she needed. The young exec was good with words, so good that she traveled all over the country talking to various student groups. Still, PoverUp never got much traction and Javice eventually stopped working on the company in her senior year.

The Gift of Gab

While Javice was celebrating her graduation from Wharton in 2013, she was planting the seeds for her next company, which she incorporated that year as TAPD, but would rebrand as Frank. She said she had been toying with the idea ever since she applied to Wharton.

Javice told the student newspaper, *The Daily Pennsylvanian*, that she appealed her financial aid package at Wharton and was frustrated when it took a semester to resolve. She also said in the *Persistence 360* podcast that she considered moving to Canada where college would cost just $2,000 a year. During her first semester at Wharton, Javice's parents were still in the process of negotiating a tuition price, Javice said in the podcast. Her case was complicated because her parents were divorced and there were different types of financials, she said. "Money should not be a reason to hold you back from an education," Javice added. She told Steve Pomeranz, a radio host and investment advisor, in 2019 that the reason she started Frank was because of her grandparents who escaped the Holocaust. "The one thing they always taught me is education is one thing you can take with you… It's the biggest and greatest gift you can give to someone, to pay it forward," she said.

Did Javice receive financial aid? Maybe. The claim grows more credible considering Javice's father appears to be the main breadwinner of the family, supporting two children, including Charlie and her younger brother Elie, who also attended the University of Pennsylvania, and graduated in 2015 with two degrees including a Bachelor of Applied Science with a major in computer science from the School of Engineering and Applied Science. He also received a B.S. in economics from Wharton with a major in management and real estate, a Penn spokesman said. Undergrad tuition by the time Elie Javice graduated was around $42,000 a year, with housing and a meal plan costing another $15,000 a year, according to Penn history website. The U.S. Department of Education does not release information about recipients of federal student aid without proper consent, a spokeswoman said. (None of the Javices responded to queries from *Fortune* on the matter.)

By 2017, Javice had landed on the final version of Frank. She wanted to revolutionize the frustrating process of applying for financial aid. And this time she was ready to take a big swing.

Some VCs told *Fortune* that it was Frank's big-name backers that caused them to consider investing in the company. Unlike Elizabeth Holmes, the failed founder of Theranos, who used her well-known family name to attract investors, Javice likely had to rely on her chutzpah to open doors. She told Persistence 360 that "rejection is just a numbers game."

Frank raised an initial $5.5 million seed round from Aleph in March 2017, and followed up with a $10 million series A later that year in December, according to Crunchbase. It is with the Series A round that she attracted Marc Rowan, the billionaire cofounder and CEO of Apollo Global Management, who led the $10 million round, Crunchbase said. Other investors included Reach Capital and Aleph. (Aleph is the VC firm from Michael Eisenberg, who wrote the Feb. 2022 medium post celebrating Frank's sale to J.P. Morgan Chase.) Rowan also took part in Frank's $5 million interim round in April 2020 that also included Chegg, Gingerbread Capital, and Aleph. Rowan, Eisenberg, and Heather Morris, then chief strategy officer at Chegg, were each on the Frank board, according to an SEC filing dated March 23, 2020. (Morris left Chegg in 2020, according to her LinkedIn profile.) Rowan via Apollo, Eisenberg, and Chegg/Morris did not return messages for comment.

Frank collected a total of $20.5 million through the three rounds of funding. Javice was professional when she dealt with investors, several VCs have said. She came off as "a smart, active entrepreneur. A bit hungry… Charlie wasn't different than any other ambitious founder. You could tell that she was out there for results," *Fortune* reported in February citing a VC who invested in Frank.

One VC said the Frank investment was a solid, but not stunning, return for their firm. They estimated that they made three to four times their investment when JPMorgan acquired Frank. "We got money out," the VC said.

Frank did have money problems at one point. During the *Persistence 360* podcast, Javice talked about how she had to navigate "being $500,000 in the red and needing to manage how to pay people and pay people out so you can extend your runway."

Working for Javice, however, wasn't bad. One intern told *Fortune* that though she hated her job at Frank in "customer experience," she liked Javice. "She was a cool boss. She wasn't mean or pushy, just a really laid-back person with a mission [for] helping college students," said the intern. She added that Javice was funny and "for sure had a way with words. She was confident in her company, her mission, and helping people." A second former intern, who worked on the web development team in Israel, said their experience at Frank "was pretty good… It was a great opportunity, a good environment, and good compensation." A third former Frank intern posted on Reddit that Javice "wasn't overbearing or micro managy" and was quite friendly. Javice didn't really care about money but was "obsessed with the aesthetics of being a CEO of a tech company but never spent as much energy as she should have actually trying to make money, or a product people would actually pay for," the ex-Frank intern wrote.

The Exit

After several years of building Frank and attracting investors, the stage was set for Charlie Javice to exit. In 2021, U.S. mergers were soaring to record levels, buoyed by low interest rates and a booming stock market. Cash was cheap and startups were attracting record valuations. For example, Stripe snagged a $95 billion valuation, making it the most valuable U.S. startup in 2021, *Fortune* reported.

For Javice, this year represented the perfect moment to monetize her hard work. The entrepreneur, at this point, was a well-experienced media darling. She was frequently featured on CNBC (the TV network has since taken down many of her videos) and was named, in 2019, to the prestigious *Forbes* 30 under 30 list and *Crain's New York Business* 40 under 40. She even wrote an opinion piece for the *New York Times* in 2017 about "The 8 Most Confusing Things about Fafsa," which included an eight-sentence correction.

The timing couldn't have been better. In March of 2021, an investor of Frank forwarded a glowing article about the young company, to an executive at JPMorgan's Corporate and Investment Bank, according to the Dec. 22 lawsuit from the bank. Frank was getting inbound expressions of interest from prospective buyers, and JPMorgan "should have a look," the email said. JPMorgan Chase did conduct several meetings with Javice but initially opted not to pursue a deal.

Javice didn't take no for an answer. Frank and its investment bank, Liontree Advisors, renewed contact with JPMorgan Chase, which led the bank to reconsider a potential deal in July 2021. It's not clear how Javice got on the radar of Jamie Dimon, JPMorgan Chase's powerful billionaire CEO, but she did. He took a personal interest in the bank's acquisition of Frank, telling Javice that July that he thought JPMorgan should "get the deal done," according to Javice's court documents. And it did. The bank conducted several weeks of due diligence, involving hundreds of its employees, during the summer of 2021, *Fortune* has reported, citing JPMorgan's December lawsuit.

The JPMorgan Chase lawsuit, at its most basic, is about numbers. The bank claims that Javice told it Frank had 4.25 million customers, when in reality the startup had about 300,000. JPMorgan provided charts from a July 12, 2021, management presentation showing that Frank represented it had 4.25 million users. (Javice's management presentation referenced the number 4.25 million no fewer than seven times, JPMorgan's court filing said.) On Aug. 1, 2021, a JPMorgan Chase executive made an unambiguous request for a list of Frank's customer accounts, so the bank could verify its thesis that Frank would help it access the young student demographic, JPMorgan's court filing said. Javice's response was to hire an unnamed data science professor just days before the bank was to ink its buy of Frank. The entrepreneur paid the professor $18,000 to make up a customer list with "synthetic data" purportedly to protect Frank's real customers' personal information. Javice then sent this data to Acxiom on Aug. 5. The data appeared to show the startup had 4.26 million unique customer accounts, according to JPMorgan court documents, when in actuality Frank only had about 300,000 customers.

Javice claims that it was JPMorgan Chase who asked for the synthetic data, according to her court filings. She has also argued that Frank's small marketing spend, around $2.25 million, should have clued in JPMorgan as to how many users the startup had in 2021. Frank repeatedly indicated to the bank that the cost of acquiring a registered user of a Frank FAFSA account was around $5; if the startup had 4.25 million users, then Frank's marketing spend would come to more than $21 million, far more than the $2.25 million the startup cited, according to Javice legal documents. Whatever the case, JPMorgan Chase agreed to buy Frank on Aug. 8 and completed the acquisition roughly a month later, in September. The deal called for Javice to join the bank as a managing director—head of student solutions.

Six months later, in January 2022, JPMorgan Chase noticed something was off when it tested the quality of Frank's customer list. Only 28% of the emails were delivered, and just 1.1% were opened, the bank lawsuit said. JPMorgan Chase placed Javice on administrative leave on Sept. 13 and terminated her employment with the bank on Nov. 4, 2022.

All of Javice's friends and classmates interviewed by *Fortune* said they weren't surprised when JPMorgan Chase acquired Frank. Becoming an entrepreneur had always been Javice's goal. But they were shocked by the allegations of fraud. The second Wharton classmate said they initially dismissed the charges against Javice when they first came out. But as more facts became public, they began to have doubts. Javice, they said, was smart enough that if she committed this level of fraud, "why [wasn't] she on the first airplane out of the country once the money hits the bank? That's my internal reasoning and doubt," the second friend said.

The second Wharton friend also didn't understand why Javice would seek to hoodwink JPMorgan Chase, one of the world's biggest banks with endless assets to take Javice down. "Why would you poke the bear? If I sold a company to JPMorgan Chase, I would explain everything, everything [that] I expensed including that salad that I bought at Sweetgreen that one time. Everything. I would be scared sh**less," they said.

Others said they were "baffled" at how poorly Javice orchestrated the alleged fraud. Javice didn't just add an extra zero or 10% to her customer numbers, the third FASNY source said. Javice likely thought that with resources at JPMorgan Chase, she would quickly be able to bring Frank's numbers up, the third FASNY person speculated. The Frank fraud was so poorly orchestrated, that it was obvious Javice wasn't *trying* to get caught, they said. "But if she was trying to get caught, she wouldn't have gone about it very differently," they said.

Some of her classmates drew similarities between Charlie Javice and Elizabeth Holmes, both young businesswomen with parents who expected them to do big things.

Gregory Coleman, the retired FBI special agent who brought down the so-called Wolf of Wall Street and helped seize the assets of Bernie Madoff, thought Javice was similar to Holmes in some ways but very different in others. First, Holmes's testimony at her trial, along with other evidence, showed that the Theranos founder possessed many psychopathic tendencies, Coleman said. Holmes was a cold, nasty, narcissistic, and manipulative person who was incapable of telling the truth, he said: "Some might argue that having a baby on the eve of her trial, knowing that if convicted she could face significant jail time, was just the latest in a long line of selfish, manipulative psychopathic acts."

Javice, by comparison, was very driven, very well-spoken, maybe not all that nice, but normal for the most part, according to friends and former classmates. Coleman said Javice appeared prone to knowingly misstating or overstating facts that over time grew into outright lies.

Having dealt with many defendants in similar situations, Coleman thinks the stories Javice told "grew so large and widespread that she lost control of them." These sorts of criminals tend to be optimists, who overestimate the chance of things getting better, like a gambler, he said. When JPMorgan Chase came calling, Javice became enamored with the idea of a large bank buying her company. She knew that the bigger Frank was, the more JPMorgan Chase would pay, he said. But her fantasy collided with reality when JPMorgan Chase, during diligence, began asking questions about her customers and she couldn't provide honest answers, Coleman said: "I don't believe that she set out from the beginning to commit fraud, but rather was drawn in and undone by her poor decisions in her attempt to 'fake it until she makes it.'"

There was another difference between the two founders. Theranos' blood-testing technology didn't work, and this lie could have cost lives, Coleman said. By comparison, Frank appears to have actually helped a number of clients navigate the financial aid application process, he said. "Unlike the situation with Theranos, the primary dispute between Frank and JPMorgan isn't about whether Frank provided a real product, but rather the actual number of clients that Frank provided their product to."

The two entrepreneurs will have one thing in common—prison. Holmes is serving an 11-year prison sentence at Federal Prison Camp Bryan, a minimum security camp in Texas. (The Theranos founder is scheduled to be released in March 2032, according to a Federal Bureau of Prisons website.) Javice, who has no criminal history, will also be sent to a minimum security federal prison camp. She will likely request a facility close to her home or family for visitation purposes, said Andrew George, a partner with law firm Bourelly George & Brodey who specializes in white collar criminal defense. "Typically, such a request would be met," George said.

Javice is currently free on a $2 million bond that she secured with her Florida condo and was cosigned by her parents. After the verdict, she moved for a mistrial and is expected to appeal her case if the motion fails. Javice and JPMorgan declined to comment.

When she wasn't in a Manhattan courtroom, Javice was holed up in Miami Beach, Fla., in the same building as her mother and a mile away from her brother. In May 2021, months before she sold her company to JPMorgan Chase, Javice bought the two-bedroom, two-and-a-half-bath condo for $1.4 million, according to property records.

She appears to have a live-in boyfriend, Elliot R. Bertram, who worked for Platinum Partners, a scandal-plagued hedge fund. It's not clear what role Bertram had at Platinum, but he was not involved in the fraud and wasn't accused of taking part in any scheme. He is listed as living in Javice's apartment, according to voting records. (Bertram has apparently edited his LinkedIn to delete his connection to Platinum; he did not respond to messages for comment.)

Meanwhile, her criminal conviction is not the only part of Javice's legal troubles. She also faces charges from the Securities and Exchange Commission and the civil lawsuit from JPMorgan, which is trying to recoup not only the $175 million they paid for Frank but attorney's fees. (The bank advanced fees to fund Javice's defense and, because she lost, she is on the hook to repay them. Because of Javice's expected appeal, any decision on fees won't happen until that process is completed.) The SEC declined to comment.

Javice will also likely be banned from the securities industry for life, a devastating blow to the entrepreneur. The former CEO has been working as a Pilates instructor, *Fortune* has reported.

Looking back, the second Wharton classmate posited that Javice wasn't the only one who stood to gain from selling Frank to JPMorgan. After all, Javice's compelling story would have been an alluring "get" for the huge bank: Javice is a female entrepreneur who came from an affluent background but still needed financial aid to attend Wharton. She devoted herself to unmasking the bureaucracy and bulls**t of financial aid. With JPMorgan she promised to bring transparency for millions of Americans. Looked at through "a rosy lens, it's incredible," the person said.

If only it were all true.

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About the Author

LUISA BELTRAN
Finance Reporter

Luisa Beltran is a former finance reporter at *Fortune* where she covers private equity, Wall Street, and fintech M&A.

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