

## Man given prison time in currency fund scam

**By David Washburn**

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A San Diego man was sentenced yesterday to five months in prison and five months' house arrest for his part in a multimillion-dollar scam centered on a bogus foreign currency fund.

Stephen Baere, who worked for Richard Robert Matthews at the La Jolla-based White Pine Trust Corp., was sentenced by San Diego federal Judge Jeffrey Miller. Baere is to surrender to federal authorities March 27.

Matthews admitted last April to soliciting \$22 million from 247 investors between 2000 and 2004 and then absconding with much of the money, according to court filings.

He pleaded guilty to one count of mail fraud and was sentenced in December to more than five years in prison. He also was ordered to pay back more than \$14.7 million to investors in the United States and abroad.

Baere admitted to prosecutors in June that he misled hundreds of investors, but he said yesterday through his lawyer that he was unaware that the fund was bogus and that Matthews was making off with clients' money.

"He had no idea what Matthews was doing, and he was crushed when he found out," said Colin Murray, Baere's attorney.

Baere, who pleaded guilty to one count of conspiracy to commit mail fraud, told prosecutors that he worked for Matthews between January 2002 and December 2003. During that time, Baere told prosecutors that he gained between \$400,000 and \$1 million.

In addition to the prison time, Miller yesterday ordered Baere to pay \$600,000 in restitution.

Tyler Zollinger, also associated with White Pine, is scheduled to be sentenced in February.

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David Washburn: (619) 542-4582; [david.washburn@uniontrib.com](mailto:david.washburn@uniontrib.com)

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