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For Immediate Release

MODESTO CPA SENTENCED TO PRISON IN INVESTMENT FRAUD CASE

SACRAMENTO--United States Attorney Paul L. Seave announced that C. WILLIAM GORDIN, 49, of Modesto, was sentenced today by U.S. District Court Judge David F. Levi in Sacramento to four months in prison, to be followed by a year of supervised release including 2 months in a halfway house, in connection with a massive investment fraud scheme. GORDIN was also ordered to pay \$100,000 to the Trustee appointed by the Court, and a \$6,000 fine. GORDIN also faces the mandatory revocation by the California Board of Accountancy of his license to practice as a certified public accountant.

GORDIN pleaded guilty on October 5, 2000, to one count of misprision of a felony, which charged him with taking affirmative steps to conceal the sale of unregistered securities by IFR Trust, an entity controlled by his client, LARRY WILCOXSON, 48, also of Modesto. According to his plea agreement, GORDIN performed book keeping work for IFR Trust, and maintained the bank accounts through which a massive fraud scheme was perpetrated. GORDIN was ordered to surrender to serve his sentence on May 2, 2001. He will be required by federal law to serve the full four months in prison.

In sentencing GORDIN, Judge Levi granted a motion by the Government for a reduced sentence to reflect the extensive work GORDIN has done since his guilty plea to assist the Trustee appointed by the Court in the case in determining the identity of hundreds of victims, and the losses which those victims suffered. Judge Levi also noted GORDIN's remorse, and the huge number of letters he had received in support of GORDIN.

The lead defendant, LARRY WILCOXSON, was sentenced on January 11, 2001, to eight years in prison, to be followed by a three year term of supervised release. Parole has been abolished in the federal criminal system, and WILCOXSON will be required by law to serve at least 85% of the prison time imposed. WILCOXSON also forfeited several bank accounts, vehicles and a large piece of real property that had been purchased with the proceeds of the fraud scheme. A third defendant, JOHN R. WITZKE, 50, also of Modesto, was sentenced on October 19, 2000, to a year in prison, to be followed by three years of supervised release, including 100 hours of community service. He also forfeited \$128,000 in fraud proceeds, and was ordered to pay a fine. Charges against a fourth defendant, WILCOXSON's wife, ROXANNE ALBAUGH, 44, also of Modesto, were dismissed.

A fifth defendant, DAVID BAXTER, 59, of East Yorkshire in the United Kingdom, was arrested in Britain on January 10, 2001, on charges arising from this case. He was released on bail, after surrendering his passport, pending further extradition proceedings in Britain.

In a related case, VELTON ROGERS, 67, also of Modesto, was indicted August 30, 2000, on two counts of mail fraud, five counts of wire fraud, six counts of money laundering, three counts of structuring financial transactions, and one count of forfeiture. He is alleged to have recruited investors for WILCOXSON and IFR Trust. Assistant U.S. Attorney Benjamin B. Wagner, who is prosecuting the case, noted that the indictments against BAXTER and ROGERS were only accusations, and that these defendants are presumed innocent until proven guilty.

Robb Evans has been appointed by the Court as a trustee to take possession of assets forfeited by the defendants, and to locate and take possession of any remaining assets arising from the IFR Trust investment fraud scheme. The trustee is currently investigating. The court-appointed trustee can be reached at: Robb Evans, Trustee, P.O. Box 880, Sun Valley, California 91353. The trustee's Email address is ifr@robbevans.com. The trustee has also established a website. The trustee's website is: www.robbevans.com.

According to Mr. Wagner, this case was one of the largest investment fraud cases ever prosecuted in the Eastern District of California, and involved the marketing of investments in what was represented to be an exclusive, high yield European trading program. The investments were marketed to hundreds of investors around the world. In his guilty plea, WILCOXSON admitted that he devised a scheme to defraud investors in late 1997, in which he, and others whom he recruited, represented to investors that they would receive profits of 50% per month. After the investments were received, WILCOXSON sent account statements to the investors showing that they had received those profits, when in fact no such profits had been received from any European trading program. WILCOXSON admitted in his plea agreement that he made payments to some investors out of funds he had received from the investors, and also used investor funds to purchase real estate, vehicles, and other items for himself and his family, and to make loans to various entities that were unrelated to any high yield European trading program.

The case was investigated by the Federal Bureau of Investigation and the Criminal Investigation Division of the Internal Revenue Service, assisted by the California Bureau of Investigation.
