

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

***United States Attorney
Karen P. Hewitt***

For Further Information, Contact: Assistant U. S. Attorney Faith Devine (619) 557-7173

For Immediate Release

NEWS RELEASE SUMMARY - April 15, 2008

United States Attorney Karen P. Hewitt announced that today a federal grand jury sitting in San Diego handed up an indictment charging David C. Jacquot, a tax attorney licensed to practice law in California, Washington and Idaho, with two counts of filing false income tax returns. According to court documents, Mr. Jacquot was the 100% shareholder of David C. Jacquot, JD, LLM, PA, a law corporation with an office located in San Diego, California, and the Vice President and General Counsel of Xelan, Inc., and its affiliated entities.

According to the indictment, Jacquot willfully signed and filed false and fraudulent U.S. Corporation Income Tax Returns for the calendar years 2001 and 2002 for his law corporation. The returns were signed under penalty of perjury and filed with the Internal Revenue Service. Each return also omitted income, and thereby understated the tax due and owing for the applicable years, in violation of Title 26, United States Code, Section 7206(1).

United States Attorney Hewitt stated, “Each year the public is entrusted to accurately report all income to the Internal Revenue Service. The filing of false income tax returns undermines the integrity of our system.”

“The prosecution of individuals who intentionally conceal income and evade taxes is a vital element in maintaining public confidence in our tax system,” said Debra D. King, Special Agent in Charge, IRS Criminal Investigation, Los Angeles Field Office. “At this time of year when the American public is focusing on filing tax returns, those taxpayers who file timely and accurately should be confident that our tax system works.”

DEFENDANT

Case Number: 08cr1171W

David C. Jacquot

SUMMARY OF CHARGES

Two Counts - Filing False Income Tax Returns in violation of Title 26, United States Code, Section 7206(1)

Maximum penalties: Three years in prison and a fine not to exceed \$100,000

AGENCY

Internal Revenue Service - Criminal Investigation

An indictment itself is not evidence that the defendant committed the crimes charged. The defendant is presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.