



Department of Justice

United States Attorney Robert E. O'Neill
Middle District of Florida

Tampa

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CONTACT: STEVE COLE

PHONE: (813) 274-6136

FAX: (813) 274-6300

FATHER AND DAUGHTER CHARGED WITH INTERNATIONAL INVESTMENT FRAUD AND MONEY LAUNDERING SCHEME

Tampa, Florida - United States Attorney Robert E. O'Neill today announced the execution of a search warrant, seizure warrants, and the filing of a Criminal Complaint against Paul Robert Gunter, a 58-year-old resident of Odessa, Florida, and Zibiah Joy Gunter, a 25-year-old resident of Oldsmar, Florida. The Criminal Complaint charges that Paul Robert Gunter and Zibiah Joy Gunter conspired to commit, and committed substantive acts of, mail fraud, wire fraud, securities fraud, and money laundering. The conspiracy charge carries a maximum penalty of five years of imprisonment; the mail fraud charge carries a maximum penalty of 20 years; the wire fraud charge carries a maximum penalty of 20 years; the securities fraud charge carries a maximum penalty of 25 years; and the money laundering charge carries a maximum penalty of 25 years along with a fine of twice the gross gain to the defendants or twice the gross loss to the victims, whichever is greater. Both individuals were arrested this morning and are scheduled to make their first appearance before Judge Thomas B. McCoun III at 4:00 p.m. in Tampa Federal Court.

According to the Criminal Complaint, from at least as early as the spring of 2005 through the present, the Gunters and others have engaged in a securities fraud scheme,

in which they have (1) hijacked the identities of dormant, publicly-traded companies; (2) fraudulently caused the issuance of shares of stock in the companies to conspirators and/or entities controlled by conspirators; (3) sold virtually worthless shares of stock in the companies to victim-investors in the United Kingdom through high pressure and misleading sales techniques; (4) caused victim-investors to wire their investment funds from the United Kingdom to bank accounts in the Middle District of Florida and elsewhere; and (5) used the victim-investors' funds to perpetuate the scheme and for their own personal enrichment. The investigation has revealed that the conspirators have used approximately 54 publicly-traded shell companies in this manner or in a similarly fraudulent manner. Investigators estimate that victim-investors have wired in excess of \$70 million to the conspirators.

U.S. Attorney O'Neill stated, "I applaud the combined efforts of the law enforcement agencies that unraveled this stock scheme. The Stock Market must be protected by ferreting out those who prey on investors."

"ICE will continue working with its law enforcement partners here and abroad to hold criminals involved in stock fraud accountable for their actions," said Robert Weber, ICE special agent-in charge of the ICE Office of Investigations in Tampa. "These two criminals demonstrated a callous disregard for the hard earned money of individuals who thought that they were legitimately investing in their future. They will now have to account for their actions before a court of law."

"Cooperation between law enforcement at all levels has allowed us to focus our resources and respond quickly to uncover and prevent criminal activity such as this type of financial fraud," said Special Agent in Charge John Joyce of the Secret Service's Tampa Field Office.

DCI Robert Wishart, Head of the Money Laundering Unit at the City of London Police, said: "This is part of an ongoing investigation into a mass marketing crime scam known as boiler room fraud. Thousands of British people have fallen victim to this crime - in this inquiry alone, we estimate that around 15,000 mostly elderly people have lost money. The operation today is a fine example of how international collaboration can bring to justice those who choose to perpetrate these crimes. Criminals may think that because they are laundering money through a number of foreign jurisdictions, they will not be caught. This action today demonstrates how effective the law enforcement community can be in ensuring there is no hiding place for criminals or their money."

The investigation into this case is being conducted by U.S. Immigration and Customs Enforcement (ICE), Office of Investigations in Tampa and the ICE Attaché Office in London as well as the U.S. Secret Service's Tampa and Newark, New Jersey Field Offices, with assistance from the City of London. Investigators have also been aided by the U.S. Securities and Exchange Commission, the Ontario (Canada) Securities Commission, and the British Columbia (Canada) Securities Commission. The case will be prosecuted by Assistant United States Attorney Rachelle DesVaux Bedke.

A Criminal Complaint is merely a charge that a defendant has committed a violation of the federal criminal laws, and every defendant is presumed innocent until, and unless, proven guilty.