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FOR IMMEDIATE RELEASE

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FORMER LAKELAND COUPLE PLEAD GUILTY TO FRAUD AND OBSTRUCTION CHARGES ARISING OUT OF BIODIESEL FUEL SCAM

Tampa, Florida - United States Attorney Robert E. O'Neill today announced Karl H. Rehberg, age 65, and Helen Svekis Rehberg, age 66, both formerly of Lakeland, Florida, pleaded guilty to charges arising from a biodiesel fuel scam they perpetrated in the 1990's. Karl Rehberg pleaded guilty to the indictment, which charged him with one count of conspiracy to commit mail fraud. He faces a maximum penalty of five years' imprisonment, a \$250,000 fine and three years of supervised. Helen Rehberg pleaded guilty to obstructing justice in connection with the scheme. She faces a maximum penalty of ten years' imprisonment, a fine of \$250,000 and three years' supervised release.

According to court documents, in the early 1990's Karl Rehberg formed "NOPEC," a company which purported to be in the business of creating biodiesel fuel from waste cooking oil. From approximately 1992 to 1997, Karl and Helen Rehberg made false representations to investor-victims to entice them to invest in the business and purchase unregistered NOPEC stock. Specifically, Karl Rehberg lied when he told investors that NOPEC purchased waste cooking oil from local restaurants for a nominal fee, transported it to the NOPEC plant in Lakeland, and processed it into biodiesel fuel that could be used in vehicles and sold at a competitive price. In total, the Rehbergs were responsible for

selling approximately \$20.6 million in unregistered NOPEC securities to over 2500 investors in several states.

In late 1998, Karl and Helen Rehberg secretly fled the Tampa Bay area after they were advised that they were the targets of a grand jury probe into allegations of fraud involving NOPEC and after Karl Rehberg had begun plea negotiations with the United States Attorney's Office. They established several false identities and ultimately settled in Mesa, Arizona, where they were arrested on August 22, 2007.

The case was investigated by the Federal Bureau of Investigation, the Florida Department of Law Enforcement and the Mesa, Arizona Police Department. The case was prosecuted by Assistant United States Attorney Cherie L. Krigsman.