

NEWS RELEASE

NELSON P. COHEN UNITED STATES ATTORNEY DISTRICT OF ALASKA

Federal Building & U.S. Courthouse • 222 W. 7th Avenue • Room 253 • Anchorage, AK 99513-7567 • (907) 271-5071

FOR IMMEDIATE RELEASE Wednesday, March 19, 2008

08-41

HEAVY FINE IMPOSED FOR WIRE FRAUD

Anchorage, Alaska – United States Attorney Nelson P. Cohen announced today, March 19, 2008, that Michael A. Spisak, a resident of Kenai, Alaska, d.b.a. Bellair, Inc. was sentenced in federal court in Anchorage to three years probation and ordered to pay a fine of \$100,000 for his conviction of wire fraud.

Chief United States District Court Judge John W. Sedwick imposed the sentence on Spisak, age 45, of 49203 Paradise Lane, Kenai, Alaska.

According to information presented to the court by Assistant United States Attorney Retta Randall, between July 2003 and February 2004, Spisak, d.b.a. Bellair, Inc., falsified data to the U.S. Department of Transportation (DOT) in Washington, D.C., in order to receive increased mail tender under the Rural Service Improvement Act of 2002 (RSIA). RSIA established rules governing the process by which the United States Postal Service (USPS) tendered nonpriority bypass mail to qualified air carriers. The goal of RSIA is to reward Alaskan air carriers who best serve air freight shippers with the financial reward associated with delivering mail tender.

Spisak falsely revised Bellair's T-100 Market and Segment reports by inflating the amount of freight service Bellair hauled in its markets of interest, specifically to Anaktuvuk Pass, Huslia, Galena, Kaltag, Nulato, Point Hope, Shungnak, and Selawik. The reports were transmitted via email to the DOT. As a result, Bellair received payments from the USPS for the delivery of mail for which it did not qualify.

Mr. Cohen commended the United States Postal Service, Office of Inspector General, and the Department of Transportation, Office of Inspector General, for the joint investigation leading to the successful prosecution of Spisak.

###