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PRESS RELEASE

Colm F. Connolly, United States Attorney for the District of Delaware, announced today that Eugene W. Hilliard, age 52 of Clayton, Delaware, entered a guilty plea in U.S. District Court, before the Honorable Kent A. Jordan, to one count of Tax Evasion, punishable by five years imprisonment, and one count of Filing a False Return, punishable by three years imprisonment. Both offenses also carry a maximum \$250,000 fine.

As the prosecutor explained to the Court at the guilty plea, the tax evasion was based on Hilliard's attempt to evade the payment of taxes on \$114,128.00, earned in 2002 while providing approximately ten bars and clubs in the Newark, Dover and nearby Maryland area with video poker games machines. The prosecutor further explained that the false return count was committed in April 1998 when Hilliard, who operated the Clayton Inn in Clayton, Delaware, paid some of his employees "under the table," thereby avoiding withholding taxes on \$11,019 in wages paid to employees for that quarter.

The case was investigated by the Criminal Investigation Division of the Internal Revenue Service, Wilmington, Delaware.

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