

# NEWS

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United States Department of Justice  
U.S. Attorney, District of New Jersey  
970 Broad Street, Seventh Floor  
Newark, New Jersey 07102

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***Christopher J. Christie, U.S. Attorney***

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Former Executive of New Jersey Technology Company  
Convicted in \$5 Million Investor Fraud

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(More)

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NEWARK – A federal jury today convicted a former vice president and director of a New Jersey information technology consulting company on all counts for his role in a scheme to defraud dozens of private investors in the company of more than \$5 million, U.S. Attorney Christopher J. Christie announced today.

After deliberating two hours after a seven-day trial, the jury convicted Guy E. Urciuoli, 41, formerly of Staten Island, N.Y. who now resides in Wilton Manors, Fla., on five counts of wire fraud, and one count of obstruction of justice

At the government's request, U.S. District Judge Peter G. Sheridan revoked Urciuoli's \$500,000 bail, and ordered him detained pending sentencing, which has not yet been scheduled.

Urciuoli was arrested on Aug. 2, 2007, at his home in Florida., by Special Agents of the FBI and U.S. Postal Inspectors. Urciuoli was indicted last July on 12 counts of wire fraud and one count of obstruction of justice. The United States moved before trial to dismiss seven of the wire fraud counts, and proceeded on the remaining six counts.

The case, which began with opening arguments on Jan. 8, was tried by Assistant U.S. Attorneys Robert Kirsch and Craig Carpenito.

Urciuoli was convicted for his role in a scheme to defraud private investors who purchased shares of stock in InsPara Networking Technologies, Inc. ["InsPara" or the "Company"], a private company based out of Cranford, New Jersey. InsPara also had seven affiliate offices in the United States, as well as a location in London, England, according to the Indictment.

Urciuoli, the V.P. of Finance and member of the Board of Directors, solicited private investors to buy shares of InsPara stock, ranging from 75 cents to \$2 per-share, with the stated goal of making the company attractive for a public offering or merger. Urciuoli, through phone contact and written material, solicited more than 40 individuals, located across the country, including New Jersey, New York, Florida, Colorado, Tennessee, Illinois, California and Nevada.

In total, Urciuoli solicited approximately \$5.2 million from investors from which he obtained approximately \$1.3 million in wire transfers through a series of shell companies which he controlled, according to AUSAs Kirsch and Carpenito.

In convicting Urciuoli, the jury found that he lied and misled investors about his sales commissions, which totaled approximately 25 percent of the investors' money, as well as 3.5 million shares of company stock, making him its largest shareholder. To bolster his credentials, Urciuoli falsely claimed to be a licensed securities broker, and to gain the

confidence of the investors, falsely claimed that he invested up to \$1 million in the Company. In addition, the jury found that Urciuoli obstructed justice by duping investors to sign false and misleading “disclosure statements” in an effort to conceal his wrongdoing, which he then presented to the FBI pursuant to a grand jury subpoena.

In mid-November 2006, Kevin Holt, 53, of Cranford, N.J., InsPara’s former chief executive officer and chairman of the board of directors, and Robert Henches, 61, of Montville, N.J., the former chief operating officer and director, each pleaded guilty before Judge Sheridan to separate one-count Informations charging them with conspiracy to commit mail and wire fraud. Neither were called to testify at Urciuoli’s trial, and their sentencings are pending.

Christie credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun, in Newark; and U.S. Postal Inspectors, under the direction of Postal Inspector in Charge David L. Collins, for the successful investigation and prosecution.

The government is represented by Assistant U.S. Attorneys Kirsch and Carpenito, both of the U.S. Attorney’s Office Securities and Healthcare Fraud Unit, in Newark.

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Defense Counsel: David Feingold, Esq., of Palm Beach Gardens, Fla.