NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California

United States Attorney
Laura E. Duffy

Assistant U. S. Attorney Faith A. Devine (619) 546-6784

For Immediate Release

THREE INDIVIDUALS CHARGED IN $51 MILLION STOCK LOAN FRAUD SCHEME

NEWS RELEASE SUMMARY - March 15, 2012

United States Attorney Laura Duffy announced the unsealing of a criminal indictment today charging James T. Miceli, Douglas McClain, Jr. ("McClain"), and Jeffrey Spanier with one count of conspiracy, seven counts of mail fraud, fifteen counts of wire fraud, one count of securities fraud, eleven counts of money laundering, and criminal forfeiture in connection with their participation in a $51 million stock loan fraud scheme.

According to the indictment, Miceli and McClain operated several entities that did business in San Diego, California and Savannah, Georgia under the name "Argyll." Spanier operated a loan brokerage business in Florida under the name "Amerifund." According to the indictment, Miceli, McClain, and Spanier conspired to defraud the public and borrowers by falsely representing that Argyll was an institutional lender with significant cash to lend to corporate executives and other individuals. According to the indictment, Miceli, McClain, and Spanier fraudulently induced borrowers to pledge stock they held in publicly traded companies as collateral for loans by falsely representing that the borrowers' stock would not be sold unless there was a default on the loan and failing to disclose that Argyll intended to sell the borrowers' stock in order the fund the loans as well other business ventures of Miceli and McClain. The indictment further alleges that Miceli, McClain, and Spanier also fraudulently induced borrowers to make quarterly interest payments on their loans to Argyll by failing to disclose that the stock the borrowers' pledged as collateral for the loans was already sold by Argyll.

The indictment also charges Miceli, McClain, and Spanier with engaging in manipulative and deceptive devices which operated as a fraud and deceit upon purchasers of publicly traded securities. According to the indictment, federal securities laws and the United States Securities and Exchange Commission ("SEC) place restrictions on the sale of stock by insiders of publicly traded companies. The indictment charges Miceli, McClain, and Spanier with violating these laws by falsely representing that Argyll would comply with Regulation 144, which restricts affiliated persons from selling publicly traded securities and failing to disclose to borrowers that Argyll was paying substantial back-end incentive fees to Spanier from the fraudulent sale of the borrowers' stock.

The indictment seeks the forfeiture of $51 million, including cash and securities held in brokerage accounts, a Ferrari, an Advantage Party Cat vessel, a Cessna Citation corporate jet, and diamond jewelry.

This case is being investigated by the Federal Bureau of Investigation-San Diego Division and the United States Postal Inspection Service.

Defendant Miceli is next scheduled to be in court on Tuesday, March 20, 2011 at 9:00 a.m., before Magistrate Judge Ruben B. Brooks for a detention hearing. Defendants McClain and Spanier are expected to be transferred to San Diego in the coming weeks.

DEFENDANTS **Case Number: 12cr0918BEN**

James T. Miceli
Douglas A. McClain, Jr.
Jeffrey R. Spanier

SUMMARY OF CHARGES

Count 1	Title 18, United States Code, Section 371 - Conspiracy Maximum Penalties: Five years' imprisonment, a fine of $250,000, and three years' supervised release.
Counts 2-8	Title 18, United States Code, Section 1341 - Mail Fraud Maximum Penalties: 20 years' imprisonment, a fine of $250,000, and three years' supervised release.
Counts 9-23	Title 18, United States Code, Section 1343 - Wire Fraud Maximum Penalties: 20 years' imprisonment, a fine of $250,00, and three years' supervised release.
Count 24	Title 15, United State Code, Sections 78j(b) and 78ff - Securities Fraud Maximum Penalties: 20 years' imprisonment, a fine of $250,00, and three years' supervised release.
Counts 25-28	Title 18, United States Code, Section 1956 - Money Laundering Maximum Penalties: 20 years' imprisonment, a fine of $250,000, and three years' supervised release.
Counts 29-35	Title 18, United States Code, Section 1957 - Money Laundering Maximum Penalties: 10 years' imprisonment, a fine of $250,000, and three years' supervised release

AGENCIES

Federal Bureau of Investigation
United States Postal Inspection Service

An indictment is not evidence that the defendants committed the crimes charged. The defendants are presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.