



*United States Attorney
Southern District of New York*

**FOR IMMEDIATE RELEASE
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**PENNSYLVANIA MAN INDICTED FOR MULTIMILLION-DOLLAR
BANK AND SECURITIES FRAUD SCHEME**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced today the indictment of ERIC SKYS, the purported Chairman, President and CEO of Kaiser Himmel Corporation ("Kaiser Himmel"), on securities and wire fraud charges stemming from his attempts to defraud several financial institutions out of millions of dollars. SKYS was previously arrested on May 15, 2008, in Somerset, Pennsylvania, on a federal criminal Complaint. According to the Indictment and Complaint filed in Manhattan federal court:

SKYS engaged in a scheme to defraud several financial institutions by falsely claiming that he, through Kaiser Himmel, owned and controlled 13.4 million shares of stock in Sprint Nextel Corporation ("Sprint"). SKYS claimed that Sprint had awarded those shares as payment for goods and services allegedly supplied to Sprint by Kaiser Himmel, and SKYS sought millions of dollars from these financial institutions in return for a pledge by Kaiser Himmel of an ownership interest in the purported Sprint shares. To mislead the financial institutions and convince them that Kaiser Himmel actually possessed the Sprint shares, SKYS provided them with fabricated documents such as contracts with forged signatures of Sprint managers, altered e-mails, and fake securities account statements.

SKYS is charged with one count of securities fraud, three counts of wire fraud, and one count of bank fraud. If convicted, SKYS faces a maximum sentence of 110 years in prison and a fine of the greatest of \$6,000,000, or twice the gross gain or loss from the offense.

SKYS was previously ordered detained pending trial. His case has been assigned to United States District Judge WILLIAM H. PAULEY III, and the initial pretrial conference is scheduled for July 30, 2008, at 3 p.m.

SKYS, 27, resides in Somerset, Pennsylvania.

Mr. GARCIA praised the investigative work of the Federal Bureau of Investigation, and thanked the Pennsylvania State Police for their invaluable assistance in this case.

Assistant United States Attorney DAVID SIEGAL is in charge of the prosecution.

The charges contained in the Complaint and Indictment are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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