



***United States Attorney  
Southern District of New York***

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**NETELLER FOUNDER PLEADS  
GUILTY TO CONSPIRING TO PROMOTE  
ILLEGAL INTERNET GAMBLING BUSINESSES**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that STEPHEN ERIC LAWRENCE, a founder and former Chairman of NETeller PLC, pleaded guilty today to charges that he conspired with others to promote illegal gambling by providing payment services in the United States to offshore internet gambling businesses. According to the documents filed and LAWRENCE's plea allocution in Manhattan federal court:

In 1999, LAWRENCE founded NETeller, a group of companies that provided online payment services to internet gambling companies. In July 2000, LAWRENCE began providing payment services through NETeller Inc., a Canadian company based in Calgary, Alberta, and began providing payment services through NETeller PLC, a company based in the Isle of Man, in 2004. It provided those services to internet gambling businesses located outside the United States, so those businesses could take bets

from gamblers in the United States, where such betting is illegal. In April 2004, NETeller PLC went public on the Alternative Investment Market ("AIM") of the London Stock Exchange.

In addition to founding the NETeller group of companies, LAWRENCE served those companies in a variety of senior management positions, including as Chief Executive Officer of NETeller, Inc. Until 2006, LAWRENCE was Chairman of the Board of Directors of NETeller PLC.

LAWRENCE pleaded guilty to one count of conspiracy to use the wires to transmit in interstate and foreign commerce bets and wagering information; to conduct illegal gambling businesses; to engage in international financial transactions for the purpose of promoting illegal gambling; and to operate an unlicensed money transmitting business. During the course of the plea allocution, LAWRENCE admitted that during the time he was operating in the NETeller group, he came to learn that laws existed in the United States barring the transfer of money for the purposes of promoting gambling, which led him to the understanding that what he was doing was wrong. LAWRENCE, 47, faces a maximum sentence of 5 years' imprisonment and a fine of \$250 thousand, or twice the gross gain or loss from the offense, when he is scheduled to be sentenced before United States District Judge P. KEVIN CASTEL on October 29, 2007. LAWRENCE also admitted to forfeiture

allegations requiring him to forfeit \$100 million. A related case against former NETeller President and Board of Directors member JOHN DAVID LEFEBVRE remains pending.

Mr. GARCIA praised the investigative efforts of the Federal Bureau of Investigation.

Assistant United States Attorneys TIMOTHY J. TREANOR, CHRISTOPHER P. CONNIFF, and SHARON COHEN LEVIN are in charge of the prosecution.

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