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FOR IMMEDIATE RELEASE
OCTOBER 6, 2010

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**FLORIDA ATTORNEY SENTENCED IN MANHATTAN FEDERAL COURT
TO 22 YEARS IN PRISON FOR ROLE IN \$20 MILLION
ADVANCE-FEE SCHEME**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that DELMER C. GOWING III was sentenced today in Manhattan federal court to 22 years in prison for his participation in a fraudulent advance-fee scheme that spanned over a decade and robbed victims of more than \$20 million. GOWING began participating in the fraud scheme after representing EMIL SCHERINGER in a civil lawsuit brought by a fraud victim. GOWING and SCHERINGER were subsequently charged criminally and found guilty by a jury following a 3-week trial before U.S. District Judge GEORGE B. DANIELS, who also imposed the sentence on GOWING.

According to the evidence presented at trial and at the sentencing hearing:

Beginning in at least 1999, SCHERINGER held himself out as an owner and officer of three companies, Adlex Bent, Annuity Coeptis, and Supreme Oil and Energy Company. SCHERINGER told victims that he and his companies owned "contracts" in Nigeria and other countries worth hundreds of millions, and in some cases, billions of dollars. SCHERINGER described these contracts to victims in various ways. Typically, Scheringer described them as oil contracts that had already been performed, which he had purchased for pennies on the dollar, or which the Nigerian government had given to SCHERINGER. SCHERINGER also told victims that his access to these hundreds of billions of dollars was blocked by various legal impediments both abroad and in the United States that required money to resolve. Year after year, SCHERINGER persuaded hundreds of victims to give him money -- anywhere from a few hundred dollars to millions -- by telling them that the money would be used to remove the legal impediments and promising to pay them back in just a few days with double or even triple the money they had given him. SCHERINGER also operated a network of paid recruiters all over the United States that helped him reel victims into the fraud.

GOWING, a lawyer who specialized in securities litigation during a career that spanned four decades, joined the conspiracy in 2004, after representing SCHERINGER in a lawsuit brought by one of the fraud victims. GOWING soon began to defraud people himself by making similar fraudulent misrepresentations, posing as the General Counsel and President of Supreme Oil, and targeting his own law clients, among other victims. GOWING used his position as a respected securities attorney to give victims a false sense of comfort.

After SCHERINGER and GOWING were arrested and released on bail, in 2005 and 2006, respectively, they continued to defraud victims by failing to disclose that they were both charged in a criminal case and claiming that the case was unrelated to the transactions they were peddling and would soon be dismissed. Even after he was incarcerated following his conviction in September 2009, GOWING worked to continue the scheme from prison, despite the fact that his calls were recorded and his email communications were monitored.

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In imposing the sentence, Judge DANIELS held GOWING responsible for approximately \$9 million in losses incurred by victims of the scheme. Judge DANIELS also ordered forfeiture in the amount of \$8,910,227, ordered GOWING to pay restitution, and to serve 3 years of supervised release following his prison sentence. Judge DANIELS described SCHERINGER and GOWING's scheme as "simple in its design," "sophisticated in its execution," and "nothing short of diabolical." Judge DANIELS further noted that the nature of the scheme was "clear to GOWING from day one," but that GOWING was "seduced by the dark side," and decided it was in his "own selfish and callous best interest to participate in such lies and deceit." Judge DANIELS further noted that SCHERINGER and GOWING "took advantage of the weaknesses" of the many victims of their scheme, and that "no restitution order would make [the victims] whole."

SCHERINGER is scheduled to be sentenced by Judge DANIELS on November 9, 2010, at 10:00 a.m.

Manhattan U.S. Attorney PREET BHARARA stated: "Delmar Gowing betrayed his duty to the law and used his reputation to exploit victims out of millions of dollars. Today's sentence is the final chapter in his story of deceit and trickery. Together with our law enforcement partners, we will continue to prosecute

attorneys who criminally abuse their positions of trust and hold them accountable for their actions."

Mr. BHARARA praised the U.S. Postal Inspection Service for its outstanding work on the case.

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This case was brought in coordination with President BARACK OBAMA's Financial Fraud Enforcement Task Force, on which Mr. BHARARA serves as a Co-Chair of the Securities and Commodities Fraud Working Group. President OBAMA established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated, and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

This case is being prosecuted by the Office's Complex Frauds Unit. Assistant U.S. Attorneys SEETHA RAMACHANDRAN and LEE RENZIN are in charge of the prosecution.

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