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For Immediate Release

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**TAX FRAUD RESULTS IN EIGHT YEAR PRISON
SENTENCE FOR COMPANY CO-FOUNDER**

PHILADELPHIA - John Michael Crim, 53, of Malta, was sentenced today in U.S. District Court to the maximum term of eight years in prison for conspiring to defraud the United States and corruptly attempting to obstruct the Internal Revenue Service, causing millions of dollars of tax losses. In addition to the prison sentence, Crim was ordered to pay \$17.2 million in restitution, a \$175,000 fine, a \$200 special assessment, and serve three years supervised release.

Defendant John Michael Crim was co-founder of a Texas-based group called Commonwealth Trust Company (CTC).^{*} The group (not affiliated with the Wilmington, Delaware firm by the same name) encouraged investors to place income and assets into trusts for the purpose of evading federal income taxes. CTC marketed two domestic trusts and one offshore trust to its clients. Based on CTC instructions, many of the clients did not file tax returns or filed materially false tax returns. As part of the scheme, CTC told clients they could escape paying income taxes by diverting income through CTC's series of trusts. CTC also instructed clients to transfer their assets into one of CTC's domestic trusts to conceal and protect property from IRS liens and seizures.

Defendant John Michael Crim was convicted in January with co-defendants John Brownlee and Constance Taylor. Defendants Brownlee and Taylor are awaiting sentencing. All three defendants remain in custody.

The case was investigated by special agents of the Internal Revenue Service - Criminal Investigation Division and was prosecuted by Assistant United States Attorneys Stephen A. Miller and Vineet Gauri.

* The defendants had no connection with the Commonwealth Trust Company of Wilmington, Delaware.

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