NEWS RELEASE

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

United States Attorney
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For Immediate Release

San Diego Company Admits Misleading SEC as Part of Settlement Agreement

Unico, Inc. Agreed to Pay a Monetary Penalty and to Submit to Oversight by a Government-Approved Monitor for a Period of at Least Three Years

NEWS RELEASE SUMMARY – January 31, 2013

United States Attorney Laura E. Duffy announced today that San Diego-based Unico, Inc. ("Unico") entered into a negotiated settlement in which it admitted that its former CEO, Mark Anthony Lopez, made a false statement to the Securities and Exchange Commission ("SEC") when he mischaracterized funds received from a lender. Unico also agreed to pay a monetary penalty and to submit to at least three years of oversight by a corporate monitor approved by the United States Attorney's Office.

As part of the negotiated settlement, Unico (on January 30, 2013) entered into a deferred prosecution agreement with the United States Attorney's Office before the Honorable William McCurine, Jr. According to the terms of the agreement, the monitor (who is required to act as an independent third-party) will have the power to approve—as well as veto—various business and financial decisions that Unico attempts to make. In exchange for Unico's concessions, the United States Attorney's Office agreed to postpone its prosecution against Unico for charges related to securities fraud, false statements and obstruction of justice.

The deferred prosecution agreement comes after the January 17, 2013 arrest of Unico's former CEO on charges of conspiracy to commit securities fraud and obstruction of justice. According to the indictment against Lopez, he conspired with New Jersey-based stock trader Mark Allen Lefkowitz (who previously pled guilty) to manipulate the share price and volume of Unico's stock to benefit corporate insiders at the expense of shareholders. As a result of the fraud, the company issued approximately 9 billion new shares of its stock that it did not register with the SEC. These new, unregistered shares diluted existing shares, causing their value to drop by as much as $7 million. At the same time, Lefkowitz received free-trading shares from Unico worth more than $28 million, which he sold to unsuspecting buyers on the open market.

Also according to the indictment against Lopez, he tried to obstruct an SEC probe into his misconduct by refusing to turn over emails, which he printed and concealed in two manila folders marked "Files Deleted" and another marked "Not Released to SEC Subpoena (Delete)." The indictment further alleged that Lopez redacted portions of an email and tried to delete it from his computer, and later lied to the SEC under oath during deposition testimony.

According to United States Attorney Duffy, the Deferred Prosecution Agreement was an appropriate vehicle in this case as it did not further penalize Unico's stockholders for criminal behavior undertaken by Lefkowitz and a former company executive. She added, though, that this remedy was available only because of the company's cooperation in this investigation. The United States Attorney also stressed that the designation of a corporate monitor was another integral component of this agreement as it guards against Unico being involved in future stock fraud.

DEFENDANT **Case Number: 13CR0355-JAH**

Unico, Inc. San Diego, CA

SUMMARY OF CHARGES

False Statement to a Government Agency, in violation of Title 18, United States Code, Section 1001(a)(2). Maximum penalties: 5 years in prison, 5years' supervised release, a $500,000 fine and a $400 special assessment.

INVESTIGATING AGENCY

Federal Bureau of Investigation

The public is reminded that an indictment itself 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.