

NEWS RELEASE



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

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For Immediate Release

NEWS RELEASE SUMMARY - November 19, 2010

The United States Attorney's Office announced that yesterday United States District Court Judge Jeffrey T. Miller sentenced former xélan, Inc. president Lewis Donald Guess to serve 18 months in federal prison based on Guess' convictions on two felony counts of filing false income tax returns. According to court documents, Guess, a dentist, owned and controlled the xélan Family of Companies, which specialized in financial planning and aggressive tax management for medical professionals. Guess also controlled the xélan Foundation, which purported to be a public charity.

In June 2010, after a week-long bench trial, Guess was found guilty of filing false and fraudulent U.S. Individual Income Tax Returns for the calender years 2001 and 2002 by falsely claiming that he donated \$800,000 worth of stock to the xélan Foundation, a charity that he controlled. In finding the defendant guilty the Court found that Guess manipulated his employees and tax professionals to "slice and dice" the preparation of his tax returns for the years 2001 and 2002. Guess backdated documents and engaged in an illusory "shell game" to support the false charitable deduction on his tax returns.

DEFENDANT

Case Number: 08cr4341JM

Lewis Donald Guess

SUMMARY OF CHARGES

Two Felony Counts - Filing False Income Tax Returns in violation of Title 26, United States Code, Section 7206(1)

AGENCY

Internal Revenue Service - Criminal Investigation