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Former Chief Executive Officer of Digital Consulting, Inc. Sentenced for Conspiracy and Tax Evasion

Boston, MA... A Lynnfield man was sentenced today in federal court on charges of tax fraud conspiracy and tax evasion for spearheading a scheme in which he diverted millions of unreported income generated by his company, Digital Consulting, Inc. ("DCI"), to an off-shore account in Bermuda to avoid paying taxes.

United States Attorney Michael J. Sullivan and Douglas A. Bricker, Special Agent in Charge of the U.S. Internal Revenue Service, Criminal Investigation - Boston Field Office, announced today that GEORGE SCHUSSEL, age 66, with a primary residence of 5 Kimberly Terrace, Lynnfield, Massachusetts, and other residences in Meredith, New Hampshire and Key West, Florida, was sentenced to 5 years in prison, followed by 2 years of supervised release and a \$125,000 fine. SCHUSSEL was also ordered to meet with the IRS to resolve his outstanding tax liability on millions of dollars that he evaded.

In January, SCHUSSEL was convicted after a fourteen-day jury trial which proved that SCHUSSEL, the former Chief Executive Officer of Andover based DCI, conspired with others from 1988 through 1998, in an elaborate scheme to avoid paying taxes on DCI's profits. To prevent discovery of the scheme, SCHUSSEL obstructed an audit by the IRS in March of 1998. SCHUSSEL also filed false and fraudulent corporate and individual income tax returns for the calendar year 1995, by failing to report to the IRS accurate DCI revenues and income which he and his wife received.

DCI, established in 1982 by SCHUSSEL, was in the business of organizing and conducting computer based training seminars, trade shows, and conferences for businesses in the computer industry. Following SCHUSSEL's indictment in this matter in 2004, DCI ceased doing business in its own name and became part of a company called Shared Insights.

During the period of time SCHUSSEL was running his tax fraud scheme, DCI generated its revenue from ticket sales to participants who attended the seminars, trade shows, and other events, as well as from the contracting and selling of booth space to vendors involved in the shows. From January 1988 through May 8, 1998, SCHUSSEL conspired to defraud the United States by diverting over \$8 million of DCI's gross receipts to an account he controlled at the Bank of Bermuda Limited. After the diverted funds cleared through the bank in Bermuda, SCHUSSEL then transferred the money to an account he controlled at Fidelity Investments. The account in Bermuda was held in the name of Digital International Consulting, Ltd. ("DCIL"), a sham corporation set up in Bermuda by SCHUSSEL to facilitate the diversion of taxable income that he failed to report to the IRS. All of the money diverted to Bermuda was unreported by SCHUSSEL in DCI's corporate tax returns. SCHUSSEL diverted over \$8.5 million of the company's revenues to Bermuda during the course of the scheme.