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NEWS RELEASE

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Former Executives of Nuclear Power Company Indicted

*Donald L. Gillispie and Jennifer R. Ransom Charged with 14 Counts
of Conspiracy, Securities and Wire Fraud, False Tax Returns, False Statements*

BOISE – Donald L. Gillispie, 71, of Meridian, Idaho, and Jennifer R. Ransom, 40, of Meridian, Idaho, were indicted November 13, 2014, by a federal grand jury sitting in Boise. The defendants were charged with 14 counts of conspiracy, securities fraud, wire fraud, filing false tax returns, and making false statements to federal agents, U.S. Attorney Wendy J. Olson announced. An initial appearance is set for Gillispie on November 14, 2014.

The indictment alleges that the defendants were executives of Alternate Energy Holdings, Inc. (“AEHI”), a development stage company headquartered in Eagle, Idaho, that planned to construct and operate a nuclear power plant in Payette County, Idaho. Mr. Gillispie was the founder, and at various times since 2006, the President, Chief Executive Officer, Chief Operating Officer, Director, and Chairman, of AEHI. Ms. Ransom was the Senior Vice President of Administration and Secretary of AEHI.

The indictment alleges that, beginning in October of 2006, and continuing through December of 2010, the defendants conspired to manipulate and inflate the market price of AEHI stock, which was traded on the public over-the-counter and Pink Sheet markets. According to the indictment, the purpose of attempting to inflate the market price of AEHI was to attract private investors to purchase AEHI stock – which AEHI offered to them at a discount from the market price – and thus obtain cash financing for the company. The indictment alleges that, the defendants recruited nominees to purchase AEHI stock, provided them with company funds, and

instructed them on the timing, quantity, and price to purchase AEHI stock, so as to most effectively attempt to artificially inflate the price.

According to the indictment, during a period when attempts were being made to artificially inflate the price of AEHI stock, Ms. Ransom sold approximately 1,000,000 shares of her AEHI stock and received approximately \$675,326 in return. Of this amount, she provided approximately \$190,000 to Mr. Gillispie. Also during this period, relatives of Mr. Gillispie sold approximately 10,778,000 shares of their AEHI stock and received approximately \$3,715,927 in return.

The indictment alleges that, from October of 2006 to October of 2010, AEHI raised approximately \$14 million in capital financing from private investors. During this period of time, AEHI did not generate any material income. From the \$14 million in investor money, the defendants received significant salaries and other compensation that they did not report as income to the Internal Revenue Service.

According to the indictment, Ms. Ransom made false statements to a tax compliance officer during a civil audit interview, and later, to investigating law enforcement agents of the Internal Revenue Service and Federal Bureau of Investigation.

“Those who manipulate securities markets and deceive investors pose a significant risk to our financial system,” said Olson. “Those who further defraud the United States and their fellow tax payers by failing to pay taxes on their ill-gotten gains must not be allowed to manipulate the system. The Department of Justice and its federal law enforcement partners will vigorously investigate and prosecute such conduct.”

“Their motivation in this stock scheme was based purely on greed which was coupled with tax fraud and lying to IRS agents,” said Stephen Boyd, IRS Criminal Investigation Special Agent in Charge for the state of Idaho.

The charge of conspiracy to commit securities fraud is punishable by up to five years in prison, a maximum fine of \$250,000, and up to three years of supervised release. The charge of securities fraud is punishable by up to five years in prison, a maximum fine of \$250,000, and up to three years of supervised release. The charge of wire fraud is punishable by up to 20 years in prison, a maximum fine of \$250,000, and up to three years of supervised release. The charge of filing false tax returns is punishable by up to three years in prison, a maximum fine of \$100,000, and up to one year of supervised release. The charge of false statements to federal agents is punishable by up to five years in prison, a maximum fine of \$250,000, and up to three years of supervised release.

The case is being investigated by the Internal Revenue Service, Criminal Investigation Division, and the Federal Bureau of Investigation. The case is being prosecuted by the United States Attorney’s Office, District of Idaho, and the United States Department of Justice, Tax Division.

An indictment is a means of charging a person with criminal activity. It is not evidence. The person is presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

Today's announcement is part of efforts underway by President Obama's Financial Fraud Enforcement Task Force (FFETF), which was created in November 2009 to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. With more than 20 federal agencies, 94 U.S. attorneys' offices and state and local partners, it's the broadest coalition of law enforcement, investigatory and regulatory agencies ever assembled to combat fraud. Since its formation, the task force has made great strides in facilitating increased investigation and prosecution of financial crimes; enhancing coordination and cooperation among federal, state and local authorities; addressing discrimination in the lending and financial markets and conducting outreach to the public, victims, financial institutions and other organizations. Over the past three fiscal years, the Justice Department has filed more than 10,000 financial fraud cases against nearly 15,000 defendants including more than 2,700 mortgage fraud defendants. For more information on the task force, visit www.stopfraud.gov.

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