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PRESS RELEASE

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FOR FURTHER INFORMATION
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Paris Man Pleads Guilty

Jackson, TN - Terrell L. Harris, U.S. Attorney for the Western District of Tennessee, announced today that James Gary Davidson, pled guilty before Chief Judge James D. Todd in Jackson, Tennessee. Davidson, of Paris, Tennessee, pled guilty to one count of mail fraud and one count of money laundering. According to the plea agreement filed in court today, Davidson also agreed to pay the sum of \$675,000 in restitution at the time of his sentencing or enter a guilty plea to the forfeiture count of the indictment, forfeiting \$675,000 to the government.

Davidson's plea ends a trial that began February 25, 2001. According to the Agreed Factual Basis filed during the plea hearing, Davidson admits he devised a scheme to defraud and to obtain money by false pretenses from various persons interested in a cancer treatment, knowing full well these representations were false when he made them. He also admitted that he misrepresented his education and background by falsely stating he had obtained a doctorate in physics and stating he had worked for the Central Intelligence Agency. As part of his scheme, Davidson lead individuals to believe they were free of, or had been "cleared" of cancer.

As part of his plea, Davidson also admitted to specific acts pertaining to the mail fraud and

money laundering charges. Davidson sent his resume around May 29, 1996, from Macrotech Corporation in Paris, Tennessee, to Kenneth Genzink in Holland, Michigan, pertaining to an investment. Additionally, on or about May 6, 1996, Davidson conducted a financial transaction with proceeds derived from his fraudulent scheme by depositing a check from Culex, Inc., into a Macrotech Corporation bank account. According to the factual basis, Davidson deposited or caused to be deposited a total of \$675,000 into the Macrotech Corporation bank account.

Sentencing is set for June 14, 2002. Davidson agreed to immediately surrender his passport.

This investigation was conducted by Larry Loftis, Special Agent for the Food and Drug Administration-Office of Criminal Investigations; Kay Frye, Special Agent for IRS-Criminal Investigation; Steve Orr, Postal Inspector for the U.S. Postal Inspection Service; and Greg Franklin, Special Agent with the FBI. Assistant U.S. Attorney Leigh Grinalds prosecuted the case for the government.

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