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**IRS ORDERED TO RETURN APPROXIMATELY \$14 MILLION
TO DBSI TRUSTEE ON BEHALF OF DEFRAUDED CREDITORS**

Newark, NJ (May 17, 2016)...James R. Zazzali, the Trustee of the DBSI Estate Litigation Trust, who is also the former Attorney General of New Jersey and retired Chief Justice of the Supreme Court of New Jersey, said that he was gratified by Chief Judge Pechman’s eminently correct and strongly worded summary judgment decision ordering that the IRS return approximately \$14 million to DBSI’s defrauded investors.

Mr. Zazzali stated:

“It would be both inequitable and unconscionable for the United States to continue to keep funds paid by DBSI affiliates to the IRS in satisfaction of the personal tax liability of Douglas Swenson, DBSI’s CEO and principal, who was convicted of 78 counts of federal securities and mail fraud. In obtaining this conviction, the United States presented evidence that the monies paid on Swenson’s behalf to the IRS were proceeds of DBSI’s criminal scheme. The United States even stipulated in the litigation that the transfers in question were intended to defraud DBSI’s creditors.

Thousands of defrauded investors, many of whom are elderly, have lost significant portions of their life savings as a result of Swenson’s fraudulent scheme. Hundreds of the Trust’s beneficiaries have died during the Trustee’s nearly six year battle with the IRS, and that number is likely to increase as time passes. Now that the Court has rejected all of its defenses to the \$14 million in fraudulently transferred funds still in its possession, I trust that the United States will appreciate the gross inequity of its position and will resolve the matter now rather than dragging out this litigation on appeal.”

About Gibbons P.C.

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