

Department of Justice  
U.S. Attorney's Office  
District of Maryland

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FOR IMMEDIATE RELEASE

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## **Former Frederick Business Owner Charged in \$50 Million Bank Fraud**

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**Baltimore**, Maryland – A federal grand jury has charged Mark Ian Gaver, age 56, of Bonita Springs, Florida, with eight counts of bank fraud and two counts of money laundering arising from an alleged scheme to obtain \$50 million in bank financing for his company using false and fraudulent financial statements, balance sheets, and certifications of outstanding accounts receivables. The indictment was returned today, although Gaver was previously arrested on a criminal complaint when he entered the United States from Canada on November 15th.

The indictment was announced by Acting United States Attorney for the District of Maryland Stephen M. Schenning; Special Agent in Charge Gordon B. Johnson of the Federal Bureau of Investigation (FBI), Baltimore Field Office; and Special Agent in Charge Steven Perez, Federal Housing Finance Agency, Office of Inspector General (FHFA-OIG), Northeast Region.

According to the ten-count indictment, in 1998 Gaver formed Gaver Technologies, Inc. (GTI,) an information technology company based in Frederick, Maryland. Between November 2008 and April 2016, Gaver allegedly submitted materially false financial documents to Santander Bank (Santander), including fraudulent audit reports and contract status reports, in order to obtain successive extensions and increases in lines of credit from Santander for GTI. Based upon the false documentation allegedly submitted by Gaver, Santander ultimately extended \$50 million in financing to GTI. The indictment further charges that Gaver diverted a large portion of these fraudulently obtained funds to his own personal use.

According to the indictment, Santander initially approved an \$18.5 million line of credit for GTI in August 2009. This line of credit was subsequently increased eight separate times between March 2010 and March 2016, successively growing from \$18.5 million to a final total of \$50 million. In connection with each request by Gaver for an increase in GTI's credit line, Santander required GTI to submit specific documentation disclosing its financial performance and condition. The required

documentation included audited annual financial statements, quarterly balance sheets, monthly borrowing base certificates, and monthly accounts receivable aging reports. The monthly borrowing base certificates required Gaver to certify the amount of GTI's outstanding accounts receivable, and were used by Santander to establish a maximum borrowing amount for GTI. Under the terms of GTI's line of credit agreement with Santander, GTI was only allowed to borrow up to 75% - 80% of the total amount of GTI's outstanding accounts receivable, and the funds loaned by Santander were only to be used for business purposes by GTI.

According to the indictment, Gaver also submitted Quarter Contract Status Reports to Santander between August 2009 and December 2016 which falsely represented that GTI had secured contracts with federal government agencies such as the Bureau of Alcohol, Tobacco and Firearms (ATF), the Environmental Protection Agency (EPA), the United States Air Force (USAF), the National Aeronautics and Space Administration (NASA), and the Department of Labor (DOL), or that overstated the amount of GTI's ongoing contracts with various federal government agencies.

Gaver did use funds loaned by Santander to GTI for legitimate business purposes, but he also diverted substantial amounts of the loan proceeds to his own personal use. For example, Gaver used loan proceeds to pay \$779,000 for the rental of private planes that he used for non-business purposes, as well as to pay for personal pleasure trips to St. Maarten, France, Germany, Mexico, Jamaica, and the Bahamas, as well as to purchase vacation homes, including a home in Bonita Springs, Florida that cost \$2.275 million. Gaver also used loan proceeds to purchase a 2012 Maserati Gran Turismo; a 2011 Mercedes Benz SL Class Roadster; and a private membership at an exclusive golf club located in Naples, Florida that cost \$300,000.

Gaver faces a maximum possible sentence of up to 30 years in prison for each of the eight bank fraud counts, as well as 10 years in prison on each of the two money laundering charges, and post-incarceration terms of supervised release for five years and three years respectively. Gaver had his initial appearance at U.S. District Court in Baltimore at 12:30 p.m. today, and a hearing to determine whether he will be released pending trial is scheduled for 2:00 p.m. on Wednesday, December 6th.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceedings.

Acting United States Attorney Stephen M. Schenning commended the FBI and the FHFA-OIG for their work on the investigation. Mr. Schenning also thanked Assistant U.S. Attorneys Rachel M. Yasser and Jefferson M. Gray, who are prosecuting the case.