

NEWS RELEASE

R. Andrew Murray
District Attorney

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Man gets 29-37 years in prison after jury convicts him for financial crimes

Gary Clyde Keever, 55, was found *guilty* by a Mecklenburg County jury of twenty-one (21) counts of Securities Fraud violations and Obtaining Property by False Pretenses. Keever was convicted on Wednesday, April 20, 2011, after a two and one-half week trial in courtroom 5370 of the Mecklenburg County Courthouse. The Honorable H. William Constangy, Superior Court Judge, sentenced Keever to 29-37 years in prison.

Between 2001 and 2007, Keever operated a Ponzi scheme where he took money from investors, promising them that he would use that money to purchase mortgage notes, service them for 6-12 months, and resell them for a profit. Instead, Keever used \$636,254 in investor money to make returns to earlier investors and for his personal use and benefit.

The bank records showed that 51% of money coming into Keever's accounts were investor funds; yet, at least 75% of the money coming out of his accounts were for personal expenses. Keever used investor money to pay for trips to the State of Hawaii, Cancun, Mexico, and other locations. He purchased vehicles, clothing, jewelry, and paid his personal bills. The evidence showed that Keever never purchased, serviced, or sold any mortgage notes.

Keever was previously convicted in the mid-1990s for five counts of Obtaining Property by False Pretenses for similar activity. In those cases, Keever promised investors he would purchase bonds with their money, but in fact never purchased any bonds.

The case was a joint prosecution by Jessica Copeland, an Assistant District Attorney with the Mecklenburg County District Attorney's Office, and Dena King, an Enforcement Attorney with the N.C. Secretary of State's Office.

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