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Florida Lawyer Charged in Offshore Sports Betting Case

Madison, Wisconsin -- J.B. Van Hollen, United States Attorney for the Western District of Wisconsin, announced today the unsealing of an indictment that charged David Hampton Tedder, age 56, of Winter Springs, Florida, with conspiracy to violate the Wire Wagering Act, and conspiracy to commit money laundering.

A federal grand jury in Madison returned the indictment on September 12, 2002. Count One charges Tedder's participation and assistance in running Gold Medal Sports, an offshore sportsbook located on the island of Curacao. The indictment alleges that Tedder assisted the operations of Gold Medal Sports by creating shell corporations and offshore bank accounts for Gold Medal subsidiaries for the purpose of developing Internet gaming software, including sports betting. It further alleges that he also assisted owner Jeff D'Ambrosia in hiding D'Ambrosia's ownership interest in Gold Medal by creating shell corporations that engaged in a convoluted set of transactions that resulted in Tedder owning a part of Gold Medal Sports, and D'Ambrosia acting as a consultant to Gold Medal Sports.

Count Two charges Tedder with conspiracy to launder money by moving Gold Medal profits offshore from U.S. Bank accounts to offshore bank accounts in the names of nominees and shell corporations. The indictment alleges that Gold Medal owners Duane Pede, Jeff D'Ambrosia, and defendant Tedder moved in excess of $10,662,000 in Gold Medal proceeds through bank accounts in the United States, Ireland, the Bahamas, and St. Vincent & the Grenadines, in monetary transactions each exceeding over $10,000.

Counts Three through Six charge Tedder with money laundering counts. Count Seven of the indictment charges forfeiture of $10,662,179 in Gold Medal proceeds laundered by Tedder.

Internal Revenue Service and Federal Bureau of Investigation agents arrested Tedder yesterday at O'Hare Airport in Chicago. At his initial appearance today in United States District Court in Chicago, Tedder waived his removal and identity hearings. The Court ordered Tedder into temporary detention pending a hearing this Friday in United States District Court in Madison, Wisconsin.

This indictment caps a three-year undercover and financial investigation conducted by federal authorities into illegal offshore sports bookmaking and sports handicapping telemarketing services in Wisconsin, Las Vegas, Florida, and elsewhere. Tedder becomes the eighth defendant charged with a felony offense in this investigation.

Gold Medal Sports pleaded guilty to racketeering on December 4, 2001, and has agreed to suspend operations, and forfeit more than $3.3 million in criminal earnings. Its main owners, Duane Pede and Jeff D'Ambrosia, also pleaded guilty on December 4, 2001, to filing false income tax returns and violating the Wire Wagering Act. Each received a five year prison term. Pede and D'Ambrosia also paid over $1.4 million in back taxes, and fines of $100,000 each.

David Howard, a Certified Public Accountant in Las Vegas, and Randy Moreau, an accountant in Miami, each pleaded guilty in January 2002 to owning a share of a sports betting business that engaged in illegal sports wagers, using the phone lines and Internet, from bettors in the United States to Gold Medal Sports in Curacao. Attorney Bruce Meagher pleaded guilty in April 2002 to participating in the gambling conspiracy involving Gold Medal. He received one month in jail, five months of home detention, and a fine of $20,000. Gold Medal manager Rick McColley was indicted on February 21, 2002. He is currently a fugitive.

If Tedder is convicted, he faces a statutory maximum penalty for the gambling conspiracy charge of five years in prison and a $250,000 fine. The money laundering counts carry a statutory maximum penalty of ten years in prison and a $250,000 fine.

The charges against Tedder are the result of an investigation conducted by the Internal Revenue Service-Criminal Investigation, the Federal Bureau of Investigation, the United States Postal Inspection Service, and the Wisconsin Department of Justice - Gaming Enforcement Bureau. The case is being prosecuted by Assistant United States Attorneys Tim O'Shea and Dan Graber from the U.S. Attorney's Office in Madison, Wisconsin.

You are advised that a charge is merely an accusation and that a defendant is presumed innocent until and unless proven guilty.

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