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GUS PAPATHANASOPOULOS CLEARED OF SECURITIES FRAUD CHARGE - NO FRAUD INVOLVED IN NEOFAT INDUSTRIES, INC./MICROLIPID TECHNOLOGIES SECURITIES TRANSACTIONS

ORLANDO – Gus Papathanasopoulos, founder of Neofat Industries, Inc. (also known as Microlipid Technologies) was cleared of multiple counts of securities fraud in the Orange County Circuit Court on May 9th, 2016. In addition, there was found to be no fraud involved in the securities transactions for the two companies. After several proceedings, 34 of the original 38 charges were dropped. The remaining four charges pertained to his liability for the sale of unregistered securities by unregistered agents and Papathanasopoulos accepted a negotiated plea resolution.

“I am truly pleased with the outcome of this ruling,” Papathanasopoulos said. “Two people whom I hired and trusted viciously attacked me and tried to destroy what I had built. To be vindicated after such a horrendous ordeal is extremely gratifying.”

On January 14, 2015, Papathanasopoulos, was arrested and accused of 38 total counts of securities fraud, selling unregistered securities, and selling securities as an unregistered agent. At the time, the Florida Office of Financial Regulation announced in an unusual and inappropriate press release that the company is alleged to be an “empty shell with no legitimate business activity”, and erroneously accused Papathanasopoulos of using investors’ money for his personal benefit.

However, the facts did not support the allegations made by the OFR. To the contrary, it was easily demonstrated by Mr. Papathanasopoulos’ attorneys, Mark N. Longwell and Benjamin L. Jones, of Longwell Lawyers, that the entity does in fact hold a US patent of true economic value. This proprietary Technology involves a new cooking oil manufacturing process called micro-molecular hyper-saturation, or microsaturation, and has been awarded identical patents in China, Japan, Korea as well as multiple EU Countries. The world’s first Microsaturated™ Fats yield the healthiest fat calories with less calories per unit volume than other edible oils (fats), with 50% less fat being deposited on the body. This technology revolutionizes the optimization of the “Fat Calorie” in cooking oils and their associated manufactured foods.

Furthermore, it was also shown that Mr. Papathanasopoulos was actively and vigorously pursuing licensing agreements domestically and internationally. Even complainants admitted to these endeavors as having estimated licensing royalty potential exceeding \$150 million over five years in India alone.

In fact, it was discovered and disclosed to the prosecution that the impetus behind the unfounded claims of fraud were two individuals who schemed to wrest control of this valuable company by miring its owner in legal turmoil so as to then seek to acquire the company at a discount. The claims of fraud were not well placed, but rather were motivated by an understanding of the actual financial worthiness of the technology and a misguided effort to wrongfully acquire control over that technology.

After a thorough investigation of the facts and evidence by the Office of Statewide Prosecution, it was determined that Mr. Papathanasopoulos did not engage in any fraudulent criminal activity. As a result, the securities fraud charge was dropped. In total, 34 of the 38 charges filed against Mr. Papathanasopoulos were dropped. Although Mr. Papathanasopoulos had advisors who were expressly instructed to comply strictly with the requirements of the securities laws (as advised by retained legal counsel paid for by Mr. Papathanasopoulos), but failed to do so, Mr. Papathanasopoulos accepted a negotiated plea resolution to two counts each of being strictly liable for the sale of unregistered securities by unregistered agents. Mr. Papathanasopoulos pled no contest and the Court, presided over by the Honorable Marc L. Lubet, withheld adjudication.

For more information on Microlipid Technologies, please visit www.microlipids.com. For more information on Longwell Lawyers, visit www.longwelllawyers.com.