

BOZEMAN DAILY
CHRONICLE

Supreme Court overturns Bozeman man's felony theft conviction

By By JACOB GOLDSTEIN, Chronicle Staff Writer

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The Montana Supreme Court has overturned the conviction of a man accused of stealing thousands of dollars from investors in a defunct Bozeman company.

The unanimous ruling, issued Thursday by a five-judge panel, reversed District Judge Mike Salvagni's finding that Keith Debus was guilty of felony theft.

"From the very beginning, I maintained my innocence," Debus, the former president of Virtual Computer Technologies, said Friday. "It took going to the Supreme Court of the state of Montana to exonerate me."

Debus founded VCT in 1993, and in the following two years he took in over \$75,000 from private investors, according to court papers.

The company was dissolved by the state in December 1997 for failing to file an annual report. Debus continued to operate the company in spite of the dissolution, and he went on to write company checks for over \$40,000 in personal legal fees and divorce-related expenses.

Investors learned in 1999 that Debus had been making these payments, and they took the matter to the police. The county attorney's office charged Debus with felony theft, and he was convicted following a judge trial in August 2001.

He was sentenced to eight years of probation and 90 days in Gallatin County jail, and was ordered to pay restitution to the investors.

In reviewing the conviction, the Supreme Court found that Debus was not authorized to write personal checks from VCT's account.

But the prosecution failed to prove that the corporate money Debus spent was actually owned by the investors, according to the Court.

Based on the testimony presented at trial, "if (VCT) had been dissolved on Dec. 1, 1997, nothing would have remained for the shareholders after the creditors were paid," Justice Terry Trieweiler wrote in the decision.

Because it was not proven that the investors owned the money, it was impossible to convict Debus of theft.

"We reverse the judgment of the District Court and set aside Debus' conviction," Trieweiler concluded.

Debus moved to Utah earlier this year. VCT is no longer in operation.

Jacob Goldstein is at jgoldstein@dailychronicle.com