



***United States Attorney
Southern District of New York***

**FOR IMMEDIATE RELEASE
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**FOUR INDICTED BY FEDERAL GRAND JURY IN WHITE PLAINS
IN SCHEME TO DEFRAUD HOMEOWNERS AND MORTGAGE BROKERS**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced today the unsealing of charges against GREGORY COOPER, a/k/a "Thornton Lockheed," LAWRENCE BURKE, a/k/a "Clover Hill," a/k/a "John Byron," RICCARDO WHITE, a/k/a "Frank White," a/k/a "Marc Allen," and ZACHARY CUTLER, a/k/a "Josh Carter," for their roles in conspiracies to commit mail and wire fraud by defrauding both homeowners in the New York metropolitan area and residential mortgage brokers across the country. All four defendants were arrested this morning and are expected to be presented in White Plains federal court later today.

According to the Indictment, COOPER, BURKE, WHITE and CUTLER -- operating mainly from an office in COOPER's residence in Central Valley, Orange County, New York -- engaged in a scheme to defraud homeowners around the New York metropolitan area by misrepresenting the terms of mortgages. The defendants contacted homeowners and offered mortgages with low interest rates for as many as five years and attractive rate caps. The terms of the mortgages ultimately obtained by homeowners from the defendants were materially different from those the defendants had offered. The defendants also falsely represented that their company was associated with a well-known insurance company and/or a member of the Better Business Bureau.

According to the Indictment, COOPER, BURKE, WHITE and CUTLER also engaged in a scheme to defraud residential mortgage brokers throughout the country. The defendants sold to the brokers

lists of names of individuals purportedly interested in obtaining mortgages, and promised to introduce the individuals to the brokers by letter or phone call. In actuality, the lists that they provided to the mortgage brokers were not lists of people interested in obtaining mortgages and the services the defendants promised to provide were not provided. The defendants also falsely represented that their company was associated with the well-known insurance company.

All four defendants were charged with two counts of conspiracy to commit mail fraud and wire fraud. If convicted, they face on each count a maximum prison sentence of 20 years and a maximum fine of the greater of \$250,000 or twice the gross gain or loss from the offense.

Mr. GARCIA praised the investigative work of the United States Postal Inspection Service and the Town of Woodbury (N.Y.) Police Department.

Assistant United States Attorney NICHOLAS McQUAID is in charge of the prosecution.

The charges in the Indictment are merely accusations, and the defendants are presumed innocent until proven guilty.

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