



U.S. Department of Justice

United States Attorney  
Southern District of Mississippi

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**FOR IMMEDIATE RELEASE**  
**June 11, 2009**

**MORTGAGE FRAUD CONVICTIONS UPHELD ON APPEAL**

Jackson, Miss - STAN HARRIS, Acting United States Attorney for the Southern District of Mississippi; Frederick T. Brink, Special Agent in Charge of the Jackson Field Office of the Federal Bureau of Investigation; and Michael DePalma, Special Agent In Charge of the Internal Revenue Service-Criminal Investigation, New Orleans Field Office, announced that the criminal convictions of **KIMBERLY CASTLE** and **KENNETH STALNAKER** were affirmed today by the United States Court of Appeals for the Fifth Circuit. The Court of Appeals heard oral arguments in the case in New Orleans on March 4, 2009.

The appeal by defendants **CASTLE** and **STALNAKER** -- and their co-defendant **RICHARD B. LUCAS** -- followed their convictions by a jury at the conclusion of a three-week trial before United States District Judge Keith Starrett in Hattiesburg in October 2006. The appeal by defendant **LUCAS**, the ring leader of the mortgage fraud scheme, was dismissed in October 2008 and a motion to reinstate his appeal was denied in March 2009.

A total of nine defendants were charged by indictment in the case, with six -- **PHILLIP WEARY, WILLIAM V. FAIRLEY, a/k/a Vaston, JAFUS JONES, KENNETH FAIRLEY, JR., and LORETTA CHAMP,** and **KRISTY PACKER** -- pleading guilty before trial. Four other defendants -- **MALCOLM CLARK, MARCY IRBY, JACQUELINE MOSELEY,** and **MICHAEL COX** -- pleaded guilty to felony informations.

Assistant United States Attorneys **GAINES CLEVELAND** and **GLENDA HAYNES** were the prosecutors in charge of the case. Mr. **HARRIS** praised the efforts of the Federal Bureau of Investigation and the Internal Revenue Service, Criminal Investigation for their diligent work in the investigation of this case.

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