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**POSTAL SERVICE EMPLOYEE SENTENCED TO 3 YEARS IN PRISON FOR
EMBEZZLING POSTAL FUNDS AND OBTAINING OVER \$657,000
IN FRAUDULENT LOANS**

Used Loans Obtained in Fraud Scheme to Buy Two Porsches and Refinance Her Mortgage

Baltimore, Maryland - U.S. District Judge Richard D. Bennett sentenced Lorita Frazier, age 48, of Westminster, Maryland, today to three years in prison, followed by 10 months of home detention with electronic monitoring as part of five years of supervised release, after a federal jury convicted her on June 18, 2009, of embezzling postal funds, and bank fraud and wire fraud in connection with making fraudulent loan applications, announced United States Attorney for the District of Maryland Rod J. Rosenstein. Judge Bennett also entered a restitution judgement against Frazier of \$621,695.86.

According to testimony at her one week trial, Frazier was a clerk at the U.S. Postal Service at the Randallstown, Maryland post office. She was responsible for consolidating the cash from all window clerks. Evidence showed that from October 2004 to June 2005, she embezzled approximately \$74,000 by taking money from intended bank deposits and issuing postal money orders to herself without paying for them.

In addition, trial evidence showed that Frazier applied for loans from a credit union in Baltimore and a mortgage lender, falsely claiming on the loan applications monthly income ranging from \$2,228 to \$8,727 from a day care center. She prepared fraudulent income tax returns and bank statements to document the false income she had reported on the loan applications. According to witness testimony, the credit union and mortgage lender relied on the false loan applications and false documentation in approving a loan from the credit union of \$56,670.50 to purchase a 2004 Porsche; another loan from the credit union of \$100,152.45 to purchase a 2004 Porsche Turbo; and a loan from the mortgage lender to refinance Frazier's mortgage to \$504,000.

United States Attorney Rod J. Rosenstein thanked the U.S. Postal Service - Office of Inspector General for its investigative work and commended Assistant United States Attorney Tamera Fine, who prosecuted the case.