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**POSTAL SERVICE EMPLOYEE CONVICTED OF 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 - A federal jury convicted Lorita Frazier, age 47, of Westminster, Maryland, today of embezzling postal funds and bank fraud and wire fraud in connection with fraudulent loan applications, announced United States Attorney for the District of Maryland Rod J. Rosenstein.

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 deposits and issuing postal money orders to herself without paying for them.

In addition, evidence presented at trial showed that Frazier applied for loans from a credit union in Baltimore and a mortgage lender, falsely claiming on the loan applications to receive 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 application. 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.

Frazier faces a maximum sentence of 10 years in prison for embezzlement, 20 years in prison for wire fraud and 30 years in prison on each of two counts of bank fraud. U.S. District Judge Richard D. Bennett scheduled sentencing for September 11, 2009, at 9:00 a.m.

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 is prosecuting the case.