



FOR IMMEDIATE RELEASE
Monday, January 13, 2014

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THREE MISSOURI MEN CHARGED WITH DEFRAUDING TARP BANK

WASHINGTON, DC - Christy Romero, Special Inspector General for the Troubled Asset Relief Program (SIGTARP), and Richard Callahan, United States Attorney for the Eastern District of Missouri, today announced that three Missouri businessmen surrendered on Friday to authorities on two separate indictments alleging bank fraud against TARP recipient Excel Bank.

William Glasgow, 72, of Town and Country, Mo., was indicted by a federal grand jury on two felony counts of bank fraud. In a separate, unrelated indictment, James Crews, 56, of Wentzville, Mo., and Michael Hilbert, 62, of St. Charles, Mo., were indicted jointly on two felony counts each of bank fraud. The indictments were returned December 11, 2013, but remained sealed until the defendants appeared in federal court for arraignment on Friday in St. Louis.

According to the indictments, Glasgow owned dozens of rental properties as part of his real estate business, Glasgow Realty, and did business with Excel Bank. The indictment states that Glasgow had two loans on his rental properties which he received by falsifying documentation.

In a separate, unrelated indictment, Crews and Hilbert are alleged to have engaged in the real estate business, doing business through various entities including Crews Corporation, Hillcrew Properties, Merz Properties, Eagle Group, and Marathon RE. They owned dozens of rental properties in the St. Louis area and are alleged to have defrauded Excel Bank by submitting numerous construction draw requests for hundreds of thousands of dollars in escrow funds set aside for improvements to those properties.

"Glasgow, Crews, and Hilbert are charged with defrauding TARP recipient Excel Bank," said Christy Romero, Special Inspector General for TARP (SIGTARP). "When Excel Bank failed, taxpayers lost their entire \$4 million TARP investment in the bank and more than \$900,000 in past-due dividends. Defrauding a TARP bank is defrauding the federal taxpayers who funded the TARP bailout. SIGTARP and our law enforcement partners will aggressively investigate allegations of fraud that hurt taxpayers' TARP investments, and perpetrators will be held accountable and brought to justice."

In May 2009, Investors Financial Corporation of Pettis County, Inc., the parent company of Excel Bank, received \$4 million in federal taxpayer funds through the U.S. Department of the Treasury Troubled Asset Relief Program (TARP). On October, 19, 2012, Excel Bank failed and was closed by state and federal regulators. As a result of the bank's failure, the \$4 million TARP investment was lost, in addition to more than \$900,000 in missed dividend and interest payments owed by the bank as a result of holding TARP funds.

If convicted, each count of bank fraud carries a maximum penalty of 30 years in prison and/or fines up to \$1 million. In determining the actual sentences, a judge is required to consider the U.S. Sentencing Guidelines, which provide recommended sentencing ranges.

This case was investigated SIGTARP and the Federal Bureau of Investigation. Assistant United States Attorney Tom Albus is prosecuting the case.

As is always the case, charges set forth in an indictment are merely accusations and do not constitute proof of guilt. Every defendant is presumed to be innocent unless and until proven guilty.

This prosecution was brought in coordination with President Barack Obama's Financial Fraud Enforcement Task Force, which was established to wage an aggressive and coordinated effort to investigate and prosecute financial crimes. SIGTARP is a member of the task force. To learn more about the President's Financial Fraud Enforcement Task Force, please visit www.StopFraud.gov.

About SIGTARP

The Office of the Special Inspector General for the Troubled Asset Relief Program investigates fraud, waste, and abuse in connection with TARP.

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