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KARIM WALTHOUR LAWRENCE SENTENCED TO 21 MONTHS IN PRISON FOR ACCEPTING BRIBES AND OTHER KICKBACKS AS LOAN OFFICER FOR FAILED TARP APPLICANT OMNI NATIONAL BANK

WASHINGTON, D.C. - Karim Walthour Lawrence, a former loan officer of failed Omni National Bank of Atlanta, Georgia, was sentenced today by United States District Judge Willis B. Hunt, Jr., to serve 21 months in federal prison on charges of accepting bribes from contractors he selected to renovate Omni-foreclosed properties while he was an officer for Omni. Lawrence pleaded guilty in January to one count of receiving commissions or gifts for procurement of loans, in violation of Title 18, United States Code, Section 215(a)(2).

Lawrence's sentencing follows a string of similar convictions in the case, investigated by the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) along with its law enforcement partners including the Federal Deposit Insurance Corporation - Office of the Inspector General (FDIC-OIG), as part of a Federal Mortgage Fraud Task Force investigating the failure of Omni National Bank, which at one time had almost \$1 billion in assets and branch offices in Atlanta, Birmingham, Tampa, Chicago, Fayetteville, Houston, Dallas and Philadelphia. Before its failure, Omni had applied for TARP funds under the Capital Purchase Program (CPP).

Christy L. Romero, the Acting Special Inspector General for the Troubled Asset Relief Program stated, "Today's sentencing of Karim Lawrence signals that individuals who attempt to take advantage of the American taxpayer during this financial crisis will be brought to justice. Lawrence, as an officer of a bank that eventually failed, took advantage of his position by accepting bribes in order to personally gain from the mortgage crisis. SIGTARP and its law enforcement partners are committed to holding all bad actors, no matter how large or small their role, accountable. We will remain steadfast in our pursuit in bringing to justice those who caused or illegally benefited from the financial crisis."

"Bank officers owe duties of honesty and integrity to both their shareholders and members of the community," said United States Attorney Sally Quillian Yates. "The Omni bank case is clearly a representative example of what happens when criminal activity corrupts a key business for an entire community. The ripple effects are being felt with every conviction from inside this failed bank."

According to United States Attorney Yates, the charges and other information presented in court, Lawrence was an attorney previously employed as a Vice President at the now-failed Omni National Bank. In his role as a bank officer, from February 2008 to March 2009, Lawrence had the authority to select contractors to perform renovations on foreclosed properties the bank owned. Lawrence corruptly accepted hundreds of thousands of dollars from contractors who wanted to do work on the Omni houses. Contractors who hoped to influence Lawrence paid him more than \$600,000 in cash and services.

Lawrence was sentenced to 21 months in prison to be followed by 5 years of supervised release and 200 hours of community service. He was also ordered to pay restitution to the FDIC in the amount of \$656,919.50. Lawrence was convicted of this charge on January 5, 2010, upon his guilty plea.

Additional Omni-related prosecutions to date include:

- Former Omni Executive Vice President Jeffrey L. Levine, was sentenced in April 2011 to five years in prison for making and causing materially false entries on the books, reports, and statements of the failed bank;
- Delroy Oliver Davy, of Lithonia, Georgia, was sentenced in April 2011 to 14 years in prison for bank, mail and wire fraud in connection with a scheme to obtain millions of dollars in fraudulent loans from Omni;
- Christopher Bernard Loving, was sentenced in August 2010 to three years probation for making false statements to agents of SIGTARP and the FDIC in connection with an investigation of kickbacks he paid Lawrence for construction contracts; and
- Brent Merriell, was sentenced in August 2010 to over three years in prison for making false statements to the FDIC regarding short-sales of Omni-funded properties and aggravated identity theft.

Assistant United States Attorneys Gale McKenzie and Christopher C. Bly of the Northern District of Georgia prosecuted the case. The case was investigated by SIGTARP and its partners, the FDIC-OIG, the Housing and Urban Development – Office of Inspector General (HUD-OIG), the United States Postal Inspection Service, and the Federal Bureau of Investigation.

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