



SIGTARP

OFFICE OF THE SPECIAL INSPECTOR GENERAL
FOR THE TROUBLED ASSET RELIEF PROGRAM

ADVANCING ECONOMIC STABILITY THROUGH TRANSPARENCY, COORDINATED OVERSIGHT AND ROBUST ENFORCEMENT

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EXECUTIVE AT DEBT COLLECTION AGENCY PLEADS GUILTY TO BRIBING BANK OFFICIAL FOR COLLECTIONS BUSINESS

WASHINGTON, DC – Christy Romero, Special Inspector General for the Troubled Asset Relief Program (SIGTARP) and Deirdre M. Daly, Acting United States Attorney for the District of Connecticut, announced today that Patrick Pinto, 44, of Bohemia, N.Y., waived his right to indictment and pleaded guilty on Monday before United States District Judge Stefan R. Underhill in Bridgeport, Conn., to one count of conspiring to commit bank bribery while he was an executive at Oxford Collection Agency.

According to court documents and statements made in court, Oxford Collection Agency (“Oxford”) was a private financial services company that engaged in accounts receivables management, primarily debt collecting, with offices in New York, Pennsylvania, and Florida. Between 2007 and 2011, Oxford executives engaged in a multi-year scheme to defraud its lender, Connecticut-based Webster Bank, as well as its investors, clients, and the commercial debtors that Oxford collected from. Oxford’s victims lost more than \$12 million as a result of this scheme.

The investigation also revealed that Oxford sometimes obtained and retained business with its banking clients by paying bribes and kickbacks to bank officials. As part of the scheme, Pinto, a Vice President of Oxford, and other Oxford executives made monthly payments of between \$2,500 and \$3,500, which were hidden in cigar boxes, to an Assistant Vice President of U.S. Bank in Ohio.

“Patrick Pinto pleaded guilty for his role in a wide-ranging, \$12 million fraud scheme perpetrated by senior executives at Oxford Collection Agency at the expense of Webster Bank and other TARP recipients,” said Christy Romero, Special Inspector General for TARP (SIGTARP). “As part of the scam, in order to obtain and retain U.S. Bank’s debt collections business, Pinto bribed a manager at the bank, bribes that included expensive gifts and cash payments totaling thousands of dollars. Those who engage in crime related to TARP will be held accountable and brought to justice by SIGTARP and our law enforcement partners.”

U.S. Bank and Webster Bank received funds through the U.S. Department of the Treasury Troubled Asset Relief Program (TARP).

Judge Underhill has scheduled sentencing for September 9, 2013, at which time Pinto faces a maximum term of imprisonment of five years and a fine of up to \$250,000.

Pinto has been released on a \$50,000 bond since his arrest on December 7, 2012.

In May 2012, Richard Pinto, Oxford Collection Agency's Chairman of the Board, and his son, Peter Pinto, Oxford's President and Chief Executive Officer, each pleaded guilty to one count of conspiracy to commit wire fraud, bank fraud, and money laundering and one count of wire fraud stemming from this scheme. In December 2012, Oxford Vice President of Finance and Chief Financial Officer Randall Silver, Executive Vice President Charles Harris, and Chief Operations Officer Carlos Novelli, also pleaded guilty to various charges.

On January 30, 2013, Richard Pinto, now deceased, was sentenced to five years of imprisonment. The other defendants await sentencing.

Patrick Pinto is the son of the late Richard Pinto.

This matter is being investigated by SIGTARP, the Internal Revenue Service - Criminal Investigation, the Federal Bureau of Investigation, and the Connecticut Securities, Commodities, and Investor Fraud Task Force. The case is being prosecuted by Assistant U.S. Attorney Liam Brennan and Special U.S. Attorney John McReynolds.

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.

To report suspected illicit activity involving TARP, dial the **SIGTARP Hotline**: 1-877-SIG-2009 (1-877-744-2009).

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