

NEWS

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FOR IMMEDIATE RELEASE
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Man Admits Role in Scheme to Defraud Cendant Mortgage Corporation of \$2 Million

(More)

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CAMDEN – An Oxon Hill, Md., man pleaded guilty today for his role in a wire fraud and money laundering scheme that involved misdirecting approximately \$2 million in wire transfers from Cendant Mortgage Corporation to a Florida title agency, U.S. Attorney Christopher J. Christie announced.

Michael Umali, 38, a.k.a. “Khadafi,” pleaded guilty before U.S. District Judge Noel L. Hillman to one count each of conspiracy to launder money and money laundering. Umali’s co-defendant Reginald Greene, 47, a.k.a. “Amin,” who was a federal prisoner originally from Philadelphia at the time of the crime, is charged in all nine counts contained in the Indictment.

Judge Hillman remanded the defendant to custody pending sentencing, which is scheduled for June 20, 2008.

At his plea hearing, Umali admitted that from July 2003 through December 2004 he agreed with Greene to open and maintain various checking accounts at M&T/Allfirst Bank. Umali admitted that he did so for the purpose of allowing Greene to deposit money gained through his scheme into those accounts in exchange for a portion of those proceeds.

Umali admitted that in October 2003 Greene caused \$500,478 to be deposited into two separate accounts under Umali’s control. Furthermore, Umali admitted that at Greene’s direction he withdrew and distributed the deposited funds, via cash withdrawals, checks and wire transfers, to associates of Greene. Typically, the withdrawals were in amounts of less than \$10,000 to avoid currency transaction reporting requirements. Umali admitted that the distribution of funds included a wire transfer on Oct. 8, 2003, in the amount of \$50,000 to Reginald Greene, Jr., a.k.a. “Duane Massey,” of Upper Darby, Pa.

The Indictment, which was returned on Aug. 21, 2007, describes a scheme in which Greene and an unidentified Cendant Mortgage Corporation insider(s), attempted to cause 15 wire transfers that Cendant, now known as PHH Mortgage, directed to Sunbelt Title Agency to be misdirected to banks accounts controlled by their co-conspirators, including Umali. Seven of the 15 wire transfers, totaling approximately \$845,000, were successfully misdirected.

The successfully misdirected funds were transferred to the accounts of Umali and Dan Hutchinson Jr., 28, of Washington, D.C., instead of Sunbelt Title Agency. Thereafter, the funds were transferred to the control and benefit of Greene, the unidentified individual(s), and their associates and relatives, including Greene’s son.

Hutchinson and Greene, Jr., have pleaded guilty to their roles in the scheme and await sentencing. Greene is pending trial on the nine-count Indictment. A prior news release concerning the defendants’ indictment can be found on the office website located at:

<http://www.usdoj.gov/usao/nj/press/index.html>

Umali pleaded guilty to Counts Eight and nine of the Indictment. Count Eight charges conspiracy to commit money laundering, which carries a maximum penalty of 10 years in prison and a fine of \$250,000 or twice the aggregate loss to the victims or gain to the defendants. Count Nine charges money laundering, which carries a maximum penalty of 10 years in prison and a fine of \$250,000.

In determining an actual sentence, Judge Hillman will consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence. Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents of the FBI's Trenton Resident Agency, under the direction of Special Agent in Charge Weysan Dun in Newark, with the continuing investigation.

The Government is represented by Assistant U.S. Attorney Ronald Chillemi of the Criminal Division in Camden.

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Defense Attorneys:

Umali - John Renner, Esq. Marlton