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**FORMER LAW FIRM EMPLOYEE INDICTED IN MILLION DOLLAR SCHEME TO
DEFRAUD HIS EMPLOYER AND SET FIRE TO THE LAW OFFICE**

Baltimore, Maryland - A grand jury indicted George Michael Perez, age 32, of Dundalk, Maryland, yesterday on charges of wire fraud, arson and money laundering in connection with a scheme to defraud the law firm where he was employed, announced United States Attorney for the District of Maryland Rod J. Rosenstein.

According to the 16 count indictment, from 2004 through April 2007, Perez was employed in the accounting department of a law firm located in Baltimore which specialized in real estate foreclosures. The law firm maintained an escrow account into which it deposited the proceeds from the sales of foreclosed properties and disbursed funds to creditors of the properties. Perez was responsible for tracking the deposits and disbursements.

The indictment alleges that from December 12, 2005 to April 12, 2007, Perez caused 114 wire transfers from the escrow account into his personal account resulting in the embezzlement of approximately \$1,044,309.86. During his monthly meetings with one of the principals of the firm to review the books, Perez allegedly altered spreadsheets for the escrow account so that the account appeared to be balanced, and concealed the transfers to his personal account. In addition, Perez created a fictitious real estate file with a false file number and recorded a payment to conceal a transfer of escrow funds to his bank account. Perez also failed to make the full disbursements due to creditors of the foreclosed properties and, instead, wired the unpaid amounts to his own bank account. The indictment charges Perez with money laundering based on five withdrawals totaling \$126,000 from his personal bank account from May through November 2006, in individual amounts ranging from \$13,000 to \$45,000.

Finally, the indictment alleges that on April 23, 2007, Perez set fire to the offices of the law firm. A Baltimore City firefighter was injured during the suppression of the blaze.

Perez faces a maximum sentence of 20 years in prison for each of 10 counts of wire fraud; 10 years in prison for each of five counts of money laundering; and a minimum mandatory sentence of seven years and a maximum of 40 years in prison for arson. Perez is scheduled to have his initial appearance in federal district court at 1:30 p.m. today.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceedings.

United States Attorney Rod J. Rosenstein thanked the Federal Bureau of Investigation, the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Baltimore County Police Department and Baltimore County Fire Department for their investigative work. Mr. Rosenstein commended Assistant United States Attorney Stephen M. Schenning, and Special Assistant United States Attorney Adam Lippe, who are prosecuting the case.