



# Department of Justice

## United States Attorney Andrew Murray Western District of North Carolina

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### **MOUNT HOLLY WOMAN CONVICTED OF BANK FRAUD CONSPIRACY AND OTHER CHARGES FOR \$1 MILLION FAKE CAR LOAN SCHEME**

CHARLOTTE, N.C. – A federal jury in Charlotte returned a guilty verdict late yesterday against Kimberlie L. Flemings, 49, of Mt. Holly, N.C. for her role in a \$1 million fake car loan scheme, announced Andrew Murray, U.S. Attorney for the Western District of North Carolina. The jury found Flemings guilty of conspiracy to commit wire and bank fraud; wire fraud affecting financial institutions; and multiple counts of financial institution fraud. U.S. District Judge Robert J. Conrad presided over the trial.

Two of Flemings' co-conspirators, Stanley Reginald Barron, 38 of Cornelius, N.C. and Brian Lyles, 46, formerly of Jersey City, New Jersey, previously pleaded guilty to conspiracy to commit wire and bank fraud. Lyles also pleaded guilty to bank fraud. They are currently awaiting sentencings.

According to evidence presented at trial, witness testimony and filed court documents, from at least 2012 to 2015, Flemings, Barron, Lyles and others submitted dozens of fraudulent automobile and personal loan applications in their names, and the names of at least 30 other individuals they had recruited to participate in the scheme, to at least 19 banks and credit unions. As a result of the fraudulent applications, the co-conspirators obtained more than \$1 million in fraudulent loan proceeds. To facilitate the fraud, the co-conspirators created fake automobile dealerships that purported to be the sellers of vehicles purchased with the fraudulent loans. The co-conspirators also set up bank accounts, websites, and addresses associated with these fake automobile dealerships, and created fictitious purchase orders which were submitted to the financial institutions as part of the loan application.

Flemings, Barron and Lyles deposited the fraudulently-obtained checks from the financial institutions into accounts Barron controlled. After keeping a portion of the fraudulent loan proceeds, Barron distributed the rest to Flemings, Lyles, and others. According to court records, the majority of the loans defaulted, causing losses to the impacted financial institutions. To cover up the fraud, Barron and others made false statements to the defrauded banks and credit unions that attempted to collect on the debts, including that borrowers had been the victims of identity theft and that they had not authorized the loans.

Flemings is currently released on bond. Each of the charges the defendant was convicted of carries a maximum sentence of 30 years in prison and a \$1,000,000 fine. A sentencing date has not been set.

In making today's announcement U.S. Attorney Murray thanked the Postal Inspection Service (USPIS) and the Office of Inspector General of the Federal Housing Finance Agency for their investigation of the case, and recognized the North Carolina Division of Motor Vehicles for their assistance.

Assistant U.S. Attorneys Daniel Ryan and Taylor J. Philips of the U.S. Attorney's Office in Charlotte are in charge of the prosecution.

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