



Department of Justice

United States Attorney Dunn Lampton
Southern District of Mississippi

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CONTACT: SHEILA WILBANKS
PHONE: (601) 965-4480
FAX: (601) 965-4409

THREE MORE PEOPLE PLEAD GUILTY TO KATRINA FRAUD

JACKSON, Miss. - Three more individuals have entered guilty pleas in U.S. District Court for FEMA fraud, U.S. Attorney Dunn Lampton of the Southern District of Mississippi announced today

Stephanie Fontan, of Morton, Miss., pleaded guilty to making a false statement to the Federal Emergency Management Agency (FEMA) for Hurricane Katrina disaster assistance funds. Fontan received \$6,000 from FEMA by claiming hurricane damage at a false address in Pascagoula, Miss. At the time Hurricane Katrina hit the Mississippi Gulf Coast, Fontan was living in Scott County, Miss.

Stephen Fontan, of Morton, Miss, pleaded guilty to submitting a false claim to FEMA for Hurricane Katrina disaster assistance funds. Fontan received \$2,000 from FEMA by claiming hurricane damage at a false address in Moss Point, Miss. At the time Hurricane Katrina hit the Mississippi Gulf Coast, Fontan was living in Scott County.

The husband and wife are scheduled to be sentenced before U.S. District Judge Tom S. Lee on Dec.15, 2006. The maximum sentence for the defendants is five years and a \$250,000 fine.

Lawrence Creed of Gulfport, Miss. pleaded guilty today to submitting a false claim to FEMA for Hurricane Katrina disaster assistance funds and rental housing benefits using an address in Gulfport, Miss. where he had not lived for over a year. Creed received a total of \$4,358 as a result of his false claim. Creed produced documents to FEMA, such as his driver's license and power bill, listing the former address to support his claim. After confessing to FEMA investigators that he did not live at the address, he continued to pursue his claim for benefits by writing a letter stating that he lived at that address at the time of Hurricane Katrina.

Creed faces a maximum sentence of five years of in prison and a \$250,000 fine. A sentencing date has not been set for Creed.

In September 2005, Attorney General Alberto R. Gonzales created the national Hurricane Katrina Fraud Task Force, designed to deter, investigate and prosecute disaster-related federal crimes such as charity fraud, identity theft, procurement fraud and insurance fraud. The Hurricane Katrina Fraud Task Force - chaired by Assistant Attorney General Alice S. Fisher of the Criminal Division, includes members from the FBI, the Federal Trade Commission, the Department of Labor's Office of Inspector General, the Office of the Postal Inspector and the Executive Office of U.S. Attorneys, among others.

Pursuant to the Justice Department initiative, a local Katrina Fraud Task Force, consisting of over 20 Federal and State law enforcement agencies, was formed in the Southern District of Mississippi to pursue and prosecute individuals who engage in fraud associated with the hurricanes.

If anyone has information concerning possible fraud being committed during the post-Katrina recovery effort, please call either the DHS-OIG Fraud Hotline at 1-866-720-5721 or the FBI Fraud Hotline at 1-800-225-5324.

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