



U.S. Department of Justice

***United States Attorney
Eastern District of Arkansas***

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**CONTACT: Bud Cummins
United States Attorney
501-340-2650**

**FAILURE TO FILE TAX RETURNS AND MAIL FRAUD
GUILTY PLEA BY TITLE COMPANY OWNER**

Little Rock -- U. S. Attorney Bud Cummins announced that Mary O'Hanlon Smith, 50, of Scott, Arkansas, pled guilty today before U.S. District Judge James M. Moody to one count of mail fraud and one count of failure to file tax returns with the Internal Revenue Service for calendar years 2002 and 2003. Smith faces a maximum penalty of 21 years in prison and a fine of up to \$350,000. Smith will be sentenced at a later date to be set by the court.

According to the Information, Smith owned and operated Global Title Company, a fiduciary and closing agent for real estate transactions. From December 2003 until October 2004, Smith admitted to receiving funds from buyer's financial institutions and diverting them for her own use and benefit, rather than disbursing them to pay off the seller's existing mortgage as required by the closing instructions. The information states that Smith's diversion of these funds caused a loss to others of approximately \$2,324,965.31.

The Information also states that Smith failed to file tax returns for calendar years 2002 and 2003 with the Internal Revenue Service. The tax loss to the United States is approximately \$45,819 for 2002 and \$85,766 for 2003.

As part of her plea, Smith agreed to pay restitution of \$1,951,575.31 to Columbia National Title Insurance Company, \$28,590 to Leroy Brockington, and \$344,800 to US Bank. Smith also agreed to forfeit her interest in an antique wooden bar. At its discretion, the United States will remit the forfeited property to the victims and provide credit to Smith against her court ordered restitution amount.

This investigation was conducted by the Federal Bureau of Investigation and IRS Criminal Investigation. Assistant U.S. Attorney Michael Johnson represented the United States.

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