



March 14th, 2008

Mother and Daughter Charged in Fraud Scheme

Memphis , TN – Paula Sharice Nelson a/k/a Paula Mason, a/k/a Paula Kimmons, 28, and Jeweline Mason 54, both of Southaven, Mississippi, have been charged in an indictment returned by a grand jury in Memphis, announced David Kustoff, United States Attorney for the Western District of Tennessee. Nelson Mason was charged with mail fraud, bankruptcy fraud, money laundering, and three counts of income tax evasion. Mason was charged with one count of mail fraud. The indictment was returned earlier this week, but was sealed until their arrests and initial appearance today.

The indictment charges that both Nelson Mason and Mason devised a scheme to provide false and fraudulent information to financial institutions to secure mortgage loans on various pieces of real property throughout Memphis, Tennessee. Nelson Mason allegedly applied for mortgage loans in the names of her friend and family members and prepared fraudulent home loan applications by falsifying documents to support the mortgage loan applications. Nelson Mason is alleged to have purchased and sold 14 properties throughout the Memphis, Tennessee area, including one that she purchased and sold on the same day to Mason, her mother.

The indictment alleges that on or about November 24, 2003, Nelson Mason fraudulently presented a claim to the United States Bankruptcy Court for the Western District of Tennessee. Additionally, Nelson Mason allegedly conducted a financial transaction with proceeds of the fraudulent scheme by depositing a check in the amount of \$15,511.83 into a bank account she controlled. Lastly, the indictment charges Nelson Mason with of income tax evasion by filing false tax returns for 2002 and 2003 and not filing a tax return for 2004 even though she had taxable income of approximately \$207,261.00 for that year.

Nelson Mason faces a maximum penalty of 60 years in prison and a fine of \$2 million and Mason faces a maximum penalty of 30 years in prison and a fine of \$1 million if convicted on all counts.

This investigation was conducted by the United States Postal Inspectors and IRS Criminal Investigation. Assistant U.S. Attorney Camille McMullen will represent the government.

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