



Department of Justice

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EX-PLAINTIFF'S LAWYER SENTENCED FOR STEALING FROM CLIENTS

Disbarred Lawyer Gets Over 5 Years In Federal Prison For Defrauding Clients of Their Settlement Funds

Atlanta, GA - CHARLES FEMERY PEEBLES, 56, of Flowery Branch, Georgia, was sentenced today by United States District Judge Richard Story on charges of mail fraud and aggravated identity theft.

“The defendant stole from his clients, who needed the settlement money to pay for their medical treatments, and home repairs. Despite knowing this, the defendant forged signatures on the settlement checks and spent the money to pay his own expenses,” said United States Attorney David E. Nahmias. “As an attorney, he was obligated to serve his clients, but instead chose to serve himself, and he will now go to prison for that decision.”

PEEBLES was sentenced to 5 years, 5 months in federal prison to be followed by 3 years of supervised release, and ordered to pay restitution in the amount of \$582,156.43.

According to United States Attorney Nahmias and the information presented in court: PEEBLES was a plaintiff's lawyer who specialized in construction litigation and represented many individuals who suffered physical injury and property damage resulting from mold infestations in their homes. Unbeknownst to his clients, PEEBLES settled their cases, forged their signatures on the checks, and eventually converted the money to his own use. When the clients called and asked about the settlement money, PEEBLES lied to them and, if necessary, paid the complaining clients with settlement proceeds that belonged to his other clients. By the time later clients' cases were settled, the money ran out.

In an example cited in court, two clients retained PEEBLES in November of 2001 to litigate a claim against their contractor. PEEBLES settled their case during the summer of 2004 and received settlement checks in the total amount of \$350,000. Instead of turning the proceeds over to his clients, PEEBLES forged his clients' signatures and eventually converted the funds to pay his own bills.

In another case, a condominium association retained PEEBLES in early 2004 to bring a claim against its builder for defective construction. Although PEEBLES settled the case and received eight checks totaling over \$700,000, he never told his client about the settlement. Instead, PEEBLES forged the signature of the association's president on the settlement checks without permission and eventually converted the money to pay his own bills.

The investigation revealed that PEEBLES used the money to pay, among other things, his business expenses, construction done on his house, and his girlfriend's rent and utilities.

A federal grand jury indicted PEEBLES on May 5, 2005. He pleaded guilty to one count of wire fraud and one count of aggravated identity theft on November 6, 2006.

PEEBLES was disbarred from the practice of law by the Georgia Supreme Court on February 13, 2006.

The case was investigated by Special Agents of the United States Secret Service, along with detectives from the Gwinnett County Police Department.

Assistant United States Attorney BJay Pak prosecuted the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.usdoj.gov/usao/gan.