

U.S. Attorney Catherine L. Hanaway

Mark Turkcan Indictment Comments

This is Catherine Hanaway. I am the United States Attorney in the Eastern District of Missouri. I would like to announce that today an indictment has been returned against Mr. Mark Turkcan, formerly the President of First Bank Mortgage. Mr. Turkcan is charged in an 11-count indictment alleging fraudulent activities connected with his position at First Bank Mortgage in causing a loss of \$35 million.

Over the period of approximately 21 years, Mr. Turkcan repeatedly borrowed money from Bear Stearns on behalf of the bank and used the proceeds of those loans to cover losses he sustained on behalf of the bank in the securities markets in the 1980s. This complex scheme was found out when Bear Stearns demanded to be repaid the \$35 million in principle, interest, commission and fees accrued by the bank through Mr. Turkcan over this nearly 21-year period. We allege that Mr. Turkcan has been hiding this secret for at least 18 years and using falsified paperwork to cover his tracks.

Mr. Turkcan faces up to 30 years in prison and fines up to \$1 million. He also will be required to pay mandatory restitution if he is convicted.