



Department of Justice

U.S. Attorney's Office
Southern District of Texas

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Mission Attorney Sentenced to Nine Years in Prison in Houston Fraud Case

Ordered to pay \$1 million in restitution

HOUSTON – A former attorney and bank chairman has been sentenced today for the federal felony offense of wire fraud, United States Attorney Kenneth Magidson announced today. Senior U.S. District Judge David Hittner sentenced Rogelio “Roy” Ibanez Jr., 46, of Mission, Texas, to nine years in prison at a hearing in Houston late this morning.

Ibanez, the former chairman of Bank of South Texas, pleaded guilty on July 14, 2011, to defrauding customers of a title company he owned called Southern Star Title Company, of McAllen, and Edinburg, Texas. During his guilty plea, Ibanez admitted taking money from the title company’s escrow account without the knowledge or permission of the customers to whom the money belonged. Southern Star Title became insolvent as a result of the fraud and was liquidated by the State of Texas Department of Insurance. The shortage in Southern Star Title’s escrow account was replaced by money from the Texas Title Insurance Guaranty Association.

In addition to the nine-year prison sentence, Ibanez was also sentenced to serve three years of supervised release following his release from prison and ordered to pay restitution totaling \$1,450,235.42 to his victims, including \$542,005.87 to the receiver of his title company.

Ibanez had been permitted to remain on bond pending his sentencing hearing on the condition that he stop practicing law. Ibanez voluntarily surrendered his law license on July 15, 2011. However, Ibanez was arrested by agents of the FBI on Monday in McAllen for violating his bond by practicing law despite having given up his license. The U.S. Marshals Service

transported Ibanez from McAllen for today's sentencing. Judge Hittner ordered Ibanez to remain in custody pending transfer to a Bureau of Prisons facility to be designated in the near future.

The two-year investigation leading to the charges was conducted by the FBI with the assistance of the Federal Deposit Insurance Corporation – Office of Inspector General, the Texas Department of Insurance and the U.S. Department of Labor - Employee Benefits Security Administration. Assistant U.S. Attorneys John R. Lewis and Carolyn Ferko are prosecuting the case.