



Department of Justice

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IROQUIS COUNTY COUPLE SENTENCED TO FEDERAL PRISON TERMS

Restitution of \$4.8 Million Ordered

Peoria, Ill. – The former president of a defunct Iroquois County grain company and his wife, Mikel and Dianne Freeman, of Milford, Illinois, were sentenced today to federal prison terms and ordered to pay \$4,839,858 in restitution to victims of the fraud scheme, as announced by Acting U.S. Attorney Jeffrey B. Lang, Central District of Illinois. The couple pled guilty in April 2009 to having participated in a money laundering conspiracy involving \$11 million that resulted in losses of nearly \$5 million by A-Way Grain, Inc. and its stockholders, two central Illinois banks, the Illinois Grain Insurance Fund and others.

U.S. District Judge Joe Billy McDade ordered Mikel Freeman, 57, to serve 120 months in prison and Dianne Freeman, 57, to serve 97 months in prison. Both were ordered to report to the federal Bureau of Prisons on November 4, 2009, to begin serving their respective prison terms. Upon completion of their prison sentences, each will serve a three-year term of supervised release.

Mikel Freeman served as president of A-Way Grain, Inc., an employee-owned grain elevator with offices in Crescent City and Onarga, Illinois, from 1994 to 2007, and directly managed the company's grain operations. Mikel Freeman was also the president of Freeman Trucking, Inc., and both Mikel and Dianne were associated with Freeman Farms. Dianne Freeman was employed at First Trust and Savings Bank in Watseka from approximately September 1982 to June 2006. At the time of her resignation, she held the position of bookkeeping manager.

On April 20, 2009, Mikel and Dianne Freeman each pled guilty to one count of money laundering conspiracy. In addition, Mikel Freeman pled guilty to one count of bank fraud and Dianne Freeman pled guilty to one count of embezzlement by a bank employee. During court proceedings and in court documents, Mikel and Dianne Freeman admitted that they conspired to carry out a scheme to defraud. Among the victims were: A-Way Grain, Inc. and its stockholders; two central Illinois banks; the Illinois Grain Insurance Fund; area farmers; and employees of A-Way Grain, Inc. To carry out the scheme, payments intended for A-Way were diverted to other accounts held at First Trust and Savings Bank, including the Freeman Trucking account and personal accounts held by Mikel Freeman and Dianne Freeman. Dianne Freeman also engaged in a series of postings and mis-postings to effect transfers of funds into related personal accounts of Dianne and Mikel Freeman as well as taking cash from funds in a bank-owned ATM as well as a teller drawer.

(More)

The charges were investigated by the Internal Revenue Service Criminal Investigations; U.S. Postal Inspection Service; Federal Bureau of Investigation; Illinois Department of Agriculture, the Iroquois County State's Attorney's Office, and the Illinois Attorney General's Office. The case was prosecuted by Assistant U.S. Attorney Darilynn J. Knauss and Iroquois County State's Attorney James Devine, who was appointed a Special Assistant U.S. Attorney to assist with the case prosecution.

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