

*United States Attorney's Office
Northern District of Iowa*



PRESS RELEASE

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CROP INSURANCE AGENT FROM VAIL, IOWA SUED FOR FRAUD

United States Attorney Charles W. Larson, Sr. announced today that as a result of an ongoing investigation into federal farm program fraud and federally reinsured Crop Insurance fraud, Crop Insurance agent Russell Hawley, from Vail, Iowa, and Hawley Insurance, Inc. have been sued by the United States on five counts under the Federal False Claims Act, Common Law Fraud and Payment Under Mistake of Fact. The claims are contained in a Civil Complaint filed today in United States District Court in Sioux City.

The Complaint alleges that in 2000 and 2001, Hawley and Hawley Insurance, Inc., submitted and caused to be submitted over a dozen false and fraudulent documents which resulted in payment of over \$300,000 in federally reinsured crop insurance to Hawley customers. In the Complaint, the United States seeks treble damages in excess of \$900,000 and civil penalties up to \$11,000 for each false or fraudulent claim.

As with any civil case, a Complaint is merely an allegation and a defendant is presumed not liable until shown otherwise.

The case is being handled by Assistant United States Attorney Martha Fagg and was investigated by United States Department of Agriculture and its agencies Risk Management Agency, and Office of General Counsel, Office of Inspector General.