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NEWS RELEASE

November 10, 2005

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**HENDERSON COUNTY MAN SENTENCED
IN FEDERAL CROP INSURANCE FRAUD SCHEME**

Gretchen C. F. Shappert, United States Attorney for the Western District of North Carolina, announced that United States District Judge Lacy Thornburg sentenced a Henderson County man, Harold Dean Cole, following his conviction by a jury in federal court on a charge of making false statements to the Federal Crop Insurance Corporation ("FCIC"). Mr. Cole was one of six defendants indicted by a grand jury on October 8, 2003. The indictment charged Robert and Viki Warren, Mr. Cole and another Warren employee, an insurance agent, and an insurance adjuster with participating in an extensive scheme to defraud the FCIC and several private insurance companies of more than \$9 million between 1997 and 2001, and attempting to obtain an additional \$2.8 million in 2001 through 2003.

On August 6, 2004, a federal jury convicted Mr. Cole at the end of a one-week trial of making false statements to the FCIC when he prepared false agricultural spraying records purporting to show that the Warrens had raised tomatoes on a farm in Tennessee from 1991 through 2000. These false spray records were part of a much larger set of false documents submitted by the Warrens

in their successful effort to convince the insurance company and the FCIC that they had 10 years of high production history on this farm, thereby tripling the guaranteed yield they should have otherwise had. That inflated guaranteed rate increased the ultimate claimed indemnity amount for that farm by approximately \$2 million for the 2001 crop year.

Yesterday, Judge Thornburg imposed a sentence on Mr. Cole of 46 months imprisonment, to be followed by three years of supervised release, a \$100 special assessment, and \$2.718 million in restitution to the USDA. Judge Thornburg also ordered Mr. Cole to be taken into custody and to begin serving the sentence immediately.

On September 7, 2005, Judge Thornburg sentenced Robert Warren to 76 months imprisonment and Viki Warren to 66 months imprisonment. The Warrens were also ordered to forfeit \$7.3 million, and to pay \$9.15 million in restitution to the USDA

The agencies involved in the investigation of this case are the Office of Inspector General of the U.S. Department of Agriculture, the Special Investigations Branch of the USDA's Risk Management Agency, and the Internal Revenue Service, Criminal Investigations. The United States was also been assisted by the North Carolina State Bureau of Investigation and the Henderson County Sheriff's Office. The case was prosecuted by Assistant United States Attorneys Richard Lee Edwards and Don Gast.

USA v. Robert Warren, et al
WDNC Criminal Docket No. 1:03CR076-T

Harold Dean Cole
Date of Birth: 10/11/1944
300 Morrill Drive
Hendersonville, North Carolina 28792

END