



# Department of Justice

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## **RON SAILOR JR. SENTENCED TO OVER 5 YEARS ON FEDERAL CHARGES**

### ***Former State Representative First Caught In Drug Money Laundering Sting, Then Secretly Stole From His Church While Cooperating With FBI***

Atlanta, GA - WALTER RONNIE ("Ron") SAILOR, JR., 33, of Norcross, Georgia, was sentenced today by United States District Judge Jack T. Camp on charges of money laundering and wire fraud.

United States Attorney David E. Nahmias said of the case, "Today's sentencing of former State Representative Ron Sailor ends a sordid chapter in the life of someone who appeared to offer much promise for his constituents and his congregation. Instead of using his important state office and his position within his church to improve his community, Sailor violated the trust of his constituents and his congregation by trying to enrich himself by laundering drug money and defrauding his church. The prison sentence imposed by the court today is well-deserved, and hopefully it will deter others from engaging in similar misconduct."

SAILOR was sentenced to 5 years, 3 months in federal prison, to be followed by 5 years of supervised release and also ordered to perform 240 hours of community service. SAILOR also was ordered to forfeit all of the property involved and traceable to his crimes, at least \$181,802.24.

According to United States Attorney Nahmias and the information presented in court: SAILOR was convicted on wire fraud charges in connection with a fraudulently obtained loan, as well as laundering and attempting to launder what he believed to be \$375,000 in drug proceeds. After SAILOR's initial guilty plea to money laundering charges on March 18, 2008, the government learned that SAILOR had secretly obtained a \$250,000 loan utilizing as collateral property belonging to the church that he pastored. SAILOR served as the Representative of District 93 (parts of DeKalb and Rockdale Counties) in the Georgia General Assembly until he resigned after his initial guilty plea. SAILOR pleaded guilty to the additional charges on June 17, 2008.

On March 18, 2008, SAILOR entered a guilty plea in federal court to one count of laundering drug proceeds. This guilty plea was the result of a series of meetings between SAILOR and an undercover law enforcement officer posing as a drug dealer who was seeking to launder proceeds generated from the sale and distribution of cocaine. Prior to the meetings, SAILOR had indicated that he was looking for a drug dealer who had the ability to provide him with \$300,000 in drug proceeds to launder in return for a fee. As a result of his interest in laundering money, the FBI arranged an introduction to an undercover law enforcement officer posing as a drug dealer with drug proceeds that he was seeking to have laundered.

Between November 10, 2007, and December 19, 2007, SAILOR met three times with "Jay," the undercover officer. On each occasion, Jay provided SAILOR with what was represented to be drug proceeds. On November 10, 2007, and November 30, 2007, SAILOR met with Jay and was provided with \$25,000 and \$50,000 in cash, respectively. Several days after each of these transactions, SAILOR returned the purported drug proceeds to Jay, less his fee for laundering the funds, in the form of either a cashier's check or checks drawn on business accounts and signed by a third-party. These checks falsely purported to be payment for contracting work done at a church or for business loans.

On December 19, 2007, Jay and SAILOR met again, and Jay provided SAILOR with \$300,000 cash in purported drug proceeds to be laundered. After receiving the \$300,000, SAILOR was detained by the FBI. SAILOR admitted to the agents that he had laundered the \$25,000 and the \$50,000 in what he believed was drug proceeds, and that he had intended to launder the \$300,000 that was given to him by Jay.

SAILOR soon agreed to cooperate with the government in an unrelated investigation. However, unbeknownst to the government, in January 2008, while cooperating with the government, SAILOR devised a scheme to obtain a \$250,000 loan for his personal use, offering as collateral property belonging to the church he pastored, the Greater New Light Missionary Baptist Church, on Campbellton Road in Southwest Atlanta. At that time, there were no encumbrances on the property, and SAILOR did not have permission from the church to use the property as collateral. Nevertheless, in January or February 2008, he began the process of obtaining a \$250,000 loan from the Georgia Business Capital Bank, using the church's property as collateral.

SAILOR took a number of steps to make it appear as if he were authorized to encumber the church's property and to obtain the loan. On February 1, 2008, SAILOR caused the Church's Corporation Annual Registration to be changed to reflect that he was the church's Chief Executive Officer. He then caused the Corporation Annual Registration to be registered with the Georgia Secretary of State. On February 6, 2008, SAILOR signed a document entitled "Resolution of the Board of Directors," which purported to be a duly enacted resolution by the church authorizing the church to borrow money against the property and authorizing SAILOR to bind the church to such a loan. In addition to signing

his own name, SAILOR also forged the signature of the church's secretary on the document. That same day, SAILOR caused false church bylaws to be created, forged the signature of the church's secretary on those false bylaws, and caused the bylaws to be embossed with a fraudulent church seal. The next day, SAILOR caused the fraudulent bylaws and the fraudulent resolution to be presented to Georgia Business Capital Bank in order to obtain the loan.

On March 11, 2008, the bank lent SAILOR \$250,000 using the church's property as collateral. After closing costs of \$32,415.52 were deducted, SAILOR received \$217,584.48 in proceeds from the loan. That same day, he opened an account at the Capitol City Bank & Trust, in the name of Greater New Light Baptist Church, in order to access the loan proceeds and distribute them to pay personal expenses. After the account was opened, \$217,584.48 in loan proceeds were wired into the Capitol City account. Between March 12, 2008, and March 27, 2008, SAILOR used \$141,386.72 from this account to pay various personal expenses. The remaining funds, \$76,197.76, went unspent and were ultimately returned to the lender by SAILOR after his scheme was uncovered.

The government learned of the fraudulent loan shortly after SAILOR pleaded guilty to the money laundering charge on March 18, 2008. He had not disclosed this conduct to the government, despite his pre-plea proffer agreement to cooperate fully and truthfully.

This case was investigated by Special Agents of the Federal Bureau of Investigation.

Assistant United States Attorneys Bill Thomas and Elizabeth M. Hathaway prosecuted the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is [www.usdoj.gov/usao/gan](http://www.usdoj.gov/usao/gan).