



Department of Justice

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LEDEE PLEADS GUILTY JUST BEFORE TRIAL IN INSURANCE FRAUD CASE

Convicted Felon Forfeits Over \$10 Million in Criminal Profits To U.S.

ATLANTA, GA - WILLIAM A. LEDEE III, 63, of Atlanta, Georgia, pleaded guilty on Saturday before United States District Judge Beverly B. Martin on fraud and money laundering charges. The charges relate to a scheme to defraud doctors and other health care providers located throughout the United States, by selling medical malpractice insurance policies issued by a fictitious insurance company that falsely pretended to be from St. Vincent and the Grenadines. LEDEE also pleaded guilty to engaging in the business of insurance, in violation of federal law, after he had been convicted of a felony offense involving dishonesty.

United States Attorney David E. Nahmias said of the guilty plea, "This defendant was already convicted and prohibited from engaging in the insurance business, and he did it anyway. This is a \$24 million dollar fraud case that victimized more than a thousand people who were seeking legitimate insurance coverage. Many of the victims are doctors who need that coverage to provide critical care for their patients. This defendant compromised the integrity of the entire system by his greed."

According to Nahmias, the plea agreement and information in court: LEDEE was indicted in 2004 for engaging in the business of insurance after having been convicted of a criminal felony involving dishonesty. LEDEE pleaded guilty to using false financial statements in connection with his business, "Professional Liability Insurance Company," a St. Vincent and the Grenadines insurance company. He was also convicted of wire fraud, mail fraud, and interstate transportation of money taken by fraud, relating to a scheme to obtain money and property from potential insurance policyholders, as part of the scheme. In 2005, LEDEE was indicted for related money laundering charges involving money laundering transactions exceeding \$10 million in wire transfers from a bank account in Bermuda to bank accounts in Georgia and elsewhere, to purchase real estate and luxury automobiles, among other purchases.

LEDEE's plea agreement provides a maximum sentence of 7 years, 6 months in federal prison. As a part of the plea agreement, LEDEE forfeited to the United States more than \$10 million in cash and real estate, acquired as a result of the fraudulent insurance company scheme that he conducted from his offices in Cobb County from 2000 until 2004. Properties and assets include homes in Hilton Head, South Carolina, an office building in Marietta, Georgia, and a residence in Dunedin, Florida.

In addition, prior to the federal indictments in 2004, LEDEE and his companies were the subject of numerous state insurance departments' cease-and-desist proceedings seeking to prevent him from issuing insurance policies to residents of Texas, Florida, Nevada, Montana, Pennsylvania, Illinois, and Washington, the government of Bermuda and St. Vincent and the Grenadines, among others.

LEDEE's companies, included not only "Professional Liability Insurance Company," but also "Unimed," "Crown Global Group," "Medical Risk Associates/RPG Ltd." and "Ledee and Associates," which took in premium payments from clients who believed that they were being covered for medical malpractice, when, in fact, there was no real coverage, and there were no loss reserves and other assets required by law for legitimate insurance companies to protect the public.

This case was investigated by Special Agents of the FBI. Assistance was provided by Georgia, Florida, Nevada, Montana, Pennsylvania, Illinois, Arkansas, Washington (state) and Texas state insurance regulators and investigators. The United States Attorney's Office wishes to thank the Bermuda Police Services, the Bermuda Monetary Authority, and the International Financial Services Authority of St. Vincent and the Grenadines.

Assistant United States Attorneys Richard M. Langway, Evan Weitz and Dahil D. Goss are prosecuting 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.