



**U.S. Department of Justice**

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Eastern District of Wisconsin*

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**NEWS SUMMARY: KENOSHA AREA BAR OWNER PLEADS GUILTY TO STRUCTURING**

United States Attorney Steven M. Biskupic announced today that George G. Gervais of Bristol, Wisconsin, the owner of George's Club Highview, a Kenosha-area bar, pleaded guilty yesterday in federal court to structuring the cash purchase of multiple cashier's checks totaling just under \$90,000, in violation of the federal anti-structuring statute, Title 31, United States Code, Section 5324.

Banks are required by law to issue such currency transaction reports regarding any deposit or withdrawal involving over \$10,000 in currency. The federal anti-structuring statute makes it a felony to structure deposits to avoid the reporting requirement. According to the plea agreement, between approximately September 28 and October 15, 2002, Gervais purchased nine cashier's checks, each in the amount of \$9,999, using cash, at Southport Bank. Gervais admitted that he purchased the checks in that manner to avoid the bank's issuance of currency transaction reports to the government.

According to the plea agreement, Gervais wanted to avoid the bank's issuance of a currency transaction report because he knew that such a report could alert the Internal Revenue Service to the fact that Gervais had paid for at least \$76,000 of the checks using cash that he had skimmed from his bar business, and not reported to the IRS as income.

According to the plea agreement, eight days after purchasing the final cashier's check, Gervais endorsed the nine cashier's checks as "not used for purposes intended," and exchanged those checks, plus an additional cashier's check, for two cashier's checks. He then used one of those checks, worth approximately \$94,750, to make a down payment on a home.

As a part of his plea agreement, Gervais has agreed to forfeit to the government \$76,492 of the \$89,991 in currency involved in his structuring offense. He has also agreed to file an amended 2002 U.S. Individual Income Tax Return, reporting additional taxable income of \$76,492, and to pay all additional tax, interest, and penalties due on that amended tax return.

Upon conviction, the charge of structuring carries a maximum term of imprisonment of five years and a maximum fine of \$250,000.

The case was investigated by the Internal Revenue Service, Criminal Investigation Division. The case is assigned to Assistant United States Attorney Scott J. Campbell for prosecution.

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For more information, contact:

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