



U. S. Department of Justice

George E. B. Holding

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Eastern District of North Carolina

NEWS RELEASE

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THREE MORE PLEAD GUILTY IN CROP INSURANCE SCHEME

RALEIGH - United States Attorney George E.B. Holding announced that in federal court yesterday three defendants pled guilty in the on-going crop insurance fraud investigation. **DONALD KEITH DAVIS**, 53, of Sharpsburg, North Carolina, and **ROBERT SAMMY TANT**, 60, of Rocky Mount, North Carolina, each pled to one count of conspiring to make false statements, to make material false statements, to commit mail and wire fraud, and to structure transaction, in violation of Title 18, United States Code, Section 371 and one count of aiding and abetting the making false statements in connection with the Federal Crop Insurance Program, in violation of Title 18, United States Code, Section 1014. **ROY JOHNSON RAYNOR**, aka "Butch," 56, also of Rocky Mount, North Carolina, pled guilty to one count of conspiring to make false statements, to make material false statements, and to commit mail and wire fraud. United States District Judge James C. Dever, III, presided over the hearing.

During the course of the investigation, law enforcement determined that **RAYNOR** purchased "hidden" tobacco from farmers to facilitate crop insurance fraud. He also facilitated the

concealment of the fraud by structuring the payments. During the court of the conspiracy, **RAYNOR** facilitated the sale of approximately \$1,451,084 in "hidden" tobacco.

DAVIS and **TANT** were farmers that sold "hidden" tobacco through **RAYNOR**. **TANT** also conspired with insurance agent, Robert Carl Stokes. Stokes has pled to similar charges and is currently awaiting sentence.

At sentencing, for the conspiracy charge, each of the three defendants face up to five years' imprisonment followed by up to three years' supervised release and a fine of up to \$250,000. For the false statement in connection with the crop insurance program charge, **DAVIS** and **TANT**, each face up to 30 years' imprisonment followed by up to five years' supervised release and a fine of up to \$1,000,000.

Investigation of this case was conducted by the Internal Revenue Service - Criminal Investigations, the United States Department of Agriculture - Office of Inspector General, and Risk Management Agency - Special Investigations Branch. Assistant United States Attorney Banumathi Rangarajan represented the government.

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