



U. S. Department of Justice

News Release

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ANOTHER DEFENDANT PLEADS GUILTY IN
CROP INSURANCE FRAUD CASE

RALEIGH - United States Attorney Thomas G. Walker announced that in federal court today **TROY RICHARD GREGORY**, 74, pled guilty before Chief United States District Judge James C. Dever III, to failure to file currency transaction reports, in violation of Title 31, United States Code, Sections 5313(a) and 5322(b).

According to the Information, as well as statements made in open court, in the Eastern and Middle Districts of North Carolina, **GREGORY**, doing business as Troy's Place, was a licensed check casher engaged in currency transactions over \$10,000, which by regulations, require reports to be filed detailing the transactions. **GREGORY**, however, failed to file any such reports for any transactions over \$10,000 between 2003 and 2010. **GREGORY** also had an anti-money laundering plan which he failed to follow.

In 2007 alone, between August and November, **GREGORY** cashed over \$560,000 worth of checks on behalf of two tobacco

warehouseman. The checks were in nominee and fictitious names, and were payment in connection with the sale of hidden tobacco. On October 22, 2007, alone, **GREGORY** cashed over \$96,000 worth of tobacco-related checks, and failed to file a currency transaction report for those checks in excess of \$10,000.

GREGORY charged a fee of two to three percent of the face value of the checks.

At sentencing, set for June 18, 2012, **GREGORY** faces up to 10 years imprisonment and/or a fine of up to \$500,000 or twice the gross gain from the criminal conduct.

This case is part of the multi-target crop insurance fraud investigation in which 33 defendants have been prosecuted thus far.

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

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