



U. S. Department of Justice

Thomas G. Walker

United States Attorney

Eastern District of North Carolina

NEWS RELEASE

FOR IMMEDIATE RELEASE:

THURSDAY - November 17, 2011

ANOTHER DEFENDANT IN CROP INSURANCE FRAUD SCHEME SENTENCED

RALEIGH - United States Attorney Thomas G. Walker announced that in federal court today Chief United State District Judge James C. Dever III, sentenced **WALTER GREGORY PRIDGEN**, 54, of Rocky Mount, North Carolina, to one day imprisonment followed by five years' supervised release, the first six months of which is under home detention. The Court also imposed restitution in the amount of \$972,360. The sentence reflects a reduction for cooperation.

On September 29, 2010, a Criminal Information was filed charging **PRIDGEN** with conspiring to make false statements, to make material false statements and to commit mail and wire fraud, in violation of Title 18, United States Code, Section 371, and making false statement in connection with the crop insurance program, in violation of Title 18, United States Code, Section 1014. On November 3, 2010, **PRIDGEN** pled guilty to the charges.

The investigation revealed that **PRIDGEN**, along with co-defendant, Marvin Kemp Pridgen, conspired with Robert Carl Stokes, an insurance agent. The Pridgens sold hidden tobacco in false and nominee names, and filed false crop insurance claims. It is estimated that they committed over \$1,000,000 in fraud.

Acting Special Agent in Charge Kay B. Jernigan, IRS-Criminal Investigation stated, "Laundering money is untaxed dollars that shifts the tax burden to all honest taxpaying citizens. Mr. Pridgen stole from the government and tried to conceal the source of his income. IRS Criminal Investigations did not allow Mr. Pridgen to get away with his crime."

Marvin Pridgen is scheduled to be sentenced on December 5, 2011.

Investigation of this case was conducted by the Internal Revenue Service - Criminal Investigation Division and the United States Department of Agriculture. Assistant United States Attorney Banumathi Rangarajan served as prosecutor for the government.

#

News releases are available on the U. S. Attorney's web page at www.usdoj.gov/usao/nce within 48 hours of release.