



Department of Justice

UNITED STATES ATTORNEY'S OFFICE EASTERN DISTRICT OF MISSOURI

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For Immediate Release

OWNER OF ILLINOIS AGRICULTURAL BUSINESS PLEADS GUILTY TO FRAUD CHARGES

St. Louis, MO - Douglas Pennock pled guilty to bank fraud, in connection with charges of that he overstated the accounts receivable of JDL Longhorn in connection with a multi-million dollar line of credit.

Pennock, owned, operated, and was affiliated with a number of businesses, including a business known as JDL Longhorn, Inc. with principal offices in Pittsfield, IL. JDL Longhorn provided services relating to the construction of animal confinement systems.

According to court documents, in May 2008, JDL Longhorn arranged for financing with Peoples Bank, Troy, MO. The purposes of the loan included financing the operations of JDL Longhorn, and paying off a prior loan from another bank. As part of the loan process, Pennock provided false information regarding financial status of JDL Longhorn, and the status of collateral, including his accounts receivable. After the line of credit was approved and funded, Pennock continued to provide false information to Peoples Bank.

Ultimately, JDL Longhorn defaulted on the loan, resulting in a substantial loss to JDL.

Pennock, 44, of Pittsfield, IL, appeared today before United States District Judge Henry Autrey and entered a plea of guilty to one count of bank fraud, in violation of 18 U.S.C. § 1344. Sentencing is scheduled for November 19, 2012.

Bank fraud carries a maximum penalty of 30 years in prison and/or fines up to \$1 million. In determining the actual sentences, a Judge is required to consider the U.S. Sentencing Guidelines, which provide recommended sentencing ranges.

This case was investigated by FDIC Office of Inspector General, Federal Bureau of Investigation, and Board of Governors of the Federal Reserve System Office of Inspector General. Assistant United States Attorney John Bodenhausen is handling the case for the U.S. Attorney's Office.

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*IF YOU HAVE QUESTIONS, PLEASE CONTACT PUBLIC INFORMATION OFFICER
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