



U.S. Department of Justice

*United States Attorney's Office
Eastern District of Wisconsin*

Press Release

November 14, 2017

Former President and CEO of Farmer's Exchange Bank Sentenced to Prison

Gregory J. Haanstad, United States Attorney for the Eastern District of Wisconsin, announced that on November 9, 2017, Judge J.P. Stadtmueller, sentenced former Neshkoro banker Geoffrey Sawtelle, (age: 64), to two years in prison following his conviction on three counts of bank fraud, in violation of Title 18 United States Code section 1344; one count of false bank entry, in violation of Title 18 United States Code section 1005, and one count of false statement to federal bank examiners, in violation of Title 18 United States Code section 1001. The court also imposed a \$20,000 fine, \$500 in special assessments, and ordered Sawtelle to pay \$338,000 in restitution. Following his prison sentence, Sawtelle will also serve two years of supervised release. Sawtelle pled guilty on July 19, 2017, to the five counts of conviction and acknowledged that the court would consider counts that were dismissed pursuant to the plea agreement as relevant conduct for sentencing purposes.

The former president and CEO of Farmer's Exchange Bank, and a shareholder in the bank holding company, Sawtelle had been charged in a 45-count indictment, which alleged that over a ten-year period, he devised and executed a scheme to obtain bank funds for his personal use. Sawtelle used many of the funds to support his hobby of auto sports racing, and he created false bank entries and made false statements to federal bank examiners in order to hide his theft and misapplication of the bank funds. In addition, the indictment alleged that Sawtelle took unauthorized salary bonuses and created nominee loans for his own benefit, and that upon the sale of the bank in 2015, he attempted to defraud his holding company partners through a wire fraud scheme that resulted in multiple money laundering counts. Farmer's Exchange Bank was sold to Hometown Bank in November 2015.

Sawtelle's conduct was initially discovered during a routine bank examination by the Wisconsin Department of Financial Institutions, Division of Banking. He was removed from the bank in May 2014, after a more in depth investigation by regulators from the Federal Deposit Insurance Corporation.

In sentencing Sawtelle, Stadtmueller noted that the two-year prison sentence was fair, just, reasonable, and appropriate because the core facts of the defendant's conduct were inconsistent with the level of trust that had been placed in him. Stadtmueller noted that it should also serve as a message to the community.

“Bank executives who intentionally falsify bank records to deceive regulators must be brought to justice for their actions,” said Mark Bialek, Inspector General of the Board of Governors of the Federal Reserve System and Consumer Financial Protection Bureau. “Such actions impact the safety and soundness of financial institutions. I commend our agents and their federal law enforcement partners for their hard work and persistence, which ultimately led to this conviction.”

The criminal case was investigated by agents from the Office of Inspector General of the Federal Deposit Insurance Corporation, the Office of Inspector General of the Board of Governors of the Federal Reserve System and Consumer Financial Protection Bureau, and the Federal Bureau of Investigation. The case was prosecuted by Assistant United States Attorneys Carol L. Kraft and Rebecca Taibleson.

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For Additional Information Contact:

Assistant United States Attorneys Carol Kraft and Rebecca Taibleson (414) 297-1700
Public Information Officer Dean Puschnig

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