



Department of Justice

Office of the United States Attorney Western District of Wisconsin

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Former President of Credit Union Charged with Embezzlement

Madison, Wis. - Stephen P. Sinnott, Acting United States Attorney for the Western District of Wisconsin, announced that a federal grand jury sitting in Madison returned a 20 count indictment on July 15, 2009, charging David K. Henke, 50, of Wisconsin Rapids, Wis., with bank fraud and embezzlement. If convicted on all charges, Henke faces a maximum penalty of 600 years in prison.

The indictment alleges that Henke, as President of the Rapids Municipal Credit Union (RMCU), Wisconsin Rapids, embezzled and willfully misapplied approximately \$634,222 from RMCU over a period from approximately November of 1999 through October of 2008.

The indictment further alleges that Henke embezzled the funds by making false entries into the general ledger accounts of the credit union; by adding unauthorized loan amounts to credit union members' new and existing loans without their knowledge; by converting to his own use certificates of deposit held in the names of RMCU members; and by issuing RMCU checks without authorization to pay personal expenses.

The indictment further alleges that Henke concealed the scheme from those members whose accounts had been subject to unauthorized loan add ons by removing from the mail the monthly RMCU statements, thus preventing RMCU members from receiving the statements and discovering the unauthorized add ons to their loans.

The indictment further alleges that Henke provided false information to the Board of Directors relating to delinquent loans; utilized RMCU members' dormant accounts without their knowledge to deposit embezzled funds; and forged RMCU members' signatures on collateral pledge agreements which he then used to fraudulently collateralize under-collateralized loans.

Sinnott stated that as part of the investigation, on May 21, 2009, the Federal

Bureau of Investigation executed a seizure warrant and seized approximately \$84,686.88 from an investment account held by Henke. The affidavit in support of the seizure warrant states that over a period from April 19,2000 to May 15, 2006, Henke deposited or caused to be deposited into the investment account \$150,270 in funds embezzled from RMCU accounts.

The indictment also charges a forfeiture count which requests the forfeiture of \$84,686.88 seized by the United States Marshal's Service from an investment account held by Henke and 950 shares of Coloma Meats, Inc. stock.

The charges against Henke are the result of an investigation conducted by Wausau Resident Agency of the Federal Bureau of Investigation and the Wood County Sheriff's Department. The prosecution of this case has been assigned to Assistant U.S. Attorney Grant C. Johnson.

You are advised that a charge is merely an accusation and that a defendant is presumed innocent until and unless proven guilty.

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