



U.S. Department of Justice

***United States Attorney
Eastern District of Arkansas***

FOR IMMEDIATE RELEASE
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**ROGERS WOMAN SENTENCED
TO FOR BANK FRAUD**

Little Rock – Jane W. Duke, United States Attorney for the Eastern District of Arkansas, announced today the sentencing of Dana Washburn, age 41, of Rogers, Arkansas before the Honorable J. Leon Holmes, Chief Judge, United States District Court, Eastern District of Arkansas. This sentencing follows the May 12, 2009 guilty plea to one count of bank fraud in violation of Title 18, United States Code, Section 1344.

Washburn was sentenced to 41 months imprisonment, 5 years supervised release, restitution in the amount of \$3,577,223.02. Washburn was ordered to surrender for service of sentence on February 28, 2011.

From November 2, 2007 until August 12, 2008, Dana Washburn received five loans from Pulaski Bank and Trust in Jonesboro, Arkansas totaling \$3,665,000. An investment account at Stephens, Inc. served as the collateral for four of those loans, while the fifth loan was issued based on statements made regarding the balance of the Stephens account. At the time the loans were issued, the defendant stated the Stephens account contained \$3,800,000; however, the account did not contain those monies. The defendant altered Stephens account statements and provided false documentation to Pulaski Bank and Trust as well as a forged control agreement in order to obtain the loans.

After receiving the loans, the defendant transferred the money in the Stephens account to a bank in Northwest Arkansas without notifying Pulaski Bank and Trust that she was moving the collateral. Upon learning the funds were no longer at Stephens, Pulaski Bank and Trust sought information from the defendant. She told the bank that the funds had been transferred to an investment account at Raymond James. She then had an individual pretend to be a broker at Raymond James. That person stated that the funds were accounted for and in an investment account. Another fraudulent control agreement was then sent to Pulaski Bank and Trust.

In December 2008, Pulaski Bank & Trust learned that the collateral as well as the loan proceeds were missing. The bank suffered a loss of \$3,577,223.02.

The case was investigated by the Federal Bureau of Investigation and was prosecuted by Assistant United States Attorney Karen Whatley.

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