



**U.S. Department of Justice**

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FOR IMMEDIATE RELEASE  
MONDAY OCTOBER 26, 2009  
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**SOUTH SUBURBAN FAMILY BANK AND TRUST CO. AGREES TO PLEAD GUILTY  
AND FORFEIT \$800,000 FOR FAILING TO FILE CURRENCY REPORTS IN 2001**

CHICAGO – A south suburban bank has agreed to plead guilty to federal criminal charges alleging that the bank conspired with its former top executive and others in 2001 to violate federal bank regulations by failing to file multiple currency transaction reports involving deposits totaling more than \$800,000. The defendant, **Family Bank and Trust Co.**, was charged with a single count of conspiracy in a criminal information that was filed Friday in U.S. District Court, announced Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois.

Family Bank and Trust, a community bank located at 10360 South Roberts Rd., Palos Hills, through its attorney, has authorized the government to disclose that it will plead guilty to the felony charge. The bank has further agreed with the government that the parties will ask a judge to impose a sentence of two years' probation and to order forfeiture of \$800,000. This year, the bank came under new ownership and management, which is not connected to the allegations in the charging document. No customer deposits will be affected by the prosecution.

No date has been set yet for arraignment in U.S. District Court in Chicago.

The bank also has agreed that it will relinquish any claims it might have involving \$2,179,008 that is being held by the government as a result of the prosecution in *United States v. Esawi, et al.*, 02 CR 038 (N.D. Ill.), in which multiple defendants were convicted of engaging in an international

pseudoephedrine trafficking conspiracy. Court records in the *Esawi* case establish that defendants structured cash deposits from the pseudoephedrine trafficking into multiple accounts at Family Bank to disguise the illegal proceeds.

“Currency Transaction Reports play a vital role in helping law enforcement identify proceeds of illegal activity but banks must file accurate reports to enable this system to work effectively,” Mr. Fitzgerald said. This is the first instance of a bank being prosecuted for its role in failing to file such reports, he noted.

Mr. Fitzgerald announced the charges with Alvin Patton, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division in Chicago, and Steve Luzinski, Acting Special-Agent-in-Charge of the Chicago Office of the Drug Enforcement Administration.

According to the charging document, between March and August 2001, Family Bank and Trust, together with Marvin Siensa and other individuals, conspired to knowingly and willfully fail to file currency transaction reports (CTRs) on various cash transactions. Financial institutions and any director, officer or employee who have knowledge of any deposit, withdrawal, currency exchange or other transfer through the institution that involves more than \$10,000 are required to file a CTR with the Treasury Department.

Siensa, who died in early 2008, was the bank’s former president, as well as its former chief executive officer, a trust officer and chairman of the board of directors. In 2001, along with other family members, Siensa held 55.2 percent of the shares of Community Holdings Corp., which was a one-bank holding company that owned 93 percent of Family Bank, according to the charges.

As part of the conspiracy, the charges allege that Family Bank through Siensa and other employees received cash in amounts exceeding \$10,000 in cash to be deposited into various customer accounts while failing to file CTRs. The bank opened multiple accounts in the names of nominees or other businesses so that the cash deposits exceeding \$10,000 on any day could be deposited into

various accounts to conceal the relationship between the depositors and the transactions and to avoid the filing of any reports. The bank and Siensa allegedly accepted and caused to be accepted cash deposits exceeding \$10,000 on any day that were made to appear as though the funds were proceeds of legitimate business when, in fact, significant portions of the deposited funds were proceeds of illegal activity.

The conspiracy count against the bank carries a maximum penalty of five years' probation and a \$500,000 fine or a fine totaling twice the gross gain from the offense. In agreeing to the forfeiture of \$800,000, the bank will pay \$250,000 at the time it enters a formal guilty plea, with a long-standing shareholder paying an additional \$125,000 at the same time. This same shareholder will pay another \$125,000 at the time of sentencing, and the bank, or any successor, will pay the remaining \$300,000 before the end of the two years' probation.

The government is being represented by Assistant U.S. Attorney Marsha McClellan.

The public is reminded that an information contains only charges and is not evidence of guilt. The defendant is presumed innocent and is entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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