



# SIGTARP

Office of the Special Inspector General  
For The Troubled Asset Relief Program

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Media Inquiries: 202-927-8940

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## **FORMER TARP BANKER SENTENCED TO FIVE YEARS IN PRISON AND ORDERED TO PAY \$23.5 MILLION IN RESTITUTION**

U.S. Chief District Judge Sara Darrow today sentenced Dana Frye, former executive vice president and chief loan officer of the failed Country Bank of Aledo, Ill., to five years in prison, the maximum prison term for conspiring with others to make materially false statements to the Country Bank Board of Directors. Judge Darrow ordered Frye to immediately pay \$23.5 million in restitution.

On Oct. 10, 2019, Frye admitted that he conspired with others to influence Country Bank to make loans to projects in which he held a personal financial interest, including the “Fyre Lake Project,” a development including a golf course and surrounding residential lots in Sherrard, Ill. Frye, 66, currently of Bettendorf, Iowa, helped found Country Bank and served as executive vice president and chief loan officer for Country Bank from its formation in March 2000 to Dec. 31, 2010. In October 2011, Country Bank failed and the Federal Deposit Insurance Corporation, as receiver, covered losses in excess of \$70 million.

Frye held ownership in multiple companies that either directly participated in real estate developments or provided services to persons and entities engaged in developments. One company, known as Webgem, Inc., owned by Frye and his son, Andrew Frye, provided accounting and other services to developers. Dana Frye did not disclose to the bank board of directors his full interest in Webgem and allowed Webgem to receive proceeds from loans issued by Country Bank.

Andrew Frye pleaded guilty to a related misdemeanor offense concerning a loan he received from Country Bank and was sentenced to six months of probation and ordered to pay \$15,375 in restitution. As a condition of their respective sentences, both Dana Frye and Andrew Frye are prohibited from ever working in the banking or financial industry again.

In May of 2009, Country Bank received \$4.1 from the U.S. Government through the Department of Treasury’s Troubled Asset Relief Program known as TARP. On Oct. 14, 2011, Country Bank failed and the Federal Deposit Insurance Corporation took over as receiver. Other victims included Greenwoods State Bank, Burlington, Wis.; Blackhawk Bank & Trust, Milan, Ill.; and Citizens Bank of Mukwonago, Wis.

SIGTARP and the FDIC Office of Inspector General conducted the investigation. First Assistant U.S. Attorney Douglas J. Quivey and Assistant U.S. Attorney Douglas F. McMeyer prosecuted the case for the U.S. Attorney’s Office for the Central District of Illinois.

**About SIGTARP**

The Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) is a federal law enforcement agency that targets crime at financial institutions or in TARP housing programs and is an independent watchdog protecting the interests of the America people. SIGTARP investigations have resulted in the recovery of \$11 billion and 300 defendants sentenced to prison.

To report a suspected crime related to TARP, call SIGTARP's Crime Tip Hotline: 1-877-744-2009. To receive alerts about reports, audits, media releases, and other SIGTARP news, sign up at [www.SIGTARP.gov](http://www.SIGTARP.gov). Follow SIGTARP on Twitter @SIGTARP.

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