



FOR IMMEDIATE RELEASE

Tuesday, May 26, 2009

ROBERT MICHAEL BONNER PLEADS GUILTY IN U.S. FEDERAL COURT

Bill Mercer, United States Attorney for the District of Montana, announced today that during a federal court session in Missoula on May 26, 2009, before U.S. Magistrate Judge Jeremiah C. Lynch, ROBERT MICHAEL BONNER, a 51-year-old resident of Polson, pled guilty to making a false statement to a financial institution. Sentencing is set for October 1, 2009. He is currently released on special conditions.

In an Offer of Proof filed by the United States, the government stated it would have proved at trial the following:

BONNER worked for First Interstate Bank ("FIB") in Polson. First Interstate Bank is a federally insured financial institution. BONNER administered trust accounts, which usually meant he moved money around as directed by the account holders.

In 2006, BONNER met with the president of FIB's Polson branch and explained that he intended to buy land near Rollins, overlooking Flathead Lake. BONNER told the bank president that the primary investors for his purchase would be FIB trust account holders. The bank president told BONNER that he could not purchase real estate for his own benefit using monies from account holders, and that he would be fired if he did. BONNER reluctantly agreed not to borrow from bank customers to finance the Rollins real estate deal.

In August of 2007, BONNER approached J.B. and H.M. - both FIB trust account holders - to discuss their willingness to invest in his purchase of the Rollins property. J.B. orally agreed to loan BONNER \$300,000. On August 30, 2007, BONNER wired \$300,000 from J.B.'s FIB trust account to the account of BONNER'S friend and sometimes business partner, J.C.

On August 29, 2007, one day before the wire transfer, BONNER asked J.C. to write a letter to FIB concerning the transfer of J.B.'s funds. BONNER told J.C. what to write and either delivered the letter to FIB or asked J.C. to deliver the letter.

The letter stated that the money transferred from J.B.'s account was "wired to my [J.C.'s] account . . . for a pool of investments dealing in loans secured with real estate. None of the loans in this pool are being used to finance land for any employees of First Interstate Bank." That statement was false. J.B.'s funds were transferred by J.C. to the title company that handled the closing on BONNER'S Rollins property. The funds specifically were applied to the purchase price of land financed by BONNER, an employee of FIB.

J.C.'s letter, written at BONNER'S behest, influenced the actions of FIB in the following manner. FIB had previously agreed to loan BONNER \$250,000 toward the purchase of the Rollins property, with the understanding that the remainder of the purchase money was being supplied by "investor financing," not by FIB trust accounts. That mortgage, which was later increased to \$400,000 (and

has since been paid off in full), would not have been negotiated had FIB known that BONNER was borrowing money from trust accounts to pay the bulk of the purchase price.

In order to prevent FIB from discovering the identity of BONNER'S other investors, he and J.C. agreed not to perfect J.C.'s interest, which was really the interest of the trust account holders, including J.B. Those interests were eventually secured, but not until March 2008, approximately seven months after the closing.

Sometime after the closing, BONNER left J.C. a voice mail message concerning the Rollins deal. BONNER discussed the delay in recording J.C.'s interest in the Rollins property and told J.C. "If we say the bank . . . didn't want to record H.M.'s and J.B.'s position on that property then it looks like H.M. and J.B. made the loan to me and of course the loan was made to you and then you loaned to me and we gotta to keep that separate" Both J.B. and H.M. would testify that BONNER asked them to loan him money for the Rollins property and they thought they loaned money to BONNER, not to J.C., for the Rollins property.

BONNER faces possible penalties of 30 years in prison, a \$1,000,000 fine and 5 years supervised release.

Assistant U.S. Attorney Timothy J. Racicot prosecuted the case for the United States.

The investigation was conducted by the U.S. Secret Service.

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A copy of the Offer of Proof can be obtained by contacting Sally Frank at (406) 247-4638.