

FILED

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Clerk, U S District Court
District Of Montana
Billings

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**ATTORNEY FOR PLAINTIFF
UNITED STATES OF AMERICA**

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MONTANA
GREAT FALLS DIVISION**

**UNITED STATES OF
AMERICA,**

Plaintiff,

vs.

PATRICK CHARLES THOMAS,

Defendant.

CR 13- 38 -GF- DLC

INDICTMENT

**FALSE CLAIMS ACT/ KEEPSEAGLE
SETTLEMENT**

(Count I)

Title 18 U.S.C. § 287

**(Penalty: Five years imprisonment,
\$250,000 fine, and three years
supervised release)**

**CONVERSION OF SECURED
PROPERTY (Count II)**

Title 18 U.S.C. § 658

**(Penalty: Five years imprisonment,
\$250,000 fine, and three years
supervised release)**

FEDERAL AGRICULTURAL LOAN FRAUD/FALSE WRITING (Counts III, IV) Title 18 U.S.C. § 1001(a)(3) (Penalty: Five years imprisonment, \$250,000 fine, and three years supervised release)
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THE GRAND JURY CHARGES:

INTRODUCTION

1. In *Keepseagle v. Vilsak*, Civil Action No. 1:99-cv-03119 (DDC) (EGS), a class action lawsuit was pursued by Native American farmers and ranchers alleging that they had been discriminated against by the U.S. Department of Agriculture (USDA) and that they had been denied equal access to credit in the USDA Farm Loan Program.

2. As a result of that lawsuit, on April 28, 2011, a \$760 million settlement with the USDA was approved, and claims were entertained from individual Native American producers who asserted that they had been discriminatorily aggrieved by the USDA in the lending process.

3. The Native American farmers and ranchers entitled to file a claim and receive relief under the settlement were producers who:

a) farmed or ranched or attempted to farm or ranch between January 1, 1981 and November 24, 1999;

b) sought, or attempted to seek, a farm loan from the USDA during that period;

c) had their application denied, provided late, approved for a lesser amount than asked, was encumbered by restrictive conditions, or failed to have appropriate loan servicing;

d) complained about discrimination to the USDA during the same time period; and

e) suffered economic harm attributable to USDA actions.

4. Successful claimants were eligible to receive a payment of up to \$50,000 and forgiveness of some or all outstanding USDA loans.

5. At all times relevant hereto, the defendant, PATRICK CHARLES THOMAS, was engaged in ranching and farming on the Blackfeet Indian Reservation in Glacier County, Montana.

COUNT I

That on or about December 27, 2011, near Cut Bank, and other places, in the State and District of Montana, the defendant, PATRICK CHARLES THOMAS, knowingly made and presented a claim to the United States Department of Agriculture, knowing that the claim was false and fraudulent, that is, the defendant, PATRICK CHARLES THOMAS, filed a *Keepseagle* claim representing that he had been

denied an opportunity to submit applications for loans or discouraged from applying for loans between January 1, 1981 and November 24, 1999; more specifically alleging that a Farm Services Agency employee in Cut Bank — in 1997, 1998, and 1999 — had discriminated against him, thrown his applications in the garbage, and that he “was denied a loan on three consecutive occasions” when, in truth and in fact, as he then and there well knew, during this period he had been given financing and approved for loans, and, if these representations had been discovered to be false at the time of his application for benefits as a class member, his claim would have been denied and he would not have been awarded relief under the *Keepseagle* settlement, in violation of 18 U.S.C. § 287.

COUNT II

That between on or about June 5, 2006, and continuing thereafter until on or about July 13, 2011, near Cut Bank, and other places, in the State and District of Montana, the defendant, PATRICK CHARLES THOMAS, with the intent to defraud, knowingly concealed, removed, disposed of, and converted to his own use or the use of another more than \$1000 worth of property mortgaged and pledged to the Farm Services Agency, U.S. Department of Agriculture, that is, the

defendant, PATRICK CHARLES THOMAS, having pledged as security all of his crops, livestock, and property, including equipment, to obtain financing from the Farm Services Agency, sold and otherwise disposed of secured property, of a value of \$160,000, more or less, without disclosing the transaction or receipt of monies from the sale of security, remitting the proceeds from those sales to the U.S. Department of Agriculture, or obtaining the authorization of the agency for other disposition, in violation of 18 U.S.C. § 658.

COUNT III

That on or about December 19, 2008, at Great Falls, and other places, in the State and District of Montana, the defendant, PATRICK CHARLES THOMAS, in a matter within the jurisdiction of the Farm Services Agency, U.S. Department of Agriculture, made and used a false writing or document knowing the same to contain materially false, fictitious, and fraudulent statements, that is, the defendant, PATRICK CHARLES THOMAS, provided to the Farm Services Agency a balance sheet which represented that he had 225 cows and 11 bulls available to be collateralized as security for federal program financing, when in truth and in fact, as the defendant then and there well knew, he did not own that number of livestock and that the representation as to cattle

numbers was inflated and misleading, in violation of 18 U.S.C.

§ 1001(a)(3).

COUNT IV

That on or about February 23, 2009, at Great Falls, and other places, in the State and District of Montana, the defendant, PATRICK CHARLES THOMAS, in a matter within the jurisdiction of the Farm Services Agency, U.S. Department of Agriculture, made and used a false writing or document knowing the same to contain materially false, fictitious, and fraudulent statements, that is, the defendant, PATRICK CHARLES THOMAS, provided to the Farm Services Agency a document attesting to a crop share agreement with the Hidden Lake Colony on a particular parcel of land in order to secure a federal loan, when in truth and in fact, as the defendant then and there well knew, his actual agreement with the Hidden Lake Colony was a not a crop share lease and he would not be entitled to the proceeds from the sale of crops off of that parcel, in violation of 18 U.S.C. § 1001(a)(3).

A TRUE BILL.

Kadala
FOREPERSON

Michael W. Cotter
MICHAEL W. COTTER
United States Attorney
Attorney for Plaintiff

Kris A. McLean
KRIS A. McLEAN
Criminal Chief Assistant U.S. Attorney
Attorney for Plaintiff

Crim. Summons
Warrant: _____
Bail: _____

Returns: RKS
5-21-13 10:00 am