

**PRESS RELEASE**

# **Victims of cryptocurrency scam awarded restitution**

Monday, November 4, 2024

**For Immediate Release**

U.S. Attorney's Office, District of Kansas

WICHITA, KAN. – After a \$47.1 million cryptocurrency scheme caused a Kansas bank to fail, a federal judge ordered during a restitution hearing that millions of dollars seized by the government be divided among investors who suffered financial losses.

In August 2024, Shan Hanes, 53, of Elkhart was sentenced to 293 months in prison after pleading guilty to one count of embezzlement by a bank officer.

While the chief executive officer (CEO) of Heartland Tri-State Bank (HTSB), Hanes initiated outgoing wire transfers of bank funds to a cryptocurrency wallet belonging to third parties. This caused Heartland to collapse, and the bank investors to lose approximately \$9 million.

The Federal Bureau of Investigation (FBI) was able to recover \$8 million in funds associated with the fraud.

“The U.S. Attorney’s Office – District of Kansas thanks the FBI for its diligent investigations that led to the discovery and recovery of over \$8 million in stolen funds. Through Hanes’ conviction and prison sentence, the Department of Justice obtained justice for the victims, and now with this court order, those victims will receive some financial relief,” said U.S. Attorney Kate E. Brubacher.

The Federal Bureau of Investigation (FBI), Federal Deposit Insurance Corporation – Office of Inspector General (FDIC-OIG), Federal Reserve Board - Office of Inspector General (FRB-OIG), and Federal Housing Finance Agency – Office of Inspector General ((FHFA-OIG) investigated the case.

Assistant U.S. Attorney Aaron Smith prosecuted the case.

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