

COUNTS 3 - 18
(18 U.S.C. §§1956(a)(1)(A)(i) and 2)
(Money Laundering)

The Grand Jury charges:

1. The Introduction and allegations in Count 2 in this Indictment are fully incorporated herein by reference.
2. On or about the dates set forth below, in the Western District of Virginia, **WILLIAM LEWIS HELMS, a/k/a "Bill,"** as principal or aider and abettor, did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce (to wit, payment by check or wire transfer for supplies used in the production of untaxed liquor), which involved the proceeds of a specified unlawful activity (to wit: proceeds generated from travel in interstate commerce and use of a facility in interstate commerce to promote the production and sale of liquor on which the Federal excise tax has not been paid (18 U.S.C. § 1952)), with the intent to promote the carrying on of said specified unlawful activity, and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

Count	Date	Company	Amount
3	10/13/98	Plastic Technologies of Maryland, Inc. dba Shelburne Plastics	\$ 2,947.85
4	10/22/98	Florida Crystals Sugar Co.	\$12,806.64
5	10/29/98	Plastic Technologies of Maryland, Inc. dba Shelburne Plastics	\$ 2,947.84
6	11/10/98	Florida Crystals Sugar Co.	\$12,806.64
7	11/30/98	Florida Crystals Sugar Co.	\$12,806.64

Count	Date	Company	Amount
8	12/07/98	Florida Crystals Sugar Co.	\$12,806.64
9	12/14/98	Florida Crystals Sugar Co.	\$12,806.64
10	12/16/98	Florida Crystals Sugar Co.	\$12,806.64
11	12/31/98	Florida Crystals Sugar Co.	\$12,806.64
12	01/04/99	Florida Crystals Sugar Co.	\$12,806.64
13	01/22/99	Florida Crystals Sugar Co.	\$12,806.64
14	02/05/99	Florida Crystals Sugar Co.	\$12,806.64
15	02/16/99	Florida Crystals Sugar Co.	\$12,990.72
16	02/24/99	Florida Crystals Sugar Co.	\$12,806.63
17	03/12/99	Florida Crystals Sugar Co.	\$12,806.64
18	04/06/99	Florida Crystals Sugar Co.	\$12,806.64

All in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i).

COUNT 19

(18 U.S.C. § 371)

(Conspiracy to Violate the Travel Act
and to Produce and Receive Untaxed Liquor)

The Grand Jury charges:

Beginning at a time unknown to the Grand Jury, but by at least approximately 1991, and continuing until on or about May 21, 1999, in the Western District of Virginia and elsewhere, **WILLIAM LEWIS HELMS, a/k/a "Bill," RALPH WOODROW WILSON, GRAYLON McLAMB, RICKY JAMES BAREFOOT, DELMON LEE, a/k/a "Junior," and LARRY FITCH CLARKE**, defendants herein, and Archie Bradshaw, Claude Craig, Michael Tart, Douglas Tart, Shelton Davis, and others not indicted herein, both known and unknown to the Grand Jury, did knowingly, willfully and unlawfully conspire, confederate and agree with each

other and with other persons, and did aid and abet each other in so doing, to commit an offense against the United States, to wit:

(a) to knowingly travel and cause other persons to travel in interstate commerce and to knowingly use and cause others to use a facility in interstate commerce, specifically the telephone, all of which acts were done with the intent to promote, manage, establish, carry on, and to facilitate the promotion, management, establishment and carrying on of an unlawful activity, the unlawful activity being a business enterprise involving liquor on which the Federal excise tax has not been paid (in violation of 26 U.S.C. §§ 5001, 5006, & 5601(a)), in violation of 18 U.S.C. § 1952(a)(3); and

(b) to knowingly produce and receive untaxed liquor, in violation of 26 U.S.C. § 5601(a).

GOALS OF THE CONSPIRACY

The goals of the conspiracy were to transport sugar, plastic jugs, and other supplies from the Western District of Virginia to various sites in North Carolina where unregistered stills were located, and use these items to manufacture untaxed liquor and then transport the untaxed liquor from North Carolina to the Western District of Virginia and elsewhere where it could be sold and distributed.

MEANS AND METHODS OF THE CONSPIRACY

The means and methods the conspirators used to carry out the goals of the conspiracy are set forth in the Introduction to this Indictment, which is fully incorporated herein by reference.

OVERT ACTS

In furtherance of the conspiracy, and to effect and accomplish the objects of the conspiracy, the conspirators committed, among others, the following overt acts within the Western District of Virginia and elsewhere:

1. During the years listed below, Archie Bradshaw and Claude Craig, or someone acting

on their behalf, purchased at least the following approximate amounts of sugar from Farmers Exchange, produced at least the following amount of liquor, and failed to pay the federal tax on the liquor produced:

Year	Amount of Sugar (Pounds)	Liquor Produced (gallons)	Federal Tax Avoided
1992	10,900	1,308	\$17,658
1993	133,100	15,972	\$215,622
1994	229,500	27,540	\$371,790
totals:	373,500	44,820	\$605,070

2. Beginning on an unknown date and continuing until on or about July 19, 1993, Archie Bradshaw operated an illicit distillery on his property in Lawndale, North Carolina, to produce untaxed liquor for resale.

3. Beginning on an unknown date and continuing until on or about July 19, 1993, Archie Bradshaw sold untaxed liquor he manufactured to RALPH WILSON.

4. On or around July 19, 1993, Archie Bradshaw transferred ownership of his property and illicit distillery in Lawndale, North Carolina, to Claude Craig, and also introduced Claude Craig to RALPH WILSON sometime during July 1993.

5. In or around July 1993, Archie Bradshaw provided Claude Craig with the name and telephone number of BILL HELMS as supplier of materials used in the manufacture and distribution of untaxed liquor, and BILL HELMS traveled to Lawndale, North Carolina, to meet with Claude Craig to discuss the delivery of supplies for the manufacture of illicit liquor.

6. Between the years 1993 and 1995, multiple telephone calls were placed between the telephone number for RALPH WILSON, located in North Carolina, and the telephone numbers for BILL HELMS and Farmers Exchange, located in Virginia.

7. Between the years 1993 and 1995, multiple telephone calls were placed between the telephone number for Claude Craig, located in North Carolina, and the telephone numbers for RALPH WILSON, located in North Carolina, and BILL HELMS, H&H Auto Sales (owned by BILL HELMS and Ramsey Helms), and Farmers Exchange, located in Virginia.

8. Beginning on an unknown date and continuing until October 17, 1995, Claude Craig operated an illicit distillery in Lawndale, North Carolina, to produce untaxed liquor for resale and on this date possessed approximately 13,000 pounds of sugar and 2,200 one-gallon plastic jugs.

9. Between the years 1995 and 1997, multiple telephone calls were placed between the telephone number for Claude Craig, located in North Carolina, and the telephone numbers for RALPH WILSON, located in North Carolina, and BILL HELMS, H&H Auto Sales, and Farmers Exchange, located in Virginia.

10. During the years listed below, Douglas Tart, Michael Tart, and Shelton Davis, or someone acting on their behalf, purchased at least the following approximate amounts of sugar from Farmers Exchange, produced at least the following amount of liquor, and failed to pay the federal tax on the liquor produced:

Year	Amount of Sugar (Pounds)	Liquor Produced (gallons)	Federal Tax Avoided
May - Dec. 1993	180,000	21,600	\$291,600
1994	220,000	26,400	\$356,400
Jan. 3, 1995	22,500	2,700	\$36,450
totals:	422,500	50,700	\$684,450

11. Between the years 1993 and 1994, multiple telephone calls were placed between the telephone number for the residence of Snag Tart (deceased Father of Michael and Douglas Tart), located in North Carolina, and the telephone numbers for BILL HELMS and Farmers Exchange, located in Virginia.

12. Beginning on an unknown date and continuing until March 23, 1994, Michael Tart operated an illicit distillery on his property in Johnston County, Dunn, North Carolina, to produce untaxed liquor for resale.

13. Between the years 1995 and 1996, multiple telephone calls were placed between the telephone number for the residence of Snag Tart, located in North Carolina, and the telephone numbers for BILL HELMS and Farmers Exchange, located in Virginia.

14. Beginning on an unknown date and continuing until December 12, 1996, Douglas Tart and Shelton Davis operated an illicit distillery on Shelton Davis' property in Dunn, North Carolina, to produce untaxed liquor for resale and on this date possessed approximately 182 gallons of untaxed liquor, 16,900 pounds of sugar, 5,040 one-gallon plastic jugs, and other supplies.

15. During the years listed below, RALPH WILSON, acting on behalf of himself and on behalf of others such as GRAYLON McLAMB, RICKY BAREFOOT, JUNIOR LEE, and LARRY CLARKE, purchased at least the following approximate amounts of sugar from Farmers

Exchange, produced at least the following amount of liquor, and failed to pay the federal tax on the liquor produced:

Year	Amount of Sugar (Pounds)	Liquor Produced (gallons)	Federal Tax Avoided
Mar. - Dec. 1997	71,700	8,604	\$116,154
1998	285,000	34,200	\$461,700
totals:	356,700	42,804	\$577,854

16. During the year 1997, multiple telephone calls were placed from the cellular phone of BILL HELMS' wife, Bonnie Helms, while in North Carolina, to the telephone number for JUNIOR LEE.

17. During the year 1997, multiple telephone calls were placed between the telephone number for GRAYLON McLAMB and the telephone number for RALPH WILSON.

18. During the year 1998, multiple telephone calls were placed between the telephone number for BILL HELMS and Farmers Exchange, located in Virginia, and the telephone numbers for RICKY BAREFOOT (and his company CBH Construction), GRAYLON McLAMB (and his business G&M Grocery), RALPH WILSON, and JUNIOR LEE, located in North Carolina.

19. During the year 1998, multiple telephone calls were placed between the telephone number for RALPH WILSON and the telephone numbers for JUNIOR LEE and GRAYLON McLAMB (and his business G&M Grocery).

20. During the year 1998, multiple telephone calls were placed from the cellular phone of BILL HELMS' wife, Bonnie Helms, while in North Carolina, to the telephone numbers for JUNIOR LEE, RICKY BAREFOOT (and his company CBH Construction), BILL HELMS, and Farmers Exchange.

21. On or about July 3, 1998, RALPH WILSON was found in possession of 180 gallons of untaxed liquor in Pittsylvania County, Virginia, which he was transporting from Burlington, North Carolina.

22. On or about July 13, 1998, at approximately 1:00 AM, a Chevrolet truck owned by Ramsey Helms left Farmers Exchange warehouse loaded with sugar and jugs and drove to a garage on the property of GRAYLON McLAMB in Dunn, North Carolina.

23. On or about July 16, 1998, the garage on the property of GRAYLON McLAMB in Dunn, North Carolina, contained numerous 100 pound bags of sugar.

24. On or about August 15, 1998, at approximately 1:15 AM, a Chevrolet truck owned by Ramsey Helms left Farmers Exchange warehouse loaded with sugar and jugs and drove to the property of GRAYLON McLAMB and RICKY BAREFOOT, in Dunn, North Carolina. On that same date, at approximately 8:20 AM, the Chevrolet truck, occupied by BILL HELMS and Harold Poindexter, arrived back at Farmers Exchange warehouse.

25. On or about August 29, 1998, a Chevrolet truck owned by Ramsey Helms traveled from Virginia to North Carolina, loaded with sugar and jugs.

26. On or about October 31, 1998, a telephone call was made from a payphone in Burlington, North Carolina, to the telephone number of RALPH WILSON, and charged to the telephone number of BILL HELMS.

27. During the years listed below, RICKY BAREFOOT, or someone acting on his behalf, purchased at least the following approximate amounts of sugar from Farmers Exchange, produced at least the following amount of liquor, and failed to pay the federal tax on the liquor produced:

Year	Amount of Sugar (Pounds)	Liquor Produced (gallons)	Federal Tax Avoided
Nov. - Dec. 1998	72,500	8,700	117,450
Jan. 9, 1999	20,000	2,400	\$32,400
totals:	92,500	11,100	\$149,850

28. On or about November 17, 1998, a Chevrolet truck owned by Ramsey Helms traveled from Virginia to North Carolina, loaded with sugar and jugs.

29. On or about December 17, 1998, at approximately 3:45 AM, a Chevrolet truck owned by Ramsey Helms left Farmers Exchange warehouse loaded with sugar and jugs and drove to the property of LARRY CLARKE, in Spring Lake, North Carolina.

30. During the year 1999, multiple telephone calls were placed between the telephone number for RALPH WILSON and the telephone numbers for GRAYLON McLAMB (and his business G & M Grocery), JUNIOR LEE, and RICKY BAREFOOT.

31. During the year 1999, multiple telephone calls were placed between the telephone numbers for RICKY BAREFOOT and JUNIOR LEE, in North Carolina, and the telephone numbers for BILL HELMS, and Farmers Exchange, in Virginia.

32. On or about January 9, 1999, at approximately 12:45 AM, a Chevrolet truck owned by Ramsey Helms left Helms Farmers Exchange warehouse and drove to the property of GRAYLON

McLAMB in Dunn, North Carolina. On that same date, the Chevrolet truck arrived back at Farmers Exchange warehouse, at which time BILL HELMS and Harold Poindexter were seen in the parking lot.

33. On or about January 9, 1999, a telephone call was placed from North Carolina from the cellular phone of BILL HELMS' wife, Bonnie Helms.

34. Beginning on an unknown date and continuing until January 15, 1999, JUNIOR LEE and LARRY CLARKE operated an illicit distillery in Spring Lake, North Carolina, to produce untaxed liquor for resale and also possessed approximately 680 gallons of untaxed liquor, 330 one-gallon plastic jugs, and other supplies, and a U-haul trailer previously moved on January 13 by LARRY CLARKE and JUNIOR LEE was found to contain approximately 872 gallons of untaxed liquor in one-gallon plastic jugs.

35. On or about March 15, 1999, at approximately 12:17 AM, a telephone call was placed between the telephone number for BILL HELMS and the telephone number for Ramsey Helms.

36. On or about March 15, 1999, at approximately 12:50 AM, a Chevrolet truck owned by Ramsey Helms left Farmers Exchange warehouse loaded with sugar and jugs and drove to the property of GRAYLON McLAMB in Dunn, North Carolina, where bags of sugar were unloaded into an outbuilding on the property. On that same date, after the sugar was unloaded, the Chevrolet truck traveled back to Farmers Exchange in Virginia at which time Harold Poindexter was observed driving the truck and BILL HELMS was the passenger.

37. On or about March 15, 1999, at approximately 7:15 AM, a telephone call was placed between the cellular phone of BILL HELMS' wife, Bonnie Helms, and the telephone number for Ramsey Helms.

38. On May 20, 1999, a blue Ford van, registered to GRAYLON McLAMB, and located on the property of RICKY BAREFOOT, was found to contain copper condenser caps, a steel condenser/doubler pipe and a box of red jug caps, all items used in the manufacture of untaxed liquor.

39. Beginning on an unknown date and continuing until approximately May 21, 1999, GRAYLON McLAMB and RICKY BAREFOOT operated an illicit distillery on the property of RICKY BAREFOOT, in Dunn, North Carolina, to produce untaxed liquor for resale and also possessed approximately 120 gallons of untaxed liquor, an unknown quantity of Florida Crystals brand sugar, and other supplies.

All in violation of Title 18, United States Code, Sections 371 and 2.

COUNT 20
(18 U.S.C. §§1952(a)(3) and 2)
(Travel Act)

The Grand Jury charges:

1. The Introduction to this Indictment is fully incorporated herein by reference.

2. On or about July 3, 1998, in the Western District of Virginia and elsewhere, **RALPH WOODROW WILSON**, defendant herein, did knowingly travel and cause other persons to travel in interstate commerce from the State of North Carolina to the Commonwealth of Virginia, with the intent to promote, manage, establish, carry on and to facilitate the promotion, management, establishment and carrying on of an unlawful activity, being a business enterprise involving liquor on which the Federal excise tax has not been paid (in violation of 26 U.S.C. §§ 5001, 5006 & 5601(a)), and thereafter did perform and attempt to perform acts to promote, manage, establish, carry on and to facilitate the promotion, management, establishment and carrying on of an unlawful activity.

3. In violation of Title 18, United States Code, Sections 1952(a)(3) and 2.

COUNTS 21 - 24
(18 U.S.C. §§ 1952(a)(3) and 2)
(Travel Act)

The Grand Jury charges:

1. The Introduction to this Indictment is fully incorporated herein by reference.

2. On or about the dates set forth below, in the Western District of Virginia and elsewhere, **WILLIAM LEWIS HELMS, a/k/a "Bill," GRAYLON McLAMB, and RICKY JAMES BAREFOOT**, defendants herein, did knowingly travel and cause other persons to travel in interstate commerce from the Commonwealth of Virginia to the State of North Carolina, with

the intent to promote, manage, establish, carry on and to facilitate the promotion, management, establishment and carrying on of an unlawful activity, being a business enterprise involving liquor on which the Federal excise tax has not been paid (in violation of 26 U.S.C. §§ 5001, 5006 & 5601(a)), and thereafter did perform and attempt to perform acts to promote, manage, establish, carry on and to facilitate the promotion, management, establishment and carrying on of an unlawful activity:

Count	Date
21	July 13, 1998
22	August 15, 1998
23	January 9, 1999
24	March 15, 1999

3. All in violation of Title 18, United States Code, Sections 1952(a)(3) and 2.

COUNT 25
(18 U.S.C. §§ 1952(a)(3) and 2)
(Travel Act)

The Grand Jury charges:

1. The Introduction to this Indictment is fully incorporated herein by reference.

2. On or about December 17, 1998, in the Western District of Virginia and elsewhere,

WILLIAM LEWIS HELMS, a/k/a "Bill," DELMON LEE, a/k/a "Junior," and LARRY

FITCH CLARKE, defendants herein, did knowingly travel and cause other persons to travel in

interstate commerce from the Commonwealth of Virginia to the State of North Carolina, with the

intent to promote, manage, establish, carry on and to facilitate the promotion, management,

establishment and carrying on of an unlawful activity, being a business enterprise involving liquor

on which the Federal excise tax has not been paid (in violation of 26 U.S.C. §§ 5001, 5006 &

5601(a)), and thereafter did perform and attempt to perform acts to promote, manage, establish, carry on and to facilitate the promotion, management, establishment and carrying on of an unlawful activity.

3. In violation of Title 18, United States Code, Sections 1952(a)(3) and 2.

COUNTS 26 - 32
(18 U.S.C. §§ 1956(a)(1)(A)(i) and 2)
(Money Laundering)

The Grand Jury charges:

1. The Introduction and the allegations in Count 19 in this Indictment are fully incorporated by reference.
2. On or about the following dates, in the Western District of Virginia and elsewhere, **RALPH WOODROW WILSON**, defendant herein, and others, as principal or as aider and abettor, did knowingly conduct and cause to be conducted financial transactions affecting interstate and foreign commerce to wit: making payments for material used in the production and distribution of illicit liquor, some of which were deposited into the Crestar Bank Farmers Exchange Account, which receipts and deposits in fact involved the proceeds of a specified unlawful activity (to wit: proceeds generated from travel in interstate commerce and use of a facility in interstate commerce to promote the production and sale of liquor on which the Federal excise tax has not been paid (18 U.S.C. § 1952)), knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, with the intent

to promote the carrying on of the aforesaid specified unlawful activity:

Count	Date Supplies Obtained	Date of Payment	Next Date of Deposit
26	October 6, 1998	October 22, 1998	October 28, 1998
27	October 15, 1998	October 27, 1998	October 27, 1998
28	October 28, 1998	November 3, 1998	November 3, 1998
29	October 31, 1998	November 3, 1998	November 3, 1998
30	November 7, 1998	November 9, 1998	November 9, 1998
31	November 25, 1998	November 30, 1998	November 30, 1998
32	December 16, 1998	December 24, 1998	December 28, 1998

3. All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and 2.

COUNTS 33 - 37

(18 U.S.C. §§ 1956(a)(1)(A)(i) and 2)
(Money Laundering)

The Grand Jury charges:

1. The Introduction and the allegations in Count 19 in this Indictment are fully incorporated by reference.
2. On or about the following dates, in the Western District of Virginia and elsewhere, **RICKY JAMES BAREFOOT**, defendant herein, and others, as principal or as aider and abettor, did knowingly conduct and cause to be conducted financial transactions affecting interstate and foreign commerce to wit: making payments for material used in the production and distribution of illicit liquor, some of which were deposited into the Crestar Bank Farmers Exchange Account, which receipts and deposits in fact involved the proceeds of a specified unlawful activity (to wit: proceeds generated from travel in interstate commerce and use of a facility in interstate commerce to promote the production and sale of liquor on which the Federal excise tax has not been paid

(18 U.S.C. § 1952)), knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, with the intent to promote the carrying on of the aforesaid specified unlawful activity:

Count	Date Supplies Obtained	Date of Payment	Next Date of Deposit
33	November 16, 1998	November 18, 1998	November 24, 1998
34	December 7, 1998	December 28, 1998	December 28, 1998
35	December 10, 1998	December 10 or 11, 1998	December 11, 1998
36	December 24, 1998	January 21, 1999	January 21, 1999
37	January 9, 1999	January 21, 1999	January 21, 1999

3. All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and 2.

COUNT 38

(18 U.S.C. § 371)

(Conspiracy to Violate the Travel Act
and to Produce and Receive Untaxed Liquor)

The Grand Jury charges:

Beginning at a time unknown to the Grand Jury, but by approximately 1990, and continuing until on or about May 7, 1999, in the Western District of Virginia and elsewhere, **WILLIAM GRAY STANLEY, a/k/a "Dee," JASON BRENT STANLEY, WILLIAM KENNETH COBLER, a/k/a "Kenny," STEVEN ALLEN MOTLEY, and LEROY MARSHALL**, defendants herein, and Scott Stanley, Jimmy Lee Furrow, and others not indicted herein, both known and unknown to the Grand Jury, did knowingly, willfully and unlawfully conspire, confederate and agree with each other and with other persons, and did aid and abet each other in so doing, to commit the following offenses against the United States, to wit:

(a) to knowingly travel and cause other persons to travel in interstate commerce and to knowingly use and cause others to use a facility in interstate commerce,

specifically the telephone, all of which acts were done with the intent to promote, manage, establish, carry on, and to facilitate the promotion, management, establishment and carrying on of an unlawful activity, the unlawful activity being a business enterprise involving liquor on which the Federal excise tax has not been paid (in violation of 26 U.S.C. §§ 5001, 5006, & 5601(a)), in violation of 18 U.S.C. § 1952(a)(3); and

(b) to knowingly produce and receive untaxed liquor, in violation of 26 U.S.C. § 5601(a).

GOAL OF THE CONSPIRACY

The goal of the conspiracy was to produce untaxed liquor and to receive and distribute untaxed liquor both within Virginia and outside of Virginia to areas such as Philadelphia, Pennsylvania.

MEANS AND METHODS OF THE CONSPIRACY

The means and methods the conspirators used to carry out the goals of the conspiracy are set forth in the Introduction to this Indictment, which is fully incorporated herein by reference.

OVERT ACTS

In furtherance of the conspiracy, and to effect and accomplish the objects of the conspiracy, conspirators committed the following overt acts, among others, within the Western District of Virginia and elsewhere:

1. During the years listed below, DEE STANLEY purchased at least the following approximate amounts of sugar from Farmers Exchange, produced at least the following amount of liquor, and failed to pay the federal tax on the liquor produced:

Year	Amount of Sugar (Pounds)	Liquor Produced (gallons)	Federal Tax Avoided
1992	146,900	17,628	\$ 237,978
1993	120,300	14,436	\$ 194,886

Year	Amount of Sugar (Pounds)	Liquor Produced (gallons)	Federal Tax Avoided
1994	148,300	17,796	\$ 240,246
1997	26,100	3,132	\$ 42,282
1998	3,200	384	\$ 5,184
totals:	444,800	53,376	\$ 720,576

2. During the years listed below, KENNY COBLER purchased at least the following approximate amounts of sugar from Farmers Exchange, produced at least the following amount of liquor, and failed to pay the federal tax on the liquor produced:

Year	Amount of Sugar (Pounds)	Liquor Produced (gallons)	Federal Tax Avoided
1992	42,600	5,112	\$ 69,012
1993	83,200	9,984	\$ 134,784
1994	102,200	12,264	\$ 165,564
1997	117,000	14,040	\$ 189,540
1998	163,100	19,572	\$ 264,222
1999 Jan. only	34,100	4,092	\$ 55,242
totals:	542,200	65,064	\$ 878,364

3. On or about September 1, 1988, DEE STANLEY was found in possession of 246 gallons of untaxed liquor after driving away from his home on Scuffling Hill Road in Franklin County, Virginia, and at his home were 4,400 pounds of Dixie Crystals sugar and 576 one-gallon plastic jugs.

4. Beginning on an unknown date and continuing until July 27, 1990, DEE STANLEY operated an illicit distillery at his home on Scuffling Hill Road in Franklin County, Virginia, to produce untaxed liquor for resale.

5. On or about February 26, 1991, a check in the amount of \$4,645.78, made payable to KENNY COBLER, was deposited into the Farmers Exchange business account.

6. Beginning on an unknown date and continuing until March 16, 1991, KENNY COBLER and Jimmy Furrow operated an illicit distillery in the Snow Creek area of Franklin County, Virginia, to produce untaxed liquor for resale.

7. On or about March 26, 1991, two checks in the amount of \$9,500 and \$9,000, made payable to KENNY COBLER, were deposited into the Farmers Exchange business account

8. Beginning on an unknown date and continuing until January 21, 1992, Jimmy Furrow and Steve Finklestein operated an illicit distillery in the Endicott area of Franklin County, Virginia, to produce untaxed liquor for resale, at which a 1978 Ford truck in the name of Donna Stanley was seized.

9. On or about January 21, 1992, DEE STANLEY and James Russell Law were found in possession of 364 gallons of untaxed liquor in Rockingham County, Virginia.

10. Beginning on an unknown date and continuing until August 18, 1992, DEE STANLEY and William Hodges operated an illicit distillery on Rt. 1028 in Franklin County, Virginia, to produce untaxed liquor for resale, and components for the operation of a still and 409 gallons of untaxed liquor were found at DEE STANLEY's home on Scuffling Hill Road in Franklin County, Virginia.

11. Beginning on an unknown date and continuing until September 7, 1992, Lonnie Quinn operated an illicit distillery on Rt. 789 in Franklin County, Virginia, to produce untaxed liquor for resale, at which a 1970 Ford truck in the name of DEE STANLEY was seized.

12. Beginning on an unknown date and continuing until September 24, 1993, Jimmy Furrow and Clifford Manning operated an illicit distillery on Industrial Avenue in Rocky Mount, Franklin County, Virginia, to produce untaxed liquor for resale, at which the electrical service was in the name of DEE STANLEY.

13. Beginning on an unknown date and continuing until October 13, 1993, Jimmy Furrow and Ricky Lynn Riddle operated an illicit distillery in the Cascade area of Pittsylvania County, Virginia, to produce untaxed liquor for resale, at which a 1979 Chevrolet truck in the name of DEE STANLEY was seized.

14. On or about March 30, 1994, JASON STANLEY was found in possession of 480 gallons of untaxed liquor in Franklin County, Virginia, while driving a 1994 Ford van in the name of DEE STANLEY.

15. During the year 1994, multiple telephone calls were placed between the telephone number for DEE STANLEY, located in Virginia, and the telephone numbers for John Hall, John Taylor, and John Jackson, located in Philadelphia, Pennsylvania.

16. On August 30, 1994, JASON STANLEY entered into a lease to purchase agreement for property on Airport Road in Henry County, Virginia.

17. Beginning on an unknown date and continuing until January 21, 1995, DEE STANLEY operated an illicit distillery on Airport Road in Henry County, Virginia, to produce untaxed liquor for resale, at which 5,600 gallons of mash were found.

18. During the year 1995, multiple telephone calls were placed between the telephone number for DEE STANLEY, located in Virginia, and the telephone numbers for John Hall, John Taylor, and John Jackson, located in Philadelphia, Pennsylvania.

19. During the year 1996, multiple telephone calls were placed between the telephone number for DEE STANLEY, located in Virginia, and the telephone number for John Jackson, located in Philadelphia, Pennsylvania.

20. On February 21, 1996, JASON STANLEY and Scott Stanley were found in possession of 446 gallons of untaxed liquor in Frederick County, Virginia.

21. On February 27, 1996, JASON STANLEY and Scott Stanley were found in possession of 453 gallons of untaxed liquor while traveling north on Interstate 81 in Rockingham County, Virginia, while driving a 1978 Ford truck in the name of DEE STANLEY.

22. On March 6, 1996, JASON STANLEY and DEE STANLEY were found in possession of 421 gallons of untaxed liquor while traveling north on Interstate 81 in Albemarle County, Virginia.

23. On or about March 20 and 21, 1996, two checks, each in the amount of \$5,000.00, made payable to DEE STANLEY, were deposited into the Farmers Exchange business account.

24. During the year 1997, multiple telephone calls were placed between the telephone number for JASON STANLEY and KENNY COBLER, both located in Virginia.

25. During the year 1997, multiple telephone calls were placed between the telephone numbers DEE STANLEY and JASON STANLEY, located in Virginia, and the telephone numbers for LEROY MARSHALL, John Taylor, and John Jackson, located in Philadelphia, Pennsylvania.

26. On February 4, 1997, DEE STANLEY was found in possession of 643 gallons of untaxed liquor while traveling north in Charlottesville, Virginia, after being observed leaving the vicinity of property in the Snow Creek area of Franklin County, Virginia.

27. Beginning on an unknown date and continuing until February 5, 1997, KENNY COBLER operated an illicit distillery in the Snow Creek area of Franklin County, Virginia, to produce untaxed liquor for resale.

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28. During the year ~~1997~~, multiple telephone calls were placed between the telephone numbers DEE STANLEY and JASON STANLEY, located in Virginia, and the telephone numbers for LEROY MARSHALL, John Taylor, Leon Graham, and John Jackson, located in Philadelphia, Pennsylvania.

29. On February 27, 1998, JASON STANLEY and Scott Stanley possessed an illicit distillery on Airport Road in Henry County, Virginia, capable of producing untaxed liquor for resale, and possessed 596 gallons of untaxed liquor at this location.

30. Between in or about March 1998, and September 1998, DEE STANLEY and JASON STANLEY traveled from Virginia, to Dunn, North Carolina, approximately every 7 - 10 days to purchase between approximately 100 and 175 cases of untaxed liquor from Douglas Bethune for resale in Philadelphia, Pennsylvania, and elsewhere.

31. During the year 1999, multiple telephone calls were placed between the telephone number for DEE STANLEY and KENNY COBLER, both located in Virginia, and between DEE STANLEY and the telephone numbers for LEROY MARSHALL, John Taylor, Leon Graham, and John Jackson, located in Philadelphia, Pennsylvania.

32. On or about April 30, 1999, STEVE MOTLEY and DEE STANLEY were found in the possession of approximately 604 gallons of untaxed liquor at a location near the residence of KENNY COBLER.

33. Beginning on an unknown date and continuing until May 1, 1999, STEVE MOTLEY and KENNY COBLER operated an illicit distillery in the Snow Creek area of Franklin County, Virginia, to produce untaxed liquor for resale.

All in violation of Title 18, United States Code, Section 371.

COUNT 39
(18 U.S.C. § 1956(h))
(Conspiracy to Launder Money)

The Grand Jury charges:

Beginning at a time unknown to the Grand Jury, but by approximately 1990 and continuing until on or about May 7, 1999, in the Western District of Virginia and elsewhere, **WILLIAM GRAY STANLEY, a/k/a "Dee,"** and **JASON BRENT STANLEY**, defendants herein, and others not indicted herein, known and unknown to the Grand Jury, did knowingly, willfully and unlawfully conspire, confederate and agree with each other and with other persons,

and did aid and abet each other in so doing, to commit the following offense against the United States, to wit:

knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful activity, to conduct and attempt to conduct such a financial transaction (1) with the intent to promote the carrying on of specified unlawful activity (to wit: travel in interstate commerce and use of a facility in interstate commerce to promote the production and sale of liquor on which the Federal excise tax has not been paid (18 U.S.C. § 1952)); and (2) knowing that the transaction was designed in whole or in part to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of said specified unlawful activity, in violation of 18 U.S.C. § 1956(a)(1).

GOAL OF THE CONSPIRACY

The goal of the conspiracy was to use the proceeds from the manufacturing and sale of untaxed liquor to purchase property in the names of others, as a means of concealing the source of the funds, and to purchase property and goods to be used in the manufacture of untaxed liquor.

MEANS AND METHODS OF THE CONSPIRACY

The means and methods the conspirators used to carry out the conspiracy included, but were not limited to, the following:

1. The Introduction to this Indictment is fully incorporated herein by reference.
2. DEE STANLEY established a pattern of manipulating the acquisition of assets to

minimize the number of assets placed in his name, including the following examples:

(a) On September 22, 1976, DEE STANLEY caused Jimmy Lee Furrow to transfer property known as the "Blackwater Property" to Garman and Stella Flora, without payment by the Floras. Stella Flora is the sister of DEE STANLEY.

(b) On February 24, 1986, Gray Stanley, father of DEE STANLEY, transferred by gift the property known as the "Scuffling Hill Property" to Donna Stanley, who was married to DEE STANLEY at the time.

(c) On June 7, 1988, DEE STANLEY arranged for the transfer by gift of the Blackwater Property from Stella and Garman Flora to Donna Stanley and arranged for Donna Stanley to transfer the Scuffling Hill Property to DEE STANLEY.

(d) On December 8, 1988, DEE STANLEY transferred by gift the Scuffling Hill Property to JASON STANLEY and Scott Stanley, while retaining a life estate in the property, after DEE STANLEY was charged with manufacturing untaxed liquor on September 23, 1988.

(e) On January 23, 1990, DEE STANLEY caused Scott Stanley to transfer by gift his interest in the Scuffling Hill Property to JASON STANLEY.

(f) On April 2, 1990, DEE STANLEY caused Donna Stanley to transfer by sale the Blackwater Property to Mr. & Mrs. Kelley, and to retain a mortgage on the property. Donna Stanley gave all payments received for the sale of the Blackwater property, and the subsequent mortgage payments, to DEE STANLEY.

(g) On December 17, 1991, DEE STANLEY caused Donna Stanley to transfer her right to the mortgage payments from the Blackwater Property to JASON STANLEY.

3. DEE STANLEY also sought to disguise the receipt of large amounts of cash generated by the manufacture of untaxed liquor by establishing a pattern of using cash to pay expenses normally paid by use of a checking account.

4. DEE STANLEY has promoted and continued his business of making and distributing untaxed liquor through the purchase of the necessary supplies, primarily from Farmers Exchange.

OVERT ACTS

In furtherance of the conspiracy, and to effect and accomplish the objects of the conspiracy, conspirators committed the following overt acts, among others, within the Western District of Virginia and elsewhere:

1. During the years listed below, DEE STANLEY purchased at least the following approximate amounts of sugar from Farmers Exchange for the following approximate amounts of money:

Year	Amount of Sugar (Pounds)	Cost of Sugar
1992	146,900	\$ 54,353
1993	120,300	\$ 44,511
1994	148,300	\$ 54,871
1997	26,100	\$ 9,657
1998	3,200	\$ 1,184
totals:	444,800	\$ 164,576

2. On or about August 30, 1994, JASON STANLEY entered into a lease with Teddy Crawford to purchase property located on Airport Road in Henry County, Virginia, for \$77,000.00, paying \$20,000 cash as a down payment, with monthly payments of \$1,000. An unlawful distillery was located at the property on January 2, 1995, operated by DEE STANLEY.

3. On or about August 30, 1994, DEE STANLEY and JASON STANLEY paid \$6,000 in "advance rent" to Teddy Crawford for the Airport Road property.

4. On or about January 10, 1995, DEE STANLEY and JASON STANLEY paid \$21,000 to Teddy Crawford for the Airport Road property.

5. On or about February 28 and March 26, 1995, DEE STANLEY and JASON STANLEY paid \$1,000 to Teddy Crawford for the Airport Road property.

6. On or about between March 1995 and May 1995, DEE STANLEY and JASON STANLEY paid \$3,000 to Teddy Crawford for the Airport Road property.

7. On or about May 12, 1995, JASON STANLEY applied for a loan from First Virginia Bank to complete the sale of the Airport Road property, with DEE STANLEY as a guarantor of the loan.

8. On or about June 26, 1995, JASON STANLEY signed a deed of trust for the Airport Road property to secure the loan for \$25,000 from First Virginia Bank.

9. On or about between July 1995 and March 1998, JASON STANLEY made approximately 27 payments to First Virginia Bank, which paid off the loan on the Airport Road property.