

All in violation of Title 18, United States Code, Section 1956(h).

COUNTS 40 - 46
(18 U.S.C. §§ 1956(a)(1)(A)(i) & (B)(i) and 2)
(Money Laundering)

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, **WILLIAM GRAY STANLEY, a/k/a "Dee,"** and **JASON BRENT STANLEY**, as principals or aider and abettors, did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce (to wit, cash payments in the amount specified below to First Virginia Bank for the purchase of property located on Airport Road in Henry County, Virginia), which property 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 transaction was designed in whole and in part to conceal and disguise the nature, location, source and ownership of the proceeds of said specified unlawful activity, and 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 | Amount |
|-------|--------------------|------------|
| 40 | April 26, 1996 | \$2,200.00 |
| 41 | May 17, 1996 | \$4,120.76 |
| 42 | June 27, 1996 | \$4,174.15 |
| 43 | August 12, 1996 | \$2,103.56 |
| 44 | September 23, 1996 | \$1,089.18 |
| 45 | December 23, 1996 | \$1,073.36 |
| 46 | January 23, 1997 | \$2,566.02 |

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

COUNT 47

(26 U.S.C. § 5601(a)(1); 18 U.S.C. § 2)
(Possession of Unregistered Still)

The Grand Jury charges:

1. The Introduction to this Indictment is fully incorporated herein by reference.
2. From a time unknown, but by at least February 1999, and continuing up to and through May 1, 1999, within the Western District of Virginia, **WILLIAM KENNETH COBLER, a/k/a "Kenny,"** and **STEVEN ALLEN MOTLEY**, defendants herein, and others unknown to the Grand Jury, did knowingly and willfully have in their possession and custody and under their control, a still and distilling apparatus set up which was not registered as required by Title 26, United States Code, Section 5179(a), and did aid and abet each other in so doing.
3. In violation of Title 26, United States Code, Section 5601(a)(1) and Title 18, United States Code, Section 2.

COUNT 48

(26 U.S.C. § 5601(a)(4); 18 U.S.C. § 2)
(Failure to Give Bond)

The Grand Jury charges:

1. The Introduction to this Indictment is fully incorporated herein by reference.
2. From a time unknown, but by at least February 1999, and continuing up to and through May 1, 1999, within the Western District of Virginia, **WILLIAM KENNETH COBLER, a/k/a "Kenny,"** and **STEVEN ALLEN MOTLEY**, defendants herein, and others unknown to the Grand Jury, did knowingly and willfully carry on the business of a distiller, warehouseman, and processor without having given bond as required by law, and did aid and abet each other in so doing.
3. In violation of Title 26, United States Code, Section 5601(a)(4) and Title 18 United States Code, Section 2.

COUNT 49

(26 U.S.C. § 5601(a)(12); 18 U.S.C. § 2)
(Removal of Untaxed Liquor)

The Grand Jury charges:

1. The Introduction to this Indictment is fully incorporated herein by reference.
2. On or about May 1, 1999, within the Western District of Virginia, **STEVEN ALLEN MOTLEY** and **WILLIAM GRAY STANLEY, a/k/a "Dee,"** defendants herein, did knowingly and willfully remove, other than as authorized by law, distilled spirits on which the tax had not been paid or determined, from the place of manufacture or storage, and from an instrument of transportation, and concealed spirits so removed, or did aid and abet in the same.

3. In violation of Title 26, United States Code, Section 5601(a)(12) and Title 18, United States Code, Section 2.

COUNT 50

(26 U.S.C. § 5601(a)(11); 18 U.S.C. § 2)
(Receipt of Untaxed Liquor)

The Grand Jury charges:

1. The Introduction to this Indictment is fully incorporated herein by reference.
2. On or about May 1, 1999, within the Western District of Virginia, **STEVEN ALLEN MOTLEY** and **WILLIAM GRAY STANLEY, a/k/a "Dee,"** defendants herein, did knowingly and willfully purchase, receive, and process distilled spirits, knowing or having reasonable grounds to believe that any tax due on such spirits had not been paid or determined as required by law, and did aid and abet in the same.

3. In violation of Title 26, United States Code, Section 5601(a)(11) and Title 18, United States Code, Section 2.

COUNTS 51 - 52

(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 GRAY STANLEY, a/k/a "Dee,"** defendant herein, did knowingly use and cause to be used a facility in interstate commerce, specifically the telephone, between Rocky Mount, Virginia, and Philadelphia, Pennsylvania, with the intent to promote, manage, establish, carry on and 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)), 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 |
|-------|---------------|
| 51 | March 7, 1999 |
| 52 | April 1, 1999 |

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

COUNTS 53 - 54
(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 GRAY STANLEY, a/k/a "Dee,"** defendant herein, did knowingly travel and cause other persons to travel in interstate commerce from the Commonwealth of Virginia to Philadelphia, Pennsylvania, with the intent to promote, manage, establish, carry on and 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)), 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 |
|-------|---------------|
| 53 | March 8, 1999 |
| 54 | April 2, 1999 |

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

COUNT 55

(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 1990 and continuing until on or about May 7, 1999, in the Western District of Virginia and elsewhere, **RALPH DWAN HALE, Sr., RALPH DWAYNE HALE, Jr., a/k/a "Dwayne," WILLIAM MITCHELL HALE, a/k/a "Willie," AUTREY LEE COOPER, SHIRLEY HALE WHITLOW, LEROY MARSHALL, and WILLIAM CURTIS MOSLEY, a/k/a "Curtis,"** defendants herein, 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, RALPH HALE 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 | 187,600 | 22,512 | \$ 303,912 |
| 1993 | 347,600 | 41,712 | \$ 563,112 |
| 1994 | 247,600 | 29,712 | \$ 401,112 |
| 1997 | 397,000 | 47,640 | \$ 643,140 |
| 1998 | 571,300 | 68,556 | \$ 925,506 |

| Year | Amount of Sugar (Pounds) | Liquor Produced (gallons) | Federal Tax Avoided |
|-------------------|-----------------------------|------------------------------|------------------------|
| 1999 Jan. only | 30,400 | 3,648 | \$ 49,248 |
| totals: | 1,781,500 | 213,780 | \$ 2,886,030 |

2. On or about January 19, 1990, RALPH HALE was observed near a still site located near Rt. 781, in the Ferrum section of Franklin County, and later assisted the entry of a 1972 Ford truck, which was registered to WILLIE HALE and which was loaded with 256 gallons of untaxed liquor, into a garage near the still site. RALPH HALE also possessed approximately 16,000 pounds of Dixie Crystal sugar in a truck registered to Garry Atkins at RALPH HALE's residence.

3. Beginning on an unknown date and continuing to on or about November 4, 1992, BEN GEARHART operated an illegal distillery to produce untaxed liquor for resale, which was located by following a truck loaded with sugar from RALPH HALE's residence to the distillery site. BEN GEARHART also possessed approximately 126 gallons of untaxed liquor, 2,500 pounds of sugar, 384 one-gallon plastic jugs, and other supplies.

4. Beginning on an unknown date and continuing to on or about June 29, 1993, Jackson Jones operated an illegal distillery to produce untaxed liquor for resale, which was located by following a truck from RALPH HALE's residence to the distillery site. Jackson Jones also possessed approximately 126 gallons of untaxed liquor, 800 pounds of sugar, 476 one-gallon plastic jugs, and other supplies.

5. Beginning on an unknown date and continuing to on or about October 24, 1993, BEN GEARHART operated an illegal distillery to produce untaxed liquor for resale, located in the Ferrum section of Franklin County, at which 60 gallons of untaxed liquor were found.

6. During the year 1994, multiple telephone calls were made between the phone numbers for WILLIE HALE and RALPH HALE, located in Virginia, and the phone numbers for John Taylor, Maxwell Hamilton, LEROY MARSHALL, CURTIS MOSLEY, and Paul Rush, located in Philadelphia, Pennsylvania.

7. On or about May 10, 1994, an unidentified person driving a black Ford truck loaded with untaxed liquor arrived at the residence where WILLIE HALE was living, which was the former residence of RALPH HALE. A blue Ford truck with a camper top then left loaded with untaxed liquor, followed by a Ford LTD driven by RALPH HALE.

8. During the year 1995, multiple telephone calls were made between the phone numbers for WILLIE HALE and RALPH HALE, located in Virginia, and the phone numbers for John Taylor, Maxwell Hamilton, LEROY MARSHALL, CURTIS MOSLEY, and Paul Rush, located in Philadelphia, Pennsylvania.

9. On or about February 9, 1995, RALPH HALE and WILLIE HALE bought a 1990 Ford F-250 truck, titled in the name of WILLIE HALE, to assist in producing untaxed liquor.

10. During the year 1996, multiple telephone calls were made between the phone number for WILLIE HALE, located in Virginia, and the phone numbers for John Taylor, Maxwell Hamilton, LEROY MARSHALL, CURTIS MOSLEY, and Paul Rush, located in Philadelphia, Pennsylvania.

11. On or about December 19, 1996, RALPH HALE bought property located in Franklin County, Virginia, which he titled in the name of SHIRLEY WHITLOW, and the electrical service to the residence on the property was placed in the name of Delorise James, wife of Rodney James.

12. On a date unknown, but no later than on or about January 2, 1997, Rodney James and RALPH HALE were setting up an illegal distillery on the Franklin County property titled in the name of SHIRLEY WHITLOW.

13. During the year 1997, multiple telephone calls were made between the phone number for WILLIE HALE, located in Virginia, and the phone numbers for John Taylor, Maxwell Hamilton, LEROY MARSHALL, CURTIS MOSLEY, and Paul Rush, located in Philadelphia, Pennsylvania.

14. On or about March 19, 1997, RALPH HALE and WILLIE HALE bought a 1997 F-250 Ford truck, titled in the name of WILLIE HALE, to assist in producing untaxed liquor.

15. On or about August 8, 1997, RALPH HALE and WILLIE HALE bought a 1997 F-250 Ford truck, titled in the name of Jennifer Hale, to assist in producing untaxed liquor.

16. Between on or about January 24, 1997, and October 6, 1998, approximately 19 deliveries of fuel oil, used in the production of untaxed liquor, were made to the illegal distillery on the Franklin County property titled in the name of SHIRLEY WHITLOW.

17. During the year 1998, multiple telephone calls were made between the phone numbers for WILLIE HALE and RALPH HALE, located in Virginia, and the phone numbers for John Taylor, Maxwell Hamilton, LEROY MARSHALL, CURTIS MOSLEY, and Paul Rush, located in Philadelphia, Pennsylvania.

18. On or about January 29, 1998, RALPH HALE and DWAYNE HALE bought a 1998 Toyota Tacoma truck, titled in the name of DWAYNE HALE, which was used to assist in producing untaxed liquor.

19. On or about October 1, 1998, RALPH HALE bought property located in Craig County, which he titled in the name of SHIRLEY WHITLOW.

20. Beginning on an unknown date and continuing to on or about October 22, 1998, Rodney James operated an illegal distillery on the Franklin County property titled in the name of SHIRLEY WHITLOW to produce untaxed liquor for resale. Also on October 22, 1998, Rodney James possessed approximately 226 gallons of untaxed liquor, 7000 pounds of sugar, 3,984 one-gallon plastic jugs, and other supplies.

21. On a date unknown, but by on or about mid-November 1998, BEN GEARHART arranged for a contractor to build a large masonry building, and assisted with its construction, on RALPH HALE's Craig County property, which was completed by around late December 1998 or early January 1999.

22. On or about December 11, 1998, January 28, 1999, and April 8, 1999, three deliveries of fuel oil, used in the production of untaxed liquor, were made to the Craig County property.

23. On or about December 13 and 22, 1998, and February 26, 1999, RALPH HALE, or someone acting on his behalf, obtained a total of 9800 pounds of sugar from Sam's Club, for a total of \$3,388.84, using his "Hales Farm" card, for the manufacture of untaxed liquor.

24. On or about February 25, 1999, the 1997 F-250 Ford truck, titled in the name of WILLIE HALE, left the Farmers Exchange Warehouse heavily loaded and traveled to the Craig County property title in the name of SHIRLEY WHITLOW.

25. On or about February 27, 1999, RALPH HALE and BARBARA HALE bought a 1999 Ford F-350 truck, titled in the name of BARBARA HALE, to assist in producing untaxed liquor.

26. During the year 1999, multiple calls were made between the phone numbers for WILLIE HALE and RALPH HALE, located in Virginia, and the phone numbers for John Taylor, Maxwell Hamilton, LEROY MARSHALL, CURTIS MOSLEY, and Paul Rush, located in Philadelphia, Pennsylvania.

27. Beginning on an unknown date and continuing to on or about May 7, 1999, RALPH HALE, DWAYNE HALE, and AUTREY COOPER operated an illegal distillery on the Craig County property titled in the name of SHIRLEY WHITLOW, to produce untaxed liquor for resale, and also possessed approximately 30 gallons of untaxed liquor, 10,000 pounds of sugar, over 5,000 one-gallon plastic jugs, and other supplies.

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

COUNT 56
(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, **RALPH DWAN HALE, Sr., JUDY RAKES HALE, RALPH DWAYNE HALE, Jr., a/k/a "Dwayne," WILLIAM MITCHELL HALE, a/k/a "Willie," BARBARA ELLEN HALE, and SHIRLEY HALE WHITLOW**, 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. RALPH HALE and his wife JUDY HALE sought to conceal the proceeds from the manufacture and distribution of untaxed liquor by placing all assets acquired during this conspiracy into the names of JUDY HALE and others, including DWAYNE HALE (son), Mark Nichols (Judy's son), Sandi Nichols Feather (Judy's daughter), SHIRLEY HALE WHITLOW (Ralph's sister), Donald Hale (Ralph's brother), Cleo Rakes (Judy's brother), WILLIE HALE, BARBARA ELLEN HALE (Willie's sister), Jennifer Hale (Willie's daughter), and a minor child. No identified assets are in the name of RALPH HALE, including the family home and vehicles driven by RALPH HALE. Examples include the following:

(a) On or about June 27, 1985, RALPH HALE and JUDY HALE bought approximately 34 acres of land in Franklin County, Virginia, in the name of Nathan Hale for \$2,000.

(b) On or about June 26, 1986, RALPH HALE and JUDY HALE bought approximately 18.24 acres of land ~~1835~~ in Franklin County, Virginia, in the name of JUDY HALE for \$10,000. *SH*

(c) On or about September 20, 1986, RALPH HALE and JUDY HALE bought approximately .3 acres of land in Franklin County, Virginia, in the name of JUDY HALE.

(d) On an unknown date, but by in or about 1986, RALPH HALE and JUDY HALE bought approximately 57 acres of land in Franklin County, Virginia, which remained in the name of Donald Hale.

3. RALPH HALE and JUDY HALE 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 and

using money orders purchased with cash to pay expenses normally paid by use of a checking account.

4. RALPH HALE and JUDY HALE have disguised their income and acquisition of assets by running a small cattle operation under the business name of "Hales Farm." Annual income attributed to Hales Farm has ranged between approximately \$21,000 and \$33,000 for tax years 1990 through 1998, for a total of approximately \$246,908.00, which does not account for expenditures by the Hale family.

5. RALPH HALE has promoted and continued his business of making 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, RALPH HALE purchased at least the following approximate amounts of sugar from Farmers Exchange for the following approximate amounts of money for the production of untaxed liquor:

| Year | Amount of Sugar (Pounds) | Cost of Sugar |
|-------------------|-----------------------------|---------------|
| 1992 | 187,600 | \$ 9,412 |
| 1993 | 347,600 | \$ 128,612 |
| 1994 | 247,600 | \$ 91,612 |
| 1997 | 397,000 | \$ 146,890 |
| 1998 | 571,300 | \$ 211,381 |
| 1999 Jan. only | 30,400 | \$ 11,248 |
| totals: | 1,781,500 | \$ 659,155 |

2. On or about August 17, 1990, RALPH HALE and SHIRLEY WHITLOW bought approximately 30 acres of land located in Franklin County, Virginia, in the name of SHIRLEY WHITLOW for \$17,000.
3. On or about February 26, 1992, RALPH HALE and JUDY HALE bought approximately 103.14 acres of land in Franklin County, Virginia, in the name of JUDY HALE for \$100,000, and expended approximately \$59,000 for improvements.
4. On or about February 26, 1992, RALPH HALE and JUDY HALE bought approximately 100 acres of land in Franklin County, Virginia, in the name of JUDY HALE and Cleo Rakes for \$30,000.
5. On or about May 6, 1992, RALPH HALE and JUDY HALE bought a Featherlight Horse trailer, in the name of Sandi Nichols, for \$8,991.
6. On or about February 9, 1995, RALPH HALE and WILLIE HALE bought a 1990 Ford F-250 truck, titled in the name of WILLIE HALE, to assist in producing untaxed liquor.
7. Between February 26, 1996, and September 25, 1996, four cash deposits totaling \$15,500 were deposited into a 1st National Bank account in the name of BARBARA HALE.
8. Between March 19, 1996, and September 23, 1996, four cash deposits totaling \$15,700 were deposited into a Patrick Henry National Bank account in the name of BARBARA HALE.
9. Between April 22, 1996, and September 24, 1996, four cash deposits totaling \$12,500 were deposited into a 1st Virginia Bank account in the name of BARBARA HALE.
10. On December 18 & 20, 1996, and January 6, 1997, the 1st National Bank account, the 1st Virginia Bank account, and the Patrick Henry National Bank account, all in the name of BARBARA HALE, were closed and the proceeds deposited into a Piedmont Trust Bank account in the name of SHIRLEY WHITLOW.
11. On or about December 19, 1996, RALPH HALE and SHIRLEY WHITLOW bought approximately 43.17 acres of land located in Franklin County, Virginia, in the name of SHIRLEY WHITLOW for \$90,000 cash.
12. On or about March 19, 1997, RALPH HALE and WILLIE HALE bought a 1997 F-250 Ford truck, titled in the name of WILLIE HALE, for \$27,455.
13. On or about August 8, 1997, RALPH HALE and WILLIE HALE bought a 1997 F-250 Ford truck, titled in the name of Jennifer Hale, for \$30,345.

14. On or about October 16, 1997, JUDY HALE obtained a permit for putting a pole barn on property in Franklin County, Virginia, in the name of JUDY HALE and Cleo Rakes.

15. On or about January 29, 1998, RALPH HALE and DWAYNE HALE bought a 1998 Toyota Tacoma truck, titled in the name of DWAYNE HALE, for \$19,615.

16. On or about October 1, 1998, RALPH HALE and SHIRLEY WHITLOW bought approximately 123 acres of land in Craig County, Virginia, in the name of SHIRLEY WHITLOW, for \$325,000.00, paying \$210,000.00 cash as the down payment.

17. On or about February 27, 1999, RALPH HALE and BARBARA HALE bought a 1999 Ford F-350 truck, titled in the name of BARBARA HALE, for \$28,355.

All in violation of Title 18, United States Code, Section 1956(h).

COUNTS 57 - 62

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

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, the defendants named below, as principal or aider and abettor, did knowingly and willfully conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce (as set forth below), 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)), knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source and ownership of the proceeds of said specified unlawful activity, and 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 | Defendants | Date | Financial Transaction |
|--------------|--|----------------------|---|
| 57 | RALPH DWAN HALE, Sr., and SHIRLEY HALE WHITLOW | December 19, 1996 | Purchase of approximately 43.17 acres of land located in Franklin County, Virginia, in the name of SHIRLEY WHITLOW |
| 58 | RALPH DWAN HALE, Sr., and SHIRLEY HALE WHITLOW | October 1, 1998 | Purchase of approximately 123 acres of land in Craig County, Virginia, in the name of SHIRLEY WHITLOW |
| 59 | RALPH DWAN HALE, Sr. and WILLIAM MITCHELL HALE, a/k/a "Willie" | March 19, 1997 | Purchase of a 1997 F-250 Ford truck in the name of WILLIE HALE |
| 60 | RALPH DWAN HALE, Sr. and WILLIAM MITCHELL HALE, a/k/a "Willie" | August 8, 1997 | Purchase of a 1997 F-250 Ford truck in the name of Jennifer Hale |
| 61 | RALPH DWAN HALE, Sr. and RALPH DWAYNE HALE, Jr., a/k/a "Dwayne" | January 29, 1998 | Purchase of a 1998 Toyota Tacoma truck in the name of RALPH DWAYNE HALE, Jr. |
| 62 | RALPH DWAN HALE, Sr. and BARBARA ELLEN HALE | February 27, 1999 | Purchase of a 1999 Ford F-350 truck in the name of BARBARA ELLEN HALE |

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