

SEALED

CLERK'S OFFICE U.S. DIST. COURT
AT ABINGDON, VA
FILED

OCT 22 2008

JOHN J. CORCORAN, CLERK
BY: *[Signature]*
DEPUTY CLERK

IN THE
UNITED STATES DISTRICT COURT
FOR THE
WESTERN DISTRICT OF VIRGINIA
AT HARRISONBURG

UNITED STATES OF AMERICA

v.

DANIEL W. PRESGRAVES

) INDICTMENT

) Criminal Number

5:08CR00028

) All in Violation of:

) 18 U.S.C. §2

) 18 U.S.C. §242

) 18 U.S.C. §371

) 18 U.S.C. §1001(a)

) 18 U.S.C. §1341

) 18 U.S.C. §1512(b)(1)

) 18 U.S.C. §1512(b)(3)

) 18 U.S.C. §1956(h)

) 18 U.S.C. §1962(c)

) 21 U.S.C. §841(a)(1)

INTRODUCTION

1. Page County, Virginia is located in the Western Judicial District of Virginia.
2. The Page County Sheriff's Office (hereinafter referred to as "PCSO") employs approximately 87 employees who are assigned to work in the various sections of the PCSO: investigations; patrol; the jail; court security; dispatchers; animal control; process servers; and administration. Since January 2000, the Page County Sheriff has been defendant DANIEL W. PRESGRAVES who is a Page County native and was previously employed as a law enforcement officer in the area with the Virginia Alcohol Beverage Control Board. Persons working for PCSO are "at will" employees and subject to termination without cause

by the Sheriff.

3. As Page County Sheriff, DANIEL W. PRESGRAVES was responsible for performing his lawful duties in accordance with the Constitution of the United States; the Constitution of the Commonwealth of Virginia; the laws and statutes of the United States and Virginia; and, the laws, ordinances and regulations of the County of Page and the PCSO. *Va. Code Ann. §§15.2-1522 & 49.1.*

4. This investigation was initiated upon informant information that DANIEL W. PRESGRAVES was taking bribes from the operators of a Page County cockfighting pit known as Little Boxwood. An undercover agent with the United States Department of Agriculture was introduced into the cockfighting pit playing the role of a potential purchaser of the facility. In or about April 2007, the agent made a \$500 payment to an associate of DANIEL W. PRESGRAVES who assured the undercover agent that the money would go to the Sheriff and that the Sheriff would not interfere with the operation of the pit and would tip them off if any other law enforcement agency was planning to raid the pit. This \$500 bribe was given to DANIEL W. PRESGRAVES and then was concealed and disguised as a campaign contribution. The undercover agent was unable to make direct contact with DANIEL W. PRESGRAVES. On May 5, 2007, Little Boxwood was raided by agents of the Internal Revenue Service, the Federal Bureau of Investigation and the Department of Agriculture.

5. DANIEL W. PRESGRAVES used intimidation and his official position as

Page County Sheriff to sexually harass and sexually assault subordinate female employees of the PCSO. DANIEL W. PRESGRAVES also used intimidation and his official position as Page County Sheriff to attempt to obstruct federal investigations into his involvement in such sexual harassment and sexual assault. These acts of sexual harassment, sexual assault and obstructive behavior include, but are not limited, to the following:

- (a) DANIEL W. PRESGRAVES assaulted and harassed Female Victim "A" by making inappropriate sexual comments to her, *e.g.* concerning her lips and oral sex, and by forcibly rubbing his erect penis against her shoulder; forcibly using her hand to masturbate himself to ejaculation; and, by repeatedly groping her breasts. PRESGRAVES told Female Victim "A" in part not to say anything to the "feds" because "nobody knows anything that happened besides you and I."
- (b) DANIEL W. PRESGRAVES assaulted and harassed Female Victim "B" by making inappropriate sexual comments to her, *e.g.* asking her to expose her breasts, and by licking her chest; groping her thigh; groping her breasts; and, kissing her. PRESGRAVES told Female Victim "B" in part to deny any inappropriate conduct on behalf of Presgraves toward Female Victim "B" and to tell the "feds" a false story.
- (c) DANIEL W. PRESGRAVES assaulted and harassed Female Victim "C" by making inappropriate sexual comments to her, *e.g.* telling her he was

thinking of her while having sexual intercourse with his wife, and by transferring mints from his mouth to her mouth by kissing; exposing her breasts while he masturbated; and, by having her perform oral sex on him. PRESGRAVES told Female Victim "C" to not testify before the Federal Grand Jury about their sexual activities, but to "take it to the grave."

(d) DANIEL W. PRESGRAVES assaulted and harassed Female Victim "D" by repeatedly asking her to show him her breasts; by requesting her to suck a mint out of his mouth; by asking the color of her bra; by approaching her with an erection and requesting oral sex; by calling her on the telephone while masturbating; by having her watch him while he masturbated; and, by having her perform oral sex on him. In August 2007, while referring to this activity, PRESGRAVES warned Female Victim "D" to take this information "to the grave" and to not talk with federal investigators about it.

(e) DANIEL W. PRESGRAVES intimidated Female Victim "E" by making a threat if her daughter testified before the Federal Grand Jury in Abingdon, Virginia, in that DANIEL W. PRESGRAVES stated that only "these women's" testimony would convict him in federal court; he called the daughter a "star witness"; and that he could have access to her at any time.

(f) DANIEL W. PRESGRAVES harassed Female Victim "F" by making repeated comments about her lips and oral sex.

(g) DANIEL W. PRESGRAVES harassed Female Victim "G" by asking her several times to go out of town with him or come to his house when DANILE W. PRESGRAVES' wife was out of town.

(h) DANIEL W. PRESGRAVES harassed Female Victim "H" by asking her to perform oral sex on him.

(i) DANIEL W. PRESGRAVES harassed Female Victim "I" by repeatedly asking her to "show me your titties."

(j) DANIEL W. PRESGRAVES harassed Female Victim "J" by asking her to rub lotion on his penis; by telling her he had a sexual dream about her but woke up and "had to finish it himself"; and, at a Christmas party trying to get her to go into a bathroom with him for a sexual encounter.

(k) DANIEL W. PRESGRAVES harassed Female Victim "K" by removing his pants and asking her to "take care of things."

(l) DANIEL W. PRESGRAVES harassed Female Victim "L" by making several sexual comments to her and by calling her into his office, shutting the door, pulling out his penis, masturbating, ejaculating and cleaning himself with a paper towel.

6. It is a criminal violation of Virginia state law for a Sheriff to use inmate labor for his personal benefit. "No sheriff . . . shall have any prisoner work on property owned by him or by his relative, or on projects in which he is interested, nor shall any such prisoner be

used for the personal gain or convenience of any sheriff. *Va. Code Ann. §53.1-130.*

7. DANIEL W. PRESGRAVES unlawfully used inmates in the custody of the Page County Jail to work on property owned by him or on projects in which he had a financial interest. These work sites included, but are not limited to, DANIEL W. PRESGRAVES' residence; at construction sites being developed by DANIEL W. PRESGRAVES and/or Page Properties LLC; on property owned by DANIEL W. PRESGRAVES adjacent to the Shenandoah River; and, on a cabin owned by DANIEL W. PRESGRAVES. This inmate labor included, but was not limited to, construction work, operation of machinery, landscaping, mowing, carpentry and painting. The inmates were often transported to and from the Page County Jail to these work sites by DANIEL W. PRESGRAVES, his wife and PCSO employees at the direction of DANIEL W. PRESGRAVES.

8. DANIEL W. PRESGRAVES stole and converted to his own use construction materials and other items that were owned by the PCSO. While being paid by the PCSO, DANIEL W. PRESGRAVES used PCSO employees to perform personal tasks and to assist him in his construction business.

9. DANIEL W. PRESGRAVES engaged in a pattern of misconduct to protect illegal cockfighting activities from interference by law enforcement agencies. In or about 2000, DANIEL W. PRESGRAVES told the owner of a cockfighting pit in the Naked Creek section of Page County that as long as he kept a low profile he had nothing to worry about

from law enforcement. Presgraves directly told three of his Deputies not to “harass” the cockfighters. A citizen called Presgraves and gave him specific directions to three cockfighting pits – including Little Boxwood and Naked Creek. The citizen told Presgraves he/she observed gambling, under aged drinking and suspected drug use at the pits and he/she offered to provide him with a schedule of the upcoming fights. Presgraves declined to take the schedule, calling cockfighting a “heritage” in Page County and opining that he did not have the manpower to enforce that law.

10. Under *Va. Code Ann. §18.2-447(1), (2) & (3)*, a person is guilty of bribery if “he offers, confers or agrees to confer upon another (or accepts or agrees to accept from another) (or solicits from another) any pecuniary benefit as consideration for or to obtain or influence the recipient’s decision, opinion, recommendation, vote or other exercise of discretion as a public servant.” Pecuniary benefit is defined as a “benefit in the form of money, property, commercial interest or anything else the primary significance of which is economic gain” and a public servant is defined, in part, as “any officer or employee of this Commonwealth [Virginia] or any political subdivision thereof.” *Va. Code Ann. §18.2-446(3) & (4)*.

11. In or about April 2007, DANIEL W. PRESGRAVES accepted a \$500 bribe as an inducement not to enforce state laws as they might apply to the Little Boxwood cockfighting pit.

12. On or about April 12, 2007, DANIEL W. PRESGRAVES made a false

representation to a Special Agent of the United States Department of Agriculture regarding whether there were active cockfighting pits in Page County, Virginia.

13. From in or about 2000 until the return of this Indictment, DANIEL W. PRESGRAVES accepted bribes from "Corporation A." These bribes included, but are not limited to, cash, gift cards, use of earth moving machinery, parts for earth moving machinery and free labor on his personal and business properties. In return for these bribes, DANIEL W. PRESGRAVES performed, among others, the following acts: DANIEL W. PRESGRAVES tipped off "Corporation A" about an investigation and allowed "Corporation A" to avoid criminal liability; and, DANIEL W. PRESGRAVES used his position as County Sheriff in an attempt to intimidate and corruptly persuade a witness not to cooperate with federal authorities in a criminal investigation that implicated "Corporation A."

14. From in or about 2001, until on or about May 6, 2004, DANIEL W. PRESGRAVES deposited or caused to be deposited in excess of \$200,000 in cash to checking accounts associated with him. In four series of transactions, DANIEL W. PRESGRAVES arranged for deposits totaling approximately \$96,000 to be structured in a manner to avoid the filing by the bank of a Currency Transaction Report – that is, the amounts of cash deposits were broken into amounts smaller than \$10,000 in cash as to conceal from the banks the true nature of the cash deposits and to prevent the banks from filing the required Currency Transaction Reports. All these deposits were made at domestic financial institutions insured by the Federal Deposit Insurance Corporation (FDIC).

15. DANIEL W. PRESGRAVES utilized PCSO employees to make the cash deposits and to evade the filing of Currency Transaction Reports (CTR).

16. DANIEL W. PRESGRAVES directed PCSO employees to make cash deposits in amounts between \$250 to \$500 to bank accounts on the Sheriff's behalf approximately 100 times. There were additional cash deposits in larger amounts totaling in excess of \$200,000 made to bank accounts associated with DANIEL W. PRESGRAVES. Approximately \$96,000 in cash deposits were structured by DANIEL W. PRESGRAVES, his family members and PCSO employees, as follows: from October 16th thru 19th, 2001, \$39,500; on February 26, 2002, \$18,900; from December 18th thru 22nd, 2003, \$27,000; and, on May 5th and 6th, 2004, \$12,000.

17. With certain exceptions inapplicable to this Indictment, it is Virginia state law that "[a]ll money received by the Sheriff shall be deposited intact and promptly with the county or city treasurer or Director of Finance, . . ." *Va. Code Ann. §15.2-1615*.

18. During his term as Sheriff, DANIEL W. PRESGRAVES withheld and concealed revenue received by the PCSO and did not report such revenue to the Page County Treasurer's Office. DANIEL W. PRESGRAVES concealed and did not deposit with the Page County Treasurer at least \$39,409.73 the Sheriff's Office received from United States Customs Service and at least \$47,000 the Sheriff's Office received from PayTel, a company which installed pay phones in the Page County Jail and paid PCSO a commission on the phone use. To further this scheme to divert monies from the Treasurer's Office, DANIEL

W. PRESGRAVES set up bank accounts and an escrow account that the County Treasurer did not know about nor to which he had access.

COUNT ONE

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.

The Enterprise

2. The Page County Sheriff's Office was a legal entity which constituted an enterprise as defined in Title 18, United States Code, Section 1961(4). This enterprise was engaged in, and its activities affected, interstate commerce.

Racketeering Violation

3. That from in or about 2000 until the return of this Indictment, in the Western Judicial District of Virginia and elsewhere, DANIEL W. PRESGRAVES, the defendant, being a person employed by and associated with the Page County Sheriff's Office, an enterprise engaged in, and the activities of which affected interstate commerce, unlawfully, and knowingly conducted and participated, directly and indirectly, in the conduct of the affairs of the enterprise through a pattern of racketeering activity as set forth below.

Purpose of the Racketeering Activity

4. The purposes of the racketeering activity committed by the defendant included, among other things, the following:

(a) To use the position as County Sheriff within the enterprise to sexually

harass and sexually assault female PCSO employees.

- (b) To use the position as County Sheriff within the enterprise to obtain labor on personal projects from the inmates incarcerated at the Page County Jail.
- (c) To use the position as County Sheriff within the enterprise to accept bribes of, among other things, cash, gift cards, personal items, use of machinery and labor.
- (d) To use the position as County Sheriff within the enterprise to protect certain illegal activities from detection and prosecution.
- (e) To use the position as County Sheriff within the enterprise to utilize PCSO employees in conducting illegal financial transactions.
- (f) To use the position as County Sheriff within the enterprise to conceal and divert revenue from the County Treasurer.
- (g) To use the position as County Sheriff within the enterprise to obstruct federal investigations into the illegal activities of the County Sheriff.

The Pattern of Racketeering Activity

5. The pattern of racketeering activity as defined in Title 18, United States Code, Sections 1961(1) and (5) consisted of the following acts:

Racketeering Act One:

1. That Counts Three and Four are realleged and incorporated into this Racketeering Act One.

2. That DANIEL W. PRESGRAVES committed the following acts, any one of which alone constitutes Racketeering Act One:

(a) That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "A" to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense, in violation of Title 18, United States Code, Section 1512(b)(3).

(b) That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "A" to withhold certain facts of activities of DANIEL W. PRESGRAVES with the intent to influence her testimony in an official proceeding, that is the giving of testimony before the Federal Grand Jury in Abingdon, Virginia, in violation of Title 18, United States Code, Section 1512(b)(1).

Racketeering Act Two:

1. That Count Six is realleged and incorporated into this Racketeering Act Two.
2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "B" to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense, in violation of Title 18, United States Code, Section 1512(b)(3).

Racketeering Act Three:

1. That Count Seven is realleged and incorporated into this Racketeering Act Three.
2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade "CS", a citizen of Page County, to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense, in violation of Title 18, United States Code, Section 1512(b)(3).

Racketeering Act Four:

1. That Count Eight is realleged and incorporated into this Racketeering Act Four.
2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade "GS", a PCSO employee, to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense, in violation of Title 18, United States Code, Section 1512(b)(3).

Racketeering Act Five:

1. That Count Ten is realleged and incorporated into this Racketeering Act Five.
2. That in or about June 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "C" to withhold certain facts of activities of DANIEL W. PRESGRAVES with the intent to influence her testimony in an official proceeding, that is the giving of testimony before the Federal Grand Jury in Abingdon, Virginia, in violation of Title 18, United States Code, Section 1512(b)(1).

Racketeering Act Six:

1. That Count Twelve is realleged and incorporated into this Racketeering Act Six.

2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "D" to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense, in violation of Title 18, United States Code, Section 1512(b)(3).

Racketeering Act Seven:

1. That Count Thirteen is realleged and incorporated into this Racketeering Act Seven.

2. That in or about August or September 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to intimidate Female Victim "E" and her daughter to withhold certain facts of activities of DANIEL W. PRESGRAVES with the intent to influence her testimony in an official proceeding, that is the giving of testimony before the Federal Grand Jury in Abingdon, Virginia, in violation of Title 18, United States Code, Section 1512(b)(1).

Racketeering Act Eight:

1. That Count Fourteen is realleged and incorporated into this Racketeering Act Eight.

2. That from in or about 2000 until in or about 2007, in the Western Judicial District of Virginia, DANIEL W. PRESGRAVES devised and intended to devise a scheme and artifice to defraud and deprive the PCSO and the citizens of Page County of their right to the honest services of the Sheriff of Page County, performed free from deceit, favoritism, bias, self-enrichment, self-dealing, concealment and conflict of interest, that is DANIEL W. PRESGRAVES unlawfully used inmates in the custody of the Page County Jail to work on property owned by him, his relatives or on projects in which he and/or his relatives had a financial interest; that on or about July 9, 2004, in the Western Judicial District of Virginia and elsewhere, for the purpose of executing or attempting to execute the scheme and artifice to defraud and deprive, DANIEL W. PRESGRAVES knowingly caused to be sent and delivered by United States Mail, according to the directions thereon, the following matter: a letter from the Virginia Department of Corrections in Richmond, Virginia to Sheriff Daniel W. Presgraves, Page County Sheriff's Office, 108 South Court Street, Luray, Va. 22835; said letter approving DANIEL W. PRESGRAVES' request that "JC", an PCSO inmate, "serve his/her sentence at the Page County Jail and participate in [the] Jail Trustee Program."; in violation of Title 18, United States Code, Sections 1341 and 1346.

Racketeering Act Nine:

1. That Count Eighteen is realleged and incorporated into this Racketeering Act Nine.

2. That DANIEL W. PRESGRAVES committed the following acts, any one of which alone constitutes Racketeering Act Nine:

(a) That from in or about 2003 until the return of this Indictment, DANIEL W. PRESGRAVES did accept or agree to accept from another a pecuniary benefit as consideration for or to obtain or influence the recipient's decision, opinion, recommendation or other exercise of discretion as a public servant; in that, in order to influence DANIEL W. PRESGRAVES' decisions, opinions, recommendations or other exercises of discretion as Page County Sheriff, DANIEL W. PRESGRAVES accepted \$500 cash, all in violation of *Va. Code Ann. §18.2-447(2)*.

(b) That from in or about January 2007 until on or about May 5, 2007, in the Western Judicial District of Virginia and elsewhere, DANIEL W. PRESGRAVES, the defendant, together with Albert C. Taylor, Luis Aguirre Martinez and Dale Edward Moreland, and with others known and unknown to the Grand Jurors, did unlawfully, willfully and knowingly combine, conspire, confederate and agree among themselves and each other to commit a certain offense against the United States, that is: knowing that property to be involved in a financial transaction was represented to be the proceeds of a specified unlawful activity, that is Bribery under Virginia State

Law in violation of *Va. Code Ann. §18.2-447(1) & (2)*, to conduct and attempt to conduct such a financial transaction affecting interstate commerce with the intent to conceal and disguise the nature and source of property believed to be the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Sections 1956(a)(3)(B) & 2; that it was a further part of the conspiracy on or about April 5, 2007, for DANIEL W. PRESGRAVES to cause the \$500 to be deposited in a checking account associated with DANIEL W. PRESGRAVES at Pioneer Bank, a financial institution insured by the Federal Deposit Insurance Corporation; that it was a further part of the conspiracy for this \$500 to be sent to the Virginia Republican Party; in violation of Title 18, United States Code, Section 1956(h).

Racketeering Act Ten:

That from in or about 2000 until the return of this Indictment, DANIEL W. PRESGRAVES did accept or agree to accept from another a pecuniary benefit as consideration for or to obtain or influence the recipient's decision, opinion, recommendation or other exercise of discretion as a public servant; in that, in order to influence DANIEL W. PRESGRAVES' decisions, opinions, recommendations or other exercises of discretion as Page County Sheriff, "Corporation A" bribed DANIEL W. PRESGRAVES by paying cash, gift cards, use of earth moving machinery, parts for earth moving machinery and free labor on DANIEL W. PRESGRAVES' personal and business properties, all in violation of *Va.*

Code Ann. §18.2-447(2).

Racketeering Act Eleven:

1. That Count Nineteen is realleged and incorporated into this Racketeering Act Eleven.

2. That in or about May or June 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade “RH”, a PCSO employee, to make false statements with the intent to influence her testimony in an official proceeding, that is the giving of testimony before the Federal Grand jury in Abingdon, Virginia, in violation of Title 18, United States Code, Section 1512(b)(1).

Racketeering Act Twelve:

1. That Count Twenty is realleged and incorporated into this Racketeering Act Twelve.

2. That in or about June or July 2006, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade “MS” to withhold certain facts of activities of DANIEL W. PRESGRAVES and “Corporation A” from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense, in violation of Title 18, United States Code, Section

1512(b)(3).

Racketeering Act Thirteen:

That in or about 2002, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES did knowingly, intentionally and unlawfully aid and abet in the possession with the intent to distribute an unknown quantity of a mixture or substance containing marihuana, a Schedule I controlled substance; in violation of Title 21, United States Code, Section 841(a)(1); and, Title 18, United States Code, Section 2.

Racketeering Act Fourteen:

1. That Count Twenty-Two is realleged and incorporated into this Racketeering Act Fourteen.

2. That from in or about 2000 until in or about 2008, in the Western Judicial District of Virginia, DANIEL W. PRESGRAVES devised and intended to devise a scheme and artifice to defraud and deprive the PCSO and the citizens of Page County of their right to the honest services of the Sheriff of Page County, performed free from deceit, favoritism, bias, self-enrichment, self-dealing, concealment and conflict of interest, that is DANIEL W. PRESGRAVES unlawfully failed to deposit with the Page County Treasurer approximately \$39,409.73 that PCSO received from United States Customs and approximately \$47,000.00 that PCSO received from PayTel; that at times material to this Count of the Indictment, DANIEL W. PRESGRAVES would use his authority and influence as Sheriff to maintain

bank accounts and escrow accounts to conceal and withhold monies from the Page County Treasurer; that on or about February 18, 2004, in the Western Judicial District of Virginia and elsewhere, for the purpose of executing or attempting to execute the scheme and artifice to defraud and deprive, DANIEL W. PRESGRAVES knowingly caused to be sent and delivered by United States Mail, according to the directions thereon, the following matter: a letter from Sheriff Daniel W. Presgraves, Page County Sheriff's Office, 108 South Court Street, Luray, Va. 22835, sent to Mr. "JT", National Sales Manager, PayTel Communications, P.O. Box 8179, Greensboro, North Carolina 27419; said letter confirming DANIEL W. PRESGRAVES' earlier verbal request for PayTel to withhold \$1,000 from each monthly commission check sent to PCSO from PayTel. This money was placed in a non-interest bearing escrow account and was to be used at the direction of DANIEL W. PRESGRAVES; in violation of Title 18, United States Code, Sections 1341 and 1346.

6. All in violation of Title 18, United States Code, Section 1962(c).

COUNT TWO

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.
2. That from in or about 2005 until 2007, in the Western Judicial District of

Virginia, defendant DANIEL W. PRESGRAVES, then the Sheriff of Page County, while acting under color of law, did sexually assault Female Victim "A," and thereby did willfully deprive her of the right protected and secured by the Constitution and laws of the United States not to be deprived of liberty without due process of law, which includes the right to bodily integrity.

3. All in violation of Title 18, United States Code, Section 242.

COUNT THREE

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.
2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "A" to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense.
3. All in violation of Title 18, United States Code, Section 1512(b)(3).

COUNT FOUR

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.
2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "A" to withhold certain facts of activities of DANIEL W. PRESGRAVES with the intent to influence her testimony in an official proceeding, that is the giving of testimony before the Federal Grand jury in Abingdon, Virginia.
3. All in violation of Title 18, United States Code, Section 1512(b)(1).

COUNT FIVE

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.
2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES, then the Sheriff of Page County, while acting under color of law, did sexually assault Female Victim "B," and thereby did willfully deprive her of the right protected and secured by the Constitution and laws of the United States not to be deprived of liberty without due process of law, which includes the right to bodily integrity.

3. All in violation of Title 18, United States Code, Section 242.

COUNT SIX

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.
2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "B" to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense.
3. All in violation of Title 18, United States Code, Section 1512(b)(3).

COUNT SEVEN

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.
2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade "CS",

a citizen of Page County, to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense.

3. All in violation of Title 18, United States Code, Section 1512(b)(3).

COUNT EIGHT

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.

2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade "GS", a PCSO employee, to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible commission of a federal offense.

3. All in violation of Title 18, United States Code, Section 1512(b)(3).

COUNT NINE

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.

2. That from in or about 2000 until in or about 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES, then the Sheriff of Page County, while acting under color of law, did sexually assault Female Victim "C," and thereby did willfully deprive her of the right protected and secured by the Constitution and laws of the United States not to be deprived of liberty without due process of law, which includes the right to bodily integrity.

3. All in violation of Title 18, United States Code, Section 242.

COUNT TEN

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.

2. That in or about June 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "C" to withhold certain facts of activities of DANIEL W. PRESGRAVES with the intent to influence her testimony in an official proceeding, that is the giving of testimony before the Federal Grand jury in Abingdon, Virginia.

3. All in violation of Title 18, United States Code, Section 1512(b)(1).

COUNT ELEVEN

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.

2. That from in or about 2000 until in or about 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES, then the Sheriff of Page County, while acting under color of law, did sexually assault Female Victim "D," and thereby did willfully deprive her of the right protected and secured by the Constitution and laws of the United States not to be deprived of liberty without due process of law, which includes the right to bodily integrity.

3. All in violation of Title 18, United States Code, Section 242.

COUNT TWELVE

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.

2. That in or about August 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade Female Victim "D" to withhold certain facts of activities of DANIEL W. PRESGRAVES from federal law enforcement officials with the intent to hinder and prevent the communication

to a law enforcement officer of information relating to the possible commission of a federal offense.

3. All in violation of Title 18, United States Code, Section 1512(b)(3).

COUNT THIRTEEN

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.

2. That in or about August or September 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to intimidate Female Victim "E" and her daughter to withhold certain facts of activities of DANIEL W. PRESGRAVES with the intent to influence her testimony in an official proceeding, that is the giving of testimony before the Federal Grand jury in Abingdon, Virginia.

3. All in violation of Title 18, United States Code, Section 1512(b)(1).

COUNT FOURTEEN

The Grand Jury charges:

1. That the Introduction and Count One of this Indictment is realleged and incorporated into this Count of the Indictment.

2. That at all times material to this Count, DANIEL W. PRESGRAVES was the

Sheriff of Page County and was under a sworn duty to uphold the law and to render honest services to the citizens of Page County, Virginia.

3. That at times material to this Count of the Indictment, DANIEL W. PRESGRAVES was responsible for the operation of the Page County Jail and had supervisory authority over all personnel employed at the Page County Jail.

4. That from in or about 2000 until in or about 2007, in the Western Judicial District of Virginia, DANIEL W. PRESGRAVES devised and intended to devise a scheme and artifice to defraud and deprive the PCSO and the citizens of Page County of their right to the honest services of the Sheriff of Page County, performed free from deceit, favoritism, bias, self-enrichment, self-dealing, concealment and conflict of interest, that is DANIEL W. PRESGRAVES unlawfully used inmates in the custody of the Page County Jail to work on property owned by him, his relatives or on projects in which he and/or his relatives had a financial interest. The inmates were often transported to and from the Page County Jail and these work sites by DANIEL W. PRESGRAVES, his wife and PCSO employees at the direction of DANIEL W. PRESGRAVES.

5. That at times material to this Count of the Indictment, DANIEL W. PRESGRAVES would use his authority and influence as Sheriff to maintain custody of certain inmates who worked for him on his personal land and personal financial projects, including, but not limited to, convincing the Virginia Department of Corrections that certain inmates who would ordinarily be incarcerated in a state facility should remain in the Page

County Jail. DANIEL W. PRESGRAVES omitted and concealed the fact that these inmates were illegally working for him.

6. That on or about July 9, 2004, in the Western Judicial District of Virginia and elsewhere, for the purpose of executing or attempting to execute the scheme and artifice to defraud and deprive, DANIEL W. PRESGRAVES knowingly caused to be sent and delivered by United States Mail, according to the directions thereon, the following matter: a letter from the Virginia Department of Corrections in Richmond, Virginia to Sheriff Daniel W. Presgraves, Page County Sheriff's Office, 108 South Court Street, Luray, Va. 22835; said letter approving DANIEL W. PRESGRAVES' request that "JC", a PCSO inmate, "serve his/her sentence at the Page County Jail and participate in [the] Jail Trustee Program."

7. All in violation of Title 18, United States Code, Sections 1341 and 1346.

COUNT FIFTEEN

The Grand Jury charges:

1. That the Introduction to the Indictment is realleged and incorporated by reference into this Count.

2. That on or about May 5, 2007, in the Western Judicial District of Virginia, in a matter within the jurisdiction of the Internal Revenue Service, DANIEL W. PRESGRAVES knowingly and willfully made a false material representation to a Special Agent of the Internal Revenue Service, in that DANIEL W. PRESGRAVES represented that

the only inmate who worked at his residence was through contractor "RM", when in truth and fact, as DANIEL W. PRESGRAVES well knew, this representation was false.

3. All in violation of Title 18, United States Code, Section 1001(a)(2).

COUNT SIXTEEN

The Grand Jury charges:

1. That the Introduction to the Indictment is realleged and incorporated by reference into this Count.

2. That on or about April 12, 2007, in the Western Judicial District of Virginia, in a matter within the jurisdiction of the United States Department of agriculture, DANIEL W. PRESGRAVES knowingly and willfully made a false material representation to a Special Agent of the United States Department of Agriculture, in that DANIEL W. PRESGRAVES represented that he had no knowledge of any active cockfighting pits in Page County and that the Naked Creek cockfighting pit was in Rockingham County, when in truth and fact, as DANIEL W. PRESGRAVES well knew, this representation was false.

3. All in violation of Title 18, United States Code, Section 1001(a)(2).

COUNT SEVENTEEN

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated by reference into this Count of the Indictment.

2. That from in or about 2000, until on or about May 5, 2007, in the Western Judicial District of Virginia and elsewhere, DANIEL W. PRESGRAVES, the defendant, and Albert C. Taylor willfully and knowingly combined, conspired, confederated and agreed together, with each other and with diverse other persons known and unknown to the Grand Jurors to commit the following offenses against the United States, to wit: to knowingly sponsor and exhibit an animal in an animal fighting venture, in which any animal in the venture was moved in interstate commerce, in violation of Title 7, United States Code, Section 2156(a)(1); and, to unlawfully, willfully and knowingly conduct, finance, manage, supervise, direct and own all or part of an illegal gambling business, said gambling business involving betting on cockfighting, in violation of the laws of the State of Virginia (Va. Code Ann. §§18.2-325(1), 326, 328, 329 & 330, and 3.1-796.125), in which illegal gambling business involved during the period aforesaid, five or more persons who conducted, financed, managed, supervised, directed and owned all or a part thereof; and which gambling business remained in substantially continuous operation for a period in excess of thirty days and had a gross revenue of \$2,000 in any single day, in violation of Title 18, United States Code, Section 1955.

3. That in furtherance of the conspiracy and to effect the objects thereof, the defendants performed, among others, the overt acts set forth in the Introduction to this

Indictment.

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

COUNT EIGHTEEN

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated by reference into this Count of the Indictment.
2. That from in or about January 2007 until on or about May 5, 2007, in the Western Judicial District of Virginia and elsewhere, DANIEL W. PRESGRAVES, the defendant, together with Albert C. Taylor, Luis Aguirre Martinez and Dale Edward Moreland, and with others known and unknown to the Grand Jurors, did unlawfully, willfully and knowingly combine, conspire, confederate and agree among themselves and each other to commit a certain offense against the United States, that is: knowing that property to be involved in a financial transaction was represented to be the proceeds of a specified unlawful activity, that is Bribery under Virginia State Law in violation of §18.2-447(1) & (2), to conduct and attempt to conduct such a financial transaction affecting interstate commerce with the intent to conceal and disguise the nature and source of property believed to be the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Sections 1956(a)(3)(B) & 2.
3. That it was a part of the conspiracy on or about January 20, 2007, for Luis

Aguirre Martinez to meet with an Undercover Agent with the United States Department of Agriculture (hereinafter referred to as "UC") for the purpose of selling Little Boxwood. Luis Aguirre Martinez represented to the UC that he made payments to local law enforcement officers to prevent interference with the cockfighting activities at Little Boxwood.

4. That it was a further part of the conspiracy on or about March 13, 2007, for Luis Aguirre Martinez and the UC to agree in a telephone conversation for the UC to pay DANIEL W. PRESGRAVES \$500 to insure a lack of law enforcement interference at Little Boxwood after the UC purchased the cockfighting pit.

5. That it was a further part of the conspiracy on or about April 2, 2007, for Luis Aguirre Martinez to inform the UC that Albert C. Taylor would accept the payment of \$500 on behalf of DANIEL W. PRESGRAVES.

6. That it was a further part of the conspiracy that on or about April 4, 2007, for Dale Edward Moreland, Luis Aguirre Martinez, Albert C. Taylor, the UC and another person known to the Grand Jurors to meet at Little Boxwood to discuss, among other things, the payment of \$500 to DANIEL W. PRESGRAVES and DANIEL W. PRESGRAVES's assurances there would be no local law enforcement interference at future cockfights at Little Boxwood. Dale Edward Moreland explained to the UC that the \$500 payment would go through Albert C. Taylor instead of directly to the DANIEL W. PRESGRAVES "because it'd look kinda funny depending on how you, a campaign contribution or whatever he don't want to be on the spot where somebody would say he's bribing you." Albert C. Taylor told the UC

he would make the payment to DANIEL W. PRESGRAVES “anonymously,” otherwise it would appear DANIEL W. PRESGRAVES was “being bought off by the gamebreeders association, we’ll keep it on the QT.” At the end of the meeting, the UC gave Albert C. Taylor \$500 in one hundred bills and Albert C. Taylor stated: “I’ll make a donation to the [DANIEL W. PRESGRAVES] and he can put that in his coffers.”

7. That it was a further part of the conspiracy on or about April 5, 2007, for Albert C. Taylor to give the \$500 in cash to DANIEL W. PRESGRAVES.

8. That it was a further part of the conspiracy on or about April 5, 2007, for DANIEL W. PRESGRAVES to cause the \$500 to be deposited in a checking account associated with DANIEL W. PRESGRAVES at Pioneer Bank, a financial institution insured by the Federal Deposit Insurance Corporation.

9. That it was a further part of the conspiracy on or about April 30, 2007, for Dale Edward Moreland and the UC to discuss making another payment to DANIEL W. PRESGRAVES through Albert C. Taylor.

10. That it was a further part of the conspiracy on or about May 5, 2007, for Albert C. Taylor to accept a \$500 money order from the UC on behalf of DANIEL W. PRESGRAVES.

11. That it was a further part of the conspiracy for DANIEL W. PRESGRAVES to transfer \$500 to the Virginia Republican Party.

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

COUNT NINETEEN

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.
2. That in or about May or June 2007, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade "RH", a PCSO employee, to make false statements with the intent to influence her testimony in an official proceeding, that is the giving of testimony before the Federal Grand jury in Abingdon, Virginia.
3. All in violation of Title 18, United States Code, Section 1512(b)(1).

COUNT TWENTY

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.
2. That in or about June or July 2006, in the Western Judicial District of Virginia, defendant DANIEL W. PRESGRAVES knowingly attempted to corruptly persuade "MS" to withhold certain facts of activities of DANIEL W. PRESGRAVES and "Corporation A" from federal law enforcement officials with the intent to hinder and prevent the communication to a law enforcement officer of information relating to the possible

commission of a federal offense.

3. All in violation of Title 18, United States Code, Section 1512(b)(3).

COUNT TWENTY-ONE

The Grand Jury charges:

1. That the Introduction to this Indictment is realleged and incorporated into this Count of the Indictment.
2. That from in or about 2001, to on or about May 6, 2004, in the Western Judicial District of Virginia and elsewhere, DANIEL W. PRESGRAVES, the defendant, willfully and knowingly combined, conspired, confederated and agreed together, and with diverse other persons known and unknown to the Grand Jurors to commit the following offense against the United States, to wit: to knowingly and for the purpose of evading reporting requirements under Title 31, United States Code, Section 5313(a) and the regulations promulgated thereunder, attempted to structure and assist in structuring transactions with domestic financial institutions insured by the Federal Deposit Insurance Corporation, in violation of Title 31, United States Code, Sections 5324(a)(3) & 5324(d)(1); and, Title 31, Federal Code of Regulations 103.11 & 103.22.
3. That it was part of the conspiracy for DANIEL W. PRESGRAVES to use structured transactions to deposit in excess of \$200,000 in cash into various bank accounts associated with him.

4. That it was a further part of the conspiracy for DANIEL W. PRESGRAVES to engage in a scheme to attempt to prevent the banks from filing Currency Transaction Reports.

5. That in furtherance of the conspiracy and to effect the objects thereof, the defendant performed, among others, the following overt acts:

(a) That on four successive days in October 2001, a PCSO employee was directed by DANIEL W. PRESGRAVES to make deposits totaling \$39,500 to a checking account at Pioneer Bank in Luray, Virginia – each deposit consisting of \$100 bills and just under the \$10,000 reporting requirement. On October 16, 2001, the PCSO employee made a deposit of \$9,900; on October 17, 2001, a deposit of \$9,900; on October 18, 2001, a deposit of \$9,900; and, on October 19, 2001, a deposit of \$9,800.

(b) In February 2002 DANIEL W. PRESGRAVES and two PCSO employees agreed to purchase some land as partners and DANIEL W. PRESGRAVES he said he would be able to borrow cash from his father for the purchase. On or about February 26, 2002, DANIEL W. PRESGRAVES divided \$20,000 in cash into approximate thirds for the purpose of depositing into three individual checking accounts for transfer into a fourth account. DANIEL W. PRESGRAVES deposited approximately \$6,500 into his account at Pioneer Bank; one partner deposited approximately \$5,900 into his account

at F&M Bank; and, the other partner deposited approximately \$6,500 into his account at Pioneer Bank. DANIEL W. PRESGRAVES and his two partners then wrote personal checks from their individual accounts for deposit into the partnership's account at Pioneer Bank.

(c) From December 18, 2003 until December 22, 2003, there were structured deposits totaling approximately \$27,000 made to DANIEL W. PRESGRAVES' checking account at Page Valley Bank in Luray, Virginia. The deposits were structured in \$9,000 amounts on December 18th, 19th and 20th, 2003. DANIEL W. PRESGRAVES made or caused these deposits.

(d) On May 5th and 6th, 2004, DANIEL W. PRESGRAVES made or caused two individual deposits each in the amount of \$6,000 (for a total of \$12,000) in an account at Page Valley Bank in Luray, Virginia.

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

COUNT TWENTY-TWO

The Grand Jury charges:

1. That the Introduction and Count One of this Indictment is realleged and incorporated into this Count of the Indictment.
2. That at all times material to this Count, DANIEL W. PRESGRAVES was the Sheriff of Page County and was under a sworn duty to uphold the law and to render honest

services to the citizens of Page County, Virginia.

3. That at times material to this Count of the Indictment, DANIEL W. PRESGRAVES was responsible for complying with Virginia state law which required him to deposit all monies received by the PCSO with the Page County Treasurer. "All money received by the Sheriff shall be deposited intact and promptly with the county or city treasurer or Director of Finance, except **[exceptions inapplicable to this case]**. *Va. Code Ann. §15.2-1615*.

4. That from in or about 2000 until in or about 2008, in the Western Judicial District of Virginia, DANIEL W. PRESGRAVES devised and intended to devise a scheme and artifice to defraud and deprive the PCSO and the citizens of Page County of their right to the honest services of the Sheriff of Page County, performed free from deceit, favoritism, bias, self-enrichment, self-dealing, concealment and conflict of interest, that is DANIEL W. PRESGRAVES unlawfully failed to deposit with the Page County Treasurer approximately \$39,409.73 that PCSO received from United States Customs Service and approximately \$47,000.00 that PCSO received from PayTel.

5. That at times material to this Count of the Indictment, DANIEL W. PRESGRAVES would use his authority and influence as Sheriff to maintain bank accounts and escrow accounts to conceal and withhold monies from the Page County Treasurer.

6. That on or about February 18, 2004, in the Western Judicial District of Virginia and elsewhere, for the purpose of executing or attempting to execute the scheme and artifice

to defraud and deprive, DANIEL W. PRESGRAVES knowingly caused to be sent and delivered by United States Mail, according to the directions thereon, the following matter: a letter from Sheriff Daniel W. Presgraves, Page County Sheriff's Office, 108 South Court Street, Luray, Va. 22835, sent to Mr. "JT", National Sales Manager, PayTel Communications, P.O. Box 8179, Greensboro, North Carolina 27419; said letter confirming DANIEL W. PRESGRAVES' earlier verbal request for PayTel to withhold \$1,000 from each monthly commission check sent to PCSO from PayTel. This money was placed in a non-interest bearing escrow account and was to be used at the direction of DANIEL W. PRESGRAVES.

7. All in violation of Title 18, United States Code, Sections 1341 and 1346.

NOTICE OF FORFEITURE

The Grand Jury charges:

1. Upon conviction of the felony offense alleged in Count Twenty-One of this Indictment, defendant DANIEL W. PRESGRAVES shall forfeit to the United States:

- (a) any property, real or personal, which constitutes or is derived from proceeds traceable to said offenses, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. §2461.

- (b) any property, real or personal, involved in said offenses, or any property traceable to such property, pursuant to 18 U.S.C. § 982(a)(1).

2. The property to be forfeited to the United States includes but is not limited to the following property:

- (a) Money Judgment

Approximately \$126,000.00 in United States currency and all interest and proceeds traceable thereto, in that such sum in aggregate was obtained directly or indirectly as a result of said offenses or is traceable to such property.

- (b) Other property as identified
2. If any of the forfeitable property, as a result of any act or omission of the defendant:
- (a) cannot be located upon the exercise of due diligence;
 - (b) has been transferred or sold to, or deposited with, a third party;
 - (c) has been placed beyond the jurisdiction of the court;
 - (d) has been substantially diminished in value; or
 - (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. §853(p) as authorized by 18 U.S.C. §982(b) and 28 U.S.C. §2461(c), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property described above.

A TRUE BILL, this 22nd day of October, 2008.



FOREPERSON



ACTING UNITED STATES ATTORNEY