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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF KENTUCKY
CENTRAL DIVISION AT LEXINGTON

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UNITED STATES OF AMERICA,	.	Case No. 5:20-CR-00063-1
	.	5:20-CR-00063-2
Plaintiff,	.	
	.	Lexington, Kentucky
- v	.	
	.	Thursday, October 13, 2022
DOUGLAS WILLIAM VANCE and	.	11:56 a.m.
MOLLY IRENE MCKINNON,	.	
	.	JURY TRIAL DAY 7 OF 7
Defendants.	.	
	- - -	

TRANSCRIPT OF JURY TRIAL PROCEEDINGS
BEFORE THE HONORABLE DANNY C. REEVES
UNITED STATES DISTRICT COURT JUDGE

	- - -
For the United States:	JAMES T. CHAPMAN, ESQ. GREGORY ROSENBERG, ESQ. Assistant U.S. Attorney United States Attorney's Office 260 West Vine Street, Suite 300 Lexington, Kentucky 40507
For the Defendant Douglas William Vance:	JEFFREY A. DARLING, ESQ. Nichols Walter PLLC 3120 Wall Street, Suite 210 Lexington, Kentucky 40513
For the Defendant Molly Irene McKinnon:	BRANDI N. LEWIS, ESQ. Baldani Law Group 300 West Short Street Lexington, Kentucky 40507
Court Reporter:	LINDA S. MULLEN, RDR, CRR Official Court Reporter 101 Barr Street Lexington, Kentucky 40507

Proceedings recorded by mechanical stenography, transcript produced by computer.

1 (Proceedings in open court, October 12, 2022, 11:56 a.m.)

2 THE COURT: Thank you.

3 The record will reflect defendants and counsel are
4 present. I have received a note from the jury indicating they
5 have reached a verdict. We will bring the jury in at this
6 time.

7 (Jury entered courtroom at 11:59 a.m.)

8 THE COURT: Thank you. Please be seated.

9 The record will reflect all members of the jury are
10 present. And, ladies and gentlemen of the jury, I understand
11 you have reached a verdict; is that correct, on all counts?

12 THE FOREPERSON: We have, Your Honor.

13 THE COURT: If you could pass the verdict form to me,
14 please?

15 I'll announce the verdict of the jury at this time.

16 We, the jury, unanimously find as follows with respect to
17 the charges against Douglas William Vance and Molly Irene
18 McKinnon:

19 As to Count 1, with respect to Count 1, which alleges a
20 conspiracy to commit wire fraud, we find Defendant Vance
21 guilty, Defendant McKinnon guilty.

22 As to Count 2, which alleges wire fraud, we find Defendant
23 Vance guilty and Defendant McKinnon guilty.

24 With respect to Count 3, which alleges wire fraud, we find
25 Defendant Vance guilty, Defendant McKinnon guilty.

1 With respect to Count 4, which alleges wire fraud, we find
2 Defendant Vance guilty and Defendant McKinnon guilty.

3 With respect to Count 5, which alleges wire fraud, we find
4 Defendant Vance guilty.

5 With respect to Count 6, which alleges wire fraud, we find
6 Defendant McKinnon guilty.

7 And with respect to Count 7, which alleges conspiracy to
8 commit money laundering, we find Defendant Vance guilty and
9 Defendant McKinnon guilty.

10 The verdict form is signed by the foreperson and dated
11 today, October 13th, 2022.

12 At this time I'll ask if any of the parties would like the
13 jury to be polled.

14 MR. CHAPMAN: No, Your Honor. Thank you.

15 THE COURT: Mr. Darling?

16 MR. DARLING: No, Your Honor. Thank you.

17 THE COURT: Ms. Lewis?

18 MS. LEWIS: No, Your Honor.

19 THE COURT: All right. Thank you.

20 Ladies and gentlemen, you will be excused at this time
21 from further service in the case. This, of course, has been a
22 little longer case than perhaps what we're used to here, but
23 it's clear that you paid very close attention to the proof in
24 this matter. I certainly appreciate your service.

25 I think we've had a couple of folks that have served

1 previously on the jury. What I would like to do, after we do
2 excuse you, if you would like to to back to the deliberation
3 room, I'll spend about five minutes with you just going over
4 your rights and responsibilities as jurors. I'll find out if
5 we have some jurors that have served in more than one case at
6 that time, then I'll be able to excuse you after we've had just
7 a brief conversation.

8 So with that, and with the thanks of the Court, you'll be
9 excused at this time. If you could go back to the deliberation
10 room for just a moment?

11 (Jury left courtroom at 12:02 p.m.)

12 The jury, having found both defendants guilty of all
13 charges contained in the indictment, I will schedule sentencing
14 in this matter, first for Douglas Vance for February 3rd,
15 1:00 p.m. here in Lexington, subject to intervening orders of
16 the Court.

17 And for Defendant Molly McKinnon, also on the same date,
18 February 3rd, at 2:00 p.m. on that date, subject to intervening
19 orders of the Court.

20 Both defendants are on conditions of release. Is the
21 United States at this time seeking to modify those conditions?

22 MR. CHAPMAN: Yes, Your Honor.

23 THE COURT: All right. What is the government's position?

24 MR. CHAPMAN: Government's position at this time is that
25 both defendants should be remanded to custody pending

1 sentencing.

2 Under 3143 and Rule 46(c), obviously following their
3 convictions, the burden shifts to them to prove by clear and
4 convincing evidence that they are not likely to flee or pose a
5 danger. So the baseline under 3143, after convictions, is
6 detention. And we do not believe they can clearly prove in
7 this case that they are not likely to flee or pose a danger
8 pending sentencing.

9 The Court heard six days of proof of the extensive fraud
10 these defendants are capable of, and they now stand convicted
11 of several felonies. They are facing very lengthy prison
12 sentences based upon what the amount of loss is likely to be
13 and several other enhancements that are likely to apply at
14 sentencing.

15 Both defendants in this case have obstructed justice and
16 perjured themselves on the stand, and so we don't believe any
17 representations that they make can be trusted.

18 And, of course, Mr. Vance has already violated his bond in
19 this case. So at this time we would ask the Court to remand
20 them to custody.

21 THE COURT: All right.

22 Mr. Darling.

23 MR. DARLING: Your Honor, it is true they have been
24 convicted, we understand the burden shifts.

25 Mr. Vance is already on electronic monitoring. He is

1 being supervised closely at his home in Virginia.

2 With regard to flight, I think it has come out in this
3 case that Mr. Vance would not have the resources to flee if, in
4 fact, that were the case. He has made all of his court
5 appearances.

6 Regarding the fact that we did have a hearing on a
7 previous violation, in terms of release, it turns out he was
8 having -- as this Court is well aware, he was having
9 conversations in an attempt to work out some sort of actual
10 work, deal with someone who, as it turns out, was not
11 determined -- not presented as a victim or even a witness in
12 this case.

13 He's on electronic monitoring. He's -- all he does is
14 go -- you know, stay at home and work when he can. I would
15 submit that there is no chance of flight, and certainly he's
16 not going to be a danger to society. He just doesn't have the
17 wherewithal to do any of the things that would be any similar
18 to what he's been convicted.

19 THE COURT: Thank you.

20 Ms. Lewis.

21 MS. LEWIS: Same really goes for Ms. McKinnon, Your Honor,
22 she doesn't have the means. This case has been pending for
23 quite some time, she has abided by all conditions of release
24 and made all court appearances.

25 She doesn't even have any criminal history, other than

1 some traffic violations. I'm sure she's going to return and
2 continue to abide by any conditions the Court puts upon her.

3 She does also care for her elderly mother who is having a
4 medical treatment in November in Florida for a stroke she
5 suffered. Ms. McKinnon, as of right now, is the only one that
6 can take her to that. So it would be very helpful if she could
7 remain out. And I'm sure she would be willing to abide by a
8 condition of an ankle monitor as well if the Court saw fit.

9 THE COURT: All right. Thank you.

10 I'm going to sustain the United States' motion to revoke
11 the release conditions as to both defendants.

12 Under 3143, the burden does shift to the defendants to
13 establish by clear and convincing evidence that the defendant
14 would not be a danger to others or a risk of flight.

15 In this case, my focus is on whether they would present a
16 danger to others. And this case, based upon the extensive
17 fraud which has been established and proven to the jury beyond
18 a reasonable doubt, by both defendants, their conspiratorial
19 actions with each other, as well as their willingness to
20 perjure themselves on the witness stand in making very bogus
21 excuses for the conduct in the case convinces me that they
22 would continue to act in such a manner and would present a
23 danger to the public in a similar fashion that they have in
24 conducting the fraud in this case.

25 So I do not find that either defendant has established by

1 clear and convincing evidence that they would not be a danger
2 to others and their conditions of release will be revoked.

3 As to third party and the fact that Ms. McKinnon may need
4 to care for her mother for a procedure in November, there would
5 be sufficient time for arrangements to be worked out for her
6 mother to be cared for appropriately, but that standing alone
7 would not be a reason for the Court to ignore the provisions of
8 3143.

9 Defendants will be revoked and they will be remanded to
10 custody at this time. We will be in recess.

11 (Proceedings concluded at 12:08 p.m.)

12 C E R T I F I C A T E

13
14 I, Linda S. Mullen, RDR, CRR, do hereby certify that
15 the foregoing is a correct transcript from the record of
16 proceedings in this above-entitled matter.

17 /s/Linda S. Mullen April 21, 2023
18 Linda S. Mullen, RDR, CRR Date of Certification
19 Official Court Reporter

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