IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA
BECKLEY

UNITED STATES OF AMERICA,

Plaintiff,

v. **CIVIL ACTION NO.: 5:23-cv-00393**

$168,849.42 SEIZED FROM FIRST COMMUNITY BANK, ACCOUNT NUMBER XX2781;
$299,604.40 SEIZED FROM FIRST COMMUNITY BANK, ACCOUNT NUMBER XX2660;
$2,333,832.28 FROZEN FROM ALLY INVESTMENT, ACCOUNT NUMBER XX-X6295-11; and
$45,000 FROZEN FROM ALLY INVESTMENT, ACCOUNT NUMBER XX-X6295-11,

Defendants *in rem*.

MOTION FOR ENTRY OF
DEFAULT JUDGMENT AND FINAL ORDER OF FORFEITURE

COMES NOW the United States of America ("United States"), and pursuant to 18 U.S.C § 981, Rule G of the Supplemental Rules for Admiralty or Maritime Case Claims and Asset Forfeiture Actions, the Federal Rules of Civil Procedure, by counsel, Justin A. Marlowe, Assistant United States Attorney for the Southern District of West Virginia and moves for Default Judgment against Ross Jay Bailey, Ally Invest Securities, LLC, First Community Bank, and R&R Delivery Service, Inc.; entry of a Default Judgment and Final Order of Forfeiture in favor of the plaintiff, and against all person(s) and entities having an interest in the ("Defendants Currency") in United States currency consisting of the following:

1. $168,849.42 seized from First Community Bank account number xx2781;
2. $299,604.40 seized from First Community Bank account number xx2660;
3. $2,333,832.28 frozen from Ally Investment account number xx-x6295-11; and

4. $45,000 frozen from Ally Investment account number xx-x6295-11.

In support of said Motion, the parties represent as follows:

1. The United States filed a Verified Complaint of Forfeiture *in rem* against the above-referenced Defendants Currency on May 17, 2023. [ECF 1].

2. On May 18, 2023, the Clerk of this Court issued a "Warrant of Arrest and Notice i*n rem*" for the arrest of the Defendants Currency pursuant to Rule G(3)(b)(i), Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions. [ECF 3].

3. The United States identified Ross Bailey, Ally Invest Securities, LLC, First Community Bank, U.S. Small Business Administration, and R&R Delivery Service, Inc. as potential claimants to the Defendants Currency seized and frozen in this matter.

4. The United States published "Notice of Forfeiture Action" on an official government internet site for at least 30 consecutive days, beginning on November 10, 2023, and ending on December 9, 2023, as required by Rule G(4)(a)(iv)(C) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions. [ECF 9].

5. On November 24, 2023, the United States mailed via United States mail certified return receipt the Notice of Forfeiture Action to the potential would-be-claimants, notifying them that the United States was seeking forfeiture of the Defendants Currency. [ECF 11].

6. The Notice of Forfeiture Action directed all would-be-claimants to file a verified claim with the Court within 35 days of the date of the Notice and that they must file an answer with the Court within 21 days after filing their verified claim.

7. The United States received no claims to the Defendants Currency from the following potential third-party claimants: Ally Invest Securities, LLC, First Community Bank, and R&R

Delivery Service, Inc.

8. On December 19, 2023, the U.S. Small Business Administration filed a Petition for Remission against the Defendants Currency. [See, "Exhibit A"].

9. On December 22, 2023, Ross Bailey filed an "Answer and General Denial by Claimant," to the Verified Complaint of Forfeiture. [ECF 10].

10. On June 26, 2024, an Indictment was returned against Bailey in Case No. 5:24-cr-00105. [ECF 1] in 5:24-cr-00105.

11. On December 31, 2024, the Court ordered a stay in this civil matter until the resolution of Criminal Case No. 5:24-cr-00105. [ECF 21].

12. On June 2, 2025, a Plea Agreement signed by Ross Bailey, was entered regarding a violation of 18 U.S.C. § 641 (theft of government money). As part of that plea agreement as contained in paragraph 6, Bailey consented to the forfeiture of approximately $1,518,013.58 as of January 13, 2025, which consists of all the funds seized or frozen in this civil matter. [ECF 53] in 5:24-cr-00105.

13. On April 27, 2026, the Court entered the Judgment in Criminal Case No. 5:24-cr-00105. As part of the Judgment the Court ordered that the defendant's interest in the property described in paragraph 6 of the plea agreement is forfeited. [ECF 74] in 5:24-cr-00105.

14. On May 21, 2026, the Court lifted the stay in this civil matter. [ECF 24].

15. On June 16, 2026, the Default by the Clerk was entered on Ally Invest Securities, LLC, First Community Bank, and R&R Delivery Service, Inc. [ECF 26].

16. Attached as "Exhibit B" is the "Stipulated Settlement Agreement," wherein Bailey consents to forfeit all his right, title, and interest in the Defendants Currency. The United States in

return will request that the forfeited funds be applied to Bailey's restitution obligation in Case No. 5:24-cr-00105. If the restoration request is approved, the United States will apply the seized funds to the restitution obligation owed to the U.S. Small Business Administration in accordance with the judgment. [ECF 74] in 5:24-cr-00105.

17. Bailey obtained thousands of dollars in proceeds in the Defendant's Assets, captioned above. Bailey's engagement actions were conducted through theft of government proceeds and in transactions in violation of the money laundering laws, including transactions that promoted his illicit activities, namely his wire fraud. Additionally, Bailey used the accounts to attempt to conceal the fraud.

18. Bailey resides within the Southern District of West Virginia, Raleigh County, Beaver, West Virginia.

19. Bailey is a 100% Shareholder, of R&R Delivery Service, Inc., an S Corporation.

20. R&R Delivery Service, Inc., is a West Virginia corporation incorporated in 2005 at the West Virginia Secretary of State's Office and the principal place of business is in Raleigh County, West Virginia, which is in the Southern District of West Virginia.

21. Pursuant to 18 U.S.C. § 981(a)(l)(A), "[a]ny property, real or personal, involved in a transaction or attempted transaction in violation of [18 U.S.C. §§ 1956 and 1957], or any property traceable to such property" is subject to forfeiture to the United States.

22. Pursuant to 18 U.S.C. § 981(a)(l)(C), "[a]ny property, real or personal, which constitutes or is derived from proceeds traceable to any violation of ... any offense constituting 'specified unlawful activity' ..., or a conspiracy to commit such offense" is subject to forfeiture to the United States.

23. Accordingly, the Defendant Assets and all property traceable thereto are subject to condemnation and to forfeiture to the United States, in accordance with 18 U.S.C. §§ 981(a)(l)(A) and 981(a)(l)(C).

24. The Government also satisfied Rule 55(b)(2) as it relates to potential claimants as they failed to appear in this matter.

WHEREFORE, pursuant to Rules 55(a) and 55(b) of the *Federal Rules of Civil Procedure,* and the representations made in this Motion, the government respectfully moves for an entry of a Default Judgment and Final Order of Forfeiture against any and all potential claimants and entities.

A proposed order of default judgment and final order of forfeiture is included with this Motion for the Court's consideration.

Respectfully submitted,

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