

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

UNITED STATES OF AMERICA,

Plaintiff,

v.

Civil Action No. 5:24-cv-00456

RYAN BAILEY and RKB, INC.,

Defendants.

**SECOND REQUEST OF THE UNITED STATES OF AMERICA FOR ENTRY OF
DEFAULT AGAINST DEFENDANTS RYAN BAILEY AND RKB, INC.**

Pursuant to Fed.R.Civ.P. 55(a), plaintiff United States of America (“United States”) requests that the Clerk enter the default of defendants Ryan Bailey and RKB, Inc., because defendants Ryan Bailey and RKB, Inc., have failed to appear, plead, or otherwise respond to the Complaint filed in this civil action within the time required by law. The United States further states as follows:

1. The Complaint was filed in this civil action on August 28, 2024. *See* ECF No. 1. Summonses were issued by the Clerk for defendants Ryan Bailey and RKB, Inc., on August 29, 2024. *See* ECF Nos. 5, 5-1.

2. A copy of the summons and complaint was served upon the Secretary of State of West Virginia as statutory attorney-in-fact for RKB, Inc., and the Secretary of State of West Virginia filed a notice on September 11, 2024, indicating that service had been accepted on behalf of RKB, Inc., by the Secretary of State of West Virginia as statutory attorney-in-fact for RKB, Inc. *See* ECF No. 6. A return of service showing service on Ryan Bailey on September 11, 2024, was filed with the Court by Deputy United States Marshal Justin Ford of the United States Marshals Service on September 12, 2024. *See* ECF No 7. A return of service showing service on RKB, Inc., by service

on Ryan Bailey as President of RKB, Inc., on September 11, 2024, was filed with the Court by Deputy United States Marshal Justin Ford of the United States Marshals Service on September 12, 2024. *See* ECF No 8. The above services were all valid pursuant to Fed.R.Civ.P. 4 and applicable federal law.

3. On October 4, 2024 the United States filed its first request for default against Defendants Ryan Bailey and RKB, Inc., informing the Court that neither Defendant had appeared, pled, or otherwise responded to the Complaint. ECF No. 9. Default was entered by the Clerk on October 16, 2024. ECF No. 10.

4. On October 24, 2024, the Court entered an order appointing G. Todd Houck to represent Ryan Bailey in the parallel criminal matter, and also appointing him to represent Mr. Bailey in this civil matter. ECF No. 13.

5. On November 15, Ryan Bailey moved the court to set aside the entry of default (ECF No 15) and RKB, Inc. separately moved to set aside the default against it on November 26, 2024. ECF No. 17. On November 22, 2024, the defendants jointly moved the court to stay proceedings pending the outcome of the parallel criminal matter. ECF No. 16.

6. On January 22, 2025, the Court entered an order granting both motions to set aside default and staying proceedings in the civil matter pending resolution of the criminal prosecution.

7. On May 7, 2025, Defendant Ryan Bailey pleaded guilty in the parallel criminal case to one count of violation of 18 U.S.C. § 641, theft of government money, and signed a plea agreement admitting to fraudulent use of approximately \$2,000,000 in proceeds from an EIDL loan, plus interest, and fraudulent use of \$166,517.40 in proceeds from a PPP loan, plus interest and processing fees. 5:24-cr-00106, ECF. No. 60, amended by ECF No. 73.

8. A sentencing hearing was held on September 16, 2025 in which Defendant Ryan Bailey was sentenced to 14 months in prison. Judgment was entered by the Court on September 18, 2025 and Ryan Bailey was ordered to pay restitution of \$2,134,900.00. Id., ECF No. 78.

9. On October 23, 2025, the Court entered an order lifting the stay and reinstating this civil matter to the active docket.

10. Neither the Court's order granting Defendants' motions to stay nor the Court's order lifting the stay specified an amount of time within which the defendants were required to file an answer or other responsive pleading. Pursuant to Rule 12(1)(A)(i) of the Federal Rules of Civil Procedure, the defendants were required to file an Answer within 21 days after they were served.

11. Neither Ryan Bailey or RKB, Inc. has filed an Answer or otherwise responded to this action except as set forth above.

12. Pursuant to Fed.R.Civ.P. 55(a), "When a party against whom a judgment for affirmative relief is sought has failed to plead or otherwise defend, and that failure is shown by affidavit or otherwise, the clerk must enter the party's default."

13. The United States has met the procedural requirements for obtaining entry of default as demonstrated by the record before the Court and Defendants' failure to plead or otherwise respond to the Complaint filed in this civil action within the time required by law.

Therefore, the United States respectfully requests that the Clerk enter default against defendants Ryan Bailey and RKB, Inc., upon the record of the Court. Should the Court determine that default is not warranted, the United States alternatively requests that the Court enter an order requiring Defendants to respond to the Complaint by a date certain.

Respectfully submitted,

MOORE CAPITO
United States Attorney

s/Gregory P. Neil

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CERTIFICATE OF SERVICE

I, Gregory P. Neil, Assistant United States Attorney for the Southern District of West Virginia, hereby certify that on February 5, 2026, I electronically filed the foregoing **SECOND REQUEST OF THE UNITED STATES OF AMERICA FOR ENTRY OF DEFAULT AGAINST DEFENDANTS RYAN BAILEY AND RKB, INC.** with the Clerk of the Court using the CM/ECF system which will send notification to all counsel of record herein.

s/Gregory P. Neil

WV State Bar No. 11077
Assistant United States Attorney
Counsel for Plaintiff United States of America