

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND

* * * * * C.R. NO. 20-74-MSM
*
UNITED STATES OF AMERICA *
*
VS. * MAY 17, 2021
* 10:30 A.M.
*
DAVID STAVELEY *
*
* * * * * VIA VIDEOCONFERENCE

BEFORE THE HONORABLE MARY S. McELROY,
DISTRICT JUDGE

(Change of Plea Hearing)

APPEARANCES:

FOR THE GOVERNMENT: LEE VILKER, AUSA
U.S. Attorney's Office
50 Kennedy Plaza
Providence, RI 02903

FOR THE DEFENDANT: JASON P. KNIGHT, ESQ.
Law Office of Jason P. Knight
One Turks Head Place, Ste. 1440
Providence, RI 02903

Court Reporter: Karen M. Wischnowsky, RPR-RMR-CRR
One Exchange Terrace
Providence, RI 02903

1 17 MAY 2021 -- 10:30 A.M.

2 VIA VIDEOCONFERENCE

3 THE COURT: We are on the record in Criminal
4 Action 20-74, the United States of America versus David
5 Staveley. Would counsel please identify themselves for
6 the record.

7 MR. KNIGHT: Jason Knight on behalf of David
8 Staveley, your Honor.

9 THE COURT: Good morning.

10 MR. VILKER: Good morning, your Honor. Lee
11 Vilker on behalf of the United States.

12 THE COURT: Good morning. Pursuant to this
13 Court's orders regarding matters during the coronavirus
14 pandemic, we found that a public health crisis exists
15 and it's in the best interest of the Defendants and
16 their attorneys, court staff, the United States
17 marshals and the public that human contact be minimized
18 to the greatest extent possible.

19 That's obviously not news to anyone. We've been
20 doing this for more than a year now; but to that end,
21 Mr. Staveley, today's change of plea is being conducted
22 via Zoom video conference as outlined in this Court's
23 general orders from last year.

24 So I just want to go over a few things, but
25 first I'm going to have the clerk swear you in. Okay?

1 So raise your right hand, please.

2 (Defendant sworn)

3 THE CLERK: Please state your name and spell
4 your last name for the record.

5 THE DEFENDANT: David Staveley, S-T-A-V-E-L-E-Y.

6 THE COURT: Mr. Staveley, you are now under
7 oath, and that requires that you give truthful answers
8 to the questions that I ask you. Do you understand
9 that?

10 THE DEFENDANT: Yes, your Honor.

11 THE COURT: Okay. If I ask a question that you
12 don't understand or you're unable to hear, just ask me
13 to repeat it, and I'd be glad to do that or to explain
14 it further.

15 THE DEFENDANT: Thank you.

16 THE COURT: If at any time you want to discuss a
17 matter with your attorney, even before answering a
18 question, just tell me, and I'll give you the
19 opportunity to do that. Do you understand?

20 THE DEFENDANT: Yes, your Honor.

21 THE COURT: Okay. Before I ask you whether you
22 intend to waive your right to appear in person, I want
23 you to know the following: Our normal procedure is to
24 have all Defendants physically present in the courtroom
25 for changes of plea. Do you understand that?

1 THE DEFENDANT: Yes, your Honor.

2 THE COURT: Because we're in the middle of a
3 pandemic, the President and the Governor have all
4 declared states of emergency; and we are attempting as
5 best we can to protect the health and safety of our
6 court employees, lawyers, Defendants, security
7 personnel and everyone else who is involved in the
8 court system while at the same time attempting to
9 permit the basic functions of the court, such as this
10 hearing, to go forward.

11 The transportation of Defendants to and from the
12 courthouse for court proceedings is likely to increase
13 health risks to all persons involved, including
14 yourself, Mr. Staveley, your attorney, security
15 personnel, drivers and court personnel.

16 So I understand that you intend to waive or give
17 up your right to be physically present at the
18 courthouse for this proceeding and have agreed to
19 appear by Zoom; is that correct?

20 THE DEFENDANT: Yes, your Honor.

21 THE COURT: Do you understand why we're using
22 this video conference procedure and that it is because
23 of the public health crisis that the COVID-19 pandemic
24 presents?

25 THE DEFENDANT: Yes.

1 THE COURT: And do you understand that you have
2 the right to be present in the courthouse for this
3 proceeding?

4 THE DEFENDANT: Yes, I do.

5 THE COURT: I'm sorry. Can you speak up,
6 please.

7 THE DEFENDANT: Yes, I do.

8 THE COURT: Do you understand that you -- have
9 you discussed this waiver of your right to be
10 physically present at the courthouse with your
11 attorney, Mr. Knight?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: And do you understand that if you
14 wish to speak to your attorney during the proceedings,
15 you should let me know, and I can make arrangements for
16 you to communicate?

17 THE DEFENDANT: Yes. Thank you.

18 THE COURT: And do you understand that you have
19 the right to hear and see everything that happens in
20 court?

21 THE DEFENDANT: Yes, your Honor.

22 THE COURT: Do you understand that your family
23 members and other supporters have the right to attend
24 this proceeding and we've made those arrangements? In
25 fact, your mother is present.

1 THE DEFENDANT: Yes, your Honor. Thank you.

2 THE COURT: The fact that this proceeding, a
3 change of plea, is being conducted via video conference
4 does not diminish the legal significance or importance
5 of the proceeding. Do you understand that you will be
6 bound by what happens in this proceeding?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: Has anyone coerced you, threatened
9 you or pressured you in any way to waive or give up
10 your right to be physically present for your change of
11 plea?

12 THE DEFENDANT: No. No, your Honor.

13 THE COURT: Has anybody made any threats against
14 any family member or anyone else near and dear to you
15 to persuade you to give up your right to be physically
16 present?

17 THE DEFENDANT: No, your Honor.

18 THE COURT: Okay. Do you agree or wish to waive
19 your right to appear in person for your change of plea
20 and appear instead by video conference?

21 THE DEFENDANT: Yes, your Honor.

22 THE COURT: Mr. Knight, I understand that you've
23 spoken to Mr. Staveley and explained the uniqueness of
24 the situation that we're in.

25 MR. KNIGHT: Yes, your Honor.

1 THE COURT: Is there any reason that he should
2 not be permitted to waive or give up his right to be
3 present?

4 MR. KNIGHT: No, your Honor. I've discussed the
5 matter with Mr. Staveley. He understands that this is
6 how it's done during the time of COVID. For today's
7 proceeding, which is a change of plea, while important,
8 I believe that it can be done thoroughly over the
9 airwaves, so to speak. We will be requesting an
10 in-person sentencing because of some of the issues
11 presented in this case.

12 THE COURT: Okay. Thank you, Mr. Knight.

13 I find that the Defendant has made a knowing and
14 voluntary waiver of his right to appear physically at
15 his change of plea hearing, and I further find that
16 requiring him to be present would jeopardize the public
17 health and safety and particularly the health and
18 safety of those who are or would be present with
19 Mr. Staveley during the court proceeding and
20 transportation.

21 And I find that delay would seriously jeopardize
22 the interest of justice. So I accept Mr. Staveley's
23 waiver, and we can proceed with the change of plea at
24 this time.

25 Okay. Mr. Staveley, you're still under oath,

1 and I want you to remember that. Okay?

2 THE DEFENDANT: Yes, your Honor.

3 THE COURT: Where were you born?

4 THE DEFENDANT: Lowell, Massachusetts.

5 THE COURT: And how old are you?

6 THE DEFENDANT: Fifty-four.

7 THE COURT: How far did you go in school?

8 THE DEFENDANT: High school.

9 THE COURT: And have you been treated recently
10 for any mental illness or addiction to narcotic drugs
11 of any kind?

12 THE DEFENDANT: No. Well, I guess no.

13 THE COURT: What do you mean, "I guess no"?

14 THE DEFENDANT: I have PTSD, and I get treated
15 or I was getting treated before I came here.

16 THE COURT: And you're not currently being
17 treated?

18 THE DEFENDANT: They don't have any treatment
19 for me here.

20 THE COURT: Is it concerning to you -- do you
21 feel that you're able to understand what's going on
22 even though you are not currently being treated?

23 THE DEFENDANT: Yes, your Honor.

24 THE COURT: And are you currently under the
25 influence of any drugs, medication or alcoholic

1 beverages of any kind?

2 THE DEFENDANT: No, your Honor.

3 THE COURT: Is that a no?

4 THE DEFENDANT: No, your Honor.

5 THE COURT: Have you received a copy of the
6 Indictment that the Government presented against you?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: And that's the written charge, as
9 you understand, made against you in this case. Have
10 you fully discussed it with your attorney, Jason
11 Knight?

12 THE DEFENDANT: I have, your Honor.

13 THE COURT: Okay. And are you fully satisfied
14 with his representation and his advice that he's given
15 to you in this case?

16 THE DEFENDANT: Yes, your Honor.

17 THE COURT: Okay. Did you have an opportunity
18 to read and discuss this plea agreement with Mr. Knight
19 before signing it?

20 THE DEFENDANT: I have, your Honor.

21 THE COURT: Okay. Does it represents in its
22 entirety the understanding that you have with the
23 Government?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: Do you understand all of the terms

1 of this plea agreement?

2 THE DEFENDANT: Yes, your Honor.

3 THE COURT: And has anyone made any promises or
4 assurances to you that are not contained in the plea
5 agreement in order to persuade you to accept this
6 agreement?

7 THE DEFENDANT: No. No, your Honor.

8 THE COURT: Has anyone threatened you in any way
9 to persuade you to accept this agreement?

10 THE DEFENDANT: No, your Honor.

11 THE COURT: Do you understand that the terms of
12 the plea agreement are merely recommendations and that
13 the Court -- that I can reject the recommendations
14 without allowing you to withdraw your plea of guilty
15 and sentence you to a sentence that's more severe than
16 you may anticipate? Do you understand that?

17 THE DEFENDANT: Yes, your Honor.

18 THE COURT: Has anyone attempted to force you to
19 plead guilty in this case?

20 THE DEFENDANT: No, your Honor.

21 THE COURT: Has anyone threatened you or made
22 any promises or assurances to you to get you to plead
23 guilty?

24 THE DEFENDANT: No.

25 THE COURT: Do you understand that the offenses

1 that you're pleading guilty to are felony offenses?

2 THE DEFENDANT: Yes.

3 THE COURT: And that, Mr. Staveley, if your plea
4 is accepted, you'll be adjudged guilty of those
5 offenses and that the adjudication could deprive you of
6 certain valuable civil rights, such as the right to
7 vote, the right to hold public office, the right to
8 serve on a jury and the right to possess any kind of
9 firearm? Do you understand that?

10 THE DEFENDANT: Yes, your Honor.

11 THE COURT: Okay. So I'm going to go briefly
12 over the terms of your plea agreement. I want you to
13 listen carefully; and if there's anything that you
14 don't understand, let me know.

15 You're agreeing as part of this agreement to
16 plead guilty to Counts I and VII of the Indictment
17 which charge you with conspiracy to commit bank fraud
18 and failure to appear in court as required. Do you
19 understand that?

20 THE DEFENDANT: Yes, your Honor.

21 THE COURT: Okay. In exchange for your plea,
22 the Government will recommend or is agreeing to
23 recommend that the Court impose a term of imprisonment
24 within the sentencing range determined by the Federal
25 Sentencing Guidelines. Do you understand that?

1 THE DEFENDANT: Yes, your Honor.

2 THE COURT: Okay. And the Government's also
3 agreeing to recommend a two-level reduction for
4 acceptance of responsibility. Do you understand that?

5 THE DEFENDANT: Yes, your Honor.

6 THE COURT: And they're also stating that you
7 timely notified the Government of your intent to plead
8 guilty; and so if your offense level is 16 or greater,
9 then they are -- they will move for a third level
10 reduction for acceptance of responsibility. Do you
11 understand that?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: Okay. And at the time of
14 sentencing, the Government is telling us that they'll
15 agree to dismiss Counts II through VI of the
16 Indictment.

17 THE DEFENDANT: Yes, your Honor.

18 THE COURT: You're agreeing with the Government
19 that the intended loss applicable to the offense
20 charged in Count I is \$543,959. So there's a 12-level
21 enhancement because it is between \$250,000 and
22 \$550,000. Do you understand that?

23 THE DEFENDANT: Yes, your Honor.

24 THE COURT: Okay. You're also giving up your
25 right to appeal the sentence in this case if the

1 sentence is within or below the advisory guideline
2 range. Do you understand that?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: So, now, have you and your attorney
5 talked about the advisory sentencing guidelines?

6 THE DEFENDANT: Yes, your Honor.

7 THE COURT: Okay. And do you understand that
8 the Court will not be able to determine the range for
9 your case until after the presentence report has been
10 determined or has been completed and you and your
11 attorney have had an opportunity to review it and to
12 challenge the application of the guidelines as well as
13 the reported facts? Do you understand that?

14 THE DEFENDANT: Yes, your Honor.

15 THE COURT: Okay. And so the sentence
16 ultimately recommended by the Probation Department or
17 the guideline range accepted by this Court might be
18 different than the guideline range that your attorney
19 estimated for you. Do you understand that?

20 THE DEFENDANT: Yes, your Honor.

21 THE COURT: Okay. And that the ultimate
22 sentence imposed might be different from any estimate
23 your attorney has given you. Do you understand that?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: Do you also understand that after

1 the Probation Department does the presentence report
2 and determines the initial advisory guideline range,
3 the Court has the authority in some cases to depart
4 upward or downward from that range and that could
5 result in imposition of a sentence that's different
6 than the one that you anticipated? Do you understand
7 that?

8 THE DEFENDANT: Yes, your Honor.

9 THE COURT: And when sentencing occurs, when we
10 have a sentencing date, the Court is required to
11 correctly calculate the guidelines and consider them;
12 but the Court also needs to consider other statutory
13 sentencing factors that are contained in 18 U.S.C.
14 3553(a). Have you gone over those factors with your
15 attorney?

16 THE DEFENDANT: Yes, your Honor.

17 THE COURT: Okay. And he's explained to you
18 what this Court will look at to determine an
19 appropriate sentence for you?

20 THE DEFENDANT: Yes, your Honor.

21 THE COURT: Okay. And do you understand that
22 parole has been abolished in the federal system and
23 that if you are sentenced to prison, you won't be
24 released early on parole?

25 THE DEFENDANT: Yes, your Honor.

1 THE COURT: Okay. Now, you may have the right
2 to appeal a sentence, generally speaking, but the plea
3 agreement indicates that you give up that right if it's
4 within or below the advisory guideline sentencing
5 range. Do you understand that?

6 THE DEFENDANT: Yes, your Honor.

7 THE COURT: Okay. I want to explain to you what
8 the maximum penalties are for the two charges for which
9 you're pleading guilty. Okay?

10 So for Count I, the maximum penalty is 30 years
11 of imprisonment, five years of supervised release and a
12 fine of \$1 million. The Court is also required to
13 impose a special assessment of \$100 for each count. Do
14 you understand that?

15 THE DEFENDANT: Yes, your Honor.

16 THE COURT: For Count VII, which is the other
17 count that you're pleading guilty to, the maximum
18 penalty is 10 years of imprisonment with three years of
19 supervised release, a fine of \$250,000 and a special
20 assessment of \$100. Do you understand that?

21 THE DEFENDANT: Yes, your Honor.

22 THE COURT: So if the Court were to impose
23 sentences consecutively for those charges, the maximum
24 would be -- for the counts that you're pleading guilty
25 to would be 40 years of imprisonment, a fine of

1 \$1,250,000 and a term of supervised release of five
2 years with a special assessment of \$200. Do you
3 understand all of that?

4 THE DEFENDANT: Yes, your Honor.

5 THE COURT: Okay. Is there any forfeiture or
6 restitution, Mr. Vilker?

7 MR. VILKER: There is not, your Honor.

8 THE COURT: Okay. Thank you.

9 Mr. Staveley, do you understand that you have
10 the right to plead not guilty to any offense charged
11 and to persist in that plea?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: And then you would have the right to
14 a trial by a jury. Do you understand that?

15 THE DEFENDANT: Yes, your Honor.

16 THE COURT: Just keep your voice up a little,
17 tiny bit. Okay?

18 THE DEFENDANT: This microphone's terrible.

19 THE COURT: It is, and you're soft-spoken. So
20 the combination's not great, but I want to make sure
21 you can hear this and understand it. Okay?

22 So you have the right to a trial by a jury. Did
23 you discuss that with your attorney?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: And you understand what a trial by

1 jury would be?

2 THE DEFENDANT: Yes, your Honor. Yes.

3 THE COURT: At trial you'd be presumed innocent
4 and the Government or Mr. Vilker on behalf of the
5 Government would have to prove your guilt beyond a
6 reasonable doubt. Do you understand that?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: Okay. And at that trial you would
9 have the right to assistance of counsel for your
10 defense; and at every other stage of the proceedings as
11 well as trial, Mr. Knight could be there with you. Do
12 you understand that?

13 THE DEFENDANT: Yes, your Honor.

14 THE COURT: You would have the right to see and
15 hear the witnesses that the Government presents and
16 have them cross-examined in your defense. Do you
17 understand that?

18 THE DEFENDANT: Yes, your Honor.

19 THE COURT: You would have the right on your own
20 part to testify or, if you chose not to, to decline to
21 testify; and the Government couldn't use the fact that
22 you declined to testify against you in any way in order
23 to attempt to prove your guilt. Do you understand
24 that?

25 THE DEFENDANT: Yes, your Honor.

1 THE COURT: At trial you'd also have the right
2 to compel or force the attendance of witnesses to
3 testify in your defense. You would be able to use the
4 Court to subpoena witnesses to come in and testify in
5 your defense if you chose to do that. Do you
6 understand that?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: And do you understand that if you
9 did have a trial and you decided not to testify or put
10 on any evidence, those facts couldn't be used against
11 you in order to prove your guilt? Do you understand
12 that?

13 THE DEFENDANT: Yes, your Honor.

14 THE COURT: Do you further understand that by
15 entering this plea of guilty, if the plea is accepted
16 by the Court, there will be no trial and you will have
17 waived or given up your right to a trial as well as all
18 of those rights associated with trial that I just
19 described to you?

20 THE DEFENDANT: Yes, your Honor.

21 THE COURT: Do you have any questions about any
22 of that?

23 THE DEFENDANT: No, your Honor.

24 THE COURT: Okay. I'm going to ask the
25 Government to place on the record the essential

1 elements of the two charges that you are pleading
2 guilty to as well as the facts that they would present
3 to support those charges had this case gone to trial.

4 Listen carefully. At the end I'm going to ask
5 you if you have any questions and if you agree that
6 those are the facts the Government would present.

7 MR. VILKER: Thank you, your Honor. The
8 elements for Count I, conspiracy to commit bank fraud,
9 first, that there was an agreement similar to the one
10 that was described in the Indictment that existed and,
11 second, that the Defendant knowingly entered into the
12 agreement.

13 The offense -- the elements of the underlying
14 offense of bank fraud are that the Defendant knowingly
15 executed a scheme or artifice to defraud or to obtain
16 money or property by means of false or fraudulent
17 representations, pretenses or promises; two, that he
18 did so involving a financial institution as that term
19 is defined by 18 United States Code, Section 20; third,
20 that the Defendant acted with the intent to defraud;
21 and, fourth, that the false or fraudulent pretenses,
22 representations or promises were material, meaning that
23 they would naturally tend to influence the decision of
24 the financial institution.

25 The elements for Count VII, the failure to

1 appear count, is, first, that the Defendant was
2 released pursuant to the Bail Reform Act; second, that
3 the Defendant was required to appear in court; third,
4 that the Defendant was aware of this required
5 appearance; fourth, that the Defendant failed to appear
6 as required; and, fifth, that the Defendant was willful
7 in his failure to appear.

8 The facts of the case, your Honor, are as
9 follows: This Defendant, David Staveley, and his
10 co-conspirator, David Butziger, conspired to defraud
11 Bank Newport by submitting false and fraudulent loan
12 applications under the federal Paycheck Protection
13 Program that was created by Congress in response to the
14 coronavirus crisis.

15 The PPP program or the Paycheck Protection
16 Program authorized billions of dollars in forgivable
17 loans, that is, loans that would be repaid to the banks
18 by the Government instead of the borrower, the small
19 businesses, for the purpose of job retention and
20 certain other expenses.

21 Mr. Staveley and Mr. Butziger conspired to
22 submit four fraudulent PPP loan applications to Bank
23 Newport in April of 2020.

24 On each of these applications, Mr. Staveley and
25 Mr. Butziger falsely represented that different

1 businesses had significant numbers of employees and
2 large monthly payrolls when they did not.

3 First, on April 6th of 2020, Mr. Staveley, in
4 the name of his brother, Greg Sanborn, submitted a loan
5 application under the PPP to Bank Newport on behalf of
6 an entity called Oakland Beach Restaurant Group LLC,
7 doing business as Top of the Bay.

8 The loan application was in the amount of
9 \$185,750 and fraudulently represented that Oakland
10 Beach Restaurant Group LLC had 26 employees and an
11 average monthly payroll of \$50,000 at the Top of the
12 Bay restaurant in Warwick.

13 In truth, although Mr. Staveley had been in
14 negotiations to purchase the Top of the Bay restaurant,
15 he never did so and had no employees or payroll at all
16 at this location.

17 In furtherance of this application, Mr. Staveley
18 submitted to Bank Newport an IRS 941 form. That form
19 fraudulently listed wages for Oakland Beach Restaurant
20 Group to be \$158,723.52 for the first quarter of 2020
21 when, in fact, no wages were paid during this period.

22 Co-Defendant David Butziger knowingly created
23 this false and fraudulent 941 form that Mr. Staveley
24 then submitted to Bank Newport.

25 Also, on or about October -- excuse me, on or

1 about April 6th of 2020, Mr. Staveley, again in the
2 name of his brother, Greg Sanborn, submitted a loan
3 application under the PPP to Bank Newport on behalf of
4 the entity Apponaug Restaurant Group LLC, doing
5 business as Remington House.

6 The loan application was in the amount of
7 \$144,050 and fraudulently represented that Apponaug
8 Restaurant Group had 18 employees and an average
9 monthly payroll of \$46,000.

10 In truth and in fact, the Remington House
11 restaurant had been closed since November of 2018 and
12 Apponaug Restaurant Group had no employees.

13 In furtherance of his application, Mr. Staveley
14 submitted to Bank Newport an IRS 941 form that
15 fraudulently listed wages of that entity, Apponaug
16 Restaurant Group, to be \$138,000 for the first quarter
17 of 2020 when, in fact, no wages had been paid.

18 The Co-Defendant, David Butziger, knowingly
19 created this false and fraudulent 941 form that
20 Mr. Staveley then submitted to Bank Newport.

21 On or about April 6th of 2020, Mr. Butziger
22 submitted a loan application under the PPP to Bank
23 Newport in his own name on behalf of an unincorporated
24 entity that he called Dock Wireless.

25 That loan application was in the amount of

1 \$105,381.50 and fraudulently represented that Dock
2 Wireless had seven employees and an average monthly
3 payroll of \$42,152 when, in fact, Dock Wireless had no
4 employees at all.

5 Finally, on or about, again, April 6th of 2020,
6 Mr. Staveley, in the name of his brother, Greg Sanborn,
7 submitted a loan application under the PPP to Bank
8 Newport on behalf of New Flat Penny LLC, doing business
9 as On The Trax, a restaurant in Berlin, Massachusetts.

10 The loan application was for \$108,777.50 and
11 fraudulently represented that New Flat Penny had 22
12 employees and an average monthly payroll of \$36,000.

13 In truth, although New Flat Penny did own and
14 operate the On The Trax restaurant in 2019 and the
15 beginning of 2020, the On The Trax restaurant was
16 closed permanently on or about March 10th of 2020 after
17 its liquor license was revoked.

18 On or about May 5th, 2020, Mr. Staveley appeared
19 before Honorable Magistrate Lincoln D. Almond in this
20 court on a criminal complaint charging him with
21 offenses related to his PPP fraud.

22 The Court set Mr. Staveley -- released
23 Mr. Staveley on personal recognizance bond and set
24 numerous conditions for Mr. Staveley's pretrial
25 release.

1 On or about May 11th, 2020, on a motion -- on
2 motion from the Government, the Court modified
3 Defendant's pretrial release conditions to include the
4 conditions of home confinement with electronic
5 monitoring.

6 On May 20th of 2020, the Court scheduled a
7 preliminary hearing and a hearing on the Government
8 motion to modify the Defendant's pretrial release
9 conditions and scheduled that hearing to take place on
10 June 2nd of 2020.

11 On May 26th of 2020, Mr. Staveley removed the
12 electronic monitoring device from his body and fled.
13 In an effort to deceive law enforcement into believing
14 that he had died, Mr. Staveley staged his suicide by,
15 among other things, leaving suicide notes with
16 associates and family members and in his car, which he
17 left unlocked and parked by the Atlantic Ocean.

18 From on or about May 25th of 2020 to July 23rd
19 of 2020, in an effort to avoid apprehension,
20 Mr. Staveley traveled to various states in this country
21 using false identities and stolen license plates.

22 He was apprehended by the United States Marshal
23 Service in Alpharetta, Georgia, on July 23rd of 2020.
24 Mr. Staveley did not appear as directed at the court
25 hearing that had been scheduled for June 2nd of 2020.

1 Those are the facts of the case, your Honor.

2 THE COURT: Okay. Thank you, Mr. Vilker.

3 Mr. Staveley, did you hear all of those facts?

4 THE DEFENDANT: I did, your Honor.

5 THE COURT: Do you agree and admit that the
6 Government could prove those facts were this case to go
7 to trial?

8 THE DEFENDANT: Can I talk to my attorney?

9 THE COURT: Sure. We're going to put you in a
10 breakout room. We're going to give you a minute,
11 Mr. Staveley.

12 THE DEFENDANT: No, it's fine, your Honor. Yes,
13 I agree. I agree.

14 THE COURT: Mr. Knight, would you prefer to
15 speak to Mr. Staveley before he --

16 MR. KNIGHT: I wouldn't, your Honor. I've gone
17 over extensively this part of the plea process with
18 him. Mr. Staveley is more than capable of speaking for
19 himself. If he wants to speak to me, I'm here; but if
20 he indicates to the Court he doesn't need it, I trust
21 him.

22 THE DEFENDANT: I agree, your Honor. I agree
23 with what Mr. Vilker said.

24 THE COURT: All right. Do you understand that
25 you're admitting that those are the facts that the

1 Government would prove if this case were to go to
2 trial?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: And you're admitting to those facts?

5 THE DEFENDANT: Yes, your Honor.

6 THE COURT: Okay. How do you now plead to the
7 charges in the Indictment, Counts I and VII, guilty or
8 not guilty?

9 THE DEFENDANT: Guilty, your Honor.

10 THE COURT: Okay. It is the finding of the
11 Court in the case of the United States versus David
12 Staveley that the Defendant is fully competent and
13 capable of entering an informed plea and that he is
14 aware of the nature of the charges and the consequences
15 of the plea and that the plea of guilty is a knowing
16 and voluntary plea supported by an independent basis in
17 fact containing each of the essential elements of the
18 two charges. The plea is, therefore, accepted; and the
19 Defendant is now adjudged guilty of that offense.

20 Mr. Staveley, the Probation Department will be
21 interviewing you for a presentence report. Please
22 cooperate with them. You will have the opportunity to
23 go over that report before it is finalized. Do you
24 understand that?

25 THE DEFENDANT: Yes, your Honor. Thank you.

1 THE COURT: Okay. Sentencing is currently set
2 for August 2nd at 10 a.m., and I believe Mr. Knight
3 requested that that be in person. So we will schedule
4 that as an in-person sentencing. Is there anything
5 else?

6 MR. KNIGHT: I do have one housekeeping issue of
7 a sensitive nature, but I do want to mention it to you
8 with Mr. Vilker. I don't know -- we're in a public
9 forum here. Is there a possibility that we could
10 sidebar?

11 THE COURT: Yes. Off the record or on the
12 record, Mr. Knight?

13 MR. KNIGHT: Off the record would be great.

14 THE COURT: So, Karen, thank you. We won't need
15 you.

16 (Discussion held off the record)

17 (Adjourned)

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C E R T I F I C A T I O N

I, Karen M. Wischnowsky, RPR-RMR-CRR, do
hereby certify that the foregoing pages are a true and
accurate transcription of my stenographic notes in the
above-entitled case.

January 25, 2022

Date

/s/ Karen M. Wischnowsky

Karen M. Wischnowsky, RPR-RMR-CRR
Federal Official Court Reporter