

ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - X
:
UNITED STATES OF AMERICA :
:
- v. - :
:
WILLIAM DAVIS, :
:
Defendant. :
:
- - - - - X

INDICTMENT

15 Cr. 700

COUNT ONE
(Wire Fraud)

The Grand Jury charges:

Background

1. At all times relevant to this Indictment:

a. The American Federation of Government Employees ("AFGE") was a national labor union that represents approximately 670,000 workers employed by the federal government across all agencies and departments.

b. AFGE Local 1119 (the "Union") was a local union chapter of AFGE. The Union represented approximately 300 employees of the Department of Veterans' Affairs Medical Center-Montrose (the "Hospital"), and maintained its offices on the Hospital campus in Montrose, New York.

c. WILLIAM DAVIS, the defendant, was president of the Union. In accordance with the Union's Constitution and Bylaws, it was DAVIS's duty as president to preside over the

Union's meetings and conduct the day-to-day affairs of the Union.

d. The Union maintained a checking account (the "Union Bank Account") for Union funds. Union members' dues payments were deposited directly into the Union Bank Account. While WILLIAM DAVIS, the defendant, was the president of the Union, DAVIS was a signatory for the Union Bank Account. DAVIS was issued a debit card in his name for the Union Bank Account.

The Scheme

2. From in or about January 2008 up to and including in or about October 2012, WILLIAM DAVIS, the defendant, perpetrated a scheme to defraud the Union by using the Union's funds for his own benefit. In furtherance of the scheme, DAVIS used a debit card for the Union Bank Account (the "Debit Card") issued to a deceased former Union officer to make numerous charges and cash withdrawals for his own benefit and without the authorization of the Union. To further his fraudulent scheme, DAVIS made false statements and material omissions regarding Union finances and recordkeeping in annual reports filed with the United States Department of Labor (the "DOL"), and in an interview with a DOL representative.

3. From at least in or about January 2008 up to and including in or about June 2012, WILLIAM DAVIS, the defendant, used the Debit Card to make hundreds of unauthorized debit card

charges for non-Union expenses from vendors located in the Southern District of New York and elsewhere. For example, DAVIS used the Debit Card at stores and online retailers including Apple, Best Buy, Wal-Mart and Radio Shack. The items that DAVIS purchased using the Debit Card included, among others, various types of electronics, music downloads, video games, cellphones, men's clothing, gasoline, and cigarettes. DAVIS also used the Debit Card to purchase money orders totaling at least \$30,000 from the United States Post Office in Montrose, New York, and cash-back transactions from an A&P in Croton, New York. On several occasions, DAVIS paid rent for his residence using the money orders he purchased with the Debit Card.

4. WILLIAM DAVIS, the defendant, also used the Debit Card to make over 900 cash withdrawals from ATM machines in the Southern District of New York and elsewhere, in the process incurring thousands of dollars of ATM fees and fees for insufficient funds.

5. From in or about January 2008 through in or about June 2012, the unauthorized purchases and cash withdrawals that WILLIAM DAVIS, the defendant, made with the Debit Card totaled in excess of \$120,000.

6. In order to conceal his misuse and theft of Union funds, DAVIS also made false statements and omissions in annual DOL "LM-3" reports for the fiscal years 2008, 2009, 2010, and

2011 (the "LM-3 Reports"). In the LM-3 Reports, which DAVIS signed, DAVIS reported receiving only a total of only \$7,000 in allowances and disbursements as president.

Statutory Allegations

7. From in or about January 2008 through in or about June 2012, in the Southern District of New York and elsewhere, WILLIAM DAVIS, the defendant, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire communications in interstate commerce, writings, signs, signals, pictures, and sounds, to wit, for the purpose of executing a scheme to defraud the Union and its members of Union funds, DAVIS caused the transmission of interstate wire communications relating to the transfer of Union funds.

(Title 18, United States Code, Section 1343 and 2.)

COUNT TWO

(False Statements)

The Grand Jury further charges:

8. The allegations set forth in paragraphs 1 through 6 are repeated and re-alleged as if set forth fully herein.

9. On or about June 16, 2011, in the Southern District of New York and elsewhere, in a matter within the jurisdiction of

the executive branch of the Government of the United States, WILLIAM DAVIS, the defendant, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations, and made or used a false writing or document knowing the same to contain materially false, fictitious, or fraudulent statements or entries, to wit, DAVIS signed and filed a false LM-3 annual report in which he underreported the amount of allowances and expenses that DAVIS incurred as president of the Union, and which report was filed with the United States Department of Labor.

(Title 18, United States Code, Section 1001(a).)

COUNT THREE
(False Statements)

The Grand Jury further charges:

10. The allegations set forth in paragraphs 1 through 6 are repeated and re-alleged as if set forth fully herein.

11. On or about April 16, 2012, in the Southern District of New York and elsewhere, in a matter within the jurisdiction of the executive branch of the Government of the United States, WILLIAM DAVIS, the defendant, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations, and made or used a false writing or document knowing the same to contain materially false, fictitious, or fraudulent statements or entries, to wit, DAVIS signed and filed

a false LM-3 annual report in which he underreported the amount of allowances and expenses that DAVIS incurred as president of the Union, and which report was filed with the United States Department of Labor.

(Title 18, United States Code, Section 1001(a).)



FOREPERSON

Preet Bharara
PREET BHARARA
United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -


WILLIAM DAVIS,

Defendant.

INDICTMENT

15 Cr.

(18 U.S.C. §§ 1343, 1001.)

 PREET BHARARA
Foreperson. United States Attorney.
