

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF KENTUCKY
AT BOWLING GREEN

FILED
DISTRICT COURT CLERK
WESTERN DISTRICT OF KY
2017 NOV 15 PM 12:21

UNITED STATES OF AMERICA

v.

DANNY P. BUTLER

INDICTMENT

NO.

1:17CR-36-GNS

18 U.S.C. § 981

18 U.S.C. § 1343

28 U.S.C. § 2461

The Grand Jury charges:

COUNTS 1 - 5

(Wire Fraud)

From in or about August 2009 through October 2016, in the Western District of Kentucky, Green County, Kentucky, and elsewhere, **DANNY P. BUTLER**, the defendant, devised a scheme to obtain money by means of false or fraudulent pretenses, representations, or promises from clients of his legal practice, and for the purpose of executing said scheme, did knowingly transmit and cause to be transmitted wire communications in interstate commerce, to wit:

The Scheme

1. At all times relevant, **DANNY P. BUTLER** was an attorney licensed with the Kentucky Bar Association who was authorized to practice law in the Commonwealth of Kentucky. He operated a general legal practice in Greensburg, Kentucky, and he provided clients with a broad range of legal services, including probate, general civil, and government benefits.

2. At all times relevant, **DANNY P. BUTLER** maintained the following seven bank accounts ("Bank Accounts") that he used for both personal and business purposes;

- A. PBI Bank account #XX506;
- B. PBI Bank account #XX211;
- C. PBI Bank account XX341
- D. Forcht Bank account #XX954;
- E. Forcht Bank account #XX729;
- F. United Citizen's Bank account #XX201; and
- G. United Citizen's Bank account #XX601.

3. At all times, relevant, **DANNY P. BUTLER** used the Bank Accounts for both his personal and business banking. He routinely used the Bank Accounts to commingle client funds. While commingling funds he would often misappropriate funds from one client to distribute funds to other, unrelated clients. He also used client funds from the Bank accounts to make cash withdrawals and pay personal expenses. In addition, he transferred client funds from business bank accounts to his personal bank accounts.

4. At all times relevant, **DANNY P. BUTLER** used client funds maintained in the Bank Accounts to pay for his gambling expenses. For the following years, he incurred personal gambling losses that he paid for, in large part, by the misappropriation of client funds:

- A. Gambling losses of \$102,323 in 2009;
- B. Gambling losses of \$199,057 in 2010;
- C. Gambling losses of \$512,562 in 2011;
- D. Gambling losses of \$438,947 in 2012;
- E. Gambling losses of \$342,211 in 2012;
- F. Gambling losses of \$53,513 in 2013;

G. Gambling losses of \$89,365 in 2014; and

H. Gambling losses of \$47,370 in 2015.

5. At all times relevant, **DANNY P. BUTLER** misappropriated client funds, including, but not limited to, from the following clients:

- A. Approximately \$148,106 from the estate of L.A.;
- B. Approximately \$29,987.07 from the estate of L.P.;
- C. Approximately \$401,500 from the representation of B.M.;
- D. Approximately \$50,000 from the representation of D.M.;
- E. Approximately \$50,000 from the estate of D.B.;
- F. Approximately \$90,000 from the representation of J.R.B.;
- G. Approximately \$90,000 from the estate of E.U.;
- H. Approximately \$25,000 from the estate of E.M.;
- I. Approximately \$59,000 from the representation of J.W.S.;
- J. Approximately \$25,000 for the representation of E.S.; and
- K. Approximately \$125,000 from the estate of L.P.M.

The Wires

6. In the course of and for the purpose of executing the scheme detailed above,

DANNY P. BUTLER caused the following interstate wire transmissions:

<u>Ct</u>	<u>Date</u>	<u>Interstate Wire Transmission</u>
1	6/18/13	DANNY P. BUTLER deposited \$58,000 into PBI account #XX506, which caused an interstate wire communication from Glasgow, Kentucky, to Georgia.
2.	6/18/13	DANNY P. BUTLER deposited a \$350,000 check into United Citizen's Bank accounts #XXX201 and #XX601, which caused an interstate wire communication from Union Citizen's Bank in Campbellsville, Kentucky, to Georgia.

3. 9/23/15 **DANNY P. BUTLER** deposited a \$29,479.59 check into Forcht Bank account #XX954, which caused an interstate wire communication from Campbellsville, Kentucky to Georgia
4. 12/17/14 **DANNY P. BUTLER** negotiated a \$25,000 check by depositing \$15,000 into Forcht Bank account #XXX54 and receiving \$10,000 in cash, which caused an interstate wire communication from Campbellsville, Kentucky, to Georgia.
5. 10/30/15 **DANNY P. BUTLER** deposited a \$59,000 check into Forcht Bank account XXX29, which caused an interstate wire communication from Campbellsville, Kentucky, to Georgia.

In violation of Title 18, United States Code, Section 1343.

FORFEITURE NOTICE

If convicted of any violation of Title 18, United States Code, Section 1343, as alleged in this Indictment, defendant shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds obtained therefrom, directly or indirectly.

Pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461.

REDACTED



RUSSELL M. COLEMAN
UNITED STATES ATTORNEY

RMC:BRC: 11/8/2017

UNITED STATES OF AMERICA v. **DANNY P. BUTLER**.

PENALTIES

Counts 1-5: NM 20 yrs./\$250,000 /both/NM 3 yrs. Supervised Release (each count)
Forfeiture

NOTICE

ANY PERSON CONVICTED OF AN OFFENSE AGAINST THE UNITED STATES SHALL BE SUBJECT TO SPECIAL ASSESSMENTS, FINES, RESTITUTION & COSTS.

SPECIAL ASSESSMENTS

18 U.S.C. § 3013 requires that a special assessment shall be imposed for each count of a conviction of offenses committed after November 11, 1984, as follows:

Misdemeanor:	\$ 25 per count/individual	Felony:	\$100 per count/individual
	\$125 per count/other		\$400 per count/other

FINES

In addition to any of the above assessments, you may also be sentenced to pay a fine. Such fine is due immediately unless the court issues an order requiring payment by a date certain or sets out an installment schedule. You shall provide the United States Attorney's Office with a current mailing address for the entire period that any part of the fine remains unpaid, or you may be held in contempt of court. 18 U.S.C. § 3571, 3572, 3611, 3612

Failure to pay fine as ordered may subject you to the following:

1. **INTEREST** and **PENALTIES** as applicable by law according to last date of offense.

For offenses occurring after December 12, 1987:

No **INTEREST** will accrue on fines under \$2,500.00.

INTEREST will accrue according to the Federal Civil Post-Judgment Interest Rate in effect at the time of sentencing. This rate changes monthly. Interest accrues from the first business day following the two week period after the date a fine is imposed.

PENALTIES of:

10% of fine balance if payment more than 30 days late.

15% of fine balance if payment more than 90 days late.

2. Recordation of a **LIEN** shall have the same force and effect as a tax lien.
3. Continuous **GARNISHMENT** may apply until your fine is paid.

18 U.S.C. §§ 3612, 3613

If you **WILLFULLY** refuse to pay your fine, you shall be subject to an **ADDITIONAL FINE** of not more than the greater of \$10,000 or twice the unpaid balance of the fine; or **IMPRISONMENT** for not more than 1 year or both. 18 U.S.C. § 3615

RESTITUTION

If you are convicted of an offense under Title 18, U.S.C., or under certain air piracy offenses, you may also be ordered to make restitution to any victim of the offense, in addition to, or in lieu of any other penalty authorized by law. 18 U.S.C. § 3663

APPEAL

If you appeal your conviction and the sentence to pay your fine is stayed pending appeal, the court shall require:

1. That you deposit the entire fine amount (or the amount due under an installment schedule during the time of your appeal) in an escrow account with the U.S. District Court Clerk, or
2. Give bond for payment thereof.

18 U.S.C. § 3572(g)

PAYMENTS

If you are ordered to make payments to the U.S. District Court Clerk's Office, certified checks or money orders should be made payable to the Clerk, U.S. District Court and delivered to the appropriate division office listed below:

LOUISVILLE: Clerk, U.S. District Court
106 Gene Snyder U.S. Courthouse
601 West Broadway
Louisville, KY 40202
502/625-3500

BOWLING GREEN: Clerk, U.S. District Court
120 Federal Building
241 East Main Street
Bowling Green, KY 42101
270/393-2500

OWENSBORO: Clerk, U.S. District Court
126 Federal Building
423 Frederica
Owensboro, KY 42301
270/689-4400

PADUCAH: Clerk, U.S. District Court
127 Federal Building
501 Broadway
Paducah, KY 42001
270/415-6400

If the court finds that you have the present ability to pay, an order may direct imprisonment until payment is made.

FILED
DISTRICT COURT CLERK
WESTERN DISTRICT

FORM DBD-34
JUN.85

No. **1:17CR-36-GNS**

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UNITED STATES DISTRICT COURT

Western District of Kentucky
Bowling Green

THE UNITED STATES OF AMERICA

vs.

DANNY BUTLER

INDICTMENT

**Title 18 U.S.C. § 1343:
Five counts of Wire Fraud.**

A true bill.

REDACTED

Filed in open court this 15th day of November, 2017.

Clerk

Bail, \$