



Department of Justice

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FOR IMMEDIATE RELEASE
THURSDAY, October 13, 2022
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Former Owner and Chief Financial Officer of Perry County Business Convicted of Wire Fraud and Money Laundering Charges

LEXINGTON, Ky.- The owner and chief financial officer of a former business in Perry County were both convicted on Thursday, by a federal jury in Lexington, of conspiracy to commit wire fraud, multiple counts of wire fraud, and conspiracy to commit money laundering.

Following a six-day trial, the jury convicted 53-year-old Douglas William Vance of Richlands, Virginia, and 59-year-old Molly Irene McKinnon of Acworth, Georgia, of four counts of wire fraud, one count of conspiracy to commit wire fraud, and one count of money laundering.

According to evidence at trial, from August 2016 through December 2018, Vance and McKinnon used falsified bank statements, financial reports, purchase orders, sales and production figures, and other fabrications, to convince different investors that each owned a controlling stake in a company called “Nex-Gen.” The company purported to produce “calcined coal” and other carbon-based products, in Chavies, Kentucky. The false and fabricated documents also convinced two companies to lend money to Nex-Gen, and it concealed the fact that Vance and McKinnon were misappropriating both investor and lender funds. The evidence presented at trial established that Vance and McKinnon worked together to defraud multiple investors and lenders out of more than \$2 million.

Vance and McKinnon were indicted in June 2020.

Carlton S. Shier, IV, United States Attorney for the Eastern District of Kentucky, and Jodi Cohen, Special Agent in Charge, FBI, Louisville Field Office, jointly announced the jury’s verdict.

The investigation was conducted by the FBI. The United States was represented in the case by Assistant U.S. Attorneys Gregory Rosenburg and James Chapman.

Vance and McKinnon will appear for sentencing on February 3, 2023. They face a maximum of 20 years in prison for each of the counts of conviction, plus any applicable

restitution. However, the Court must consider the U.S. Sentencing Guidelines and the applicable federal sentencing statutes before imposing a sentence.

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