

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND**

**UNITED STATES OF AMERICA**

**v.**

**SEAN AUDE GALLMAN, and  
ERIC MAURICE GALLMAN,**

**Defendants**

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**CRIMINAL NO. PWG-14-292**

**(Conspiracy to Commit Mail and Wire  
Fraud, 18 U.S.C. § 1349; Aggravated  
Identity Theft, 18 U.S.C. § 1028A; Mail  
Fraud, 18 U.S.C. § 1341; Money  
Laundering Conspiracy, 18 U.S.C.  
§ 1956(h); Money Laundering, 18  
U.S.C. § 1956; Aiding and Abetting, 18  
U.S.C. § 2; Forfeiture, 18 U.S.C.  
§§ 981(a)(1)(C) and 982(a)(1), 21  
U.S.C. § 853, and 28 U.S.C. § 2461(c))**

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**SUPERSEDING INDICTMENT**

**COUNT ONE**

**(Mail and Wire Fraud Conspiracy)**

The Grand Jury for the District of Maryland charges that:

**Introduction**

1. **SEAN AUDE GALLMAN** (“**SEAN GALLMAN**”) was a resident of Upper Marlboro, Maryland.
2. **ERIC MAURICE GALLMAN** (“**ERIC GALLMAN**”) was a resident of Huntersville, North Carolina.
3. **SEAN GALLMAN** and **ERIC GALLMAN** were brothers.
4. The Internal Revenue Service (“**IRS**”) was an agency of the United States Department of the Treasury responsible for administering and enforcing the tax laws of the United States of America.

## The Conspiracy

5. From on or about January 1, 2012, through on or about June 16, 2014, in the District of Maryland and elsewhere, the defendants,

**SEAN AUDE GALLMAN, and  
ERIC MAURICE GALLMAN,**

did knowingly and willfully combine, conspire, confederate, and agree with each other and other persons, known and unknown to the Grand Jury, to knowingly devise a scheme and artifice to defraud the IRS, and to obtain money and property from the IRS, by means of materially false and fraudulent pretenses, representations, and promises (“the scheme to defraud”), and for the purpose of executing and attempting to execute the scheme to defraud did cause to be delivered by the Postal Service and by private and commercial interstate carrier according to the direction thereon any matter or thing, in violation of 18 U.S.C. § 1341, and did knowingly and willfully transmit and cause to be transmitted by means of wire communication, in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, in violation of 18 U.S.C. § 1343.

### Manner and Means of the Conspiracy and Scheme to Defraud

6. It was part of the conspiracy and scheme to defraud that **SEAN GALLMAN** and **ERIC GALLMAN** established certain trusts and business entities, including Gallman Charitable Trust and LEA Group Holdings Trust (“the Trusts”).

7. It was further part of the conspiracy and scheme to defraud that **SEAN GALLMAN** and **ERIC GALLMAN** established Employer Identification Numbers (“EINs”) with the IRS for the Trusts.

8. It was further part of the conspiracy and scheme to defraud that **ERIC GALLMAN** established with the IRS a Preparer Tax Identification Number (“PTIN”).

9. It was further part of the conspiracy and scheme to defraud that **SEAN GALLMAN** and **ERIC GALLMAN** established bank accounts in the names of the Trusts.

10. It was further part of the conspiracy and scheme to defraud that **SEAN GALLMAN** and **ERIC GALLMAN** established as the addresses for the Trusts mailboxes at numerous private commercial postal carrier stores throughout Maryland and North Carolina.

11. It was further part of the conspiracy and scheme to defraud that **SEAN GALLMAN** and **ERIC GALLMAN**, acting as the trustees and agents for the Trusts, mailed to the IRS false and fraudulent tax returns in the names of the Trusts that fraudulently requested refunds.

12. It was further part of the conspiracy and scheme to defraud that **SEAN GALLMAN** and **ERIC GALLMAN**, after receiving two refund checks by mail from the IRS, deposited those refund checks in bank accounts they controlled.

13. It was further part of the conspiracy and scheme to defraud that **SEAN GALLMAN** and **ERIC GALLMAN**, acting as the trustees and agents for the Trusts, filed electronically with the IRS false and fraudulent tax returns in the names of the Trusts that fraudulently requested refunds.

#### Overt Acts

14. In furtherance of the conspiracy, and to effect the objects thereof, the defendants, **SEAN GALLMAN** and **ERIC GALLMAN**, and others known and unknown to the Grand Jury committed and caused to be committed the following acts, among others, in the District of Maryland and elsewhere:

a. On or about May 1, 2012, **SEAN GALLMAN** signed the Gallman Charitable Trust Irrevocable Trust Agreement as trustee.

- b. On or about May 1, 2012, **ERIC GALLMAN** signed the Gallman Charitable Trust Irrevocable Trust Agreement as a witness.
- c. On or about January 4, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of the Gallman Charitable Trust requesting a refund of \$8,218,930.
- d. On or about January 4, 2013, **SEAN GALLMAN** and **ERIC GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of the LEA Group Holdings Trust requesting a refund of \$8,293,562.
- e. On or about January 4, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of the Phoenix Holdings Trust requesting a refund of \$10,928,820.
- f. On or about January 22, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of the Horizon Consulting Trust requesting a refund of \$19,024,967.
- g. On or about February 4, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of the JBG Holdings Trust requesting a refund of \$21,122,346.
- h. On or about February 5, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of Gallman Family Trust requesting a refund of \$19,080,538.
- i. On or about February 5, 2013, **SEAN GALLMAN** caused the IRS to issue a tax refund to the Gallman Charitable Trust for the 2012 tax year in the amount of \$8,218,930, to which the Gallman Charitable Trust was not entitled.

- j. On or about February 6, 2013, **SEAN GALLMAN** and **ERIC GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of the E M Gallman Family Trust requesting a refund of \$20,118,415.
- k. On or about February 15, 2013, **SEAN GALLMAN** opened PNC Bank account ending in 3003 in the name of Gallman Charitable Trust.
- l. On or about February 15, 2013, after having received a refund check in the amount of \$8,218,930, based on the false and fraudulent 2012 tax return in the name of Gallman Charitable Trust, **SEAN GALLMAN** deposited and caused to be deposited the refund check into PNC Bank account ending in 3003.
- m. On or about February 26, 2013, **ERIC GALLMAN** caused the IRS to issue a tax refund to the LEA Group Holdings Trust for the 2012 tax year in the amount of \$8,293,562, to which the LEA Group Holdings Trust was not entitled.
- n. On or about March 5, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of Robinson Family Trust requesting a refund of \$3,837,233.
- o. On or about March 6, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of Madison and Park Group Trust requesting a refund of \$8,218,930.
- p. On or about March 11, 2013, **ERIC GALLMAN** opened Fifth Third Bank account ending in 3039 in the name of LEA Group Holdings Trust.
- q. On or about March 11, 2013, after having received a refund check in the amount of \$8,293,562, based on the false and fraudulent 2012 tax return in the name of LEA

Group Holdings Trust, **ERIC GALLMAN** deposited and caused to be deposited the refund check into Fifth Third Bank account ending in 3039.

r. On or about April 15, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of KA Consulting Group Trust that reported taxable income of negative \$27,560,893 but failed to report any tax due or amount to be refunded.

s. On or about April 15, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of S&K Enterprises Trust that reported taxable income of negative \$399,998,832 but failed to report any tax due or amount to be refunded.

t. On or about November 25, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of the AC Holdings Trust requesting a refund of \$19,673,224.

u. On or about December 19, 2013, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of Gallman Family Trust requesting a refund of \$10,372,050.

v. On or about January 3, 2014, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2013 tax return in the name of the Stein Financial requesting a refund of \$4,941,160.

w. On or about January 6, 2014, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2013 tax return in the name of the JBG Holdings Trust requesting a refund of \$7,126,198.

x. On or about January 6, 2014, **SEAN GALLMAN** and **ERIC GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2013 tax return in the name of the PSU Charitable Trust requesting a refund of \$4,448,696.

y. On or about January 9, 2014, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2013 tax return in the name of the Leef Group requesting a refund of \$1,596,168.

z. On or about January 27, 2014, **SEAN GALLMAN** and **ERIC GALLMAN** caused to be filed electronically with the IRS a false and fraudulent 2013 tax return in the name of the Sports Marketing Group Trust requesting a refund of \$869,456.

aa. On or about January 28, 2014, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of the JBG Holdings Trust requesting a refund of \$2,423,322.

bb. On or about January 29, 2014, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2012 tax return in the name of the JBG Holdings Trust requesting a refund of \$2,423,322.

cc. On or about February 10, 2014, **SEAN GALLMAN** and **ERIC GALLMAN** caused to be filed electronically with the IRS a false and fraudulent 2013 tax return in the name of the Autumn Management Trust requesting a refund of \$966,014.

dd. On or about February 11, 2014, **SEAN GALLMAN** caused to be filed electronically with the IRS a false and fraudulent 2013 tax return in the name of the Mill Investments requesting a refund of \$797,025.

ee. On or about February 11, 2014, **SEAN GALLMAN** and **ERIC GALLMAN** caused to be filed electronically with the IRS a false and fraudulent 2013 tax return in the name of the New Beginnings Real Estate Trust requesting a refund of \$836,511.

ff. On or about February 14, 2014, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2013 tax return in the name of the Phoenix Holdings Trust requesting a refund of \$7,131,600.

gg. On or about February 19, 2014, **SEAN GALLMAN** and **ERIC GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2013 tax return in the name of The Oasis Group Trust requesting a refund of \$6,969,368.

hh. On or about February 27, 2014, **SEAN GALLMAN** and **ERIC GALLMAN** caused to be filed electronically with the IRS a false and fraudulent 2013 tax return in the name of the E M Gallman Family Trust requesting a refund of \$979,650.

ii. On or about March 16, 2014, **SEAN GALLMAN** caused to be filed electronically with the IRS a false and fraudulent 2013 tax return in the name of the AC Holdings Trust requesting a refund of \$192,780.

jj. On or about March 16, 2014, **SEAN GALLMAN** and **ERIC GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2013 tax return in the name of the LEA Group Holdings Trust requesting a refund of \$6,903,279.

kk. On or about March 16, 2014, **ERIC GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2013 tax return in the name of Blue Ocean Capital requesting a refund of \$275,548.

ii. On or about March 23, 2014, **SEAN GALLMAN** mailed and caused to be mailed to the IRS a false and fraudulent 2013 tax return in the name of the Gallman Charitable Trust requesting a refund of \$7,202,792.

18 U.S.C. § 1349

**COUNT TWO**  
**(Aggravated Identity Theft)**

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 4 and 6 through 14 of Count One are incorporated here.
2. On or about March 5, 2013, in the District of Maryland and elsewhere, the

defendant,

**SEAN AUDE GALLMAN,**

did knowingly transfer, possess, and use, without lawful authority, a means of identification of another person, during and in relation to a felony violation, to wit, the defendant did transfer, possess, and use, without lawful authority, the name of Individual C, during and in relation to a mail fraud conspiracy, in violation of Title 18, United States Code, Section 1349, as charged in Count One of this Superseding Indictment and incorporated here, when the defendant mailed and caused to be mailed to the IRS a false and fraudulent U.S. Income Tax Return for Estates and Trusts, Form 1041, for the Robinson Family Trust for the tax year 2012 that contained the name of Individual C and requested a refund of \$3,837,233.

18 U.S.C. § 1028A

18 U.S.C. § 2

**COUNT THREE**  
**(Mail Fraud)**

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 4 and 6 through 14 of Count One are incorporated here.

**The Scheme to Defraud**

2. From on or about January 1, 2012, through on or about June 16, 2014, in the District of Maryland and elsewhere, **SEAN GALLMAN** and **ERIC GALLMAN** knowingly and willfully devised and intended to devise a scheme and artifice to defraud the IRS, and to obtain money and property from the IRS, by means of materially false and fraudulent pretenses, representations, and promises, with intent to defraud and knowledge of the scheme's fraudulent nature ("the scheme to defraud").

**The Charge**

3. On or about January 4, 2013, in the District of Maryland and elsewhere, the defendant,

**SEAN AUDE GALLMAN,**

for the purpose of executing and attempting to execute the scheme to defraud, did knowingly cause to be delivered by mail and by private and commercial interstate carrier any matter or thing, namely, a U.S. Income Tax Return for Estates and Trusts, Form 1041, for the Gallman Charitable Trust for the tax year 2012 that requested a refund of \$8,218,930.

18 U.S.C. § 1341

18 U.S.C. § 2

**COUNT FOUR**  
**(Mail Fraud)**

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 4 and 6 through 14 of Count One, and Paragraph 2 of Count Two, are incorporated here.

**The Charge**

2. On or about January 4, 2013, in the District of Maryland and elsewhere, the defendants,

**SEAN AUDE GALLMAN, and**  
**ERIC MAURICE GALLMAN,**

for the purpose of executing and attempting to execute the scheme to defraud, did knowingly cause to be delivered by mail and by private and commercial interstate carrier any matter or thing, namely, a U.S. Income Tax Return for Estates and Trusts, Form 1041, for the LEA Group Holdings Trust for the tax year 2012 that requested a refund of \$8,293,562.

18 U.S.C. § 1341  
18 U.S.C. § 2

**COUNT FIVE**  
**(Money Laundering Conspiracy)**

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 4 and 6 through 14 of Count One are incorporated here.

**The Conspiracy**

2. From on or about January 1, 2012 through on or about June 16, 2014, in the District of Maryland and elsewhere, the defendants,

**SEAN AUDE GALLMAN, and  
ERIC MAURICE GALLMAN,**

did knowingly combine, conspire, and agree with each other, and others known and unknown to the Grand Jury, to conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce, which involved the proceeds of a specified unlawful activity—to wit, mail fraud in violation of 18 U.S.C. § 1341 and wire fraud in violation of 18 U.S.C. § 1343—while knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity and:

- a. with the intent to promote the carrying on of specified unlawful activity, in violation of 18 U.S.C. § 1956(a)(1)(A)(i); and
- b. knowing that the transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity, in violation of 18 U.S.C. § 1956(a)(1)(B)(i).

**Manner and Means**

3. It was part of the conspiracy that the defendants created and used shell companies and trusts to hold and hide assets, conduct financial transactions, title real property and vehicles, convert assets, hide true ownership, and disguise the nature, source, and control of those assets.

4. It was further part of the conspiracy that defendants purchased and used financial instruments, including but not limited to cashier's checks, and transferred funds to third parties and among accounts at financial institutions to promote mail fraud, mail fraud conspiracy, wire fraud, and other criminal conduct, and to hide true ownership and disguise the nature, source, and control of those assets.

5. It was further part of the conspiracy that **ERIC GALLMAN** transferred funds from Fifth Third Bank account ending in 3039 in the name of LEA Group Holdings Trust to SunTrust bank account ending in 3130 in the name of The Oasis Group Trust and controlled by **SEAN GALLMAN**, to promote mail fraud, mail fraud conspiracy, wire fraud, and other criminal conduct, and to hide true ownership and disguise the nature, source, and control of those assets.

18 U.S.C. § 1956(h)

**COUNT SIX**  
**(Money Laundering)**

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 4 and 6 through 14 of Count One are incorporated here.
2. On or about December 27, 2013, in the District of Maryland and elsewhere, the

defendant,

**SEAN AUDE GALLMAN,**

did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce, that is, the defendant sent and caused to be sent a wire transfer from PNC Bank totaling approximately \$623,815.55 to the Bank of America account of a company in Maryland for the purchase of real property located at 4303 Henley Court, Upper Marlboro, Maryland, which in fact involved the proceeds of specified unlawful activity, that is, mail fraud in violation of 18 U.S.C. § 1341, knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity and that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity.

18 U.S.C. § 1956(a)(1)(B)(i)

## **FORFEITURE ALLEGATION**

The Grand Jury for the District of Maryland further finds that:

1. Pursuant to Fed. R. Crim. P. 32.2, notice is hereby given to the defendant that the United States will seek forfeiture as part of any sentence in accordance with 18 U.S.C. §§ 981 and 982, 21 U.S.C. § 853, and 28 U.S.C. § 2461(c), in the event of the defendants' conviction on Counts One, Three, Four, Five, and Six of this Superseding Indictment.

### **Mail and Wire Fraud Forfeiture**

2. As a result of the offense set forth in Counts One, Three, and Four, the defendants,

**SEAN AUDE GALLMAN, and  
ERIC MAURICE GALLMAN,**

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C), any property, real or personal, which constitutes or is derived from proceeds traceable to such violation. The property to be forfeited includes, but is not limited to, the following:

- a. \$8,218,930 in U.S. currency, representing the amount of tax refund paid to Gallman Charitable Trust;
- b. \$8,293,562 in U.S. currency, representing the amount of tax refund paid to LEA Group Holdings Trust;
- c. \$578,442.06 in U.S. currency, representing the amount seized from PNC Bank account ending in 3003;
- d. \$4,307,383.36 in U.S. currency, representing the amount seized from PNC Bank account ending in 5445;
- e. \$2,163,128.54 in U.S. currency, representing the amount seized from Fifth Third Bank accounts;

- f. \$974,081.13 in U.S. currency, representing the amount seized from Fifth Third Bank accounts;
- g. \$3,461,601.89 in U.S. currency, representing the amount seized from Fifth Third Bank accounts;
- h. \$14,751.36 in U.S. currency, representing the amount seized from SunTrust bank account ending in 3130;
- i. \$3,249.97 in U.S. currency, representing the amount seized from SunTrust bank account ending in 0604;
- j. \$4,425.91 in U.S. currency, representing the amount seized from SunTrust bank account ending in 8939;
- k. \$7,253.69 in U.S. currency, representing the amount seized from Wells Fargo bank account ending in 3943;
- l. \$1,828.76 in U.S. currency, representing the amount seized from Wells Fargo bank account ending in 3968;
- m. \$111.00 in U.S. currency, representing the amount seized from Wells Fargo bank account ending in 6022;
- n. \$13,700 in U.S. currency, representing the amount seized from 13913 Edsall Street, Upper Marlboro, Maryland on April 17, 2014;
- o. Foreign currency, including Iraqi dinar and Vietnamese currency, seized from 13913 Edsall Street, Upper Marlboro, Maryland on April 17, 2014;
- p. Various gold and silver coins seized from 13913 Edsall Street, Upper Marlboro, Maryland on April 17, 2014;

- q. Real property located at 4303 Henley Court, Upper Marlboro, Maryland 20770;
- r. Real property located at 14017 Justin Way, Unit 22-F, Laurel, Maryland 20707;
- s. Real property located at 610 Milligan Street, Newberry, South Carolina 29108;
- t. Real property located at 1306 Whitener Road, Newberry, South Carolina 29108;
- u. Real property located at 10407 Bevin Court, Huntersville, North Carolina 28078;
- v. Real property located at 6610 Cedar Cliff Drive, Charlotte, North Carolina 28216;
- w. Real property in the form of an apartment complex located at 300 Ardale Drive, High Point, North Carolina;
- x. Real property in the form of an apartment complex located at 302 Ardale Drive, High Point, North Carolina;
- y. Real property in the form of an apartment complex located at 304 Ardale Drive, High Point, North Carolina;
- z. 2013 Mercedes-Benz GL450 (VIN: 4JGDF7CE1DA259740);
- aa. 2013 Mercedes-Benz S550 (VIN: WDDNG9EB8DA526947); and
- bb. 2013 Hyundai Azera (VIN: KMHFH4JG9DA243775).

### **Money Laundering Forfeiture**

3. As a result of the offenses set forth in Counts Five and Six, the defendants,

**SEAN AUDE GALLMAN, and  
ERIC MAURICE GALLMAN,**

shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(1), any property, real and personal, involved in such offense, or any property traceable to such property. The property to be forfeited includes, but is not limited to, the property identified in Paragraph 2 of this Forfeiture Allegation.

### **Substitute Assets**

4. If, as a result of any act or omission of the defendant, any such property subject to forfeiture:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States of America, pursuant to 21 U.S.C. § 853(p), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property.

18 U.S.C. § 981  
18 U.S.C. § 982  
21 U.S.C. § 853  
28 U.S.C. § 2461(c)

A TRUE BILL:

\_\_\_\_\_  
Foreperson

\_\_\_\_\_  
Rod J. Rosenstein  
United States Attorney

Date: February 23, 2015