

FILED

AUG 22 2018

THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURT

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

v.

THOMAS GILLONS

No.

18CR 514

Violation: Title 18, United States Code
Section 1343

JUDGE FEINERMAN

MAGISTRATE JUDGE FINNEGAN

The UNITED STATES ATTORNEY charges:

1. At times material to this Information:

a. Defendant THOMAS GILLONS held himself out as a financial and investment adviser.

b. Defendant GILLONS had a trading account in his own name at AMP Global Clearing, LLC, which was located in Chicago, Illinois. Defendant GILLONS traded commodity futures contracts in his AMP Global Clearing account.

c. Individuals who were defendant GILLONS' friends, that he knew from church, and clients from his employment invested money with defendant GILLONS ("investors") or loaned money to him ("lenders").

2. Beginning in or about no later than June 2009, and continuing until in or about at least November 2014, in the Northern District of Illinois, Eastern Division, and elsewhere,

THOMAS GILLONS,

defendant herein, devised, intended to devise, and participated in a scheme to defraud investors and lenders, and to obtain money and property from those investors and lenders

by means of materially false and fraudulent pretenses, representations, and promises, which scheme is further described below.

3. It was part of the scheme that defendant GILLONS knowingly made materially false representations to investors and lenders to fraudulently obtain and retain their money, including false representations about the risks involved in investing and lending money to defendant GILLONS, the expected and actual returns on investments and loans, the ways investor and lender funds would be used and were used, and defendant GILLONS' investment of his own funds.

4. It was further part of the scheme that, rather than use funds as he represented to investors and lenders, defendant GILLONS misappropriated investors' and lenders' funds to pay for his own personal and business expenses and to repay other investors and lenders in the form of Ponzi-type payments.

5. It was further part of the scheme that defendant GILLONS obtained funds from investors by falsely representing that he would and did use all of their funds solely for their benefit, which involved investing and trading funds on their behalf. In fact, defendant GILLONS intended to and did misappropriate most of the investors' funds, rather than investing or trading those funds for the investors.

6. It was further part of the scheme that defendant GILLONS falsely represented to certain investors that he would and did place all of their funds into a trading account, that he would and did combine investors' funds to make large trades, that he maintained sub-trading accounts for individual investors, and that all profits were automatically divided between the investors and credited to the investors' sub-accounts

based on the amount of their investments. Contrary to these representations, defendant GILLONS did not establish or maintain any sub-accounts or place all of the specified funds into a trading account.

7. It was further part of the scheme that defendant GILLONS falsely represented to investors that he would and did invest his own funds in the trading account in order to increase the size of the trades. In fact, defendant GILLONS did not invest any of his own funds.

8. It was further part of the scheme that defendant GILLONS falsely represented to investors and lenders that they would earn a substantial amount of money as profit or interest, with annual returns generally ranging from 7% to 14%, and that he would repay the full amount invested or loaned. In fact, defendant GILLONS knew that he would not, and could not, repay the funds that he received, and that there would be little or no money earned because defendant GILLONS intended to and did misappropriate most of the money he received.

9. It was further part of the scheme that defendant GILLONS made false representations to investors and lenders concerning the status of their funds and the way in which defendant GILLONS actually used their funds. Defendant GILLONS knowingly provided false information and false account statements to certain investors, which inflated the investors' profits. Defendant GILLONS also provided other documents, including emails and tax forms, in which he falsely represented that investors had made substantial profits. In fact, defendant GILLONS knew that investors had not earned any profits.

10. It was further part of the scheme that defendant GILLONS made false representations about the safety of investors' and lenders' funds, including that the funds would be and were safe, that investors would never lose their original investment, and that the funds were available to be withdrawn at any time. Defendant GILLONS knew that the funds were not safe, that he intended to and did misappropriate those funds for other purposes, and in certain instances that the funds were already gone when he made those statements.

11. It was further part of the scheme that defendant GILLONS misused and misappropriated money that belonged to investors and lenders for his own personal benefit, including for personal and business expenses such as office rent, home mortgage payments, insurance, car payments, and utilities.

12. It was further part of the scheme that, in order to further and conceal the scheme, defendant GILLONS misappropriated a portion of the investors' and lenders' funds to make Ponzi-type payments, namely, to make payments to other investors and lenders.

13. It was further part of the scheme that defendant GILLONS knowingly made false lulling statements to investors and lenders about him paying them back and about why he could not pay them back as requested. For example, defendant GILLONS falsely represented that he could not make payments because his accounts had been frozen. In fact, defendant GILLONS knew that he could not make payments because the investors' and lenders' funds were gone and he had no other funds with which to repay the money he owed.

14. It was further part of the scheme that defendant GILLONS misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden, the existence of the scheme, the purposes of the scheme, and acts done in furtherance of the scheme.

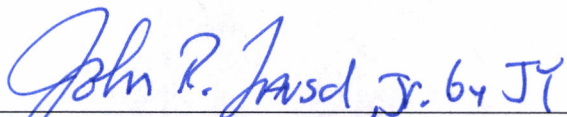
15. As a result of the scheme, defendant GILLONS caused losses to approximately 30 investors and lenders of at least approximately \$1 million.

16. On or about September 13, 2013, in the Northern District of Illinois, Eastern Division, and elsewhere,

THOMAS GILLONS,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, namely, a transfer of \$8,000 that defendant GILLONS misappropriated from two investors (Mi.Cav. and Re.Cav.), which funds were transferred from defendant GILLONS' trading account at AMP Global Clearing in Chicago, Illinois to defendant GILLONS' personal bank account in California by means of a book transfer credit processed in Delaware;

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


UNITED STATES ATTORNEY