

2. Defendant **YVETTE JOHNSON**, the wife of defendant **SHANNON JOHNSON**, was a resident of Corona, California and Laytonsville, Maryland. **YVETTE JOHNSON** opened bank accounts and conducted financial transactions using proceeds she and her husband obtained from business activities. **YVETTE JOHNSON** also assisted **SHANNON JOHNSON** in developing relationships with individuals who could help promote the defendants' alleged financing business and in making presentations to the investors.

3. **YBC & Associates, LLC**, owned and operated by **SHANNON JOHNSON** and **YVETTE JOHNSON**, was a limited liability company formed in Nevada in or about 2003.

4. **YBC & Associates, Inc.**, owned and operated by **SHANNON JOHNSON**, was incorporated in Delaware in or about May 1995.

5. **Grandstone Building Products, Inc.** ("Grandstone") was a corporation originally formed in Nevada by an individual known to the Grand Jury. **SHANNON JOHNSON** used Grandstone as a trade name to open bank accounts and also conducted business under the name "Grandstone Business Consultants, LLC."

6. **The Joseph Fund, Inc.** ("The Joseph Fund") was a corporation formed under the laws of Illinois. The Joseph Fund was a holding company charged with raising funds for international humanitarian and charitable ministries conducted by Church A, based in Forest Park, Illinois and operated by Individual WW. Based upon **SHANNON JOHNSON**'s representations that he would obtain substantial funds in furtherance of Church A's humanitarian mission, Individual WW appointed **SHANNON JOHNSON** to the Board of Directors for the Joseph Fund.

7. Individual CD operated Church B in Atlanta, Georgia.
8. SYBLC Development, LLC (“SYBLC”), was a Texas-based entity formed by **SHANNON JOHNSON** and **YVETTE JOHNSON** in or about February 2008.
9. Jastola Holdings, LP (“Jastola”), was a Texas-based entity formed in or about June 2009.
10. Northern and Western Insurance Company (“NWIC”), was an insurance company based in Nevis, West Indies, with its principal place of business in Stafford, Texas. NWIC provided insurance to clients in the aviation and marine industries and surety coverage for construction bonds.

The Conspiracy

11. Between in or about 2006 and in or about 2009, in the District of Maryland and elsewhere, the defendants,

**SHANNON JOHNSON, and
YVETTE JOHNSON,**

did knowingly and willfully conspire, combine, 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 investors, and to obtain money and property from the investors, 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,

- a. to transmit and cause to be transmitted by means of wire and radio communication in interstate and foreign commerce, writings, signs, signals, pictures and sounds, in violation of 18 U.S.C. § 1343;

- b. to knowingly deposit and cause to be deposited items to be sent and delivered by a commercial interstate carrier, in violation of 18 U.S.C. § 1341.

Manner and Means of the Conspiracy and Scheme to Defraud

12. It was part of the conspiracy and scheme to defraud that the defendants fraudulently induced the investors to pay substantial advance fees in return for promised access to millions, and sometimes billions, of dollars and euros in financing. In truth and in fact, the defendants knew when they collected these advance fees that the promised financing would never be provided.

13. It was part of the conspiracy and scheme to defraud that the defendants represented to the investors that they owned and controlled substantial funds in accounts held at ABN AMRO Bank N.V. ("ABN AMRO") in Amsterdam, The Netherlands. To prove the existence of such funds, the defendants provided forged and fraudulent "Proof of Funds" sheets, and related ABN AMRO bank documents, which purported to show the funds they controlled ("the fraudulent ABN AMRO documents"). In truth, the defendants never owned or controlled the claimed funds.

14. It was further part of the conspiracy and scheme to defraud that the defendants developed relationships and affiliations with pastors, ministers and religious-based organizations so that they could represent to the investors that they were acting in furtherance of religious and humanitarian causes. The defendants donated "seed" money to these organizations and promised that additional millions of dollars in donations would be forthcoming. As with the investors, the defendants fraudulently represented that SHANNON JOHNSON was an investment banker and

provided copies of the fraudulent ABN-AMRO Bank documents. The defendants received payments and gifts from pastors and ministers who believed substantial donations to their churches would be made.

15. It was further part of the conspiracy and scheme to defraud that the defendants portrayed themselves as philanthropists having substantial personal wealth obtained through business ventures and inheritance.

16. It was further part of the conspiracy and scheme to defraud that SHANNON JOHNSON, at various times, falsely represented that he was an attorney.

17. It was further part of the conspiracy and scheme to defraud that defendants set up and used multiple nominee entities and business names in different states. At various times throughout the conspiracy period, the defendants sold their advance fee scheme under the entity names "YBC & Associates," "Grandstone Business Consultants," and "Jastola Holdings." Defendants, at various times, also operated under the name, and purported to act on behalf of, The Joseph Fund.

18. It was further part of the conspiracy and scheme to defraud that the defendants opened and maintained multiple bank accounts in Maryland, California, and Texas in order to disperse, transfer, and conceal the substantial monies they obtained by wire and mail fraud. Defendants used nominees and fraudulent taxpayer identification numbers to open and maintain several of these accounts.

19. It was further part of the conspiracy and scheme to defraud that when the investors expressed concern regarding their inability to access the funds the defendants had promised, the defendants provided the investors with a series of false and fraudulent explanations for the failure

to provide the financing.

20. It was further part of the conspiracy and scheme to defraud that the defendants obtained approximately \$3.7 million in fees and payments from individuals and businesses upon their false and fraudulent representations. The transactions carried out by the defendants as part of their fraudulent scheme included:

a. In or about March 2006, the defendants obtained approximately \$140,000 from Individuals WP, RA, and PB.

b. In or about August 2006, the defendants obtained approximately \$10,000 from Individual CD.

c. Between in or about March 2006 and in or about September 2007, the defendants obtained approximately \$110,000 from Individual WW and Church A.

d. Between in or about November 2007 and in or about September 2008, the defendants obtained approximately \$2.75 million from NWIC.

e. Between in or about September 2007 and in or about October 2007, the defendants obtained approximately \$150,000 from Individual SB and WF.

f. In or about November 2007, the defendants obtained approximately \$150,000 from Individuals MM and JF.

g. Between in or about July 2009 and in or about November 2009, the defendants obtained approximately \$350,000 from Individual CP.

h. In or about September 2007, the defendants obtained approximately \$60,000 from Individual TL.

21. It was further part of the conspiracy and scheme to defraud that the defendants would use the advance fees and payments they obtained to enrich themselves and fund an extravagant lifestyle which included, but was not limited to, the purchase of Bentley, Mercedes Benz, and BMW automobiles; the leasing of a \$3.5 million residence in California for \$18,000 per month; travel on private jet airplanes; and the funding of a mortgage concerning residential property they owned in Laytonsville, Maryland.

18 U.S.C. § 1349

COUNTS TWO THROUGH FIVE
(Wire Fraud)

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

1. Paragraphs 1 through 10 and 12 through 21 of Count One are incorporated here and constitute the scheme and artifice to defraud as described in paragraph 11 of Count One (“the scheme to defraud”).

2. On or about the dates set forth below, in the District of Maryland and elsewhere, the defendants,

SHANNON JOHNSON, and
YVETTE JOHNSON,

for the purpose of executing and attempting to execute the scheme to defraud, did knowingly cause to be transmitted in interstate commerce by means of wire communications certain signals, signs, and sounds, the following:

COUNT	DATE	DESCRIPTION OF WIRE TRANSMISSION
2	June 25, 2007	Wire transfer of \$10,000 from Pastor WW’s bank account number ending in 6308 at JP Morgan Chase Bank in Illinois to defendants SHANNON and YVETTE JOHNSON ’s account number ending in 1523 at SunTrust Bank in Maryland.
3	July 6, 2007	Wire transfer of \$7,000 from Pastor WW’s bank account number ending in 6308 at JP Morgan Chase Bank in Illinois to defendants SHANNON and YVETTE JOHNSON ’s account number ending in 1523 at SunTrust Bank in Maryland.

COUNT	DATE	DESCRIPTION OF WIRE TRANSMISSION
4	November 13, 2007	Wire transfer of \$50,000 from Individual JF's account at HEW FCU Washington, in Virginia, to defendant SHANNON JOHNSON 's account number ending in 7319 in the name of Grandstone at SunTrust Bank in Maryland.
5	November 13, 2007	Wire transfer of \$100,000 from Individual MM's account at NASA Federal Credit Union in Maryland, through a location outside of Maryland, to defendant SHANNON JOHNSON 's account number ending in 7319 in the name of Grandstone at SunTrust Bank in Maryland.

18 U.S.C. § 1343
18 U.S.C. § 2

COUNT SIX
(Mail Fraud)

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

1. Paragraphs 1 through 10 and 12 through 21 of Count One and paragraph 1 of Counts Two through Five are incorporated here.
2. On or about September 28, 2007, in the District of Maryland and elsewhere, the defendants,

SHANNON JOHNSON, and
YVETTE JOHNSON,

for the purpose of executing and attempting to execute the scheme to defraud, knowingly deposited and caused to be deposited the item described below to be sent and delivered by Federal Express, a commercial interstate carrier, three official bank checks totaling \$15,000, \$5,000, and \$50,000, payable to SHANNON JOHNSON, from Individual SB in Arlington Heights, Illinois to the defendants' residence in Laytonsville, Maryland.

18 U.S.C. § 1341
18 U.S.C. § 2

COUNT SEVEN
(Conspiracy to Commit Money Laundering)

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

1. Paragraphs 1 through 10 and 12 through 21 of Count One are incorporated here.
2. Between in or about 2006 and in or about 2009, in the District of Maryland and elsewhere, the defendants,

SHANNON JOHNSON, and
YVETTE JOHNSON,

did unlawfully, willfully, and knowingly combine, conspire, confederate and agree together and with others known and unknown to the Grand Jury, to knowingly engage and attempt to engage in monetary transactions in criminally derived property of a value greater than \$10,000 which was derived from specified unlawful activity – conspiracy to commit wire fraud and mail fraud, wire fraud, and mail fraud, in violation of Title 18, United States Code, Sections 1349, 1343, and 1341 – in violation of Title 18, United States Code, Section 1957(a).

18 U.S.C. § 1956(h)

COUNTS EIGHT THROUGH TWENTY-ONE
(Money Laundering)

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

1. Paragraphs 1 through 10 and 12 through 21 of Count One are incorporated here.
2. On or about each date listed below, in the District of Maryland and elsewhere, the defendants,

SHANNON JOHNSON, and
YVETTE JOHNSON

did knowingly engage and attempt to engage in monetary transactions in criminally derived property of a value greater than \$10,000 which was derived from specified unlawful activity – conspiracy to commit wire fraud and mail fraud, wire fraud, and mail fraud, in violation of Title 18, United States Code, Sections 1349, 1343, 1341 and 2 – at financial institutions, as described below:

COUNT	DATE	DESCRIPTION OF TRANSACTION
8	September 27, 2007	Cash withdrawal totaling \$28,751 from an account at SunTrust Bank.
9	October 4, 2007	Purchase a 2006 BMW 750 automobile for \$65,914 using an official bank check drawn from funds held at SunTrust Bank.
10	October 9, 2007	Over-the-counter withdrawal totaling \$42,200 from an account at SunTrust Bank.
11	November 14, 2007	Transfer of \$150,000 from Citizens Bank in California in the name of ZEC Realty to an account at SunTrust Bank.
12	November 15, 2007	Wire of \$25,037 from an account at SunTrust Bank to Air Rutter International.
13	November 19, 2007	Withdrawal totaling \$30,498 from an account at SunTrust Bank to purchase cashier's check.

COUNT	DATE	DESCRIPTION OF TRANSACTION
14	November 19, 2007	Over-the-counter withdrawal totaling \$134,502 from an account at SunTrust Bank.
15	November 19, 2007	Transfer of \$30,000 between accounts at SunTrust Bank.
16	December 7, 2007	Wire of \$31,836 from Grandstone account at SunTrust Bank to Elite Aviation.
17	December 20, 2007	Transfer of \$56,000 between accounts at SunTrust Bank.
18	December 20, 2007	Transfer of \$11,045 between accounts at SunTrust Bank.
19	December 20, 2007	Transfer of \$30,197 between accounts at SunTrust Bank.
20	February 25, 2008	Transfer of \$10,800 between accounts at SunTrust Bank.
21	March 4, 2008	Transfer of funds by check for \$12,593 between accounts at SunTrust Bank.

18 U.S.C. § 1957(a)
18 U.S.C. § 2

COUNT TWENTY-TWO
(Corrupt Endeavor to Obstruct Internal Revenue Laws)

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

1. Paragraphs 1 through 10 and 12 through 21 of Count One are incorporated here.

The Federal Income Tax System

2. The Internal Revenue Service (“IRS”), an agency within the U.S. Department of Treasury, is responsible for administering and enforcing the federal revenue laws and regulations regarding the ascertainment, computation, assessment, and collection of income taxes owed to the United States by its citizens and residents.

3. In order to accurately assess and collect taxes, the IRS must, among other things, determine taxpayers’ actual income, credits, and deductions. To accomplish this, the IRS uses, among other means, the following tax returns filed pursuant to the tax laws of the United States, as set forth in the Internal Revenue Code (Title 26 of the United States Code):

- a. **Individuals:** Every citizen and resident of the United State who received gross income in excess of the minimum filing amount established by law for a particular tax year must annually make and file a U.S. Individual Income Tax Return, such as a Form 1040, for that tax year.

- b. **Corporations:** In general, all domestic corporations in existence for any part of a tax year must file an income tax return for that year, whether or not they have any taxable income. A corporation generally must file a U.S. Corporation Income Tax Return, Form 1120, to report its income, gains, losses, deductions, credits, and income tax liability.

4. IRS Form W-2 (“Wage and Tax Statement”), is a form prepared by employers documenting compensation paid to employees, as well as income and other taxes withheld from an employee’s pay for a given tax year. Form W-2 is submitted to the IRS with Form 1040, documenting a taxpayer’s wages and income for that particular tax year, as well as withholding taxes already paid to the IRS.

The Endeavor to Obstruct and Impede the Revenue Laws

5. Between in or about April 2002 and in or about September 2006, in the District of Maryland and elsewhere, the defendants,

**SHANNON JOHNSON, and
YVETTE JOHNSON,**

did corruptly endeavor to obstruct and impede the due administration of the internal revenue laws, Title 26 of the United States Code, by engaging in a scheme to obstruct and impede the IRS (“the scheme to obstruct”).

6. It was part of the scheme to obstruct that from in or about April 2002 through in or about September 2002, defendants **SHANNON JOHNSON** and **YVETTE JOHNSON** caused to be filed with the IRS false joint U.S. Individual Income Tax Returns, Forms 1040, for the tax years 1998, 1999, 2000, and 2001, in which they fraudulently claimed entitlement to tax refunds. Defendants, for each of these years, submitted with their joint return false and fictitious Forms W-2, used to prepare and support the false calculations in their joint tax returns, claiming that a company called Dynamic Steel, Inc. was **SHANNON JOHNSON**’s employer, that he earned wage income from this employer, and that taxes were withheld from his salary and purportedly paid to the IRS. In truth and in fact, defendant **SHANNON JOHNSON** was not

employed by Dynamic Steel, did not pay the IRS taxes through employer withholdings as represented on Forms W-2 and Forms 1040, and the defendants were not entitled to the refunds they fraudulently claimed.

a. On or about April 15, 2002, defendants **SHANNON JOHNSON** and **YVETTE JOHNSON** caused to be filed with the IRS a false and fraudulent joint U.S. Individual Income Tax Return, Form 1040, for the tax year 1998 in which they fraudulently claimed entitlement to a \$13,722 tax refund.

b. On or about September 13, 2002, defendants **SHANNON JOHNSON** and **YVETTE JOHNSON** caused to be filed with the IRS a false and fraudulent joint U.S. Individual Income Tax Return, Form 1040, for the tax year 1999 in which they fraudulently claimed entitlement to a \$15,749 tax refund.

c. On or about April 26, 2002, defendants **SHANNON JOHNSON** and **YVETTE JOHNSON** caused to be filed with the IRS a false and fraudulent joint U.S. Individual Income Tax Return, Form 1040, for the tax year 2000 in which they fraudulently claimed entitlement to a \$15,874 tax refund.

d. On or about April 15, 2002, defendants **SHANNON JOHNSON** and **YVETTE JOHNSON** caused to be filed with the IRS a false and fraudulent joint U.S. Individual Income Tax Return, Form 1040, for the tax year 2001 in which they fraudulently claimed entitlement to a \$20,752 tax refund.

7. It was further part of the scheme to obstruct that defendants **SHANNON JOHNSON** and **YVETTE JOHNSON** caused to be deposited and endeavored to conceal from the IRS proceeds from Treasury refund checks they successfully obtained by the filing of the

aforementioned false tax returns.

a. On or about July 15, 2006, less than two weeks after the IRS Criminal Investigation notified the defendants of a criminal investigation concerning the false tax returns filed for 1998 through 2001, defendant **YVETTE JOHNSON** opened account number ending in 9590 at SunTrust Bank in Maryland using a fraudulent Social Security number and deposited into that account a Treasury check in the amount of \$19,040 representing defendants' claimed refund, plus interest, for the tax year 1999. Defendant **YVETTE JOHNSON** subsequently transferred a portion of the proceeds to another account opened with a fraudulent Social Security number, and withdrew a portion of the funds to help support the defendants' lifestyle.

b. On or about August 29, 2006, defendant **SHANNON JOHNSON** opened account number ending in 7731, in the name of Grandstone, at SunTrust Bank and deposited into that account a Treasury check in the amount of \$25,720 representing defendants' claimed refund, plus interest, for the tax year 2001. Defendant **SHANNON JOHNSON** subsequently transferred a portion of the proceeds to another bank account, and then withdrew a substantial portion of the funds in the form of cash.

26 U.S.C. § 7212(a)
18 U.S.C. § 2

COUNT TWENTY-THREE
(Tax Evasion – Evasion of Payment)

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

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. During the tax years 2002 through 2006, despite earning income in the form of payments generated by his business activities, defendant **SHANNON JOHNSON** failed to timely file corporate tax returns for YBC & Associates, IRS Forms 1120, and individual tax returns, IRS Forms 1040, for the tax years 2002 through 2006.
3. On or about July 5, 2006, special agents with the IRS Criminal Investigation Division contacted the defendants informing them of a criminal investigation which included investigation into unfiled 2002 through 2005 tax returns.
4. On or about August 24, 2006, defendants **SHANNON JOHNSON** and **YVETTE JOHNSON** caused to be filed with the IRS delinquent joint individual tax returns for the tax years 2002 through 2005. In or about September 2008, defendants filed their joint individual tax return for 2006. On these returns, defendants, under the penalty of perjury, reported taxes due and owing for 2002 through 2006 totaling approximately \$15,362, \$12,576, \$2,580, \$5,793, and \$29,365, respectively. Accordingly, the IRS assessed taxes due and owing by the defendants for these taxes years.
5. Despite filing these returns, the defendants failed to pay over to the IRS the income taxes for the tax years 2002 through 2006 that they reported were due and owing and that were assessed by the IRS.
6. On or about August 24, 2006, defendant **SHANNON JOHNSON** caused to be filed with the IRS delinquent corporate tax returns for the tax years 2002 through 2005, Forms

1120, on behalf of YBC & Associates, Inc., in which he reported corporate income taxes due and owing totaling \$6,504, \$3,706, \$13,107, and \$9,227, respectively. Despite filing these returns, defendant **SHANNON JOHNSON** did not pay over to the IRS the income taxes due and owing.

7. From in or about August 2006 to in or about April 2010, in the District of Maryland and elsewhere, the defendants,

**SHANNON JOHNSON, and
YVETTE JOHNSON,**

did willfully attempt to evade and defeat the payment of a substantial part of the taxes due and owing by the defendants and YBC & Associates, Inc. to the United States of America for the tax years 2002 through 2006 by committing the following affirmative acts: selling assets titled in their own names; titling assets in the names of nominee entities; opening and maintaining multiple bank accounts in three states to disperse and conceal income and assets; opening and maintaining bank accounts using nominees and fraudulent tax identification numbers; and by conducting business using multiple business names and nominees.

26 U.S.C. § 7201
18 U.S.C. § 2

COUNTS TWENTY-FOUR THROUGH TWENTY-SIX
(Tax Evasion – Evasion of Assessment)

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

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. During the tax years 2007, 2008, and 2009, as set forth below, the defendants,

SHANNON JOHNSON and YVETTE JOHNSON, who were residents of Corona, California and Laytonsville, Maryland, had and received gross income in the approximate sums listed for each tax year in the table below resulting in taxable income upon which there was a substantial tax due and owing for each tax year. Well knowing and believing the foregoing facts, and failing to make an income tax return on or before the deadlines imposed by law as indicated in the table below to any proper officer of the Internal Revenue Service, and pay to the Internal Revenue Service the income taxes due and owing, the defendants,

**SHANNON JOHNSON, and
YVETTE JOHNSON,**

for each tax year listed below, in the District of Maryland and elsewhere, did willfully attempt to evade and defeat the said income taxes due and owing by the defendants to the United States of America for said calendar year by committing the following affirmative acts: titling assets in the names of nominees; opening and maintaining multiple bank accounts in three states in order to disperse and conceal income and assets; opening and maintaining bank accounts using nominees and fraudulent tax identification numbers; and conducting business using multiple business names and nominees:

COUNT	TAX YEAR	FILING DEADLINE	APPROXIMATE GROSS INCOME
24	2007	April 15, 2008	\$1,904,975
25	2008	April 15, 2009	\$1,249,900
26	2009	April 15, 2010	\$350,000

26 U.S.C. § 7201
18 U.S.C. § 2

FORFEITURE ALLEGATIONS

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

1. Pursuant to Federal Rule of Criminal Procedure 32.2, notice is hereby given to the defendant that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(1), and Title 28, United States Code, Section 2461(c), in the event of the defendant's conviction on Counts One through Twenty-One of this Indictment.

Wire and Mail Fraud Forfeiture

2. Upon conviction of an offense in violation of Title 18, United States Code, Sections 1349, 1343 and 1341 set forth in Counts One through Six of this Indictment, the defendants,

**SHANNON JOHNSON, and
YVETTE JOHNSON,**

shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses, including but not limited to a sum of money equal to the amount of proceeds involved in and traceable to such offenses, which sum will be at least \$3,700,000.

Money Laundering Forfeiture

3. Upon conviction of an offense in violation of Title 18, United States Code, Section 1956 or 1957 set fourth in Counts Seven through Twenty-One of this Indictment, the defendants,

**SHANNON JOHNSON, and
YVETTE JOHNSON,**

shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(1), any property, real or personal, involved in such offense, and any property traceable to such property, including but not limited to a sum of money equal to the amount of proceeds involved in and traceable to such offenses, which sum will be at least \$3,700,000.

Substitute Assets

4. If any of the property described above, as a result of any act or omission of the defendant:
- a. cannot be located upon the exercise of due diligence;
 - b. has been transferred or sold to, or deposited with, a third party;
 - 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,

