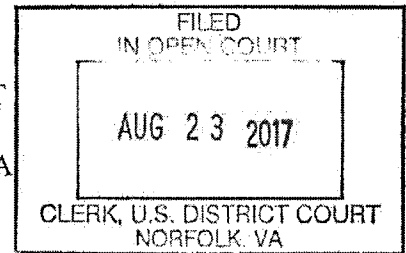


IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
NORFOLK DIVISION



UNITED STATES OF AMERICA	)	<u>UNDER SEAL</u>
)	
v.	)	Criminal No. 2:17cr 126
)	
DARYL G. BANK	)	18 U.S.C. § 1349
(Counts 1-14)	)	Conspiracy to Commit Mail and Wire Fraud
	)	(Count 1)
and)	
	)	18 U.S.C. § 1341
RAEANN GIBSON,	)	Mail Fraud
(Counts 1-11, 13 & 15)	)	(Counts 2-4)
)	
Defendants.	)	18 U.S.C. § 1343
	)	Wire Fraud
	)	(Counts 5-11)
)	
	)	18 U.S.C. § 1957
	)	Unlawful Monetary Transactions
	)	(Counts 12-15)
)	
	)	18 U.S.C. §§ 981(a)(1)(C) & 982(a)(1)
	)	28 U.S.C. § 2461
	)	Criminal Forfeiture

INDICTMENT

August 2017 Term – at Norfolk, Virginia

THE GRAND JURY CHARGES THAT:

At all times relevant to this Indictment, unless otherwise stated:

GENERAL ALLEGATIONS

1. DARYL G. BANK ("BANK") created, owned, and operated Dominion Investment Group, LLC ("DIG"). DIG was a Virginia limited liability company with offices operating from 4301 Commuter Drive, Virginia Beach, Virginia, 1391 NW St. Lucie West

Boulevard, Port St. Lucie, Florida, and 1100 SW St. Lucie West Boulevard, Port St. Lucie, Florida. BANK was the managing member of DIG with an 85% ownership interest in the company.

2. RAEANN GIBSON ("GIBSON") was the Director of Operations of DIG. GIBSON ran the day-to-day operations of DIG. GIBSON owned an estimated 10% interest in DIG.

3. BayPort Credit Union was a federally-insured credit union that operated in the Eastern District of Virginia.

4. BANK created, owned, and operated Dominion Private Client Group, LLC ("DPCG"). DPCG was a Virginia limited liability company with its principal place of business in Virginia Beach, Virginia. BANK was the managing member of DPCG. BANK, GIBSON, and others used DPCG to offer various Investment Offerings to potential investors. Many of the investors were retirees with limited income.

5. The Financial Industry Regulatory Authority, Inc. ("FINRA") is a private organization authorized by Congress to protect investors by making sure the broker-dealer industry operates in a fair and honest manner. On February 5, 2010, after an investigation, FINRA issued a final order concluding that BANK had, among other things, misappropriated funds, provided false information during FINRA interviews, and created inaccurate books and records. As a result, FINRA issued an order permanently barring BANK from professionally associating with any FINRA member in any capacity. For all practical purposes, the FINRA ban prevented BANK from associating with any FINRA-licensed broker/dealer authorized to sell securities.

6. Despite the FINRA ban, BANK, GIBSON, and others created, promoted, and sold fraudulent "private equity" investment opportunities. BANK, GIBSON, and others made material misrepresentations and omissions to sell the illiquid, high risk investments to investors in the Eastern District of Virginia and across the country. BANK, GIBSON, and others failed to disclose that FINRA had banned BANK for fraudulent activities, that BANK and GIBSON funneled investment funds through entities that BANK controlled, and that BANK and GIBSON almost immediately misappropriated substantial portions of investment funds for undisclosed personal and business purposes.

DENTAL SUPPORT PLUS "FRANCHISES" AND DSPF GROUP

7. Starting in or about December 2011, BANK pitched an investment offering from DIG and Dominion Franchise, LLC to his clients and sales force. The advertisement offered an "absentee-owned fully-managed dental support franchise with a 5-year track record producing annual profits up to 40% or more." The investors would "own" a Dental Support Plus "franchise" that they would not have to manage. The franchise would refer patients to dentists and, in turn, investors would receive 16.5% of patient collections with "profits taken BEFORE expenses, not AFTER expenses." The advertisement stated that a franchise unit cost \$25,000 and that the franchise would be "fully operational" within 180 days. Conspirator #1 was the founder and President of Dental Support Plus.

8. BANK represented, or caused to be represented, to investors that the Dental Support Plus "franchises" would provide regular income – at least \$200 a month – per "franchise unit." BANK falsely represented to his client, TW, that if the franchise did not produce revenue within six months, then TW would be paid \$200 per month per franchise from Dental Support.

Relying on these, and other, material misrepresentations and omissions, investors purchased “franchise units.” In some instances, clients at or near retirement age with no background in dentistry and no ability to run a franchise purchased multiple “franchise units” each costing \$25,000.

9. According to the Franchise Disclosure Document, the Virginia State Corporation Commission’s Division of Securities and Retail Franchising required Dominion Franchise to defer payments of the initial franchise fee owed by franchisees until the franchisor had completed its pre-opening obligations. Despite this limitation, BANK, GIBSON, and others, took investors’ funds prior to Dental Support Plus engaging in required actions.

10. At BANK’s and GIBSON’s suggestion, many investors held the investment in newly created limited liability companies that BANK and GIBSON controlled. At investor expense, BANK and GIBSON created over 40 limited liability companies in Virginia all with the principal place of business at 4301 Commuter Drive, Virginia Beach, Virginia.

11. From in or about April 2012 through April 2013, BANK and GIBSON opened over 30 bank accounts at BayPort Credit Union on behalf of the investors’ limited liability companies. The investors were not signatories on these bank accounts; instead, BANK and GIBSON held signatory authority on investor accounts.

12. Despite representations that the “franchise units” would earn at least \$200 a month starting within 180 days of investment, the investors’ bank accounts at BayPort Credit Union reflected that Dental Support Plus deposited little, if any, funds into these accounts. Despite knowing that Dental Support Plus was not fulfilling the promised returns and that the

alleged “franchises” were not actually operating, BANK and GIBSON continued to sell the “franchise units” to investors.

13. In or about April 2013, a representative from BayPort Credit Union contacted GIBSON to inquire about the lack of funds in the investor bank accounts. The representative told GIBSON that bank accounts go dormant after one year with no activity and inquired as to why the investors were not receiving the “minimum” guarantee. GIBSON ignored the question about the “minimum guarantee” and justified the lack of funds by stating that there was a problem with a “vendor.” Despite knowing that this was a failed investment, BANK and GIBSON continued to sell the “franchise units.”

14. In addition, BANK and GIBSON created a new method for investors to fund “franchises.” In late 2012, BANK and GIBSON created, managed, and controlled DSPF Group LLC (“DSPF Group”) – an entity aimed at “pooling” investor funds to purchase Dental Support Plus “franchise units.” In reality, BANK and GIBSON used DSPF Group to defraud new investors to pay off previous investors in the failed “franchises.” BANK and GIBSON also controlled DSPF Management, LLC – an entity purportedly organized to “manage” the investors’ funds.

15. In late 2012, BANK, Conspirator #2 and others prepared an Investment Offering for DSPF Group. Conspirator #2 was the Chief Investment Officer at DPCG. Despite knowing that Dental Support Plus “franchises” were failing, the Investment Offering for DSPF Group claimed that “[f]or some time Dental Support Plus has been offering franchise opportunities to investors in its proven strategy,” that “Dental Support Plus Franchise owners ... receive 9.97% of all new patient revenue produced from every patient provided by the Dental Support Plus

Franchise,” and “[t]he Dental Support Plus Franchise model is designed to achieve annual profits up to 30% or more after one or two years in operation.” The Investment Offering further claimed that “[a]n investment into the Investment Group incurs no fees to the investor. 100% of the investment participates directly in 100% of the pool of franchisees in the Group.” This was false as BANK and GIBSON consistently stole approximately 31% of investor funds by transferring the funds to BANK’s companies. Finally, the Investment Offering did not disclose BANK’s role in the investment or his FINRA ban.

16. Starting in or about January 2013, BANK pitched DSPF Group to his clients and encouraged his sales representatives across the country to pitch it to their clients. In or about January 2013, knowing that the Dental Support Plus “franchise units” were failing, BANK pitched DSPF Group to DB, a woman from Chesapeake, Virginia. BANK advised DB to invest in DSPF Group claiming that it was a good investment and that the money would be pooled with others to invest in franchises. BANK did not tell DB that the investment was failing or that her funds would be used to pay off previous investors.

17. On or about January 25, 2013, based on material misrepresentations and omissions and at BANK’s direction, DB invested \$40,500 (approximately 50% of DB’s 401k savings) into DSPF Group.

18. On or about January 29, 2013, approximately four days after DB’s investment, GIBSON siphoned approximately \$12,000 (approximately 31%) of DB’s investment by transferring the funds to limited liability companies controlled by BANK for his use.

19. Two months later, GIBSON misappropriated the remainder of DB’s money – approximately \$35,000 – to pay off a previous investor in the failed franchise units.

20. In March 2013, BANK and GIBSON learned that the Idaho Department of Finance was contacting investors in Dental Support Plus “franchises” to determine whether there were potential security violations. Conspirator #3 – who worked for DIG – told BANK that she would contact investors, tell them that it was “just a routine letter,” and that, if the investors elected to respond, “all they should say is that DSP is a franchise, not an investment.”

21. On or about May 13, 2013, a potential salesman notified a DIG representative about various misrepresentations in the investment offering materials. He also complained that Conspirator #1 had previously declared bankruptcy and had regulatory problems in the past. The DIG representative notified BANK about these issues. BANK and GIBSON did not disassociate from Conspirator #1 and continued to sell the fraudulent “franchises” as well as other investments related to Conspirator #1.

22. Starting in early 2013, GIBSON and BANK continued to sell and process DSPF Group investments to repay certain previous investors – a group that included GIBSON’s family member – for their failed investments in Dental Support Plus “franchises.”

23. On or about May 17, 2013, RK invested \$150,000 into DSPF Group. BANK caused material misstatements and omissions to be made to the investor. RK was told that the “franchises” were successful and was not told that his funds would be used to pay off previous, disgruntled investors. Upon receipt of RK’s investment funds, GIBSON immediately siphoned approximately \$47,499 (31% of his investment) by transferring RK’s funds to limited liability companies controlled by BANK for his use. GIBSON also misappropriated a portion of RK’s funds to repay disgruntled, previous investors – including her family member.

24. On or about June 3, 2013, GIBSON prepared and signed a \$25,000 check from the DSPF Group bank account – an account funded entirely with investor funds – to IRA Services for the benefit of her family member. This family member previously had invested \$40,000 to purchase two “franchise units” and had not received the promised return on investment. GIBSON’s family member was one of very few investors to receive a full refund (plus an alleged \$5,000 “increase” in value) for an alleged “franchise unit.” GIBSON’s family member withdrew the \$25,000 repayment in two installments on June 14, 2013, and July 17, 2013 from the IRA Services account.

25. From in or about January 2013 through January 2014, BANK, GIBSON, and others represented, or caused to be represented, numerous material misrepresentations and omissions to induce clients to invest in DSPF Group. Based on these material misrepresentations and omissions, over 20 investors invested approximately \$892,500 into DSPF Group. Despite telling investors that an investment would incur “no fees to the investor,” BANK and GIBSON siphoned approximately \$310,000 to limited liability companies controlled by BANK. BANK used these monies for his own purposes.

26. BANK and GIBSON also used approximately \$315,000 of new DSPF Group investor funds to repay previous investors without disclosing this purpose to the new investors.

27. On or about August 8, 2014, Conspirator #1 informed all “franchise” owners that Dental Support Plus had “run out of money and funding.” Therefore, Conspirator #1 “had no choice but to ‘shelve’ DSPF.” All investors – in Virginia and elsewhere – who had invested in Dental Support “franchises” or DSPF Group lost the entirety of their invested funds. BANK’s and GIBSON’s investors lost over \$3,000,000 in this investment.

28. Despite this massive failure, BANK and GIBSON continued to associate and promote investments with Conspirator #1.

THE SPECTRUM INVESTMENTS

29. From in or about August 2012 through in or about August 2015, BANK and GIBSON pitched three investment opportunities involving 800MHz Spectrum: Janus Spectrum, Spectrum 100, and Prime Spectrum. BANK learned about this investment from Conspirator #1.

30. BANK, Conspirator #2, and others prepared the offering documents for these three investment opportunities. The Investment Offerings falsely represented that only "Summit Trust will receive an asset management fee of two percent (2%) of the gross assets for managing and custodian [sic] of the separately managed account." In fact, BANK and GIBSON misappropriated approximately 47%-70% from each investor's funds. Finally, the Investment Offering did not disclose BANK's role in the investment or his FINRA ban.

31. In early 2013, through material misrepresentations and omissions, BANK convinced WB to invest in Janus Spectrum Group LLC ("Janus Spectrum") and Spectrum 100 LLC ("Spectrum 100"). BANK concealed that he was raising funds for companies that he controlled and that he intended to misappropriate approximately half of WB's retirement funds immediately upon receipt.

32. On or about March 29, 2013, WB invested \$39,500 in Janus Spectrum – a company controlled by BANK. That same day, GIBSON siphoned approximately \$18,762.50 (47.5%) of the investment by transferring the money to two companies that BANK owned and controlled. To conceal that they had misappropriated approximately 47.5% of WB's funds, BANK and GIBSON knowingly and intentionally caused WB to receive Summit Trust

statements via the mail reflecting that WB's funds were whole and had retained full market value.

33. On or about April 10, 2013, based on BANK's material misrepresentations and omissions, WB invested \$110,000 in Spectrum 100 – another company controlled by BANK. At the time of WB's investment, Spectrum 100's bank account balance was \$5.00. Five days after receiving WB's funds, GIBSON siphoned approximately \$59,180 (53.8%) of the investment by transferring the funds to three companies that BANK owned and controlled. To conceal that they had misappropriated approximately 53.8% of the investment funds, BANK and GIBSON caused WB to receive Summit Trust statements via the mail reflecting that WB's invested funds were whole and had retained full market value.

34. In addition to selling directly to clients, BANK and GIBSON caused sales representatives across the country to sell these investments to their clients. BANK obtained a nationwide network of sales representatives from Conspirator #1. BANK also located sales representatives by putting online ads on Craigslist.

35. In March 2014, BANK caused numerous material misrepresentations and omissions to be made to RC and BC as well as MB and BB in connection with an investment into Prime Spectrum LLC ("Prime Spectrum"). BC was blind and was in his late 70s at the time he invested \$20,000 of his retirement funds in Prime Spectrum. MB and BB were in their late 60s when they invested \$25,000 in Prime Spectrum. Upon receipt, BANK and GIBSON siphoned approximately 70% of the invested funds by transferring the funds to two companies that BANK controlled and to the salesman. No one ever disclosed to RC, BC, MB or BB that

BANK and GIBSON would siphon 70% of their investment funds within weeks of receipt for purposes other than the stated investment.

36. In or about late April 2014, the Securities and Exchange Commission ("SEC") subpoenaed BANK to appear for a deposition in connection with a federal securities investigation into Janus Spectrum. Despite knowledge of the ongoing SEC investigation, BANK, GIBSON, and others continued to sell the spectrum investments and did not disclose the existence of the investigation to current or potential investors.

37. On or about April 6, 2015, the SEC filed a civil complaint against, among others, BANK, Janus Spectrum Group, Spectrum 100 and Prime Spectrum accusing the parties of running a multi-million dollar scheme to defraud investors arising from the sale of unregistered securities. The complaint outlined in great detail the misrepresentations contained in, among others, the offering documents related to the spectrum investments.

38. In or about April 2015, JL met with BANK by video conference call. At that time, BANK falsely represented that the Spectrum 100 investment was doing well and that investors were earning 12% interest. BANK falsely represented to JL that DIG had vetted the investment and that it was secure. BANK did not inform JL about the SEC's investigation or lawsuit in connection with this investment.

39. In or about July 2015, based on material misrepresentations and omissions and without knowledge of the SEC lawsuit, JL invested \$50,000 into Spectrum 100. Almost immediately, GIBSON siphoned approximately \$29,400 (58.8%) of the investment by transferring the funds to three companies that BANK owned and controlled. To conceal that they had misappropriated approximately 58.8% of JL's funds, BANK and GIBSON caused

Summit Trust to send quarterly statements to JL via the United States mail that falsely represented that JL's investment into Spectrum 100 was whole and had retained full market value.

40. From in or about September 2012 through in or about July 2014, BANK, GIBSON, and others represented, or caused to be represented, numerous material misrepresentations and omissions to investors to obtain investments into Janus Spectrum Group. Based on these material misrepresentations and omissions, over 25 investors invested approximately \$2,515,000 into Janus Spectrum Group. BANK and GIBSON almost immediately misappropriated approximately \$1,199,095 of the investment funds.

41. From in or about April 2013 through August 2015, BANK, GIBSON and others represented, or caused to be represented, numerous material misrepresentations and omissions to investors to obtain investments into Spectrum 100. Based on these material misrepresentations and omissions, over 100 investors invested approximately \$7,500,000 into Spectrum 100. BANK and GIBSON misappropriated approximately \$4,300,000 of the investment funds.

42. From in or about December 9, 2013 through March 2014, BANK, GIBSON, and others represented, or caused to be represented, numerous material representations and omissions to investors to obtain investments into Prime Spectrum. Based on these material misrepresentations and omissions, approximately five investors invested \$130,000 into Prime Spectrum. BANK and GIBSON almost immediately misappropriated \$74,000, including payments to DPCG, Spectrum Management, Prime Spectrum Management and MR Diamonds Group c/o Wonder Jewelry.

43. In or about July 2017, BANK, and others at his direction, held conference calls with investors aimed at concealing the misappropriation of funds and attempting to lull investors into believing that their investments continued to have value.

WEMONITOR GROUP

44. In late 2012, BANK and GIBSON organized, created and controlled weMonitor Group LLC ("weMonitor Group") and weMonitor Management LLC ("weMonitor Management"). weMonitor, Inc. is a company located in California that BANK did not control.

45. Starting in or about December 2012, BANK, Conspirator #2, and others prepared the offering documents for weMonitor Group. The Investment Offering falsely represented that "Summit Trust will receive an asset management fee of two percent (2%) of the gross assets for managing and custodian [sic] the separately managed account." In fact, BANK and GIBSON misappropriated at least 26% from each investor's funds. Finally, the Investment Offering did not disclose BANK's role in the investment or his FINRA ban.

46. From in or about February 2013 through in or about August 2015, BANK, GIBSON, and others represented, or caused to be represented, numerous material misrepresentations and omissions to investors to obtain investments into weMonitor Group. Based on these material misrepresentations and omissions, over 60 investors invested approximately \$4,100,000 into weMonitor Group. Upon receipt of the funds, BANK and GIBSON immediately siphoned over \$1,000,000 (26%) of the investment by transferring the funds to companies under BANK's control.

47. This investment required weMonitor, Inc. to make quarterly interest payments to investors. Instead of seeking payment from weMonitor, Inc., BANK and GIBSON intermingled funds from other investments to make quarterly interest payments to weMonitor Group investors.

48. GIBSON stole weMonitor Group investor funds to repay her family member who invested in two failed Dental Support Plus "franchises." On or about April 16, 2014, GIBSON cut a \$17,500 check from weMonitor Group's bank account to IRA Services for the benefit of her family member. GIBSON's family member had never invested in weMonitor Group.

49. GIBSON's family member retained the funds in the IRA Services account for approximately one month. On or about May 30, 2014, GIBSON directed that all the funds in the IRA Services account, including the proceeds of the weMonitor Group check, be wired to Summit Trust. Four days later, on or about June 3, 2014, GIBSON caused the \$17,500 in funds to be wired back to weMonitor Group for the benefit of her family member.

50. In or about April 2015, weMonitor, Inc. did not have the financial means through which to make its scheduled investor interest payments. To conceal the failing health of weMonitor, Inc., BANK and GIBSON used new investor funds to make interest payments to previous investors.

51. On or about July 10, 2015, weMonitor Management sent a letter via the United States mail to all weMonitor Group investors falsely stating that "[d]ue to taxes, efficiency, and the desire to keep costs down, we have decided to move the location of weMonitor Group LLC from Virginia to Florida." The letter failed to disclose that, in truth and fact, almost two weeks earlier, the Virginia State Corporation Commission ("SCC") had filed a motion for a temporary

injunction against BANK, GIBSON, and all of BANK's affiliated companies to enjoin them from the fraudulent sale of unregistered securities.

52. More than a year later, in July 2016, BANK, GIBSON, and others finally disclosed to investors that weMonitor, Inc. had failed. On July 25, 2016, Conspirator #2 sent a letter via interstate mail to weMonitor investors stating that he was "a partner at FAS Partners, LLC in Florida" and "an officer of BlueDot Corporation, a newly created entity that was incorporated to hold the assets of weMonitor, Inc." Conspirator #2 did not disclose his past affiliation with BANK or that he was one of the architects of the Investment Offering.

53. In this letter, Conspirator #2 falsely represented that "a gross total of \$4,551,050 was funded to weMonitor, Inc." In reality, BANK and GIBSON had siphoned over \$1,000,000 of those investor funds for other purposes. Conspirator #2 further claimed that "weMonitor made interest payments on the promissory notes as required up to the first quarter of 2016," but concealed that BANK and GIBSON had been using new investor funds to make interest payments to previous investors since the inception of the investment.

54. On or about May 5, 2017, Conspirator #2 sent another letter to weMonitor investors informing them he was resigning as an officer of BlueDot Corporation, effective July 10, 2017, and placing the burden on the investors to nominate suitable candidates to act as officers of the corporation.

PLI GROUP LLC

55. Starting in or about October 2012, BANK, Conspirator #2 and others prepared the offering document for Project Lifesaver ("PLI Group investment"). According to the Investment Offering, "PLI Group is a LLC formed to license, market, retail and distribute the new

SARTrack bracelets and associated technologies and provide related product training, certification, and support to law enforcement and other public safety organizations and community groups.” The Investment Offering sought a \$500,000 capital raise from investors. BANK, Conspirator #2, and others created the Investment Offering to conceal the multiple roles BANK played in this investment offering:

- BANK controlled DPCG – the company presenting the Investment Offering and soliciting the investment funds;
- BANK created and controlled PLI Group LLC (“PLI Group”) – the company that received all investment funds;
- BANK created and controlled PLI Management LLC – the company formed to manage and guarantee the investor funds; and
- BANK created and controlled SARTrack Group LLC (“SARTrack Group”) – the company formed to acquire the licensing agreement for the SARTrack bracelet and that also guaranteed the investor funds.

56. To address fees, the offering only represented that “Summit Trust will receive an asset management fee of two percent (2%) of the gross assets for managing and custodian [sic] of the separately managed account.” In fact, BANK and GIBSON ultimately misappropriated almost all investor funds. Finally, the Investment Offering did not disclose BANK’s role in the investment or his FINRA ban.

57. On or about May 28, 2013, the PLI Group investment was fully funded with \$500,000 from at least 18 investors investing various amounts.

58. By late 2013, the company developing the SARtrack bracelet had encountered substantial problems during the development phase and had reported those problems to BANK.

59. Instead of transferring the remaining funds back to investors, on November 26, 2013 and December 6, 2013, BANK caused the remaining PLI Group investor funds to be transferred into his weMonitor Group account.

60. BANK did not notify the PLI Group investors that he had transferred their monies into an entirely different investment. Indeed, BANK and GIBSON caused Summit Trust to send statements to these investors that falsely represented that the value of their original investments were intact and remained fully vested in PLI Group.

61. On or about January 1, 2014, the PLI Group bank account balance was \$3,657.50. Despite the fact that the PLI Group investment had been fully funded since May 2013 and that all remaining investor funds had been transferred to weMonitor Group, BANK caused yet another investor, MG, to invest \$25,000 into the PLI Group investment.

62. On or about January 10, 2014, based on numerous material misrepresentations and omissions, MG invested in PLI Group. BANK and GIBSON used the entirety of MG's \$25,000 to pay back a previous investor in PLI Group. MG was never told about concerns related to the investment or that her money would be used to repay an earlier investor.

63. Despite the fact that the PLI Group investment had failed (and all remaining monies moved out of the investment) prior to MG's investment, BANK and GIBSON caused Summit Trust to send statements to MG via the mail that reflected that her \$25,000 investment was whole and fully vested in PLI Group.

64. In or about July 2016, GIBSON and Conspirator #2 contacted the PLI Group investors and stated that they now had an interest in BlueDot Corporation (the entity purportedly organized to sell the "assets" of weMonitor, Inc.).

65. On May 5, 2017, Conspirator #2 sent another letter to PLI Group investors informing them he was resigning as an officer of BlueDot Corporation, effective July 10, 2017,

and placing the burden on the investors to nominate suitable candidates to act as officers of BlueDot.

66. BANK and GIBSON created and sold numerous other purported "private equity" investments using the same or similar fraudulent methods.

67. BANK and GIBSON regularly caused interstate wirings of investor funds to BANK and others for their personal use. For example, in 2014, GIBSON transferred via interstate wires over \$1,000,000 in siphoned investor funds to BANK's personal bank account.

68. Throughout this time, GIBSON also transferred investor funds from bank accounts associated with the various companies that BANK controlled to BANK's personal bank account for his use.

69. GIBSON also used investor funds to pay herself from bank accounts associated with Spectrum Management, Spectrum 100 Management, DIG, DPCG, and Dominion Franchise Group.

COUNT ONE
(Conspiracy to Commit Mail and Wire Fraud)

1. The allegations contained in paragraphs 1 through 69 of the General Allegations section of the Indictment are realleged and incorporated as if set forth fully herein.

2. From in or about January 2012 through in or about July 2017, in the Eastern District of Virginia and elsewhere, defendants DARYL G. BANK, RAEANN GIBSON, and others known and unknown, knowingly and intentionally combined, conspired, confederated and agreed to commit the following offenses against the United States:

(a) Mail Fraud: defendants, and others known and unknown, having devised a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, did knowingly place and caused to be placed in any post office and authorized depository for mail, any matter and thing whatever to be sent and delivered by the Postal Service; did deposit and caused to be deposited any matter and thing whatever to be sent and delivered by any private and commercial interstate carrier; and caused to be delivered by mail and such carrier any matter and thing whatever according to the direction thereon, in violation of Title 18, United States Code, Section 1341; and

(b) Wire Fraud: defendants, and others known and unknown, having devised a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted by means of wire communication in interstate commerce writings, signs, signals, pictures, and sounds for the purpose of execution of such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

THE PURPOSE OF THE CONSPIRACY

3. The purpose of the conspiracy was for DARYL G. BANK, RAEANN GIBSON, and others to profit personally by misleading investors in material ways about the use of investment funds, who controlled the investment funds, the nature of the investment, and the status of invested funds.

THE WAYS, MANNER, AND MEANS OF CONSPIRACY

The ways, manner and means by which BANK, GIBSON, and others sought to accomplish this conspiracy included, but were not limited to, the following:

4. BANK and GIBSON, operating through DIG, DPCG and related entities Dominion Franchise Group LLC and Dominion Diversified Strategies LLC, offered various investment opportunities to potential investors.

5. BANK, Conspirator #2 and others prepared materially false and misleading investment offering documents that intentionally misled investors about the use of their investment funds, who controlled the investment funds, and the nature of the investment.

6. BANK, GIBSON, and others, made and caused to be made, material misrepresentations, deceitful statements and omissions to potential investors about these investments during sales pitches, live presentations, radio shows, social security maximization seminars, and other communications. The purpose of these fraudulent actions was to create a false impression, mislead and to otherwise deceive investors about the use of the investment funds, the identity of who controlled the investment funds, and the nature of the investment.

7. BANK, GIBSON, and others, recruited sales agents across the country (principally insurance sales agents unregistered to sell securities) to sell DIG's and DPCG's

false, misleading, and deceptive investment offerings to unsuspecting and unsophisticated investors. BANK and other conspirators regularly participated in weekly sales calls to encourage the sales agents to sell the fraudulent investment offerings.

8. BANK, GIBSON, and others principally targeted investors at or near retirement age from across the country to invest in fraudulent investment offerings.

9. BANK, GIBSON, and others created and utilized a complex web of limited liability companies to conceal the misappropriation of investor funds. The conspirators did not invest any personal capital into these companies; instead, the companies functioned solely on investor funds. BANK, GIBSON, and others concealed from investors that BANK wholly controlled the companies sponsoring the private equity offering, the companies controlling the investment funds, and the companies purportedly "managing" the investment funds.

10. BANK, GIBSON, and others concealed that, upon immediate receipt of investment funds, the conspirators directly siphoned substantial portions of the investment funds by transferring the funds to separate bank accounts under their control.

11. BANK, GIBSON, and others used investments from new investors to make payments to previous investors – including one of GIBSON's family members – without first disclosing such a purpose to the new investors.

12. BANK and GIBSON intermingled funds between investments without disclosing such activities to the investors.

13. In furtherance of this conspiracy, BANK, GIBSON, and others routinely caused interstate wirings of investment funds into and out of bank accounts they controlled at BayPort Credit Union located in the Eastern District of Virginia.

14. BANK, GIBSON, and others knowingly and intentionally used investor funds for private purposes including to support BANK's lavish lifestyle.

15. In furtherance of this conspiracy, BANK, GIBSON, and others knowingly and intentionally concealed, misled, and deceived investors as to the status of their investment funds by causing trust companies to send, via the United States mail, fraudulent quarterly statements to the investors. The account statements gave the false impression that the investors' funds were whole, fully invested and, in some instances, increasing in value. Many of these mailings came to addresses within the Eastern District of Virginia.

16. BANK, GIBSON, and others concealed from investors the existence of regulatory investigations into DPCG's investment offerings.

17. BANK, GIBSON, and others caused letters to be sent to investors aimed at misleading and deceiving investors regarding the status of the investments, and at concealing that they had misappropriated substantial portions of investor funds.

18. BANK and others held conference calls with investors aimed at misleading and deceiving investors regarding the status of the investments, and at concealing that he and his conspirators had misappropriated substantial portions of investor funds.

19. As a result of this conspiracy, at least 300 investors in the Eastern District of Virginia and elsewhere have suffered losses exceeding \$20 million.

(In violation of Title 18, United States Code, Sections 1349, 1341, 1343).

COUNTS TWO – FOUR
(Mail Fraud)

1. The allegations contained in paragraphs 1 through 69 of the General Allegations section and paragraphs 1 through 19 related to Count One of this Indictment are realleged and incorporated as if set forth fully herein.

2. On or about the dates set forth below, in the Eastern District of Virginia and elsewhere, for the purpose of executing the above-described scheme and artifice to defraud and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises, and attempting to do so, the defendants DARYL G. BANK and RAEANN GIBSON knowingly caused to be delivered by U.S. mail and any private and commercial interstate carrier any matter and thing whatever according to the direction thereon, and at the place at which it was directed to be delivered by the person to whom it was addressed, the following matters:

Count	In Or About Date	Item Mailed
2	June 2015	Federal Express mailing of JL's Summit Trust documents.
3	August 2015	Mailing of Summit Trust statement to PS in Virginia Beach, Virginia.
4	May 2017	BlueDot Corporation mailing to TW in Chesapeake, Virginia.

(In violation of Title 18, United States Code, Sections 1341 and 2).

COUNTS FIVE - ELEVEN

(Wire Fraud)

1. The allegations contained in paragraphs 1 through 69 of the General Allegations section and paragraphs 1 through 19 related to Count One of this Indictment are realleged and incorporated as if set forth fully herein.

2. On or about the dates set forth below, in the Eastern District of Virginia and elsewhere, for the purpose of executing the above-described scheme and artifice to defraud and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises, the defendants DARYL G. BANK and RAEANN GIBSON knowingly transmitted and caused to be transmitted by means of a wire communication in interstate commerce certain writings, signs, signals, pictures and sounds the following matters:

Count	Date of Wire	Item Wired
5	December 19, 2013	Interstate wire transfer of \$50,000.00 belonging to LZ from a Wells Fargo bank account to DSPF Group LLC's bank account (account number ending in 9219) at BayPort Credit Union located in the Eastern District of Virginia.
6	May 29, 2013	Interstate wire transfer of \$61,000.00 belonging to AM from a Wells Fargo bank account to DSPF Group LLC's bank account (account number ending in 9219) at BayPort Credit Union located in the Eastern District of Virginia.
7	May 17, 2013	Interstate wire transfer of \$150,000.00 belonging to RK from a Wells Fargo bank account to DSPF Group LLC's bank account (account number ending in 9219) at BayPort Credit Union located in the Eastern District of Virginia.
8	January 10, 2014	Interstate wire transfer of \$25,000.00 belonging to MG from a Wells Fargo to PLI Group LLC's bank account (account number ending in 8817) at Bay Port Credit Union located in the Eastern District of Virginia.

Count	Date of Wire	Item Wired
9	March 3, 2014	Interstate wire transfer of \$45,000.00 belonging to BC, RC, MB, and BB from a Wells Fargo bank account to Prime Spectrum LLC's bank account (account number ending in 5296) at BayPort Credit Union located in the Eastern District of Virginia.
10	June 3, 2014	Interstate wire transfer of \$17,500.00 from a Wells Fargo bank account to WeMonitor Group LLC's bank account (account number ending in 3724) at BayPort Credit Union located in the Eastern District of Virginia
11	December 16, 2013	Interstate wire transfer of \$78,000.00 from Dominion Private Client Group's bank account (account ending in 8622) at BayPort Credit Union located in the Eastern District of Virginia to a Wells Fargo Bank account.

(In violation of Title 18, United States Code, Sections 1343 and 2).

COUNTS TWELVE - FIFTEEN
(Engaging in an Unlawful Monetary Transaction)

1. The allegations contained in paragraphs 1 through 69 of the General Allegations section and paragraphs 1 through 19 related to Count One of this Indictment are realleged and incorporated as if set forth fully herein.

2. On or about the following dates and in the manner described below, in the Eastern District of Virginia and elsewhere, defendants DARYL G. BANK and RAEANN GIBSON knowingly engaged and attempted to engage in the following monetary transactions by, through, and to a financial institution, affecting interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, that is, money deposits which represented fraudulently obtained funds from investors, such property having been derived from a specified unlawful activity, that is, wire fraud in violation of Title 18, United States Code, Section 1343:

Count	Defendant	On Or About Date	Financial Transaction
12	BANK	December 23, 2013	Payment of \$55,493.50 for Daryl Bank's personal American Express card.
13	BANK & GIBSON	July 12, 2013	Wire of \$58,650.00 to M.R. Diamonds USA c/o Wonder Jewelers
14	BANK	October 5, 2015	Payment of \$111,458.46 for Daryl Bank's personal American Express card.
15	GIBSON	August 26, 2014	Check for \$29,715.00 written to and negotiated by The Gibson Irrevocable Trust

(In violation of Title 18, United States Code, Sections 1957 and 2).

FORFEITURE

THE GRAND JURY FURTHER ALLEGES AND FINDS PROBABLE CAUSE THAT:

1. Defendants DARYL G. BANK and RAEANN GIBSON, if convicted of one or more of the violations alleged in counts one through eleven of the indictment, shall forfeit to the United States, as part of the sentencing pursuant to Federal Rule of Criminal Procedure 32.2, any property, real or personal, which constitutes or is derived from proceeds traceable to the violation.

2. Defendants DARYL G. BANK and RAEANN GIBSON, if convicted of one or more of the violations alleged in counts twelve through fifteen of the indictment, shall forfeit to the United States, as part of the sentencing pursuant to Federal Rule of Criminal Procedure 32.2, any property, real or personal, involved the violation, and any property traceable to such property.

3. If any property that is subject to forfeiture 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 to, 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 that cannot be divided without difficulty, it is the intention of the United States to seek forfeiture of any other property of the defendant, as subject to forfeiture under Title 21, United States Code, Section 853(p).

4. The property subject to forfeiture includes, but is not limited to, the following property:

- a. A sum of money of at least \$3,789,776.96, representing the proceeds DARYL G. BANK obtained from the offenses charged in counts one through eleven;
- b. A sum of money of at least \$483,645.15, representing the proceeds RAEANN GIBSON obtained from the offenses charged in counts one through eleven;
- c. Real property and improvements located at 814 SW St. Julien Court, Port St. Lucie, Florida 34986;
- d. Real property and improvements located at 9686 SW Flowermound Circle, Port St. Lucie, Florida 34987;
- e. Real property and improvements located at 1140 Northside Road, Elizabeth City, North Carolina 27906, also known as McPherson's Mobile Home Park;
- f. 2011 Land Rover LR4 with VIN # SALAG2D41BA554792;
- g. 2012 BMW 535i with VIN # WBAFR7C58CC815577;
- h. Wells Fargo Bank account # 1079246727355;
- i. Generations Credit Union account #1556709;
- j. Generations Credit Union account #1556674;
- k. One diamond ring 5.01K VS2 GIA #2151479679 and band;
- l. All diamonds purchased by DARYL G. BANK from M.R. Diamonds between January 2015 and February 2016;
- m. Approximately 1,000 diamond display boxes purchased by DARYL G. BANK and being held by M.R. Diamonds; and
- n. Approximately \$325,840.00 on M.R. Diamonds' open book account for Dominion Investment Group.

(All in accordance with Title 18, United States Code, Section 982(a)(1); Title 18, United States Code, Section 981(a)(1)(C), as incorporated by Title 28, United States Code, Section 2461(c); and Title 21, United States Code, Section 853(p).)

United States v. Daryl G. Bank and Raeann Gibson
Criminal No. 2:17cr 126

Under the E-Filed Act,
this document has been filed
electronically in the Clerk's Office.

A TRUE BILL:

FOREPERSON

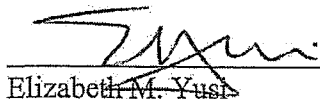
Dana J. Boente
United States Attorney

By:



Melissa E. O'Boyle
Assistant United States Attorney
Attorney for the United States
United States Attorney's Office
8000 World Trade Center
101 West Main Street
Norfolk, VA 23510
Phone: (757) 441-6331
Fax: (757) 441-6689
E-Mail: melissa.oboyle@usdoj.gov

By:



Elizabeth M. Yusi
Assistant United States Attorney
Attorney for the United States
United States Attorney's Office
8000 World Trade Center
101 West Main Street
Norfolk, VA 23510
Phone: (757) 441-6331
Fax: (757) 441-6689
E-Mail: elizabeth.yusi@usdoj.gov