

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

D-1 LARRY A. HOLLEY, and
D-2 PATRICIA E. GRAY,
a.k.a. PATRICIA ENRIGHT,

Defendants.

Case: 4:18-cr-20224
Judge: Parker, Linda V.
MJ: Davis, Stephanie Dawkins
Filed: 04-04-2018
SEALED (dw)

INDICTMENT

THE GRAND JURY CHARGES:

General Allegations

At all times relevant to this indictment:

1. Treasure Enterprise, LLC (“Treasure”) was a Michigan limited liability company based in Flint, Michigan. Treasure was formed by LARRY A. HOLLEY (“HOLLEY”) in 2009 with C.H. named as the resident agent.

2. HOLLEY, a Michigan resident and husband of C.H., was the pastor of Abundant Life Ministries International, Inc. (“Abundant Life”), a church in Flint, Michigan, which shared the same address as Treasure.

3. PATRICIA E. GRAY, a.k.a. PATRICIA ENRIGHT (“GRAY”), a Michigan resident, was a financial consultant on behalf of Treasure.

4. On July 7, 2010, HOLLEY opened bank account number XXXXXX7805 under the name of “Treasure Enterprise” at Citizens Bank (previously First Merit Bank and now Huntington Bank) in Flint, Michigan. HOLLEY, C.H., and C.D. had designated signature authority on the account.

5. On February 6, 2012, HOLLEY opened bank account number XXXXX5455 under the name of “Treasure Enterprise LLC” at Chase Bank in Flint, Michigan. HOLLEY, C.H., and C.D. had designated signature authority on the account.

6. HOLLEY operated Treasure through which he, GRAY, and other individuals known and unknown to the grand jury fraudulently purported to provide financial planning and asset management services to investors. HOLLEY conducted financial seminars at various churches in Michigan and other states where HOLLEY and GRAY solicited congregants to invest with Treasure. Congregant investments were deposited by HOLLEY, and others directed by him, into the Treasure bank accounts at Citizens Bank and Chase Bank.

7. Citizens Bank and Chase Bank were financial institutions, as defined in 18 U.S.C. § 20 and 31 U.S.C. § 5312.

COUNT ONE
CONSPIRACY TO COMMIT WIRE FRAUD AND MAIL FRAUD
18 U.S.C. § 1349

D-1 LARRY A. HOLLEY

D-2 PATRICIA E. GRAY

8. Paragraphs 1 through 7 of this Indictment are hereby re-alleged and incorporated by reference.

9. Beginning in or about January 2014, and continuing until March 29, 2017, in the Eastern District of Michigan and elsewhere, LARRY A. HOLLEY and PATRICIA E. GRAY a.k.a. PATRICIA ENRIGHT, knowingly and willfully combined, conspired, confederated, and agreed together, and with other persons known and unknown to the Grand Jury, to commit the crimes of wire fraud and mail fraud by knowingly executing and attempting to execute a scheme to defraud and to obtain money and property by means of false and fraudulent material pretenses, representations, promises, and omissions. In executing the scheme to defraud, HOLLEY and GRAY transmitted and caused the transmission in interstate commerce, by means of wire communication, of certain writings, signs, signals, pictures, and sounds, in violation of 18 U.S.C. § 1343, and knowingly caused the sending, delivering, and receipt of various matters and things by a private and commercial interstate carrier, in violation of 18 U.S.C. § 1341.

Object of the Conspiracy

10. The object of the conspiracy and scheme to defraud was to obtain money by means of false and fraudulent material pretenses, representations, promises, and omissions made to individuals to trick them into investing with Treasure. It was further the object of the conspiracy and scheme for HOLLEY and GRAY to use the illegally obtained investments for their personal benefit, for the benefit of Abundant Life, to make payments to earlier investors, and to pay other Treasure employees.

Manner and Means of the Conspiracy

11. It was part of the conspiracy and scheme to defraud that in soliciting potential investors, HOLLEY and GRAY touted Treasure as a successful and profitable, real estate investment company which owned numerous residential and commercial properties. HOLLEY and GRAY fraudulently solicited the potential investors through material false promises and omissions that Treasure would use the invested funds to purchase real estate and other legitimate investments when, in fact, HOLLEY and GRAY used the invested funds for their personal benefit, for the benefit of Abundant Life, to make interest and principal payments to earlier investors, and to pay other Treasure employees.

12. It was further part of the conspiracy and scheme to defraud that HOLLEY would travel to various churches in Michigan and other states where he would conduct investment seminars purporting to raise funds for the churches and to fraudulently promote and solicit investments with Treasure. HOLLEY falsely promised that investor funds would be used for legitimate investments and omitted that all or part of an investor's funds would be used to pay earlier investors.

13. It was further part of the conspiracy and scheme to defraud that during the financial presentations, HOLLEY urged church congregants to fill out cards detailing their financial holdings. Congregants with substantial financial resources were targeted by HOLLEY and invited to have a one-on-one consultation with GRAY who tricked the congregants into investing with Treasure.

14. It was further part of the conspiracy and scheme that in order to lure the potential investors into taking money out of their legitimate investments—such as individual retirement accounts (IRAs) and 401Ks—and investing with Treasure, HOLLEY and GRAY promised high, guaranteed returns, and the safe return of an investor's entire principal at the end of the investment period.

15. It was further part of the conspiracy and scheme that GRAY convinced the victim investors to roll their IRAs and 401Ks into a “qualified plan” and “self-directed IRA” with Treasure. GRAY assured the victim investors that these

investments were direct rollovers with no tax consequences. GRAY falsely promised the victim investors their money would be used for real estate purchases in Flint, Michigan and other legitimate investments.

16. It was further part of the conspiracy and scheme that when the victim investors agreed to invest with Treasure, GRAY fraudulently facilitated the movement of their funds. GRAY assisted in the paperwork necessary to transfer the money to Treasure and fraudulently assured the victim investors that their money was being moved into a qualified IRA. HOLLEY and GRAY caused the fraudulently induced investments to be transferred from the victim investors to Treasure via wire and a private and commercial interstate carrier.

17. It was further part of the conspiracy and scheme that, as HOLLEY and GRAY knew and intended, the money was not invested and did not earn the profits to pay the guaranteed interest payments. HOLLEY and GRAY, and others directed by them, simply deposited the victim investor funds into Treasure's bank accounts at First Merit and Chase Bank and used them for their personal benefit, for the benefit of Abundant Life, to make interest and principal payments to earlier investors, and to pay other Treasure employees.

18. It was further part of the conspiracy and scheme that at various times between January 2014 and March 29, 2017, when confronted by victim investors

regarding the status of their investments, HOLLEY and GRAY lied, and directed others to lie, in order to lull the victim investors into believing their investments were safe by falsely and deceptively claiming, among other things, (a) that the Treasure investments existed and continued to be profitable, (b) that the victim investors could expect to receive continued interest payments and the return of their principal, and (c) that any delays in promised interest payments or the return of their principal was caused by factors unrelated to HOLLEY and GRAY's unauthorized use of the investment funds.

19. It was further part of the conspiracy and scheme that at various times between January 2014 and March 29, 2017, in order to lull the victim investors into believing that their investments were legitimate and profitable, HOLLEY and GRAY used money from new victim investors to make purported interest and principal payments to previous victim investors. HOLLEY and GRAY omitted this fact to the victim investors.

All in violation of Title 18, United States Code, Section 1349.

COUNTS TWO AND THREE
WIRE FRAUD – AIDING AND ABETTING
18 U.S.C. §§ 1343 and 2

D-1 LARRY A. HOLLEY
D-2 PATRICIA E. GRAY

20. Paragraphs 1 through 19 of this Indictment are hereby re-alleged and incorporated by reference.

21. HOLLEY and GRAY, knowingly and with intent to defraud, devised and executed, and aided and abetted each other in devising and executing, a scheme to defraud and obtain money from individuals by means of false and fraudulent material pretenses, representations, promises, and omissions.

22. On the dates set forth below, in the Eastern District of Michigan and elsewhere, HOLLEY and GRAY and others, in executing the scheme to defraud, transmitted, and caused the transmission of, wire communications by wire and radio communications, in interstate and foreign commerce, writings, signs, signals, pictures, and sounds.

23. Each of the following constitutes a separate count of this indictment:

COUNT	INVESTOR	ON OR ABOUT	DESCRIPTION
TWO	M.S.	January 16, 2014	Wire transfer of \$64,696.67 from M.S.'s 401K account into Treasure bank account XXXXXX7805 at First Merit Bank
THREE	M.S.	January 16, 2014	Wire transfer of \$14,479.97 from M.S.'s 401K account into Treasure bank account XXXXX5455 at Chase Bank

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNTS FOUR – SEVEN
MAIL FRAUD – AIDING AND ABETTING
18 U.S.C. §§ 1341 and 2

D-1 LARRY A. HOLLEY
D-2 PATRICIA E. GRAY

24. Paragraphs 1 through 19 of this Indictment are hereby re-alleged and incorporated by reference.

25. HOLLEY and GRAY, knowingly and with intent to defraud, devised and executed, and aided and abetted each other in devising and executing, a scheme to defraud and to obtain money from individuals by means of false and fraudulent material pretenses, representations, promises, and omissions.

26. On the dates set forth below, in the Eastern District of Michigan and elsewhere, HOLLEY and GRAY and others, in executing the scheme to defraud, delivered, and caused to be delivered, checks sent via FedEx, a private and commercial interstate carrier.

27. Each of the following constitutes a separate count of this Indictment:

COUNT	INVESTOR	ON OR ABOUT	DESCRIPTION
FOUR	S.M.	February 3, 2014	Check in the amount of \$50,000 sent via FedEx from S.M.'s 401K account and subsequently deposited in Treasure bank account XXXXX5455 at Chase Bank
FIVE	L.H.	January 16, 2015	Check in the amount of \$135,331.72 sent via FedEx from L.H.'s IRA account and subsequently deposited into Treasure bank account XXXXX5455 at Chase Bank
SIX	S.M.	December 23, 2015	Check in the amount of \$100,000 sent via FedEx from S.M.'s 401K account and subsequently deposited into Treasure bank account XXXXX5455 at Chase Bank

SEVEN	R.W.	January 13, 2016	Check in the amount of \$172,650.41 sent via FedEx from R.W.'s IRA account and subsequently deposited into Treasure bank account XXXXX5455 at Chase Bank
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All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNTS EIGHT – ELEVEN
MONEY LAUNDERING – AIDING AND ABETTING
18 U.S.C. §§ 1957 and 2

D-1 LARRY A. HOLLEY
D-2 PATRICIA E. GRAY

28. Paragraphs 1 through 19 of this Indictment are hereby re-alleged and incorporated by reference.

29. On or about the dates listed below, in the Eastern District of Michigan and elsewhere, HOLLEY and GRAY, aided and abetted by each other and others, knowingly engaged in monetary transactions in criminally derived property of a value greater than \$10,000, that was derived from specified unlawful activity, that is, proceeds of wire fraud (18 U.S.C. § 1343) and mail fraud (18 U.S.C. § 1341), by, through, or to a financial institution.

30. Each of the following constitutes a separate count of this Indictment:

COUNT	ON OR ABOUT	MONETARY TRANSACTION
EIGHT	January 21, 2015	Cash withdrawal in the amount of \$145,000 from Treasure bank account XXXXX5455 at Chase Bank
NINE	December 30, 2015	Online transfer in the amount of \$45,722 from Treasure bank account XXXXX5455 at Chase Bank
TEN	January 15, 2016	Wire transfer in the amount of \$100,000 from Treasure bank account XXXXX5455 at Chase Bank
ELEVEN	January 20, 2016	Wire transfer in the amount of \$100,000 from Treasure bank account XXXXX5455 at Chase Bank

All in violation of Title 18, United States Code, Sections 1957 and 2.

THIS IS A TRUE BILL.

s/GRAND JURY FOREPERSON

Dated: 4-4-18

MATTHEW SCHNEIDER
United States Attorney

s/ANTHONY P. VANCE P61148
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United States District Court Eastern District of Michigan	Criminal Case Cover Sheet	Case Number
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NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to complete the following information.

Case: 4:18-cr-20224
 Judge: Parker, Linda V.
 MJ: Davis, Stephanie Dawkins
 Filed: 04-04-2018
 SEALED (dw)

Companion Case Information	
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned:
<input type="checkbox"/> Yes <input type="checkbox"/> No	AUSA's Initials:

Case Title: USA v. LARRY A. HOLLEY, et al

County where offense occurred : Genesee

Check One: **Felony** **Misdemeanor** **Petty**

Indictment/ Information --- no prior complaint.
 Indictment/ Information --- based upon prior complaint [Case number: _____]
 Indictment/ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].

Superseding Case Information

Superseding to Case No: _____ **Judge:** _____

- Corrects errors; no additional charges or defendants.
- Involves, for plea purposes, different charges or adds counts.
- Embraces same subject matter but adds the additional defendants or charges below:

<u>Defendant name</u>	<u>Charges</u>	<u>Prior Complaint (if applicable)</u>
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Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

4-4-2018
Date

s/ANTHONY P. VANCE

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¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, or (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.