

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO.
v.	:	DATE FILED
LEE MICHAEL HARRISON	:	VIOLATIONS: 18 U.S.C. § 1343 (wire fraud – 3 counts) Notice of Forfeiture

INDICTMENT

COUNTS ONE THROUGH THREE

THE GRAND JURY CHARGES THAT:

At all times material to this Indictment:

1. Defendant LEE MICHAEL HARRISON was living in the Raleigh/ Durham area of North Carolina.
2. Defendant LEE MICHAEL HARRISON had experience as a chef and restaurateur.
3. Defendant LEE MICHAEL HARRISON was attempting to open several restaurants and a nightclub in the Raleigh/Durham area, and was spending many thousands of dollars on expenses related to opening the restaurants and club.
4. Defendant LEE MICHAEL HARRISON was attempting to create a trailer and pitch a reality television show that would be called “Cut,” and would be about himself, his family, and his food-related business ventures to the Food Network. He spent many thousands of dollars on expenses purportedly related to creating the show for the Food Network. At no time

was he successful in this venture.

5. Defendant LEE MICHAEL HARRISON registered a corporate entity in North Carolina in the name of DFWM Group. This corporate entity was not a hedge fund.

THE SCHEME

6. From in or about April 2010 through in or about May 2011, defendant

LEE MICHAEL HARRISON

devised, and intended to devise, a scheme to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

MANNER AND MEANS

7. It was part of the scheme that defendant LEE MICHAEL HARRISON made many false representations about his assets or businesses in order to trick potential investors into believing that he was worthy of their investment. In fact, defendant HARRISON had few assets and he was presenting a façade to investors.

8. Defendant LEE MICHAEL HARRISON told investors the following, all of which was false:

a. he told potential investors, including M.F and other persons, that he had a personal net worth of millions of dollars; and showed M.F. a spreadsheet indicating that DFWM Group had numerous investments, including bars and movies in the production pipeline;

b. he told potential investors, including M.F., and others that he ran a “hedge fund” called DFWM;

c. he told potential investors and others that his current business ventures included opening several restaurants and clubs in North Carolina, and starring in a reality television show for the Food Network about his life as a professional chef and restaurant owner; and,

d. he told potential investors and others that he owned part of a corporate jet, and that he had worked for or provided culinary, promotion, financial, or security services to a number of celebrities.

9. Defendant LEE MICHAEL HARRISON also courted victim investors with travel:

a. he took M.F. and J.H., and their wives, on a lavish trip to Las Vegas for New Year's Eve in 2010, telling them that the trip was being filmed by the videographer, who was with the group on the trip, for a reality television show on the Food Network;

b. during the New Year's Eve trip to Las Vegas, he told potential investors that he, along with several celebrities, owned the private jet that they were flying on; that Harrison had been a private chef for several celebrities; that he had worked for a well-known casino magnate; and that H.A., a prominent New York financier, was a long-time family friend and his godfather;

c. he invited J.M. and two of his friends to North Carolina for the weekend to see an All-Star hockey game in January of 2011 and offered to pay the expenses of the trip, but did not pay the expenses after his credit card was declined at the hotel.

10. Defendant LEE MICHAEL HARRISON invented a story about a fictitious technology called "Capture" in order to convince victims to invest. To that end, he:

a. told M.F. and others that he and his fund had paid thirty million dollars to acquire the rights to a new technology called "Capture" that would prevent cell phones from dropping calls;

b. told M.F. and others that he would be selling the Capture technology in March of 2011 to financier H.A., for over six billion dollars; and that H.A. would be selling the

technology to the ATT company;

c. told M.F. that M.F. could make an enormous, multi-million-dollar return on his investment if he gave defendant LEE MICHAEL HARRISON \$20,000 to invest in Capture before the sale of the technology to H.A.;

d. told a potential investor, J.M., that he could make a great deal of money if he invested \$100,000 in Capture; and,

e. sent text messages to J.M. encouraging him to invest in Harrison's fund and in the Capture investment, and encouraging J.M. to have one of his friends on the trip to North Carolina also consider making an investment with Harrison.

11. Based on the representations of Defendant LEE MICHAEL HARRISON, in January of 2011, the two couples wired defendant HARRISON \$20,000 each to invest in "Capture."

12. During January of 2011, the account to which the two couples wired the money was overdrawn and checks were being returned for insufficient funds. Another bank account for the DFWM Group was also overdrawn and was closed by the bank in January 2011.

13. After receiving the \$20,000 from J.H., defendant HARRISON sent them a bogus document titled "Share Purchase Agreement" which stated that J.H. was purchasing 38 shares of DFWM Group.

14. Defendant LEE MICHAEL HARRISON fabricated the sale of "Capture," complete with a fake check for \$6,720,000,000 a photograph of which he sent to M.F. in a February 2011 text.

15. In February 2011, defendant LEE MICHAEL HARRISON took the two couples to New York City for a lavish trip to celebrate the sale of the Capture investment, and told

them that their money on the return would be paid to them in March 2011.

16. Defendant LEE MICHAEL HARRISON never paid any money to the couples as a return on the investment or as a return of principal, even after repeated requests through May 2011. Defendant HARRISON then left North Carolina, went to Oklahoma, and no longer communicated with M.F. or J.H.

17. Between in or about April 2010 and May 2011, as a result of this fraudulent scheme, victim investors known by the initials M.F. and his wife N.F. were defrauded of \$20,000, and victim investors known by the initials J.H. and his wife C.H. were defrauded of \$20,000.

18. On or about each of the dates below, in the Eastern District of Pennsylvania and elsewhere, defendant

LEE MICHAEL HARRISON

for the purpose of executing the scheme described above, and attempting to do so, caused to be transmitted by means of wire communications in interstate commerce, the signal and sounds below, that is, the following electronic payments, each transmission constituting a separate count:

<u>COUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>FROM</u>	<u>TO</u>
1	1/14/2011	\$10,000	Meridian Bank Pennsylvania	Bank of America, Northgate, NC
2	1/24/2011	\$20,000	Wachovia Bank, Pennsylvania	Bank of America Northgate, NC
3	1/24/2011	\$10,000	Mid-Atlantic Corporate Federal Credit Union for Keystone Federal Credit Union, Pennsylvania	Bank of America Northgate, NC

All in violation of Title 18, United States Code, Section 1343.

NOTICE OF FORFEITURE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Section 1343, set forth in this indictment, defendant

LEE MICHAEL HARRISON

shall forfeit to the United States of America any property that constitutes or is derived from proceeds traceable to commission of such offenses, including, but not limited to, the sum of \$40,000.00.

2. If any of the property subject to forfeiture, 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 sole 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;

it is the intent of the United States of America, pursuant to Title 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C).

A TRUE BILL:

GRAND JURY FOREPERSON

ZANE DAVID MEMEGER
United States Attorney

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Filed Under Seal

INDICTMENT

DESIGNATION FORM to be used by counsel to indicate the category of the case for the purpose of assignment to appropriate calendar.

Address of Plaintiff: 615 Chestnut Street, Suite 1250, Philadelphia, PA 19106-4476

Post Office: Philadelphia

County: Philadelphia

City and State of Defendant: Oklahoma City, OK

County: Oklahoma

Register number: N/A

Place of accident, incident, or transaction:

Eastern District of Pennsylvania

Post Office:

County:

RELATED CASE, IF ANY:

Criminal cases are deemed related when the answer to the following question is "yes".

Does this case involve a defendant or defendants alleged to have participated in the same action or transaction, or in the same series of acts or transactions, constituting an offense or offenses?

YES/NO: NO

Case Number: _____

Judge: _____


CRIMINAL: (Criminal Category - FOR USE BY U.S. ATTORNEY ONLY)

- 1. Antitrust
- 2. Income Tax and other Tax Prosecutions
- 3. Commercial Mail Fraud
- 4. Controlled Substances
- 5. Violations of 18 U.S.C. Chapters 95 and 96 (Sections 1951-55 and 1961-68) and Mail Fraud other than commercial
- 6. General Criminal

(U.S. ATTORNEY WILL PLEASE DESIGNATE PARTICULAR CRIME AND STATUTE CHARGED TO BE VIOLATED AND STATE ANY PREVIOUS CRIMINAL NUMBER FOR SPEEDY TRIAL ACT TRACKING PURPOSES)

18 U.S.C. § 1343 (wire fraud – 3 counts); Notice of Forfeiture

DATE: 6/16/15


Laurie Magid

Assistant United States Attorney