Case 3:17-cr-00641-B Document 1 Filed 12/05/17 Page 1 of 16 IN THE UNITED STATES DISTRICT COURT FIT FIT FOR THE NORTHERN DISTRICT OF TEXAS DALLAS DIVISION DEC - 5 2017 UNITED STATES OF AMERICA CLERK, U.S. DISTRICT COURT v. By. NO. Deputy **JOSHUA PUGH** aka "Joshua Wealthy" aka "Joshua Money" aka "Joshua Looney" aka "JMoney"

JOHNNY GLENN CLIFTON aka "John Mason" aka "John Glenn" (2)

3-17CR-641-B

INDICTMENT

The Grand Jury charges:

Introduction

At all times material to this Indictment:

- 1. Defendants **Joshua Pugh** and **Johnny Glenn Clifton** created and engaged in a lavish and elaborate scheme to defraud Victim 1 out of approximately \$1 million dollars between in or about November 2015 and in or about March 2017.
- 2. This scheme included an effort to convince an individual identified here as "Victim 1" who was a devout, religious, and sheltered cabinet maker in rural Texas that **Pugh** was the wealthy scion of a powerful and well-known family, that **Pugh** and **Clifton** were members of the "Illuminati," and founding officers of an elite real estate

The Illuminati is a name given, in popular culture, to a purported group of powerful and select individuals who allegedly control and manipulate world events. This alleged group plays a prominent role in numerous movies and fictional novels.

Case 3:17-cr-00641-B Document 1 Filed 12/05/17 Page 2 of 16 PageID 2 company known as "Sectors Global Management" (hereinafter "Sectors"). In truth and fact, Sectors did not exist.

3. **Pugh** and **Clifton** used extravagant means to effectuate their scheme to defraud Victim 1, including the use of helicopters, caravans, bodyguards, chauffeurs, falsified documentation, and contrived video chats and teleconferences with purported world leaders. **Pugh** and **Clifton** employed emotional and psychological pressure on Victim 1.

Defendants

- 4. Defendant Joshua Pugh, who also used the monikers "Joshua Wealthy," "Joshua Money," "Joshua Looney," and "JMoney," resided in Dallas, Texas. Pugh purported to be the son of an affluent international businessman. Pugh represented to others that he was a member of the Illuminati and maintained connections to high-level finance, intelligence, and political officials. Pugh also claimed to be a shareholder of Sectors. In fact, Pugh possessed none of the relationships he claimed. Pugh's prior work history consisted primarily of stints of entry-level positions with Little Caesars Pizza and Burger King. Pugh's actual father was not a successful international businessman.
- 5. Defendant **Johnny Glenn Clifton**, who also used the names "John Mason," and "John Glenn," resided in Frisco, Texas. **Clifton** claimed to serve as **Pugh's** financial advisor, coordinator, and consultant. **Clifton** claimed to have elite business connections. In fact, **Clifton** had little to no elite business connections and had been served with a

Case 3:17-cr-00641-B Document 1 Filed 12/05/17 Page 3 of 16 PageID 3

Cease and Desist Order by the U.S. Securities and Exchange Commission in July 2013

and ordered to repay \$150,000. Clifton did not have elite business connections.

Victim 1

- 6. Victim 1 resided in Kaufman, Texas, and worked as a high-end cabinet-maker. Victim 1 had a large family and was devoted to his religion and his church. Victim 1 had sincere difficulty understanding that anyone professing to be a fellow Christian was capable of duplicity. According to Victim 1, his religious convictions precluded the use of litigation after he had been wronged or cheated.
- 7. According to Victim 1, because of his religious beliefs and his home life, he had little exposure to the media or current events. This made him more susceptible to the false claims made by **Pugh** and **Clifton**. In addition, Victim 1 sought to protect his church from any potential negative publicity by avoiding controversy or disputes.
- 8. Victim 1 maintained excellent credit and good relationships with local banks. Because of Victim 1's relatively significant earnings, lack of debt, and comparatively frugal life-style, Victim 1 had a significant net worth prior to being made a victim of the scheme described below.
- 9. In or about 2009, Victim 1 was solicited by an individual known here as M.W. to invest in an entity, known here as Company 1. **Clifton** worked with M.W. and was assigned the task of soliciting additional funds from Victim 1. Ultimately, Victim 1 invested approximately \$600,000 in Company 1 and received less than 5% of this in return on his investment, based on available records.

Count One Conspiracy to Commit Wire Fraud [Violation of 18 U.S.C. § 1349 (18 U.S.C. § 1343)]

- 10. The Grand Jury realleges, and incorporates by reference herein, as if fully set forth, the allegations contained in Paragraphs 1 through 9 of this Indictment.
- 11. Starting in or about November 2015 and continuing through in or about March 2017, the exact dates being unknown to the Grand Jury, in the Dallas Division of the Northern District of Texas and elsewhere, defendants **Joshua Pugh** and **Johnny Glenn Clifton** did knowingly and willfully combine, conspire, confederate, and agree with each other to commit the offense of wire fraud, in violation of 18 U.S.C. § 1343.

Object of the Conspiracy

12. The object of the conspiracy was to devise a scheme and artifice to defraud in order to obtain money or other things of value from Victim 1 in order to enrich themselves (**Pugh** and **Clifton**).

Scheme and Artifice to Defraud

- 13. In or about March 2016, **Clifton** contacted Victim 1 and detailed an opportunity to invest in Sectors. According to **Clifton**, Sectors was backed by elite individuals, including members of the Illuminati. **Clifton** alleged that he would serve as the chief executive officer of Sectors.
- 14. **Clifton** told Victim 1 that an individual that **Clifton** referred to as "Joshua Wealthy" (who was actually **Pugh**) was a leading member of Sectors.

- 15. Clifton explained to Victim 1 that both he (Clifton) and Wealthy (Pugh) were also members of or connected to the Illuminati, which he described as a clandestine cabal of high net worth individuals who delegated control of the world to a select group of 43 families through the manipulation of banks, politics, and intelligence/law enforcement organizations.
- 16. **Clifton** stated that Victim 1 was selected to invest in Sectors (which was controlled by the Illuminati) because of a secret reason that even **Clifton** was not allowed to know.

A. Efforts to Convince Victim 1 That Pugh and Clifton Were Legitimate

- 17. In an effort to convince Victim 1 of the legitimacy of these claims, **Pugh** and **Clifton** engaged in ostentatious ruses, including:
- a. **Pugh** would rent a caravan of security vehicles and drive from location to location when interacting with Victim 1. For example, on or about February 1, 2017, **Pugh** hired multiple off-duty law enforcement officers to escort **Pugh** from **Pugh's** residence in Dallas to Victim 1's place of work in Kemp, Texas. **Pugh** arrived in a Bentley, and was followed and preceded by a number of vehicles that served no legitimate purpose. On this occasion, Victim 1 gave **Pugh** approximately \$45,000 in cash that was required by Sectors. On other occasions, **Pugh** directed bodyguards or drivers to wear an earpiece that was unconnected to any communication device.

- b. On at least one occasion, this convoy was accompanied by a helicopter that **Pugh** had rented. The helicopter was not communicating with the drivers and had instead, been given a predesignated flight plan.
- c. **Pugh** also claimed to have close relationships with significant musical entertainers, including "Prince," prior to that artist's death.²
- d. **Clifton** showed Victim 1 a triangular chart representing the structure of the Illuminati. The text of the chart included the text "World Monarch," "Crown Council of 13," and "World Population Control."
- e. **Pugh** attended large events, such as the National Football League (NFL) Super Bowl and a World Wrestling Entertainment ("WWE") event. At the WWE event, **Pugh** claimed that he was there to observe on behalf of the Illuminati and was in charge of media-related events for that group. **Pugh** claimed that due to his position, he knew in detail which wrestlers would participate and the timing of their entrances. When his predictions failed, he claimed that people working for him had failed to keep him properly informed and he then claimed to make a phone call to complain or remedy the errors.
- f. **Pugh** and **Clifton** created a library of falsified documents intended to corroborate their claims. This included, but was not limited to:

Prince Rogers Nelson was an American singer, songwriter, and performer, who passed away in April 2016. In 1993, while in a contractual dispute with Warner Bros., he changed his stage name to the symbol .

- emails and communications between **Pugh** and **Clifton** describing major business deals;
- letters to major corporations and sport franchises discussing **Pugh's** roles in such entities or meeting or cancellation of meeting with representatives from such entities;
- alleged communications with businesses detailing endorsements with major companies such as Under Armour and the National Basketball Association (NBA);
- daily itineraries for Joshua Wealthy, which referenced frequent travel in private jets, with descriptions of a security entourage traveling in additional aircraft;
- falsified tax documents for the year 2016 for Joshua D. Wealthy which listed an income of approximately \$45 million (in truth and fact, **Pugh** failed to file personal income tax returns at any time since 2014); and
- falsified W-2 forms from an entity known as Blackrock, Inc. in the name of Joshua Wealthy identifying income to Wealthy of approximately \$44 million.
- g. **Pugh** and **Clifton** engaged in lengthy meetings with Victim 1 both in person and over the phone. Several of these communications were recorded by **Pugh** or **Clifton**. During certain meetings, **Pugh** outlined the ramifications to Victim 1 if he did not comply with their demands, which included the seizure of Victim 1's assets and Victim 1's incarceration by law enforcement.
- h. On other occasions, **Pugh** engaged in a video conference with third parties, who, at times, spoke in foreign languages, and who **Pugh** claimed were heads of organizations, such as OPEC³ or the FBI.

OPEC stands for the Organization of the Petroleum Exporting Countries and is an intergovernmental organization of 14 nations which was founded in 1960.

- i. Clifton and Pugh sent a variety of emails to Victim 1 that furthered the scheme to defraud. Many of these emails traveled in interstate commerce. These emails often demanded additional money from Victim 1 and outlined the consequences of noncompliance.
- j. Realizing that Victim 1 was deeply religious, **Clifton** often quoted biblical scripture to Victim 1 and used bible verses to persuade Victim 1 to continue to provide money to **Pugh** and **Clifton**.
- k. Clifton claimed that his (Clifton's) own life would be in danger if Clifton did not comply with the money demands from Sectors. Clifton also claimed that if he (Clifton) revealed the identity of Pugh's father (an allegedly wealthy businessperson), than Clifton's life, and the lives of his family members, would be in danger.
- 18. Based on the representations and interactions with **Pugh** and **Clifton**,

 Victim 1 feared the ramifications of not acquiescing to their demands. These fears

 included his and his family's physical safety, damage to the reputation of his church, and
 his own financial well-being.

B. Transfers by Victim 1 and Spending by the Defendants

19. Victim 1 invested approximately \$1 million between November 2015 and March 2017 with Sectors. Victim 1 often provided this money in the form of a wire transfer from his bank account to a bank account controlled by **Clifton**. For example, on May 27, 2016, Victim 1 wired **Clifton** \$40,000. Less than two weeks later, on June 6, 2016, Victim 1 transferred an additional \$25,000 to **Clifton** via wire. A week after that,

Case 3:17-cr-00641-B Document 1 Filed 12/05/17 Page 9 of 16 PageID 9 on June 13, 2017, Victim 1 wired \$10,000 to **Clifton**. Victim 1 made several additional transfers for amounts as low as \$600 and as high as \$353,000.

- 20. Clifton told Victim 1 that this money was being used by Sectors to purchase stock. Pugh later claimed that Victim 1's money was used to purchase gold stored in the Cayman Islands, and that Pugh, Clifton, and Victim 1 could fly there in three hours to retrieve it if needed.
- 21. In or about the fall of 2016, **Clifton** and **Pugh** told Victim 1 that a portion of the proceeds provided by Victim 1 would be used to open a franchise for an entity, known here as Restaurant A. Victim 1 was directed to apply for a loan and deposit approximately \$370,000 into an account which could be accessed by **Clifton**. A certain fraction (less than 33%) of that amount was, in fact, used in connection with Restaurant A.
- 22. Between in or about April 2016 and in or about January 2017, approximately \$573,000 was deposited into an account at Texans Credit Union that was controlled by **Clifton** that had been provided to him by Victim 1. During that same time, **Clifton** withdrew approximately \$518,000 in cash and purchased two Porsche Panameras and one Maserati Quattroporte.
- 23. **Pugh** purchased multiple expensive items or services during the same time in which they extracted these payments from Victim 1, including \$18,500 worth of merchandise from Louis Vuitton, a black mink stroller coat worth approximately \$3,300, a \$5,500 ticket to Super Bowl LLI to which he traveled on a private jet, and a \$400 per

Case 3:17-cr-00641-B Document 1 Filed 12/05/17 Page 10 of 16 PageID 10 month payment to an individual who would put in and take out **Pugh**'s contact lenses on a daily basis, and chartered helicopter rides.

C. Attempts to Silence and Intimidate Victim 1

- 24. Over time, and despite his initial inclination, Victim 1 retained an attorney to advise him as to his business dealings with **Pugh** and **Clifton**. **Clifton** explained to Victim 1 that this attorney was incapable of handling this matter and that he and **Pugh** would provide Victim 1 with an in-house attorney. **Pugh** and **Clifton** also directed Victim 1 to sign non-disclosure agreements regarding their relationship and interactions. On or about March 22, 2017, **Clifton** explicitly told Victim 1 that Sectors wanted Victim 1 to break ties with his attorney.
- 25. On or about February 4, 2017, and after Victim 1 had started to pull away from and limit his interactions with the defendants, **Pugh** and **Clifton** lured Victim 1 to a location under the ruse that Victim 1 was there to provide an estimate on some cabinetry work for an individual unrelated to **Pugh** and **Clifton**. Upon his arrival, **Pugh** and **Clifton** emerged from the shadows and confronted Victim 1. This meeting with Victim 1 lasted over four hours and during the course of this interaction, **Pugh** and **Clifton** directed Victim 1 to reactivate their American Express cards that had recently been deactivated on the advice of Victim 1's attorney.
- 26. When **Pugh** and **Clifton** became aware of the FBI's investigation, they confronted Victim 1 further. **Clifton** told Victim 1 that **Pugh's** life was in danger because of Victim 1's meetings with law enforcement. **Clifton** explained that although

Case 3:17-cr-00641-B Document 1 Filed 12/05/17 Page 11 of 16 PageID 11 the Illuminati controlled the FBI, local field agents did not know about the Illuminati or Sectors and only the head of the FBI had such knowledge.

- 27. Clifton told Victim 1 that "people who don't fall in line, things happen to them" and that "they're a vicious group" in reference to Sectors. Clifton told Victim 1 that the Illuminati and Sectors could ruin Victim 1, his business, and his family. Clifton also claimed that these groups could monitor Victim 1's phone calls and conversations inside his home. On one occasion, in February 2017, a third individual visited Victim 1's house in an effort to intimidate Victim 1. This individual acted on the direction of **Pugh** and **Clifton**.
- 28. As the law enforcement investigation continued, **Pugh** and **Clifton** offered to repay Victim 1 portions of the money he had invested, but told Victim 1 he needed to accompany them on a three-hour plane flight to receive his money. Based on available records, **Pugh** and **Clifton** paid approximately \$6,000 back to Victim 1 out of the more than \$1 million that he had invested.
- 29. In March 2017, **Pugh** hired a private investigator to conduct surveillance of Victim 1. **Clifton** followed this with a series of verbal threats to Victim 1.
- 30. In or about April 2017, **Clifton** contacted Victim 1's minister and stated that there would be viral media coverage of Victim 1's issue if this was not resolved.

All in violation of 18 U.S.C. § 1349.

Counts Two through Six Wire Fraud and Aiding and Abetting [Violation of 18 U.S.C. §§ 1343 and 2]

- 31. The Grand Jury re-alleges and incorporates by reference the allegations contained in paragraphs 1 through 30 of the Indictment.
- District of Texas, and elsewhere, and for each count and as described below, and for the purpose of executing and attempting to execute the above-described scheme to defraud and to obtain money and property, defendants **Joshua Pugh** and **Johnny Glenn Clifton**, knowingly caused the followings writings, signs, signals, and sounds to be transmitted by means of wire communications in interstate commerce:

Count	Date (on or about)	Description
2	June 12, 2016	Email chain with subject of "From Johnny" sent at
		or about 8:02 a.m.
3	September 5, 2016	Email with subject of "Update from Johnny" sent
		at or about 6:01 p.m., with attachment
4	November 27, 2016	Email with subject of "Email to Clifford" sent at
		or about 11:59 p.m.
5	February 23, 2017	Email with subject of "Important Update" sent at
		or about 9:30 p.m., with attachment
6	January 2, 2017	Email with subject of "Morning Meeting" sent at
		or about 12:31 a.m.

All in violation of 18 U.S.C. §§ 1343 and 2.

Forfeiture Notice

[18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

The allegations contained in Counts One through Six of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

Upon conviction of the offenses in violation of 18 U.S.C. § 1343 and/or 18 U.S.C. § 1349 set forth in Counts One through Six of this Indictment, the defendants, **Joshua Pugh** and **Johnny Glenn Clifton**, shall forfeit to the United States of America, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses. The property to be forfeited includes, but is not limited to, the following:

- a. The proceeds from the offenses alleged in Counts One through Six, in the form of a money judgment;
- b. A 2010 Porsche Panamera, vehicle identification number (VIN) WP0AC2A73AL090537; and
- c. A 2012 white Porsche Panamera, VIN WP0AC2A7XCL090456

If any of the property described above, as a result of any act or omission of the defendants:

- 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,

the United States of America shall be entitled to forfeiture of substitute property pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c).

A TRUE BILL

FOREPERSON

ERIN NEALY COX

UNITED STATE TTORNEY

P.J. MEITL

Assistant United States Attorney District of Columbia Bar No. 502391 Virginia Bar No. 73215 1100 Commerce Street, Third Floor

Dallas, Texas 75242-1699

Telephone: 214.659.8680 Facsimile: 214.659.8812

Email: philip.meitl@usdoj.gov

IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS DALLAS DIVISION

THE UNITED STATES OF AMERICA

v.

JOSHUA PUGH

aka "Joshua Wealthy", aka "Joshua Money", aka "Joshua Looney", aka "JMoney" (1)

JOHNNY GLENN CLIFTON aka "John Mason", aka "John Glenn" (2)

INDICTMENT

18 U.S.C. § 1349 (18 U.S.C. § 1343) Conspiracy to Commit Wire Fraud

18 U.S.C. §§ 1343 and 2 Wire Fraud and Aiding and Abetting

18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c) Forfeiture Notice

6 Counts

A true bill rendered	
	A
DALLAS	FOREPERSON
Filed in open court this 5th day of December, 2017.	

Warrant to be Issued for all Defendants

UNITED STATES MAGISTRATE JUDGE

No Criminal Matter Pending