

United States Attorney Geoffrey Berman Announces the Indictment of Lawrence Ray for Sex Trafficking, Extortion, Forced Labor, and Other Offenses

New York, N.Y. ~ Tuesday, February 11, 2020

Remarks as Prepared for Delivery

We are here today to announce charges against Lawrence Ray, a man who for nearly a decade exploited and abused young women and men emotionally, physically, and sexually for his own financial gain.

Ray's victims included his daughter's roommates at a college in Westchester. Ray earned his victims' trust beginning in their sophomore year of college, and he then used that trust to manipulate and control them. Over the course of grueling psychologically and physically abusive interrogations, Ray falsely accused his victims of wrongdoing, extracted false confessions from them, and demanded payment for purported damages, which he called "repairs."

Using fear, threats of force, and violence, Ray extorted payments from these victims, most of whom were students and young adults, who could not afford to pay Ray the money he insisted that they owed. As a result, and at Ray's direction, several victims performed unpaid labor for Ray under punishing conditions, and one female victim spent years as a prostitute, with Ray taking nearly all the profits.

Ray successfully extorted at least five victims, from whom he received approximately one million dollars.

For his crimes, Ray is indicted in nine counts, including extortion, sex trafficking, forced labor, and money laundering.

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Interrogations and Extortion

As alleged in the Indictment, several of Ray's victims were in their sophomore year of college when Ray moved in to their on-campus housing in 2010. Ray

presented himself as a father figure. He pretended to counsel the victims and inquired about intimate aspects of their lives and mental health, managing to convince several of them that they were broken and he could fix them. Beginning in the summer of 2011, many of the victims lived with Ray in an apartment in Manhattan and at other locations.

After gaining his victims' trust, Ray falsely accused them of harming him, including by poisoning him and deliberately damaging his property.

To extract false confessions, Ray subjected the victims to hours'-long interrogation sessions, which often involved sleep deprivation, verbal abuse, psychological manipulation, sexual humiliation, threats of force, and violence.

As alleged, Ray's physical abuse included putting a knife to one male victim's throat, brandishing a knife and threatening to dismember another male victim, grabbing a third male victim around the neck until he passed out, and grabbing female victims by their heads and shoving them to the ground.

After enduring Ray's abuse, at least seven of his victims falsely "confessed" that they had harmed Ray and his associates, either by damaging their property or by poisoning them. Ray sometimes recorded these confessions and threatened criminal legal action if the victims did not make repairs, a term Ray used for the purported damages he claimed the victims owed.

Ray used these false confessions to extort his victims. Some victims paid him by obtaining hundreds of thousands of dollars from their parents. Others performed forced manual labor, in part to pay Ray, and one female victim prostituted herself at Ray's direction and to meet Ray's demands.

Forced Labor

As alleged, Ray's forced his victims to perform manual labor in 2013, on a private property in Pinehurst, North Carolina, belonging to Ray's family member.

While there, Ray directed three female victims to perform unpaid labor on the property, including the installation of an irrigation system. Over the course of months of physical labor, Ray restricted their access to food and placed a lock on the refrigerator. He deprived them of sleep, sometimes forcing them to work in the middle of the night and to sleep outside in the summer heat. Ray was also

physically violent with the female victims while they worked on the property. He berated them, and falsely accused them of intentionally damaging the property and making him lose money.

Prostitution

As alleged, Ray caused one of his female victims to work as a prostitute. He sexually groomed her, beginning when she was a college student. He collected sensitive, humiliating, and incriminating material against her. He kept records of her false confessions and explicit photographs of her, and threatened to turn her in to law enforcement if she did not see more prostitution clients and make more money for him.

Ray was also physically violent with this female victim. On one occasion, he tied her to a chair, placed a plastic bag over her head and nearly suffocated her, and told her to behave and focus on repairs. Over approximately four years, Ray collected over a half a million dollars of prostitution proceeds from this victim.

As alleged, Ray did not act alone. He was assisted by associates who participated in the interrogations and forced labor and who helped collect and distribute his criminal proceeds. Ray laundered the proceeds of his criminal activity through other people's bank accounts, including some of the victims. He caused tens of thousands of dollars to be wired to his associates from those bank accounts. Ray also laundered money through an online domain business, where Ray bought internet domain names and sold them at a profit. Ray's victims and associates have made payments totaling nearly a million dollars toward Ray's domain business.

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Ray ensnared many of his victims while they were teenage college students—one of the most impressionable and formative periods in the transition to young adulthood. His conduct, as alleged, went on for years, and culminated in the sexual exploitation of one of the victims for his own profit.

Combatting human trafficking and the exploitation of vulnerable victims is a priority of this Office and of the Department of Justice. This Office and its law enforcement partners will do everything we can to seek justice for Ray's victims.

I want to thank our partners at the FBI and IRS, as well as the NYPD, for their dedication and professionalism throughout this investigation.

I also want to acknowledge and thank the prosecutors handling this case: Danielle Sassoon and Mollie Bracewell of our Violent and Organized Crime Unit and Lindsay Keenan of our White Plains Division, as well as the supervisors of our Violent and Organized Crime Unit, Michael Gerber and Lauren Potter.

I now want to invite to the podium FBI Assistant Director in Charge of the New York Field Office, Bill Sweeney.