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SEALED

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH

UNITED STATES OF AMERICA,

Plaintiff,

vs.

THOMAS PAUL MADDEN and
JEREMY TYLER GRABOW,

Defendants.

INDICTMENT

COUNTS 1-4: 18 U.S.C. § 1343
(Wire Fraud) (Madden)

COUNT 5: 18 U.S.C. § 1349
(Wire Fraud Conspiracy) (Madden and
Grabow)

COUNT 6: 18 U.S.C. § 1956(h)
(Money Laundering Conspiracy) (Madden
and Grabow)

Case: 4:25-cr-00005
Assigned To : Allen, Ann Marie McIlff
Assign. Date : 1/28/2025

The Grand Jury Charges:

BACKGROUND

At all times relevant to this Indictment:

1. The Defendant, THOMAS PAUL MADDEN, was affiliated with home addresses in the states of Washington and Utah. Beginning in or around 2019, MADDEN was a resident of Washington County, Utah.

2. The Defendant, JEREMY TYLER GRABOW, was a resident of California.

3. Cascade IR, LLC was a Delaware limited liability company registered in September 2017 with American Incorporators Ltd. listed as the registered agent.

4. Cascade IR, LLC was registered as a foreign limited liability company in Utah in April 2020 with MADDEN as its sole member and registered agent.

5. Savitar Systems LLC was a Nevada limited liability company registered in June 2021 with MADDEN and GRABOW as its managing members.

6. The Defendants maintained the following accounts, among others:

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Account Name	Signatories	Bank and Account Number (Last Four Digits)	Date Opened	Date Closed
Savitar Systems LLC	GRABOW	Citibank 3560	8/5/2022	N/A
Savitar Systems LLC	MADDEN GRABOW	Wells Fargo 8633	7/15/2021	8/11/2022
Cascade IR LLC	MADDEN	Mountain America Credit Union 7239	4/23/2021	5/31/2022
Jeremy Grabow	GRABOW	Wells Fargo 6003	6/15/2020	8/11/2022
Thomas Paul Madden	MADDEN	Mountain America Credit Union 7751	7/12/2019	N/A

COUNTS 1-4
18 U.S.C. § 1343
(Wire Fraud)

7. All the allegations set forth in this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

The Scheme and Artifice to Defraud

8. Beginning on a date unknown but as early as September 2017, and continuing through the present, THOMAS PAUL MADDEN engaged in a scheme to defraud others by making materially false and fraudulent pretenses, representations, and promises.

9. The object of the scheme and artifice to defraud was for MADDEN to obtain money through knowingly false statements, misrepresentations, deception, and omissions of material facts and to lull and placate investors by making false statements about Cascade's and Savitar's operations and his ability to repay investors.

10. In executing and attempting to execute the scheme and artifice to defraud, and in furtherance thereof, MADDEN engaged in at least the following manner and means:

- a. Falsely claimed to investors that he would sell them stock;
- b. Falsely claimed to investors that he had control of stock or ability to sell stock of specific companies;
- c. In offering investors stock of specific companies, made false representations about the companies' operations, financial performance, and future financial gains;
- d. Falsely claimed to investors that the stock would generate high returns;
- e. Falsely claimed to investors that the investments were little to no risk;
- f. Falsely claimed to investors that he would guarantee investments;
- g. Falsely claimed that he would pay back short-term loans;
- h. Failed to deliver stock certificates after investors paid for stock;
- i. Failed to use investors' money to purchase stock on their behalf;
- j. Failed to provide returns to some investors;
- k. Failed to repay principals to some investors;
- l. Used investors' money to pay other investors' returns or loan repayments;
- m. Used investors' money for personal expenses;

- n. Failed to disclose to investors that, on October 21, 2016, the State of Washington Department of Financial Institutions, Securities Division, issued an order finding, among other things, that MADDEN made untrue statements of material fact or omitted to state material facts in offering securities;
- o. Failed to disclose to investors that, on March 13, 2019, the State of Arizona Corporation Commissions issued an order finding, among other things, that MADDEN made untrue statements or misleading omissions of material facts in offering securities and ordering MADDEN to pay over \$3.2 million in restitution;
- p. Failed to disclose to investors that, on February 21, 2023, the State of Washington Department of Financial Institutions, Securities Division, issued an order finding, among other things, that MADDEN made untrue statements of material fact or omitted to state material facts in offering securities;
- q. Made false representations about Savitar's operations, including false representations that Savitar was partnering with Cabo Paradise on a project in Mexico;

- r. Made false representations about Savitar's purported business partnerships, including Cabo Paradise, MGM, Datapod, and the Mexican lottery;
- s. Falsely claimed to investors that Savitar had secured millions in funding;
- t. Falsely claimed to investors that their funds would be used to purchase computer servers or hardware for Savitar;
- u. Failed to disclose to investors that he routinely misappropriated investors' money for Ponzi payments, payments to GRABOW and other associates, and payments for personal expenses;
- v. Failed to disclose to investors that he was convicted of felonies in Utah Fifth District Court in 2024 for issuing bad checks; and
- w. On March 7, 2024, in advocating for a probationary sentence so that he could meet restitution obligations to investors, falsely claimed to a Fifth District Court judge that the "project down in Cabo . . . could be funded as soon as next week, which will bring in substantial funds."

11. As a result of MADDEN's scheme to defraud, he fraudulently obtained over \$23 million from over 200 investors.

12. On or about the dates listed below, in the District of Utah and elsewhere,

THOMAS PAUL MADDEN,

defendant herein, having devised and intended to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses,

representations, promises, and omissions of material facts, for the purpose of executing the listed scheme and artifice to defraud, did cause to be transmitted by means of wire communication certain writings, signs and signals, that is, an interstate wire, as represented below, each such use of wire communication being a separate count of this Indictment:

Count	Date (on or about)	Description
1	July 27, 2020	\$50,000 wire from Victim-1's bank account (California) to MADDEN's Mountain America Credit Union account ending in 7751 (Utah).
2	November 25, 2020	\$250,000 wire from Victim-2's bank account (Colorado) to MADDEN's Mountain America Credit Union account ending in 7751 (Utah).
3	December 30, 2020	\$30,000 wire from Victim-3's bank account (Nevada) to MADDEN's Mountain America Credit Union account ending in 7751 (Utah).
4	February 4, 2021	\$45,000 wire from Victim-4's bank account (North Dakota) to MADDEN's Mountain America Credit Union account ending in 7751 (Utah).

All in violation of 18 U.S.C. § 1343.

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COUNT 5
18 U.S.C. § 1349
(Wire Fraud Conspiracy)

13. The above paragraphs are incorporated by reference as though fully set forth herein.

14. Beginning on a date unknown but as early as June 2021 and continuing until the present, in the District of Utah and elsewhere,

THOMAS PAUL MADDEN and
JEREMY TYLER GRABOW,

defendants herein, and others known and unknown to the grand jury, did knowingly and willfully combine, conspire, confederate, and agree with each other, to devise and intend to devise a scheme and artifice to defraud and to obtain money or property, by means of material false and fraudulent pretenses, representations, and promises, and to transmit and cause to be transmitted by means of wire communication in interstate commerce, any writings, signs, signals, pictures, and sounds for the purpose of executing the scheme and artifice to defraud, in violation of 18 U.S.C. §§ 1343 and 1349.

OBJECTS OF THE WIRE FRAUD CONSPIRACY

15. The objects of the conspiracy were (1) to obtain money from investors by means of materially false and fraudulent pretenses, representations, and promises regarding the Defendants' business, Savitar Systems LLC, and (2) to lull and placate investors by making false statements about Savitar's operations and the Defendants' ability to repay investors.

MANNER AND MEANS OF THE WIRE FRAUD CONSPIRACY

16. MADDEN and GRABOW used at least the following manner and means to further the conspiracy:

- a. Made false representations about Savitar's operations, including false representations that Savitar was partnering with Cabo Paradise on a project in Mexico;
- b. Made false representations about Savitar's purported business partnerships, including Cabo Paradise, MGM, Datapod, and the Mexican lottery;
- c. Made false representations about Defendants' ability and intentions to repay investors;
- d. Falsely claimed to investors that Savitar had secured millions in funding;
- e. Falsely claimed to investors that their funds would be used to purchase computer servers or hardware for Savitar;
- f. Used investors' money to pay other investors' returns or loan repayments;
- g. Used investors' money for personal expenses;
- h. Failed to disclose to investors that they routinely misappropriated investors' money for Ponzi payments, payments to themselves and other associates, and payments for personal expenses;

i. Failed to disclose MADDEN's criminal history and securities enforcement history (described above); and

j. Made false statements to a judge (described above).

17. As a result of MADDEN and GRABOW's conspiracy and scheme to defraud, the Defendants fraudulently obtained at least \$2 million from at least 10 investors.

18. MADDEN and GRABOW used and caused interstate wire communications to carry out the scheme, including wire transfers, emails, and text messages. Below is a list of representative wire communications that the Defendants used and caused to carry out the scheme:

Date (on or about)	Description
January 29, 2021 to October 19, 2021	Text messages between MADDEN and Victim-4 (North Dakota and Arizona) in which MADDEN solicited investments from Victim-4, falsely promised repayment, and placated and lulled Victim-4 after failing to pay promised returns.
June 4, 2021	\$150,000 wire (Fedwire) from Victim-5's bank account to Cascade IR LLC's Mountain America Credit Union account ending in 7239.
July 2, 2021	\$115,000 wire from Victim-6's bank account (California) to Cascade IR LLC's Mountain America Credit Union account ending in 7239 (Utah).
August 25, 2021	\$190,000 wire (Fedwire) from Victim-7's bank account to Cascade IR LLC's Mountain America Credit Union account ending in 7239.
December 13, 2021	\$400,000 wire (Fedwire) from Victim-8's bank account to Savitar Systems LLC's Wells Fargo account ending in 8633.
December 22, 2021	\$175,000 wire (Fedwire) from Victim-9's bank account to Savitar Systems LLC's Wells Fargo account ending in 8633.

June 9, 2022	Phone call between GRABOW (California) and Victim-8 (Utah) in which GRABOW made misrepresentations about returning Victim-8's investment and about Savitar's operations and partnerships.
October 2022	Voicemail from GRABOW (California) to Victim-3 (Nevada) in which GRABOW made misrepresentations about returning Victim-3 and another investor's money and about Savitar's operations and partnerships.
December 14, 2022	Phone call between GRABOW (California) and Victim-8 (Utah) in which GRABOW made misrepresentations about returning Victim-8's money and about Savitar's operations and partnerships.

COUNT 6
18 U.S.C. §§ 1956(h)
(Money Laundering Conspiracy)

19. The above paragraphs are incorporated by reference as though fully set forth herein.

20. Beginning on a date unknown but as early as June 2021 and continuing until the present, in the District of Utah and elsewhere,

THOMAS PAUL MADDEN and
JEREMY TYLER GRABOW,

defendants herein, did knowingly and intentionally combine, conspire, confederate, and agree with others known and unknown to commit the following offenses against the United States in violation of 18 U.S.C. §§ 1956 and 1957:

- (a) to knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce, which involved the proceeds of a specified unlawful activity, that is, Wire Fraud Conspiracy in violation of 18 U.S.C. §§ 1343

and 1349, with the intent to promote the carrying on of specified unlawful activity, that is, Wire Fraud Conspiracy, and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity in violation of 18 U.S.C. §§ 1956(h) and 1956(a)(1)(A)(i); and

- (b) to knowingly engage and attempt to engage, in monetary transactions by, through or to a financial institution, affecting interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, that is, the withdrawal, transfer, exchange of U.S. currency, and deposit of funds, such property having been derived from a specified unlawful activity, that is, Wire Fraud Conspiracy in violation of 18 U.S.C. §§ 1343 and 1349, in violation of 18 U.S.C. §§ 1956(h) and 1957(a).

MANNER AND MEANS OF THE MONEY LAUNDERING CONSPIRACY

21. The manner and means of the conspiracy included using fraudulently obtained proceeds exceeding \$10,000 in monetary transaction and using fraudulently obtained proceeds to pay returns to other investors, thus placating and lulling investors and promoting and promulgating the scheme.

22. Below is a representative list of transactions in which MADDEN and GRABOW executed the manner and means of the conspiracy:

Date (on or about)	Monetary Transactions
December 10, 2021	\$15,000 withdrawal by GRABOW from Savitar Systems LLC's Wells Fargo account ending in 8633.
December 13, 2021	\$45,000 check written by MADDEN to Cascade IR LLC for "Distribution" and drawn on Savitar Systems LLC's Wells Fargo account ending in 8633.
December 13, 2021	\$110,000 check written by MADDEN to a third party for "Equity Distribution" and drawn on Savitar Systems LLC's Wells Fargo account ending in 8633.
December 13, 2021	\$5,000 check written to Victim-11 and drawn on Cascade IR LLC Mountain America Credit Union account ending in 7239.
December 13, 2021	\$25,000 check written by MADDEN to Victim-12 and drawn on Savitar Systems LLC's Wells Fargo account ending in 8633.
December 13, 2021	\$60,000 transfer from Savitar Systems LLC's Wells Fargo account ending in 8633 to GRABOW's Wells Fargo account ending in 6003.
December 14, 2021	\$25,000 wire from Cascade IR LLC Mountain America Credit Union Account ending in 7239 to Victim-13 for "Loan Repay."
December 22, 2021	\$50,000 transfer from Savitar Systems LLC's Wells Fargo account ending in 8633 to GRABOW's Wells Fargo account ending in 6003.
December 22, 2021	\$51,000 transfer from Savitar Systems LLC's Wells Fargo account ending in 8633 to GRABOW's Wells Fargo account ending in 6003.
December 23, 2021	\$100,000 cashier's check from Savitar Systems LLC's Wells Fargo account ending in 8633 to Cascade IR LLC Mountain America Credit Union account ending in 7239.
January 23, 2023	\$12,000 wire from MADDEN's Mountain America Credit Union account ending in 7751 to Victim-13.

NOTICE OF INTENT TO SEEK FORFEITURE

Pursuant to 18 U.S.C. § 982(a)(2)(A), upon conviction of any offense violating 18 U.S.C. §§ 1349 or 1343, the defendants shall forfeit to the United States of America any property constituting, or derived from, proceeds obtained directly or indirectly, as a result of the scheme to defraud.

Pursuant to 18 U.S.C. § 982(a)(1), upon conviction of any offense in violation of 18 U.S.C. § 1956(h), the defendants shall forfeit to the United States of America any property, real or personal, involved in the money laundering conspiracy, and any property traceable to such property.

The United States may seek a money judgment equal to the value of all property not available for forfeiture as a result of any act or omission of the defendant(s) for one or more of the reasons listed in 21 U.S.C. § 853(p).

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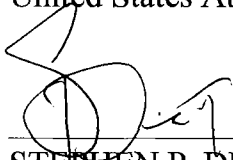
The United States may seek to forfeit substitute property as allowed by 21 U.S.C.
§ 853(p).

A TRUE BILL:



FOREPERSON OF THE GRAND JURY

TRINA A. HIGGINS
United States Attorney



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