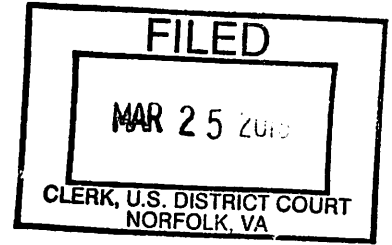


IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
NORFOLK DIVISION



UNITED STATES OF AMERICA	)	
	)	CRIMINAL NO. 2:19cr 49
v.	)	
	)	18 U.S.C. § 1341
JOHN MICHAEL GATCHELL,	)	Mail Fraud
	)	
	)	Forfeiture

CRIMINAL INFORMATION

THE UNITED STATES ATTORNEY CHARGES THAT:

During the period from in or about October 2015 through September 2016, in the Eastern District of Virginia, JOHN MICHAEL GATCHELL, the defendant, did devise and intend to devise a scheme and artifice to defraud G.K. and others, and for obtaining money and property from G.K. and others, by means of materially false and fraudulent pretenses, representations and promises, which scheme and artifice, and the execution thereof, were in substance as follows:

1. The object of the scheme and artifice devised by the defendant was to defraud G.K. and others, and to obtain for himself monies and property from G.K. and others on the basis of materially false and fraudulent pretenses, representations and promises.
2. It was a part of the defendant’s scheme and artifice that he exploited G.K.’s diminished mental capacity to obtain money and property from him.
3. It was a further part of the defendant’s scheme and artifice that he induced and procured a marriage between G.K. and a woman (M.C.) with whom the defendant had a long-term romantic relationship, in order to assist the defendant in gaining access to G.K.’s money and property. The marriage was later annulled on the basis that G.K. “lacked capacity to consent

to the marriage because of his mental incapacity or infirmity,” as stated in the Decree of Annulment.

4. It was a further part of the defendant’s scheme and artifice that he induced G.K. to co-sign a loan application and make a \$2,500 down payment to purchase a 2013 Jaguar, purportedly for G.K. to drive, knowing that he intended to take possession of the vehicle for himself and his family and was financially unable to make the required monthly payments on the loan. The loan subsequently went into default and the vehicle was repossessed by the lender.

5. It was a further part of the defendant’s scheme and artifice that the defendant induced G.K. to obtain a \$50,000 mortgage loan for the purported purpose of obtaining funds for G.K. to pay his delinquent bills, when the defendant knew that he intended to and did in fact divert the majority of the loan proceeds for the benefit of himself and others. The defendant caused G.K. to give M.C. half of the loan proceeds. As planned, M.C. then gave the defendant more than half of the proceeds that she had received from G.K.

6. As an example of the defendant’s diversion of the aforesaid loan proceeds, the defendant used \$7,500 of said proceeds to purchase box seat tickets from Live Nation for a concert series. The defendant represented to Live Nation that a check to purchase the tickets would be drawn from a lawyer’s trust account, when in fact the funds were held in a trust account for the benefit of G.K.

7. It was a further part of the defendant’s scheme and artifice that one month after the closing of the mortgage loan described above in Paragraph 5, the defendant induced G.K. to obtain a new loan for \$105,000 to pay off the earlier loan mortgage loan and for the purported purpose of obtaining funds for G.K. to pay his delinquent bills, when the defendant knew that he

intended to and did in fact divert the majority of the new loan proceeds for the benefit of himself and others.

8. It was a further part of the defendant's scheme and artifice that the defendant induced G.K. to sell real property that secured the aforesaid loan. The day before the closing the defendant incorporated a limited liability company named Avalon Management Group LLC. The defendant caused approximately \$20,000 of the sale proceeds to be disbursed to Avalon Management Group LLC and approximately \$20,000 to an attorney's trust account for the purported benefit of G.K. The funds disbursed to Avalon Management Group LLC were deposited into an account in the name of said company and the defendant used the majority of the funds for the benefit of himself and others. The defendant caused the attorney managing the trust account to disburse the majority of the funds for the benefit of the defendant and others.

9. On or about June 1, 2016, in the Eastern District of Virginia, for the purpose of executing the aforesaid scheme and artifice and attempting to do so, JOHN MICHAEL GATCHELL knowingly caused to be delivered by United Parcel Service, a commercial interstate carrier, according to the direction thereon, an envelope containing Check No. 1070, drawn on the account of Tidewater Law Group LLC at Old Point National Bank, payable to Live Nation Marketing in the amount of \$3,740.00, for a down payment on the purchase of concert series tickets.

(In violation of Title 18, United States Code, Section 1341.)

#### FORFEITURE

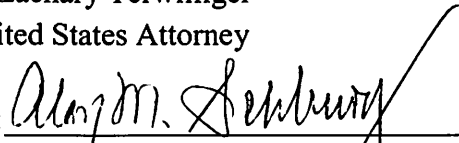
The defendant, JOHN MICHAEL GATCHELL, if convicted of the offense set forth in this criminal information, shall, as part of the sentencing of the defendant pursuant to Rule 32.2

of the Federal Rules of Criminal Procedure, forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to said violation.

Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), the defendant shall forfeit substitute property, up to the value of the property subject to forfeiture as described above, if, as a result of any act or omission of the defendant, any such property subject to forfeiture cannot be located upon the exercise of due diligence; has been transferred, sold to or deposited with a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty.

(In accordance with 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).)

G. Zachary Terwilliger  
United States Attorney

By:   
Alan M. Salsbury  
Assistant United States Attorney  
Virginia State Bar No. 15682  
101 West Main Street, Suite 8000  
Norfolk, Virginia 23510  
Tel.-757-441-6350  
Fax-757-441-6689  
Email: alan.salsbury@usdoj.gov

**REDACTED**

JS 45 (11/2002)

**Criminal Case Cover Sheet****U.S. District Court**

<b>Place of Offense:</b>		<b>Under Seal: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></b>	<b>Judge Assigned:</b>
City: <u>EDVA</u>	<b>Superseding Indictment:</b>		<b>Criminal Number: 2:19cr</b>
County/Parish:	<b>Same Defendant:</b>		<b>New Defendant:</b>
		<b>Magistrate Judge Case Number:</b>	<b>Arraignment Date:</b>
		<b>Search Warrant Case Number:</b>	
		R 20/R 40 from District of _____	

**Defendant Information:**

<b>Juvenile: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></b>	<b>FBI#:</b>				
<b>Defendant Name: John Michael Gatchell</b>			<b>Alias Name(s):</b>		
<b>Address: Virginia Beach, VA 23454</b>					
<b>Employment: Unknown</b>					
<b>Birth Date: 1964</b>	<b>SS#: xxx/xx/1048</b>	<b>Sex: M</b>	<b>Race: White</b>	<b>Nationality:</b>	<b>Place of Birth:</b>
<b>Height:</b>	<b>Weight: lbs.</b>	<b>Hair:</b>	<b>Eyes:</b>	<b>Scars/Tattoos:</b>	
<b>Interpreter: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></b>		<b>List Language and/or dialect:</b>			

**Location Status:**

<b>Arrest Date:</b>		
<input type="checkbox"/> Already in Federal Custody as of: _____ in: _____.		
<input type="checkbox"/> Already in State Custody	<input type="checkbox"/> On Pretrial Release	<input type="checkbox"/> Not in Custody
<input type="checkbox"/> Arrest Warrant Requested	<input type="checkbox"/> Fugitive	<input type="checkbox"/> Summons Requested
<input type="checkbox"/> Arrest Warrant Pending	<input type="checkbox"/> Detention Sought	<input type="checkbox"/> Bond

**Defense Counsel Information:**

<b>Name: Andrew Grindrod</b>	<input type="checkbox"/> Court Appointed
<b>Address: 150 Boush Street, Suite 403, Norfolk, VA 23510</b>	<input type="checkbox"/> Retained
<b>Telephone: (757) 457-0870</b>	<input checked="" type="checkbox"/> Public Defender
	<input type="checkbox"/> Office of Federal Public Defender should not be appointed due to conflict of interest
	<input type="checkbox"/> CJA attorney: _____ should not be appointed due to conflict of interest

**U.S. Attorney Information:**

<b>AUSA Alan Salsbury</b>	<b>Telephone No. 757-441-6331</b>	<b>Bar #:</b>
---------------------------	-----------------------------------	---------------

**Complainant Agency, Address & Phone Number or Person & Title:**

<b>Federal Bureau of Investigation – 509 Resource Row, Chesapeake, VA 23320 (757) 455-0100</b>
--

**U.S.C. Citations:**

	<b>Code/Section</b>	<b>Description of Offense Charged</b>	<b>Count(s)</b>	<b>Capital/Felony/Misd/Petty</b>
Set 1	18 U.S.C. § 1341	Mail Fraud	1	Felony
Set 2				
Set 3				