

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA)	Criminal No. 24cr10188
)	
v.)	Violations:
)	
BRADLEY BEATTY,)	<u>Counts One – Two:</u>
)	Wire Fraud
Defendant.)	(18 U.S.C. § 1343)
)	
)	<u>Forfeiture Allegations:</u>
)	(18 U.S.C. §§ 981(a)(1)(C) and
)	28 U.S.C. § 2461)
)	

INDICTMENT

At all times relevant to this Indictment:

General Allegations

1. Defendant BRADLEY BEATTY (“BEATTY”) lived in Florida.
2. In or about 2021, BEATTY and others created the cryptocurrency company Lillian Finance LLC, also known as Lilly Finance (“Lillian Finance”). Lillian Finance purported to use blockchain technology in the healthcare industry to improve data management, diagnostics, and billing. Lillian Finance also promoted a cryptocurrency token that operated on the Ethereum blockchain (the “Lillian Token”). Lillian Finance purported to use proceeds generated from transactions involving the Lillian Token to operate its business and for charitable purposes.
3. Individual 1 lived in Massachusetts and was an employee of Saitama LLC (“Saitama”), a Massachusetts-based cryptocurrency company. Individual 1 helped BEATTY to create the Lillian Token.

Background

4. Virtual currency is a digital asset or digital representation of value that can be electronically traded and exchanged online. Virtual currency is not backed or insured by a central bank, and its value may or may not be tied to or secured by a fixed asset.

5. Cryptocurrency is a subset of virtual currency. Each cryptocurrency operates according to a smart contract, which consists of computer code that operates using blockchain technology. The developers of a smart contract can create coding that executes a particular task only if certain conditions are met. For example, the smart contract can dictate that a “tax” applies every time the cryptocurrency is exchanged, thereby transferring a percentage of the exchanged cryptocurrency to an identified cryptocurrency wallet. Developers often advertise that the “tax” will be used to support specified business operations related to the cryptocurrency.

Scheme to Defraud

6. Beginning in or around 2021 and continuing through at least in or around 2022, BEATTY and others known and unknown to the Grand Jury perpetrated a scheme to defraud investors in Lillian Finance and purchasers of the Lillian Token. For example, BEATTY made false and misleading statements when promoting Lillian Finance and the Lillian Token. BEATTY also misappropriated funds that he promised would be used for marketing and charity.

7. On or about November 1, 2021, BEATTY filed Articles of Incorporation for Lillian Finance with the Florida Secretary of State, listing himself as the registered agent.

8. On or about November 15, 2021, the Lillian Finance website identified BEATTY as Lillian Finance’s “CEO” and “Founder” and claimed that Lillian Finance “identifies needs,

opportunities and problems in health care, then employs a next generation financing system,” including in “billing,” “diagnostics,” and “data management.”

9. On or about December 10, 2021, BEATTY joined a WhatsApp group called “Lilly Finance Group” that included BEATTY, Individual 1 and others.

10. On or about December 14, 2021, BEATTY gave an interview published on YouTube in which BEATTY promoted Lillian Finance and the Lillian Token through multiple false and misleading statements, for example, that BEATTY had previously addressed Congress on the topic of cryptocurrency, that BEATTY and Lillian Finance had contracts with the Department of Defense, and that certain funds generated by the Lillian Token would be used for a children’s healthcare charity.

11. On or about December 16, 2021, BEATTY created a Twitter account under the name “BradBeatty11.eth”.

12. On or about January 2, 2022, BEATTY sent a WhatsApp message to the “Lilly Finance Group” in which BEATTY falsely claimed that the former first family supported Lillian Finance, including in the following message: “Laura Bush is the first lady to president bush. We have full support from the president and his wife since 2013.”

13. On or about January 8, 2022, the Lillian Finance website published details of the Lillian Token smart contract, which included an eight percent tax on all transactions that would go to a wallet used for marketing and developing Lillian Finance (referred to as the “Marketing Wallet”) and a one percent tax that would go to a wallet used for a children’s healthcare charity (referred to as the “Foundation Wallet”).

14. On or about January 30, 2022, BEATTY emailed Individual 1 instructions for the Lillian Token smart contract, including wallet addresses for the Marketing Wallet and the Foundation Wallet.

15. On or about February 10, 2022, Lillian Finance published a press release announcing that Lillian Token would be available for purchase the following day.

16. Beginning on or about February 11, 2022, individuals were able to buy and sell Lillian Tokens, which generated proceeds for the Marketing Wallet and the Foundation Wallet.

17. On or about March 8, 2022, BEATTY transferred approximately \$79,000 from the Marketing Wallet to BEATTY's personal Coinbase account.

18. On or about March 14, 2022, BEATTY transferred approximately \$26,000 from the Foundation Wallet to BEATTY's personal Coinbase account.

19. On or about March 14, 2022, BEATTY transferred approximately \$58,000 from BEATTY's personal Coinbase account, which consisted of proceeds from the Marketing Wallet and the Foundation Wallet, to BEATTY's personal account at Suncoast Credit Union.

20. On or about June 15, 2022, BEATTY transferred approximately \$40,000 from the Marketing Wallet to BEATTY's personal Coinbase account.

21. On or about June 15, 2022, BEATTY transferred approximately \$40,000 from BEATTY's personal Coinbase account, which consisted of proceeds from the Marketing Wallet, to BEATTY's personal account at Suncoast Credit Union.

22. On or about October 28, 2022, BEATTY falsely claimed on Twitter that "patents are pending" for the Lillian Finance "medical blockchain."

23. On or about November 23, 2022, BEATTY falsely claimed in an interview published on YouTube that Lillian Token would soon be listed on a particular well-known cryptocurrency exchange.

24. On or about December 10, 2022, BEATTY transferred approximately \$20,000 from the Marketing Wallet to BEATTY's personal Coinbase account.

25. On or about December 12, 2022, BEATTY transferred approximately \$10,000 from the Marketing Wallet to BEATTY's personal Coinbase account.

26. On or about December 13, 2022, BEATTY transferred approximately \$30,000 from BEATTY's personal Coinbase account, which consisted of proceeds from the Marketing Wallet, to BEATTY's personal account at Suncoast Credit Union.

COUNTS ONE – TWOWire Fraud
(18 U.S.C. § 1343)

The Grand Jury charges:

27. The Grand Jury re-alleges and incorporates by reference paragraphs 1 through 26 of this Indictment.

28. One or about the following approximate dates, in the District of Massachusetts and elsewhere, the defendant,

BRADLEY BEATTY,

having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing the scheme to defraud, as set forth below:

Count	Approximate Date	Description
2	January 2, 2022	Electronic message from BEATTY, located outside Massachusetts, to Individual 1, located inside Massachusetts, and others located outside Massachusetts, stating: "Laura Bush is the first lady to president bush. We have full support from the president and his wife since 2013."
3	January 30, 2023	Email from BEATTY, located outside Massachusetts, to Individual 1, located inside Massachusetts, containing cryptocurrency wallet address information for the Lillian Token smart contract.

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

FORFEITURE ALLEGATION
(18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c))

29. Upon conviction of one or more of the offenses in violation of Title 18, United States Code, Section 1343, relating to wire fraud, as set forth in Counts One and Two, the defendant,

BRADLEY BEATTY,

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses.

30. If any of the property described in Paragraph 29, above, as being forfeitable pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), 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 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;

it is the intention of the United States, 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 described in Paragraph 29 above.

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

A TRUE BILL



FOREPERSON

Handwritten signature of Christopher J. Markham in black ink.

CHRISTOPHER J. MARKHAM
ASSISTANT UNITED STATES ATTORNEY
DISTRICT OF MASSACHUSETTS

District of Massachusetts: June 27, 2024
Returned into the District Court by the Grand Jurors and filed.

Dawn Milcng 4:14pm
DEPUTY CLERK