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U.S. DISTRICT COURT
DISTRICT OF MARYLAND

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

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AT GREENBELT

UNITED STATES OF AMERICA

v.

DENNIS MBONGENI JALI,
JOHN ERASMUS FRIMPONG, and
ARLEY RAY JOHNSON,

Defendants

CRIMINAL NO. BY _____ DEPUTY

TDC 20cr 220

(Wire Fraud Conspiracy, 18 U.S.C. § 1349; Wire Fraud, 18 U.S.C. § 1343; Securities Fraud Conspiracy, 18 U.S.C. §§ 371; Securities Fraud, 15 U.S.C. §§ 78j(b) & 78ff; Aiding and Abetting, 18 U.S.C. § 2; Money Laundering, 18 U.S.C. § 1957; Forfeiture, 18 U.S.C. §§ 981(a)(1)(C) and 982(a)(1), 21 U.S.C. § 853, and 28 U.S.C. § 2461))

INDICTMENT

COUNT ONE

(Wire Fraud Conspiracy)

The Grand Jury for the District of Maryland charges that:

At all times relevant to this Indictment:

Introduction

1. Defendants DENNIS MBONGENI JALI (“JALI”), JOHN ERASMUS FRIMPONG (“FRIMPONG”), and ARLEY RAY JOHNSON (“JOHNSON”) were residents of Maryland.

2. JALI was the sole owner of The Smart Partners LLC (“Smart Partners”), a limited liability company that JALI organized in Delaware on or about January 12, 2017.

3. Beginning no later than August 2017 and continuing until May 2019, Smart Partners was doing business as “1st Million Dollars” or “1st Million” (“1st Million”), which

JALI later caused to be registered as a limited liability company with the Maryland Department of Assessments and Taxation (“SDAT”) on or about January 17, 2019.

4. 1st Million’s offices were headquartered in Largo, Maryland, but had satellite offices elsewhere, including Florida.

5. The foreign exchange (“forex”) market referred to the buying, selling, and exchanging of currencies at current or determined prices.

6. Cryptocurrency was digital or virtual currency. Unlike fiat currencies, such as the United States Dollar, cryptocurrency did not exist in any physical form. Cryptocurrency was not issued by any government or centralized entity; rather, it was designed to work as a secure medium of exchange and could be bought, sold, and exchanged on various online platforms and exchanges, among other means.

7. Bitcoin, or BTC, was a particular cryptocurrency that was created in or about 2008. Bitcoin existed solely as entries on a publicly available electronic ledger that recorded all Bitcoin transactions ever conducted. The exchange rate for Bitcoin floated on the open market.

8. 1st Million presented itself as a wealth management and financial literacy company. 1st Million offered several types of investment opportunities to its clients, but its core business offering was a twelve-month guaranteed investment contract. These investment contracts, entitled “Corporate Guarantees,” guaranteed individuals who invested money with 1st Million monthly returns that ranged from 6% to 35% of the initial investment made. At the end of the investment period, the contract promised that the investor would receive the return of all of his or her principal. The investment contract represented that, during its operation, the client’s principal would be invested in the forex market and in cryptocurrency. The investment contracts

guaranteed the monthly returns and the return of the investor’s principal “regardless of market volatility.”

9. For the duration of 1st Million’s operations, **JALI** served as 1st Million’s Chief Executive Officer (“CEO”) and **FRIMPONG** served as 1st Million’s Chief Marketing Officer (“CMO”). From in or about May 2018 until May 2019, **JOHNSON** served as 1st Million’s Chief Operating Officer (“COO”).

Corporate Bank Accounts

10. During the course of 1st Million’s operations, **JALI**, **FRIMPONG**, and **JOHNSON** opened in Maryland, and thereafter controlled, numerous bank accounts held in the names of Smart Partners and 1st Million, including those set forth in the table below:

Account Signatories	Account Name	Bank	Last 4 Digits of Account Number
JALI	The Smart Partners LLC	Capital One	***7920
JALI	The Smart Partners LLC	Bank of America	***0529
JALI and JOHNSON	The Smart Partners LLC	Bank of America	***8684
JALI and FRIMPONG	1stMillion LLC	Citibank	***1464
FRIMPONG	The Smart Partners LLC	SunTrust	***9925

Personal Bank Accounts

11. During 1st Million’s operations, **JALI**, **FRIMPONG**, and **JOHNSON** also controlled their own respective personal bank accounts, which they sometimes shared with family members such as **Relative 1** (**JALI**’s relative), including those set forth in the table below:

Account Signatories	Account Name	Bank	Last 4 Digits of Account Number
JALI	Dennis Mbongeni Jali	Bank of America	***3325
JALI	Dennis M. Jali	Capital One	***3534
Relative 1	Relative 1	Bank of America	***5083
FRIMPONG	John E. Frimpong	Bank of America	***9858

Other Relevant Entities and Accounts

Seasons Initiative – FRIMPONG's Not-For-Profit Company

12. In addition to his role with 1st Million, **FRIMPONG** served as a director and the resident agent of The Seasons Initiative, Inc. (“Seasons Initiative”), which **FRIMPONG** caused to be registered with SDAT on or about October 24, 2018. According to documents filed with SDAT, Seasons Initiative was a tax-exempt corporation whose purpose was “humanitarian aid,” “philanthropic activities,” and “establish[ing] an avenue of relief for young adults through inspirational/mental health seminars, and concerts.” The Seasons Initiative opened a Bank of America (“BOA”) account in Maryland ending in 6189 in the name of The Seasons Initiative, Inc., for which **FRIMPONG** was a signatory (the “Seasons Initiative Account”).

Crypto Company 1 – JALI's Primary Cryptocurrency Provider

13. Crypto Company 1 was a private, third-party company registered in Delaware that bought and sold cryptocurrency from individuals trading on their own accounts.

The Securities and Exchange Commission

14. The Securities and Exchange Commission (“SEC”) was an independent agency of the federal government tasked with enforcing federal securities laws.

The Victims

15. Victim A was an engineer who lived in Lanham, Maryland.
16. Victim B was a public health analyst who lived in Silver Spring, Maryland.
17. Victim C was a registered nurse who lived in Dallas, Texas.

18. Victim D was a car dealership manager who lived in Ft. Washington, Maryland.
19. Victim E was a mental health therapist who lived in Maryland.
20. Victim F was paramedic nurse who lived in Maryland.
21. Victim G was an accountant who lived in Avon, Indiana.
22. Victim H was a nurse who lived in Richmond, Texas.
23. Victim I was a resident of Sugar Land, Texas.

The Conspiracy and Scheme to Defraud

24. Between at least in or about August 2017 and in or about May 2019, in the District of Maryland and elsewhere, the defendants,

**DENNIS MBONGENI JALI,
JOHN ERASMUS FRIMPONG, and
ARLEY RAY JOHNSON,**

did knowingly and intentionally conspire, with each other and with others known and unknown to the Grand Jury, to commit wire fraud, that is, having devised and intending to devise a scheme and artifice to defraud 1st Million's investors of millions of dollars, and for obtaining money and property from 1st Million's investors, by means of materially false and fraudulent pretenses, representations, promises, and omissions ("the scheme to defraud"), and for the purpose of executing and attempting to execute the scheme to defraud, to transmit and cause to be transmitted by means of wire communications, in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, in violation of 18 U.S.C. § 1343.

The Purpose of the Conspiracy

25. It was a purpose of the conspiracy for **JALI, FRIMPONG, and JOHNSON** to persuade, and attempt to persuade, investors to provide **JALI, FRIMPONG, and JOHNSON**

with wire transfers, checks, and cash totaling more than \$28 million under the fraudulent pretense of investing in forex and cryptocurrency markets.

Manners and Means of the Conspiracy and Scheme to Defraud

26. The conspiracy and scheme to defraud was carried out through the following manner and means, among others:

a. **JALI, FRIMPONG, and JOHNSON** recruited victims to invest in 1st Million by holding promotional events at upscale hotels and event spaces, attending church-sponsored events intended to target investments from churchgoers, and representing themselves as religious men more interested in the philanthropic financial freedom of others than personal financial gain.

b. **JALI, FRIMPONG, and JOHNSON** presented themselves as “pastors,” and told prospective investors that 1st Million’s work was in furtherance of God’s mission in that it helped churches and their members achieve personal wealth and financial freedom.

c. **JALI, FRIMPONG, and JOHNSON** also solicited investments into the corporate bank accounts by misrepresenting the nature, performance, and operation of 1st Million to investors. For example, **JALI, FRIMPONG, and JOHNSON** falsely stated to 1st Million’s investors and potential investors that:

i. their investment principal would be held in a trust account that was protected from any financial instability of 1st Million or market volatility;

ii. **JALI** was a fully licensed trader;

iii. **JALI, FRIMPONG, and other 1st Million employees** had extensive experience trading on Wall Street;

iv. 1st Million and its traders were fully licensed and qualified to pursue their investment activities by all relevant federal regulators, including the SEC;

v. investors' money would be used to purchase assets in the forex and cryptocurrency markets, when in fact investors' money was used to pay earlier investors and diverted for the personal use of **JALI, FRIMPONG, and JOHNSON**; and

vi. the financial condition of the company was healthy and earning astronomical profits.

d. **JALI, FRIMPONG, and JOHNSON** drafted and caused to be drafted promotional materials for 1st Million that contained these misrepresentations and others.

e. To increase the amount of money they obtained from investors and potential investors, **JALI, FRIMPONG, and JOHNSON** promised a higher rate of return to 1st Million investors who invested greater amounts of money in the investment contracts. For example, in 2018, **JALI, FRIMPONG, and JOHNSON** guaranteed 1st Million investors who invested \$5,000 that they would receive a 10% return per month on that investment for a twelve-month period and, at the end of the period, would receive their principal in full. By contrast, an investor who invested \$41,000 in 2018 was guaranteed an 18% return per month in addition to the return of their principal after one year.

f. Similarly, **JALI, FRIMPONG, and JOHNSON** promised 1st Million investors that they could increase the returns on their investments, typically by 0.5% per month, for every new investor the existing investor successfully recruited to 1st Million.

g. **JALI, FRIMPONG, and JOHNSON** also hired "agents" of 1st Million to organize recruiting events intended to attract additional investors. In exchange for hosting such

events, the “agents” were promised higher returns on their investments and, at times, these agents’ purported investments were fabricated.

h. **JALI** further recruited investors by misrepresenting his own personal wealth and exhibiting a lavish lifestyle that was purportedly paid from his successful currency trading on his own accounts when, in fact, his lavish lifestyle was paid for with diverted investor funds. For example, **JALI** spent at least \$27,000 of investor money on an Audi; at least \$20,000 more on a Porsche; and approximately \$78,000 on private jets that he used to fly on personal or semi-personal trips, including from Charlotte to Washington, D.C., on or around January 9, 2019, with himself, his wife, and his three children as the only passengers.

Overt Acts

27. In furtherance of the conspiracy and scheme to defraud, and to achieve its purposes, **JALI**, **FRIMPONG**, **JOHNSON**, and their co-conspirators committed the following overt acts, among others, in the District of Maryland and elsewhere:

a. On or about September 5, 2018, **JALI** met with Victim A at 1st Million’s offices in Maryland. During the meeting, **JALI** stated that 1st Million maintained a trust account that protected and guaranteed investors’ principal. **JALI** further guaranteed Victim A returns of 15% per month on Victim A’s \$70,000 investment in 1st Million.

b. On or about September 13, 2018, **JOHNSON** sent an electronic message to Employee 1, a 1st Million employee and investor, in which **JOHNSON** assured Employee 1 that 1st Million was “alright” and that, if that were no longer the case, **JOHNSON** would “make the necessary changes pronto to protect everyone’s assets.”

c. On or about September 27, 2018, **JALI** promised Victim A returns of 35% per month to entice Victim A to invest an additional \$400,000 in 1st Million.

d. On or about December 5, 2018, **FRIMPONG** met with Victim B and Victim B's wife at 1st Million's offices in Maryland. During the meeting, **FRIMPONG** promised Victim B returns of 28% per month if Victim B were to invest a large amount of money with 1st Million. **FRIMPONG** also falsely assured Victim B that he and **JALI** were licensed traders. **FRIMPONG** also falsely told Victim B that monies provided by investors to 1st Million went into a trust account that held approximately \$90 million in assets.

e. On or about December 12, 2018, **FRIMPONG** caused Victim B to invest about \$105,000 in 1st Million.

f. In or about December 2018, **FRIMPONG** hired Agent 1 as a 1st Million agent.

g. On or about December 31, 2018, at 1st Million's offices in Maryland, **FRIMPONG** caused Agent 1 to sign a 1st Million investment contract for a \$20,000 investment even though **FRIMPONG** knew that Agent 1 had not in fact invested any money in the company.

h. On or about January 14, 2019, **JALI** sent approximately \$250,000 via wire transfer from the Smart Partners BOA account ending in 8684 to Crypto Company 1 for the purchase of approximately 66.33032227 bitcoin, which Crypto Company 1 sent to one of **JALI**'s personal bitcoin wallets.

i. On or about January 23, 2019, **JALI** sold 50 bitcoin to Crypto Company 1 and sent 50 bitcoin to Crypto Company 1 from his bitcoin wallet using part of the 66.33032227 bitcoin he had purchased nine days prior. **JALI** instructed Crypto Company 1 to send the \$174,950 payment for the 50 bitcoin by wire transfer to **Relative 1**'s BOA account ending in 5083.

j. In or about February 2019, **JALI** paid \$3,000 in cash to an accountant so that the accountant would certify fraudulent and misleading financial projections for 1st Million and vouch for the financial health of 1st Million at an upcoming investor meeting in National Harbor, Maryland.

k. On or about February 11, 2019, **FRIMPONG** caused a \$2,400 check to be issued to Agent 1 from Smart Partner's BOA account ending 8684. The check was for fake returns on Agent 1's fake investment from December 31, 2018.

l. On or about February 13, 2019, **JALI** caused a \$10,000 check to be issued from the Smart Partners BOA account ending in 8684. **JALI** used the \$10,000 check to make an earnest payment on a house in Atlanta, Georgia, that **JALI** intended to purchase as his family's primary residence.

m. On or about February 23, 2019, **JOHNSON** sent a text message to **JALI** in which **JOHNSON** informed **JALI** that 1st Million's bank accounts did not have enough funds to cover the monthly checks that he had written, signed, and provided to 1st Million's investors. In the text message, **JOHNSON** told **JALI** that they needed "at least \$200,000 to cover what's left to hit the bank," but **JOHNSON** then stated that he (**JOHNSON**) had \$200,000 of investor money to deposit from that morning, in an apparent offer to use investors' funds to fund payouts to earlier investors.

n. On or about February 26, 2019, **JOHNSON** sent a text message to **JALI** letting him know that the Smart Partners BOA account ending in 8684 was overdrawn by \$100,000.

o. On or about March 1, 2019, **JALI, FRIMPONG, and JOHNSON** organized a 1st Million gala dinner at the Gaylord Hotel, in National Harbor, Maryland, to entice current and potential investors to invest money in 1st Million.

p. During the gala on March 1, 2019, **FRIMPONG** falsely told the attendees that 1st Million had a Texas lawyer representing 1st Million before the SEC.

q. During the gala on or about March 1, 2019, **JALI** falsely told the attendees that the company was earning an average of \$5.8 million per month.

r. In or about March 2019, **FRIMPONG** met with Victim C and Victim C's husband. During the meeting, **FRIMPONG** told Victim C that 1st Million maintained a trust account that guaranteed investors' principals and that their investment in 1st Million carried no risk. **FRIMPONG** also represented to Victim C that he was a licensed trader.

s. On or about March 12, 2019, **JALI** and **JOHNSON** met with Victim D at 1st Million's offices in Maryland.

t. During the meeting on March 12, 2019, **JOHNSON** told Victim D that **JALI** was a genius trader who had previously worked in Israel. **JOHNSON** also falsely reassured Victim D that 1st Million was not a Ponzi scheme but a legitimate investment operation that actually invested investor funds for significant profits, and that Victim D's principal would be protected in a trust account that ensured Victim D could not lose money. **JALI** reiterated many of these false statements, including that investor money provided to 1st Million was guaranteed by a trust account in which the company held \$90 million in assets.

u. On or about March 13, 2019, **JALI** and **JOHNSON** caused Victim D to invest at least \$160,000 in 1st Million.

v. On or about March 16, 2019, at a recruiting event held at a hotel in College Park, Maryland, **JALI**, **FRIMPONG**, and **JOHNSON** falsely told a group of potential investors that investors' in 1st Million could not lose their principal investment.

w. At the same event on March 16, 2019, **JALI** and **JOHNSON** participated in a promotional video for 1st Million in which he stated that 1st Million was an "asset building company" that helped people "build their communities." **JOHNSON** also discussed how to "build money" under the "auspices of God."

x. On or about March 18, 2019, **FRIMPONG** caused Victim C and her husband to invest \$100,000 in 1st Million.

y. On or about April 18, 2019, **JALI** texted **JOHNSON** that **JOHNSON** could use the cash provided by 1st Million's investors to pay 1st Million's expenses.

z. On or about April 24, 2019, **JOHNSON** met with Victim F at 1st Million's offices in Maryland. During the meeting, **JOHNSON** falsely told Victim F that **JALI** was a licensed trader who worked in New York and that 1st Million was making profits of approximately 150%. **JOHNSON** falsely told Victim F that 1st Million was not a Ponzi scheme or scam, and **JOHNSON** promised Victim F returns of approximately 11.5% per month in addition to the return of Victim F's principal at the end of one year.

aa. On or about April 24, 2019, **JOHNSON** caused Victim F to invest at least \$10,000 in 1st Million.

bb. At an event for 1st Million investors on or about May 15, 2019, **JALI**, **FRIMPONG**, and **JOHNSON** falsely told a group of 1st Million investors that a "new law" had caused BOA to stop working with 1st Million. **JALI** also fraudulently reassured investors at the meeting that they would get all of their money back and that their principal was safe in a trust.

cc. On or about May 21, 2019, **JALI** offered to pay a computer hacking service to cause an Internet news report of a previous Ponzi scheme that **JALI** had operated in South Africa to be “last page” on a Google search of **JALI** or to cease to exist.

dd. On or about May 23, 2019, **FRIMPONG** caused a wire transfer of \$15,000 to be sent from the Smart Partners SunTrust account ending in 9925 to his Seasons Initiative Account.

ee. On or about May 23, 2019, **FRIMPONG** purchased a \$15,000 cashier’s check payable to **JOHNSON** drawn from the Smart Partners SunTrust account ending in 9925.

ff. On or about May 29, 2019, **FRIMPONG** purchased a \$15,000 cashier’s check payable to **JALI** drawn from the Smart Partners SunTrust account ending in 9925.

gg. On or about May 30, 2019, **JALI** fled the United States.

18 U.S.C. § 1349

COUNTS TWO THROUGH FIVE
(Wire Fraud)

The Grand Jury for the District of Maryland further charges that:

Introduction

1. Paragraphs 1 through 24 and 26 of Count One are incorporated here.

The Scheme to Defraud

2. Between at least in or about August 2017 and in or about May 2019, in the District of Maryland and elsewhere, **JALI, FRIMPONG, and JOHNSON** devised and intended to devise a scheme and artifice to defraud 1st Million's investors of millions of dollars, and for obtaining money and property from 1st Million's investors, by means of materially false and fraudulent pretenses, representations, promises, and omissions ("the scheme to defraud").

The Charges

3. On or about the dates set forth below, in the District of Maryland and elsewhere, the defendants,

**DENNIS MBONGENI JALI,
JOHN ERASMUS FRIMPONG, and
ARLEY RAY JOHNSON,**

for the purpose of executing and attempting to execute the scheme to defraud, did knowingly and intentionally transmit and cause to be transmitted by means of wire communication, in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, to wit, **JALI, FRIMPONG, and JOHNSON** transmitted and caused to be transmitted the following:

COUNT	APPROXIMATE DATE	DESCRIPTION OF WIRE
2	April 16, 2018	Wire communication caused by the deposit of a \$10,000 check drawn on Victim I's bank account outside of Maryland into the Capital One account ending in 7920 in Maryland
3	October 31, 2018	Wire communication caused by the deposit of a \$10,000 cashier's check from Victim G in Indiana into the BOA account ending in 0529 in Maryland
4	January 12, 2019	Wire communication caused by the deposit of a \$30,000 cashier's check, check number ending **7412, from Victim H in Texas into the BOA account ending in 0529 in Maryland
5	March 18, 2019	Wire communication caused by the wire transfer of \$100,000 from Victim C's bank account in Texas into the BOA account ending in 0529 in Maryland

18 U.S.C. § 1343

COUNT SIX
(Conspiracy to Commit Securities Fraud)

The Grand Jury for the District of Maryland further charges that:

Introduction

1. Paragraphs 1 through 23 of Count One are incorporated here.
2. The investment contracts that **JALI, FRIMPONG, JOHNSON**, and their co-conspirators entered into with 1st Million investors constituted securities, as defined in 15 U.S.C. § 77b.

The Conspiracy and Scheme to Defraud

3. Between at least in or about August 2017 and in or about May 2019, in the District of Maryland and elsewhere, the defendants,

**DENNIS MBONGENI JALI,
JOHN ERASMUS FRIMPONG, and
ARLEY RAY JOHNSON,**

did knowingly conspire, confederate, and agree with each other and other persons, known and unknown to the Grand Jury, to commit an offense against the United States, to wit, to knowingly and intentionally, by the use of means and instrumentalities of interstate commerce and the mails, directly and indirectly, in connection with the purchase and sale of securities, use and employ manipulative and deceptive devices and contrivances, in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), and Title 17, Code of Federal Regulations, Section 240.10b-5, by (1) employing a device, scheme, and artifice to defraud; (2) making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (3) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon purchasers of the investment contracts.

The Purpose of the Conspiracy

4. It was a purpose of the conspiracy for **JALI, FRIMPONG, and JOHNSON** to *solicit and obtain* millions of dollars from 1st Million investors through false and misleading pretenses, representations, promises, and omissions.

Manner and Means of the Conspiracy

5. Subparagraphs (a) through (h) of Paragraph 26 of Count One are incorporated here.

Overt Acts

6. In furtherance of the conspiracy, and to effect the objects thereof, the defendants, **JALI, FRIMPONG, JOHNSON** and others known and unknown to the Grand Jury, committed and caused to be committed the acts described in Subparagraphs (a) through (gg) of Paragraph 27 of Count One, incorporated here, among others, in the District of Maryland and elsewhere.

18 U.S.C. § 371

COUNTS SEVEN THROUGH TEN
(Securities Fraud)

The Grand Jury for the District of Maryland further charges that:

Introduction

1. Paragraphs 1 through 23 of Count One and Paragraph 2 of Count Six are incorporated here.

The Charges

2. On or about the dates listed below, in the District of Maryland and elsewhere, the defendants,

**DENNIS MBONGENI JALI
JOHN ERASMUS FRIMPONG, and
ARLEY RAY JOHNSON,**

unlawfully, willfully, and knowingly, by the use of means and instrumentalities of interstate commerce and the mail, directly and indirectly, used and employed, in connection with the purchase and sale of securities listed below, manipulative and deceptive devices and contrivances in contravention of Title 17, Code of Federal Regulations, Section 240.10b-5, by:

(a) employing a device, scheme, and artifice to defraud; (b) making untrue statements of material facts and omit to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon other persons, in connection with the purchase and sale of the securities listed below:

COUNT	APPROXIMATE DATE	INVESTOR	SECURITY	DEPOSIT AMOUNT
7	August 8, 2018	Victim E	1st Million Investment Contract	\$20,000
8	September 7, 2018	Victim A	1st Million Investment Contract	\$70,000
9	December 12, 2018	Victim B's wife	1st Million Investment Contract	\$65,000
10	May 16, 2019	Victim F	1st Million Investment Contract	\$10,000

15 U.S.C. §§ 78j(b) and 78ff(a)
17 C.F.R. § 240.10b-5
18 U.S.C. § 2

COUNTS ELEVEN THROUGH THIRTEEN
(Money Laundering)

The Grand Jury for the District of Maryland further charges that:

Introduction

1. Paragraphs 1 through 23 of Count One are incorporated here.

The Charges

2. On or about the dates set forth below, in the District of Maryland and elsewhere, the defendant,

DENNIS MBONGENI JALI,

did knowingly engage and attempt to engage in the following monetary transactions in and affecting interstate and foreign commerce in criminally derived property that were of a value greater than \$10,000, and were derived from specified unlawful activity, that is, wire fraud in violation of 18 U.S.C. § 1343, as described in Counts Two through Five, and securities fraud in violation of 15 U.S.C. §§ 78j(b) and 78ff(a), as described in Counts Seven through Ten, in that **JALI** did withdraw and transfer, and attempt and cause to be withdrawn and transferred, the sums set forth below through the bank accounts described for the payment of personal expenses, which affected interstate commerce:

COUNT	DATE	DESCRIPTION OF FINANCIAL TRANSACTION
11	November 20, 2018	A \$10,500 cashier's check drawn on the BOA 0529 Account in Maryland deposited into a BOA account in North Carolina for the payment of rent on a personal apartment that JALI rented in his own name
12	January 22, 2019	A \$20,829.94 check to CarMax from the Smart Partners BOA account ending in 0529 in Maryland for the purchase of a Porsche titled to JALI
13	December 28, 2018	A \$13,874.77 purchase at the Watergate Hotel using a debit card for the Smart Partners BOA account ending in 8684 in Maryland for JALI 's stay in the Ambassador Suite at the Watergate Hotel in Washington, D.C., from December 23 to December 28, 2018

18 U.S.C. § 1957

18 U.S.C. § 2

FORFEITURE ALLEGATION

The Grand Jury for the District of Maryland further finds that:

1. Pursuant to Federal Rule of Criminal Procedure 32.2, notice is hereby given to the defendants that the United States will seek forfeiture as part of any sentence in accordance with 18 U.S.C. §§ 981(a)(1)(c) and 982(a)(1), and 28 U.S.C. § 2461(c), in the event of the defendants' convictions on Counts One through Thirteen of this Indictment.

Wire Fraud Forfeiture

2. Upon conviction of the offense set forth in Counts One through Five, the defendants,

**DENNIS MBONGENI JALI,
JOHN ERASMUS FRIMPONG, and
ARLEY JOHNSON,**

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, constituting or derived from, proceeds traceable to the violations.

Securities Fraud Forfeiture

3. Upon conviction of the offenses set forth in Counts Six through Ten, the defendants,

**DENNIS MBONGENI JALI,
JOHN ERASMUS FRIMPONG, and
ARLEY JOHNSON,**

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, constituting or derived from, proceeds traceable to or obtained, directly or indirectly, as the result of such violations.

Money Laundering Forfeiture

4. Upon conviction of the offenses set forth in Counts Eleven through Thirteen, the defendants,

**DENNIS MBONGENI JALI,
JOHN ERASMUS FRIMPONG, and
ARLEY JOHNSON,**

shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(1), any property, real or personal, involved in such offense, or any property traceable to such property.

Property Subject to Forfeiture

5. The property to be forfeited includes, but is not limited to, a money judgment of at least **\$28,021,868.01** in U.S. currency and the following property to be forfeited in partial satisfaction of the money judgment:

- a. approximately \$3,960 in U.S. currency seized from 1st Million's office in Upper Marlboro, Maryland on or about June 13, 2019;
- b. approximately \$920,305.29 seized on or about June 20, 2019 from a Citibank account ending in 1464 held in the name of 1stMillion LLC;
- c. a 2016 Porsche SUV bearing vehicle identification number WP1AA2A27GLA09671 seized on or about June 28, 2019 in Laurel, Maryland;
- d. approximately \$449,874.30 in U.S. currency seized on or about July 9, 2019 from a SunTrust Bank account ending in 4625 in the name of Access 2 Assets LLC;
- e. approximately \$13,239.90 in U.S. currency seized on or about July 9, 2019 from a SunTrust Bank account ending in 9909 in the name of Dennis Jali/1st Million LLC;
- f. approximately \$48,101.12 in U.S. currency seized on or about July 9, 2019 from a SunTrust Bank account ending in 9891 in the name of Dennis Jali/1st Million LLC;
- g. approximately \$16,221.60 in U.S. currency seized on or about July 9, 2019 from a SunTrust Bank account ending in 9917 in the name of Dennis Jali/1st Million LLC;

- h. approximately \$996,092.72 in U.S. currency seized on or about July 24, 2019 from a Bank of America account ending in 5849 in the name of 1st Million LLC;
- i. approximately \$5,000.00 seized on or about November 1, 2019 from a Gain Capital account ending in x3160 held in the name of Dennis Jali;
- j. approximately \$14,199.64 in U.S. currency seized on or about May 1, 2020 from a SunTrust Bank account ending in 9925 held in the name of The Smart Partners LLC; and
- k. approximately \$15,000.00 in U.S. currency seized on or about May 1, 2020 from a SunTrust Bank account ending in 4773 held in the name of Dennis M. Jali.

Substitute Assets

6. If, as a result of any act or omission of the defendants, any of the property described above as being subject to forfeiture:
- a. cannot be located upon the exercise of due diligence;
 - b. has been transferred or sold to, or deposited with, a third person;
 - 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 subdivided without difficulty;

the United States 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), up to the value of the forfeitable property described above.

18 U.S.C. § 981(a)(1)(C)
18 U.S.C. § 982(a)(2)(A)
21 U.S.C. § 853(p)
28 U.S.C. § 2461(c)



Robert K. Hur
United States Attorney

A TRUE BILL:

SIGNATURE REDACTED

Foreperson

Date: July 27, 2020