

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

- - - - - X  
:  
UNITED STATES OF AMERICA :  
:  
- v. - :  
:  
NORMAN GRAY, :  
:  
Defendant. :  
:  
- - - - - X

SEALED INDICTMENT

21 Cr.

**21 CRIM 713**

COUNT ONE

(Wire Fraud)

The Grand Jury charges:

1. NORMAN GRAY, the defendant, is the CEO of a purported global biomedical company headquartered and incorporated in Hamden, Connecticut (the "Biomedical Company"). Victim-1 is the Founder and Managing Principal of a company involved in affordable mixed-use development projects.

2. In or about August 2020, Victim-1 began discussing with NORMAN GRAY, the defendant, the possibility of Victim-1 investing in the Biomedical Company. The discussions, which took place in part over WhatsApp and email, culminated with Victim-1 agreeing to invest \$250,000 in the Biomedical Company in exchange for an approximately 2% equity stake in the Biomedical

Company and taking a position as the Biomedical Company's Chief Investment Officer ("CIO"), with a salary.

3. On or about September 3, 2020, NORMAN GRAY, the defendant, emailed Victim-1 wire instructions for Victim-1's purported \$250,000 investment in the Biomedical Company. GRAY told Victim-1 to wire the money to a bank account held in the name of Sherman 695 LLC (the "Sherman 695 Account"). GRAY is the sole signatory on the Sherman 695 Account.

4. On or about September 10, 2020, Victim-1 initiated a \$250,000 wire transfer from New York, New York, which terminated in the Sherman 695 Account in Connecticut. The same day, a \$16,000 check made out to the Biomedical Company from the Sherman 695 Account was deposited in an account held in the name of the Biomedical Company (the "Biomedical Company Account"), on which NORMAN GRAY, the defendant, and certain other Biomedical Company employees were signatories. On or about September 11, 2020, a \$225,000 check was made out from the Sherman 695 Account to an entity unaffiliated with the Biomedical Company ("Entity-1") and deposited in Entity-1's bank account.

5. Victim-1 never received an executed subscription agreement or any other writing confirming her \$250,000 investment in the Biomedical Company. In or about November 2020,

the Biomedical Company's CFO told Victim-1 that the Biomedical Company had no record of a \$250,000 investment by Victim-1.

6. Following Victim-1's purported investment in the Biomedical Company, but prior to November 2020, NORMAN GRAY, the defendant, contacted Victim-1 over WhatsApp and email about investing in a short-term, exclusive, "friends and family" investment deal involving personal protective equipment ("PPE"). During their discussions, which took place over in or about the latter half September 2020, GRAY represented to Victim-1 via email that he had two purchase orders for PPE lined up worth nearly \$8,000,000, and that, with the purchase orders "in hand, the risk [was] virtually zero." GRAY also represented that Victim-1 could expect a return on investment of 40% or more within approximately 90 days. Victim-1's understanding from GRAY was that the two PPE purchase orders had been placed by two major universities in the tristate area ("University-1" and "University-2").

7. Victim-1 initially declined NORMAN GRAY's, the defendant, offer, as Victim-1 needed cash on hand to close on the purchase of a home, on which Victim-1 also intended to secure a mortgage. To allay Victim-1's concerns, and in an effort to further his fraudulent scheme, GRAY offered Victim-1 a line of credit against the purported PPE investment, proposing to provide Victim-1 with a bridge loan for the amount of Victim-

1's investment in the first purported PPE deal, with University-1, until Victim-1's mortgage closed. Victim-1 agreed to GRAY's proposal.

8. On or about September 25, 2020, Victim-1 initiated a \$500,000 wire transfer from New York, New York, which terminated in the Sherman 695 Account in Connecticut. The same day, nearly \$50,000 was wired from the Sherman 695 Account to the account of a luxury car dealership in North Haven, Connecticut for the purchase of a vehicle. On or about September 28, 2020, a \$160,000 cashier's check made out to the Biomedical Company from the Sherman 695 Account was deposited in the Biomedical Company Account. None of this \$160,000 was directed to the fulfillment of a PPE purchase order. Instead, it was spent on the Biomedical Company's operating expenses, including, but not limited to, payroll.

9. University-1 has no records of any PPE purchase order involving NORMAN GRAY, the defendant, the Biomedical Company, or Sherman 695 LLC. In addition, in internal Biomedical Company emails from in or about late October 2020, GRAY told another Biomedical Company executive that the Biomedical Company had not secured any PPE purchase orders to date.

10. Ultimately, Victim-1 received no return on Victim-1's purported \$500,000 investment in the University-1 PPE deal and

NORMAN GRAY, the defendant, refused to return the money to Victim-1.

11. In or about early October 2020, in lieu of the bridge loan mentioned above, NORMAN GRAY, the defendant, represented to Victim-1 that GRAY was the sole investor in a Connecticut-based boutique mortgage company called the "Tranctus Group." To allay Victim-1's ongoing concerns about securing a mortgage for the purchase of a home, and in an effort to further his fraudulent scheme, GRAY told Victim-1, in part over WhatsApp and email, that GRAY could secure a mortgage for Victim-1 through the Tranctus Group.

12. In or about mid-October 2020, NORMAN GRAY, the defendant, told Victim-1 over WhatsApp that, if Victim-1 took out a mortgage with the Tranctus Group, Victim-1 could participate in another PPE deal involving University-2. Victim-1 agreed to GRAY's proposal and initially proposed to invest \$500,000 in the PPE deal with University-2.

13. On or about October 15, 2020, before the purported Tranctus Group mortgage had materialized, NORMAN GRAY, the defendant, asked Victim-1 via email if she could "add another \$216K" to her investment in the PPE deal with University-2. Later the same day, Victim-1 initiated a \$717,000 wire transfer from New York, New York, which terminated in the Sherman 695 Account in Connecticut. On or about October 16, 2020, a \$200,000

check made out to the Biomedical Company from the Sherman 695 Account was deposited in the Biomedical Company Account. The same day, in response to concerns Victim-1 raised about having not yet secured the Tranctus Group mortgage, GRAY represented to Victim-1 over WhatsApp that, "when we hit, you will have more money than you will know what to do with. . . then you can buy the building!"

14. University-2 has no records of any PPE purchase order involving NORMAN GRAY, the defendant, the Biomedical Company, or Sherman 695 LLC. In addition, as noted above, in internal Biomedical Company emails from in or about late October 2020, GRAY told another Biomedical Company executive that the Biomedical Company had not secured any PPE purchase orders to date.

15. On or about October 19, 2020, Victim-1 received a purported mortgage approval letter from a Benjamin Mabry ("Mabry"), purportedly of the Tranctus Group, via email. NORMAN GRAY, the defendant, represented to Victim-1 that Mabry was GRAY's mortgage broker at the Tranctus Group. All of Victim-1's communications with Mabry were over email; they never met in person or spoke over the phone.

16. In fact, "Mabry" was a false persona invented by NORMAN GRAY, the defendant, in furtherance of his investment scheme. The Tranctus Group has no public internet presence, and

neither Connecticut nor New York has any record of a mortgage broker registered as the Tranctus Group. The internet domain associated with the Tranctus Group, which hosted Mabry's email address, was registered by GRAY on or about October 19, 2020— i.e., the same day that Victim-1 received the mortgage commitment letter from Mabry via email.

17. Ultimately, Victim-1 received no return on Victim-1's purported \$717,000 investment in the University-2 PPE deal and NORMAN GRAY, the defendant, refused to return the money to Victim-1. The purported Tranctus Group mortgage also failed to materialize, which resulted in Victim-1 failing to secure the home purchase and incurring thousands of dollars in related costs.

#### STATUTORY ALLEGATION

18. From in or about August 2020, through at least in or about November 2020, in the Southern District of New York and elsewhere, NORMAN GRAY, the defendant, knowingly and willfully, 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, for the purpose of executing such scheme and artifice, transmitted and caused to be transmitted by means of wire communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, to wit, GRAY made false

representations to Victim-1 by interstate wire communication about the Biomedical Company's and his own business activities to induce Victim-1 to wire approximately \$1,467,000 in purported investments from and through the Southern District of New York to an entity under GRAY's control.

(Title 18, United States Code, Sections 1343 & 2.)

**FORFEITURE ALLEGATION**

19. As a result of committing the offenses alleged in Count One of this Indictment, NORMAN GRAY, the defendant, 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 and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offense, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense.

**Substitute Assets Provision**

20. If any of the above-described forfeitable property, 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 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;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981; Title 21, United States Code, Section 853; and Title 28, United States Code, Section 2461.)



FOREPERSON

*Damian Williams*

DAMIAN WILLIAMS  
United States Attorney

---

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

---

UNITED STATES OF AMERICA

v.

NORMAN GRAY,

Defendant.

---

SEALED INDICTMENT

21 Cr.

(18 U.S.C. §§ 1343 & 2.)

DAMIAN WILLIAMS

---

United States Attorney

---

---

Foreperson

---



Sealed Indictment, Arrest Warrant  
filed before CTW 11/18/21  
KC