

involving bank fraud, credit card fraud, bulk cash smuggling, financial fraud, illegal gambling and money laundering, as well as other criminal violations.

2. The facts in this affidavit come from direct personal knowledge derived from my investigation, my personal observations, my training and experience, information obtained from other agents and witnesses, and review of business records and other information that have come into HSI's possession through the investigation. This affidavit does not set forth all of my knowledge about this matter.

PROPERTY FOR FORFEITURE

3. This affidavit is made in support of a forfeiture complaint concerning the following real property:

- a. 6140 Eastex Freeway, Beaumont, Jefferson County, Texas;
- b. 5 Estates of Montclair, Beaumont, Jefferson County, Texas;
- c. 5269 Westgate, Lumberton, Hardin County, Texas;
- d. 4320 Christina Court, Beaumont, Jefferson County, Texas;
- e. 6215 Gracemount, Beaumont, Jefferson County, Texas;
- f. 3655 Grayson, Beaumont, Jefferson County, Texas;
- g. 1355 11th N Street, Beaumont, Jefferson County, Texas;
- h. 1502 Calder, Beaumont, Jefferson County, Texas; and
- i. 18428 N. 14th Street, Phoenix, Maricopa County, Arizona.

4. This affidavit is also made in support of a forfeiture complaint concerning the following personal property:

- j. \$230,100 in United States Currency.

LEGAL GROUNDS FOR FORFEITURE

5. Based on my training and experience and the facts as set forth in this affidavit, there is probable cause to believe that Larry Ernest Tillery (“LARRY TILLERY”) and his associates are operating an illegal gambling and money laundering enterprise in violation of the following statutes of the United States Code:

- a. Title 18, Section 1084 – transmission of wagering information;
- b. Title 18, Section 1952 – interstate transportation in aid of racketeering enterprises;
- c. Title 18, Section 1955 – prohibition of illegal gambling businesses;
- d. Title 18, Section 1956 – laundering of monetary instruments;
- e. Title 18, Section 1957 – engaging in monetary transactions in property derived from specified unlawful activity;
- f. Title 26, Section 6050 – Failing to report currency transactions in excess of \$10,000
- g. Title 31, Section 5324 – Structuring currency transactions to avoid reporting requirements.

6. I believe the above-listed property is subject to forfeiture to the United States pursuant to 18 U.S.C. § 981(a) and 31 U.S.C. § 5317(c) because it constitutes property involved in transactions or attempted transactions in violation of 18 U.S.C.

§§ 1955, 1956, and 1957, and/or is property traceable to violations of 18 U.S.C. §§ 1084 and 1952 and 31 U.S.C. § 5324.

FACTS SUPPORTING FORFEITURE

7. In April 2014, Internal Revenue Service Criminal Investigations (IRS-CI) initiated an investigation on the bookmaking and money laundering activities of LARRY TILLERY and his associates. Homeland Security Investigations (HSI) joined the investigation in July of 2014. To date, the investigation has found evidence that LARRY TILLERY is operating an illegal sports betting operation with bettors located nationwide. The investigation has also found evidence that LARRY TILLERY is evading taxes associated with his gambling activities. LARRY TILLERY's criminal associates include, but are not limited to, his wife JUDY TILLERY, his son BRIAN TILLERY, his daughter TARA MILLER, Raymond Duplantis, and Corey Loupe.

8. In March of 2015, an HSI undercover agent ("UCA") began betting on sporting events with Raymond Duplantis. The UCA and Duplantis conducted numerous gambling transactions via the internet, phone, mail, and in person from March 2015 until February 3, 2017. During this timeframe, the UCA inquired about LARRY TILLERY. Duplantis admitted to knowing LARRY TILLERY and implied that LARRY TILLERY was a bookmaker on a much larger financial scale than Duplantis himself was. Duplantis explained that while he had more customers, LARRY TILLERY accepted significantly larger monetary wagers. For example,

Duplantis stated LARRY TILLERY would accept a one hundred thousand dollar (\$100,000) bet on an individual sporting event.

9. Duplantis told the UCA that if a bettor/customer wanted to wager more than Duplantis felt comfortable with, Duplantis could refer the bettor to LARRY TILLERY. In March of 2016, Duplantis coordinated the introduction of the UCA to LARRY TILLERY. The purpose of the introduction between the UCA and LARRY TILLERY was so the UCA could begin making sports bets with LARRY TILLERY. Shortly thereafter, the UCA made contact with LARRY TILLERY over the phone, and discussed opening a sports betting account with LARRY TILLERY.

10. On March 23, 2016, the UCA met with LARRY TILLERY in Houston, Texas and gave LARRY TILLERY an advance payment of \$15,000 in U.S. currency to be placed in a gambling account set up by LARRY TILLERY for the UCA. The UCA began betting with LARRY TILLERY over the phone on March 24, 2016 and made fifty-five (55) wagers totaling \$376,903.50 as of February 1, 2017. The UCA has paid LARRY TILLERY and his associate(s) a total of \$129,000 in advance payments. One of these payments was \$15,000 in currency the UCA delivered to his daughter, TARA MILLER, in Arizona. According to the UCA, MILLER knew at the time she received the money on behalf of her father that it was for the purpose of illegal sports gambling. Twenty-two (22) of the wagers made, totaling \$170,899, were conducted telephonically with LARRY TILLERY. Thirty-three (33) of the wagers,

totaling \$206,004.50, were made on a website controlled by LARRY TILLERY, that your affiant has identified as www.luckyducksports.com.

11. On August 9, 2016, LARRY TILLERY told the UCA that he uses a website called www.luckyducksports.com to manage his sportsbook and that the UCA could place bets on there if the UCA desired to. The UCA expressed interest in the website and LARRY TILLERY told the UCA that LARRY TILLERY's son, BRIAN TILLERY would call the UCA and provide the UCA with a logon and password for the website to begin betting on the website. Later that day on August 9, 2016, BRIAN TILLERY provided the UCA with a logon and password for www.luckyducksports.com.

12. On June 5, 2016, the UCA met with LARRY TILLERY and gave LARRY TILLERY \$20,000 in currency in the parking lot of a gas station in Louisiana. After the transaction, law enforcement followed LARRY TILLERY from the gas station in Louisiana to LARRY TILLERY's residence in Beaumont, Texas. On July 19, 2016, BRIAN TILLERY met with the UCA at the direction of his father LARRY TILLERY in Louisiana. On that occasion, the UCA gave BRIAN TILLERY \$15,000 in currency and then law enforcement followed BRIAN TILLERY from Louisiana to Daylight 11th Street.

13. Beginning in September 2016, Homeland Security Investigations initiated a federal-court-ordered wire interception of LARRY TILLERY's cell phone. Agents initiated additional wire interceptions of LARRY TILLERY's cell

phone(s) and home telephone number which concluded in February 2017. Agents also initiated a wire interception of BRIAN TILLERY's cell phone for thirty days beginning in December 2016 and concluding in January 2017. Numerous phone calls were recorded of LARRY TILLERY taking wagers over the phone, speaking with his criminal associates, and discussing the website. Approximately \$5,271,150 in wagers from twenty-four (24) bettors were recorded in intercepted calls from September 15, 2016 through December 7, 2016.

14. On September 19, 2016, LARRY TILLERY spoke with a gambling associate, George Abdallah at 12:15 p.m. CDT. This call was intercepted by law enforcement. During this conversation, Abdallah tried to convince LARRY TILLERY to come to Houston on a Friday. LARRY TILLERY refused, specifically indicating that he needed to stay home to be available to manage gambling activities on his website. The following is an excerpt of this conversation:

LARRY : It's impossible for me to do business on Friday and on the weekends. It's impossible.

GEORGE: On Friday?

LARRY: Yeah, I'm sitting here at this house, you know? I got like everybody on the computer...except like... I just need like three (3) more people and that's it. I have them all in the computer, but there's a lot of things. Sometimes, they want to raise their credit line, uh you know? Stuff like that. They call and they can't get in. They [U/I] and they can't get on the internet, you know? It's all kinds of problems.

GEORGE: [STAMMERS] Friday 'cause we, 'cause it's one of biggest days. [COUGHS]

LARRY: I can't do Friday.

GEORGE: [COUGHS]

LARRY: [Unintelligible].

GEORGE: On Friday?

LARRY: Yeah, on Friday.

GEORGE: There's really not that many games on Friday in College...

LARRY: I understand, but I got Saturday.

GEORGE: Yeah, Saturday that's your big day.

LARRY: Yeah, so I have to rest the night before. 'Cause I'm gonna be sitting here from about nine-thirty (9:30) in the morning till midnight. [EXHALES]

GEORGE: [SIGHS]

LARRY: No way!

15. In another intercepted call on September 19, 2016 at 9:09 am CDT, LARRY TILLERY and a man named "DJ" were discussing DJ's gambling account on the website. LARRY TILLERY had difficulty finding DJ's account on the website and LARRY TILLERY stated that he has three hundred and forty (340) "accounts" so it can be a little confusing for him. From my training and experience, I know that each bettor usually has one account on a sports betting website.

16. Since the court-ordered wiretap of LARRY TILLERY's cell phone in September 2016, numerous calls have been intercepted between LARRY TILLERY

and individuals managing and representing the company that manages www.luckyducksports.com. To date, law enforcement has been unable to identify this company. However, law enforcement has intercepted several calls where LARRY TILLERY called this company to create new betting accounts, place bets for his gambling customers, set and change betting limits, and to make deposits and withdrawals to and from accounts.

17. On October 25, 2016 at 2:30 p.m. EDT, a representative of the company that manages www.luckyducksports.com called LARRY TILLERY and they discussed a method for LARRY TILLERY to make a cash payment for the services of the website. In an intercepted call, LARRY TILLERY agreed to meet a woman named “Andrea” and give her \$30,000 in cash as payment owed for use of the website. LARRY TILLERY gave the company representative a verbal password for her to use to ensure that he was meeting with the correct representative of the website. The following day, on October 26, 2016, LARRY TILLERY traveled to Houston where agents observed him meet with a woman at the Houston Intercontinental Airport. Shortly thereafter, law enforcement intercepted a call from LARRY TILLERY to the website management company during which LARRY TILLERY stated that he just met with “Andrea” and gave her \$30,000. The company representative then stated that the payment would be applied to his balance.

18. According to 26 USC § 4401, people in the business of accepting wagers must pay a federal excise tax. In states where betting on sports is illegal, the excise tax is two percent (2%) of the gross wagers accepted, less the amount of wagers “laid off” or transferred to another bookmaker. The bookmaker is required to file an IRS Form 730 and pay the gross wagering excise tax monthly. The IRS has no record of LARRY TILLERY filing a Form 730 or paying wagering excise taxes from 2011-present.

19. Based off of the approximately \$5,271,150 in wagers he took from bettors, that were established from listening to intercepted calls from 9/15/2016-12/07/2016, it is my belief that LARRY TILLERY is responsible for wagering excise taxes of \$105,423. Law enforcement intercepted a phone call on October 3, 2016, where LARRY TILLERY stated a person has played with him for forty years. The term “play” is synonymous with betting in the gambling industry. Based on this phone call, other calls discussed in this affidavit, and bank records that I have analyzed, I believe that LARRY TILLERY was a bookmaker from at least 2011 to the present and he will be responsible for gross wagering taxes associated with wagers that he accepted during this time period. LARRY TILLERY is required to report any profit made from his bookmaking operation as income on his personal income tax returns.

20. Further analysis of LARRY TILLERY’s bank records and personal income tax return for 2014 indicate a significant difference between gambling

income reported on his tax return and net deposits from casinos. In 2014, LARRY TILLERY reported on his federal personal income tax return that he had gambling income of \$11,920,070 and gambling expenses of \$11,064,894. Federal law permits a gambler to deduct his gambling expenses up to the amount of his gambling winnings. This resulted in LARRY TILLERY claiming net gambling income of \$855,176 on his 2014 federal income tax return.

21. An analysis of bank records for LARRY TILLERY and his businesses shows approximately \$26,662,059.40 was deposited into his bank accounts from casinos during 2014. Approximately \$13,940,412.12 was paid to casinos from bank accounts for LARRY TILLERY and his businesses during this same time period. The casino withdrawals subtracted from the casino deposits resulted in net deposits of approximately \$12,721,647.28. This figure is \$11,866,471.28 more than the \$855,176 net gambling winnings that were reported on LARRY TILLERY's personal federal income tax return. The appropriate income tax rate of 39.6% would be applied to the \$11,866,471.28 of suspected unreported gambling income resulting in an additional income tax due of \$4,699,122.63.

22. Along with other law enforcement officers, I also analyzed LARRY TILLERY's personal and business bank accounts at CommunityBank of Texas (hereafter CBoT). Numerous check and wire deposits and withdrawals were observed that did not appear to be related to the purchases or sales of used automobiles. Rather, the financial transactions appeared to be in furtherance of

LARRY TILLERY's illegal gambling enterprise. 18 U.S.C. §§ 981 and 982 allow for property to be forfeited to the government if such property is involved in a transaction or attempted transaction in violation of those statutes. The financial investigation in this case has traced approximately \$6,079,500.98 in checks, wire transfers, and cash deposits from on or about February 2014 through November of 2016, that in my opinion were derived from illegal sports gambling.

23. CBoT Account XXX0439 is under the business name "Lamar Capital." LARRY TILLERY is the principal of Lamar Capital and he is the primary signatory on the account. This is a business checking account opened on September 5, 2007 by LARRY TILLERY. Bank records were analyzed from 2014-2016 and this analysis shows that this account was used to deposit multiple checks, and receive wire transfers, from persons who illegally wagered with LARRY TILLERY on sporting events. The following checks and wire transfers totaling approximately \$3,650,214 were deposited into this account:

- a. On November 3, 2014, a check from R.D. in the amount of \$47,600 was deposited;
- b. On November 19, 2014, a check from R.D. in the amount of \$33,000 was deposited;
- c. On December 3, 2014, a check from R.D. in the amount of \$65,000 was deposited;
- d. On March 16, 2015, a check from R.D. in the amount of \$28,500 was deposited;

- e. On May 4, 2015, a wire transfer from P.C. was deposited in the amount of \$1,700,000;
- f. On November 17, 2015, a check from C.W. in the amount of \$30,000 was deposited;
- g. On December 22, 2015, a check from R.D. in the amount of \$20,000 was deposited;
- h. On December 30, 2015, a check from A.H. in the amount of \$25,000 was deposited;
- i. On April 6, 2016, a check from C.K. was deposited for \$160,000;
- j. On June 28, 2016, a check from B.C. was deposited for \$81,750;
- k. On August 4, 2016, a check from C.K.L. was deposited for \$100,000;
- l. On August 15, 2016, a check from C.K.L. was deposited for \$277,000;
- m. On August 15, 2016, a check from B.O. was deposited for \$150,000;
- n. On September 16, 2016, a check from B.D. was deposited for \$34,364;
- o. On September 28, 2016 a check from R.D. was deposited for \$18,000;
- p. On September 28, 2016, a check from R.D. was deposited for \$20,000;
- q. On September 29, 2016, a check from C.K.L. was deposited for \$100,000;
- r. On October 4, 2016, a wire transfer from C.K. was deposited for \$50,000;
- s. On October 27, 2017 a check from R.D. was deposited for \$15,000;
- t. On November 4, 2016, a check from “Southwest Wholesale” signed by A.H. was deposited for \$20,000;

- u. On November 21, 2016, a check from J.S. was deposited for \$100,000;
- v. On November 23, 2016, a check from B.O. was deposited for \$375,000;
- w. On December 12, 2016, a wire transfer from B.O. was deposited for \$200,000.

24. The following cash deposits were made into CBoT Account XXX0439:

- a. On July 5, 2016, \$8,000 in currency was deposited;
- b. On July 11, 2016, \$8,000 in currency was deposited;
- c. On July 22, 2016, \$7,000 in currency was deposited.

25. CBoT Account XXX0272 is a personal bank account owned by LARRY and JUDY TILLERY. LARRY TILLERY is the primary signatory and JUDY TILLERY is the remaining signatory on the account. LARRY TILLERY opened this account on August 28, 2007 and lists an address of 6140 Eastex Freeway, Beaumont, TX 77708. This account was used to deposit multiple checks and receive wire transfers from persons who I believe illegally bet with LARRY TILLERY on sporting events. The following checks, wire transfers and cash deposits totaling approximately \$1,790,580.98 were deposited into this account:

- a. On February 10, 2014, a check from J.F. in the amount of \$100,000 was deposited into CBoT Account XXX0272.

- b. On October 29, 2014, a check from B.C. in the amount of \$8,300 was deposited into CBoT Account XXX0272.
- c. On January 14, 2015, a check from L.M. for \$5,000 was deposited;
- d. On March 30, 2015, a check from L.M. for \$2,000 was deposited into this account;
- e. On April 2, 2015, a check from S.W. was deposited into this account. The check was written for \$64,000 and the deposit was split. \$26,000 was deposited into CBoT Account XXX0272 and the remaining \$38,000 was paid towards CBoT loan XXXXXX2677. This is a \$2,000,000 loan obtained on December 29, 2014 in a baseball academy at Ford Park in Beaumont, TX. This loan requires monthly payments of \$38,000.
- f. On June 15, 2015, a check from P.C. in the amount of \$19,123.98 was deposited.
- g. On October 30, 2015, a check from L.M. in the amount of \$1,000 was deposited into CBoT Account XXX0272;
- h. On November 12, 2015, a check from J.F. in the amount of \$9,000 was deposited into CBoT Account XXX0272;
- i. On October 4, 2016, a wire transfer was received from C.K. for \$50,000;
- j. On October 18, 2016, a wire transfer was received from the HSI undercover agent for \$15,000;
- k. On October 31, 2016, a wire transfer from C.K.L. was deposited for \$300,000;
- l. On October 13, 2016, a wire transfer from B.O. was deposited for \$400,000;
- m. On November 21, 2016, a check from J.S. was deposited for \$20,127;
- n. On September 26, 2016, a check from V.W. was deposited for \$6,000

- o. On December 1, 2016, a wire transfer was received from an HSI undercover agent for \$15,000.

26. The federal government requires that a Currency Transaction Report (CTR) is filed when a person makes a cash deposit in excess of \$10,000. Based on my training and experience, I know that it is common for persons earning illicit cash income to try to avoid detection by law enforcement by structuring their cash deposits in increments less than \$10,000 to avoid the filing of a CTR. Between January 24, 2014 and September 29, 2016 approximately one hundred eleven (111) cash deposits were made into the account totaling approximately \$814,030. The deposits ranged from \$2,000 to \$9,000 and averaged \$7,333. Several of the deposits appear to be structured cash deposits and were deposited on sequential days. For example, \$34,700 in cash was deposited between April 10-16, 2016. The deposits were made in the following five increments; \$5,000 was deposited on April 10, \$8,000 on April 11, \$8,500 on April 12, \$4,700 on April 14, and \$8,500 on April 15.

27. Account XXX0382 at CBoT is a business checking bank account in the name of Daylight Motors Inc. The account was opened on September 4, 2007. An analysis of this account shows that it appears to be the main operating account for Daylight Motors Inc. Proceeds from LARRY TILLERY's illegal gambling operation were deposited into this business account. The checks and cash deposits

detailed below total \$514,706 and were deposited into this account. The bettors listed below were identified placing wagers telephonically with LARRY TILLERY:

- a. On February 21, 2014, a check was deposited from B.C. for \$4,700;
- b. On February 24, 2014, a check was deposited from B.C. for \$4,600;
- c. On February 24, 2014, a check was deposited from S.W. for \$7,500;
- d. On March 17, 2014, a check was deposited from R.D. for \$10,100;
- e. Between May 14, 2014 and July 1, 2014, seven checks were deposited from S.W. totaling \$29,450;
- f. Between October 27, 2014 and November 21, 2014, three checks were deposited from B.C. totaling \$20,200;
- g. On April 28, 2015, a check was deposited from J.F. for \$10,000;
- h. On May 22, 2015, and July 23, 2016, two checks from L.M. were deposited totaling \$2,000;
- i. On November 17, 2015, a check was deposited from Southwest Wholesale and signed by A.H. for \$3,000;
- j. On September 29, 2016, a check was deposited from B.O. for \$165,000;
- k. On October, 16, 2016, a check was deposited from J.S. for \$58,156;
- l. On February 26, 2016, \$100,000 in currency was deposited into CBoT Account XXX0382;
- m. On August 4, 2016, \$100,000 in currency was deposited into CBoT Account XXX0382.

28. One of the steps in laundering money is commonly known as layering.

Layering is a series of financial transactions that obfuscates the original source of

the funds. Layering transactions include bank transfers and payments between related accounts. Numerous payments and transfers have occurred between CBoT Accounts XXX0439, XXX0382 and XXX0272 as shown below:

29. In 2014, 93 checks were written from the Lamar Capital CBoT Account XXX0439 and deposited into the Daylight Motors CBoT Account XXX0382 totaling \$5,833,124.77

30. In 2015, 57 checks were written from the Lamar Capital CBoT Account XXX0439 and deposited into the Daylight Motors CBoT Account XXX0382 totaling \$2,865,442.20

31. In 2016, 89 checks were written from the Lamar Capital CBoT Account XXX0439 and deposited into the Daylight Motors CBoT Account XXX0382 totaling \$4,774,751.09

32. In 2014, 42 checks were written from the Daylight Motors CBoT Account XXX0382 and deposited into the Lamar Capital CBoT Account XXX0439 totaling 9,447,995.25.

33. In 2015, 22 checks were written from the Daylight Motors CBoT Account XXX0382 and deposited into the Lamar Capital CBoT Account XXX0439 totaling \$2,967,437.25.

34. In 2016, 24 checks were written from the Daylight Motors CBoT Account XXX0382 and deposited into the Lamar Capital CBoT Account XXX0439 totaling \$5,396,078.51

35. In 2014, five checks were written and four transfers were made from the Lamar Capital CBoT Account XXX0439 and were deposited into LARRY and JUDY TILLERY's CBoT Account XXX0272 totaling \$2,512,000.

36. In 2015, two checks were written and one transfer was made from the Lamar Capital CBoT Account XXX0439 and were deposited into LARRY and JUDY TILLERY's CBoT Account XXX0272 totaling \$185,000.

37. In 2016, two checks were written and three transfers were made from the Lamar Capital CBoT Account XXX0439 and were deposited into LARRY and JUDY TILLERY's CBoT Account XXX0272 totaling \$560,000.

38. In 2014, one check was written and one transfer was made from the Daylight Motors CBoT account XXX0382 and were deposited into LARRY and JUDY TILLERY's CBoT Account XXX0272 totaling \$572,000.

39. In 2015, three checks were written and two transfers were made from the Daylight Motors CBoT Account XXX0382 and were deposited LARRY and JUDY TILLERY's CBoT Account XXX0272 totaling \$455,000.

40. In 2014, two checks were written on LARRY and JUDY TILLERY's CBoT Account and were deposited into the Daylight Motors CBoT Account XXX0382 totaling \$9,000. In 2015, four checks were written on LARRY and JUDY TILLERY's CBoT Account and deposited into the Daylight Motors CBoT Account XXX0382 totaling \$46,000. In 2016, one check was written from LARRY

and JUDY TILLERY's CBoT Account XXX0272 for \$50,000 and was deposited into the Daylight Motors CBoT Account XXX0382.

41. In 2014, one check was written from LARRY and JUDY TILLERY's CBoT Account XXX0272 for \$640,000 and was deposited into the Lamar Capital CBoT Account XXX0439.

42. BRIAN TILLERY opened CBoT Account XXXX5068 on October 27, 2014. This account is a business checking account in the name of Golden Triangle Sports Academy. BRIAN TILLERY is the primary signatory on the account. On January 9, 2015, a check for \$100,000 was deposited into this account. This check was drawn on the Lamar Capital CBoT Account XXX0439.

43. JUDY TILLERY owns account XXXX at Beaumont Community Credit Union (BCCU). This account has three sub-accounts associated with it. One is account XXXX.10 and acts as a checking account. This account is listed as account number XXXX7 on the checks for this checking account. BCCU confirmed that Account XXXX.10 and XXXX7 is the same account. Therefore, this affidavit treats account numbers XXXX7 and XXXX.10 as the same account and will refer to both account numbers collectively as XXXX7.

44. An analysis of Account XXXX7 shows a pattern of structured deposits in violation of Title 31 USC § 5324. Between June 1, 2015 and August 31, 2016, it appears that JUDY TILLERY structured \$124,000 in cash deposits through BCCU Account XXXX7 as detailed below.

45. On June 1, 2015, \$8,500 in currency was deposited into Account 78527. On June 2, 2015, \$8,500 was deposited into Account XXXX7. On June 2, 2015, JUDY TILLERY wrote a check to “Community Bank” for \$17,000. This check was deposited with an additional \$8,500 into CommunityBank of Texas account 8000272 on June 2, 2015. The handwriting on JUDY TILLERY’s \$17,000 check and the deposit slip for Account XXX0272 appears to be the same.

46. On July 16, 2015, \$8,500 in currency was deposited into Account 78527. Also on July 16, 2015, JUDY TILLERY wrote a check for \$8,500 to “Community Bank.” This check was deposited into CBoT Account XXX0272 with an additional \$8,500 in currency and an additional check from CBoT Account XXXX4528 in the name of “GT Baseball” for \$8,000 on July 16, 2015. The signature on JUDY TILLERY’s check appears to match handwriting on the deposit slip for Account XXX0272. The GT Baseball check for \$8,000 was made to “LARRY TILLERY” and it appears that BRIAN TILLERY signed the check. \$8,000 in currency was deposited into the GT Baseball account on July 16, 2015.

47. On September 30, 2015, \$8,000 in currency was deposited into Account XXXX7. On October 1, 2015, \$7,500 in currency was deposited into Account XXXX7. On October 2, 2015, JUDY TILLERY wrote a check for \$15,500 to LARRY TILLERY. This check was deposited along with \$5,000 in currency into CBoT Account XXX0272 along with a check from CBoT account XXXX2969 for \$7,500. CBoT account XXXX2969 is held jointly by Brian and

Tiffany Tillery. It appears the \$7,500 check written from this account was signed by BRIAN TILLERY. On October 1, 2015, \$7,500 in currency was deposited into Brian and Tiffany's CBoT account XXXX2969. The deposit slip listed BRIAN TILLERY as the depositor and appears to be in BRIAN TILLERY's handwriting.

48. On October 28, 2015, \$8,500 in currency was deposited into BCCU Account XXXX7. On October 30, JUDY TILLERY wrote a check addressed to LARRY TILLERY. This check was deposited into CBoT Account XXX0272 on October 30, 2015 along with \$8,000 in currency and a \$1,000 check from L.M. L.M. is known to the investigation to place sports wagers with LARRY TILLERY. The handwriting on JUDY TILLERY's check and the deposit slip into CBoT account XXX0272 appears to match.

49. On December 30, 2015, \$8,500 in currency was deposited into BCCU Account XXXX7. On December 31, 2015, \$8,000 in currency was deposited into BCCU Account XXXX7. On December 31, 2015, JUDY TILLERY wrote a check to LARRY TILLERY for \$16,000. This check along with \$8,000 was deposited into CBoT account XXX0272 on December 31, 2015. The handwriting on JUDY TILLERY's check and the deposit slip for CBoT account XXX0272 appears to match.

50. On January 7, 2016, \$8,000 in currency was deposited into BCCU Account XXXX7. On January 8, 2016, JUDY TILLERY wrote a check to LARRY

TILLERY for \$8,000. This check along with \$4,000 in currency was deposited to CBoT Account XXX0272 on January 8, 2016.

51. On April, 15, 2016, May 2, 2016, May 9, 2016 and August 31, 2016, \$8,500 in currency was deposited into BCCU Account XXXX7 each day. On the same respective days, JUDY TILLERY wrote checks to LARRY TILLERY for \$8,500 each. These checks were deposited on the same respective days into CBoT Account XXX0272 along with \$8,500 in additional currency with each deposit. The handwriting from JUDY TILLERY's four checks appears to match the handwriting for the four deposit slips for CBoT Account XXX0272.

52. On June 15, 2016, \$8,000 in currency was deposited into BCCU Account XXXX7. On June 15, 2016, JUDY TILLERY wrote a check for \$8,000 to LARRY TILLERY. This check was deposited into CBoT Account XXX0272 on June 15, 2016. The handwriting on the deposit slip for CBoT Account XXX0272 appears to match the handwriting on JUDY TILLERY's check.

53. On July 14, 2016, \$8,000 in currency was deposited into BCCU account XXXX7. On July 14th, 2016, JUDY TILLERY wrote a check to LARRY TILLERY for \$8,000. On July 14th, 2016, this check along with \$8,000 in currency was deposited into CBoT Account XXX0272. It appears the writing on the deposit slip matches the handwriting on JUDY TILLERY's check.

54. Five calls between B.O. and LARRY TILLERY were intercepted between November 6, 2016 and November 26, 2016. In each of the five monitored

calls, B.O. placed five wagers on sporting events. The five wagers totaled \$205,000 and ranged from \$25,000 and \$50,000.

55. On October 24, 2016, law enforcement intercepted a call between R.D. and LARRY TILLERY. In this call, LARRY TILLERY told R.D. that “you bet a lot of games, no good.” R.D. then affirmed and stated “I’m going to send you out a check for fifteen.” R.D. then stated he will send the check to “sixty-one forty (6140) Eastex Freeway, right.” LARRY TILLERY affirmed the address and added “Beaumont, Texas.” On November 25, 2016, law enforcement intercepted a conversation between LARRY and JUDY TILLERY. In this conversation, LARRY TILLERY stated that R.D. “paid me fifteen-thousand and I marked him even on the computer.”

56. On November 20, 2016, law enforcement intercepted a phone call between P.C. and LARRY TILLERY where P.C. placed a wager with LARRY TILLERY for \$5,000 on a football game. On December 5, 2016, law enforcement intercepted a call between LARRY TILLERY and P.C. In this call, LARRY TILLERY mentions that P.C. won a wager, then P.C. inquired about the betting line on the New York Jets game. P.C. then wagered \$30,000 on the Indianapolis Colts football game.

57. On November 7, 2016, LARRY TILLERY texted C.W. stating his balance owed and asked if LARRY TILLERY could come by because he had a bad week. On November 11, 2016, law enforcement intercepted a text message

conversation where LARRY TILLERY tells C.W. that “you are plus 150 lets pick some winners.” C.W. then replies “I imagine I owe you more than that in interest. Thank you for your patience...” LARRY TILLERY then replies stating that he is not charging C.W. interest. Based on my training and experience, I recognize this conversation to mean that C.W. owes LARRY TILLERY \$150,000 for wagers lost and LARRY TILLERY was encouraging C.W. to pick some winners to offset C.W’s gambling debt. On December 1, 2016, law enforcement intercepted a text message conversation between C.W and LARRY TILLERY where C.W. placed a \$5,000 wager on a football game.

58. Law enforcement intercepted 363 calls between A.H. and LARRY TILLERY. In these intercepted calls, A.H. placed numerous wagers on sporting events totaling \$2,458,250. The wagers averaged \$6,772 and ranged from \$300 to \$30,000.

59. On November 28, 2016, law enforcement intercepted a phone call between S.R. and LARRY TILLERY. In this phone call, they discuss how much C.K. owes LARRY TILLERY and discuss that C.K. “made the plays.” Based on my training and experience, I know the term “plays” is synonymous with wagers.

60. On December 4, 2016, law enforcement intercepted a phone call between B.C. and LARRY TILLERY. In this intercepted conversation, B.C. asks what the betting lines were for the Denver, Green Bay Packers, and New England Patriots football games. LARRY TILLERY provided the betting lines and

affirmed B.C's "figure" at "ten seven." Based on my training and experience, I recognize that B.C's betting balance is \$10,700.

61. On September 12, 2016, law enforcement intercepted a phone call where C.K.L. wagers \$20,000 on a football game with LARRY TILLERY. On September 18, 2016, law enforcement intercepted another call from C.K.L. where he requested to bet "twenty more" on Green Bay with LARRY TILLERY. On November 5, 2016, law enforcement intercepted another call between C.K.L. and LARRY TILLERY. In this conversation, C.K.L. stated that he already bet \$25,000 on the computer and wanted to bet \$25,000 more with LARRY TILLERY on the Alabama/LSU game. This was a college football game.

62. On December 5, 2016, law enforcement intercepted a phone call between B.D. and LARRY TILLERY. In this call, B.D. told LARRY TILLERY that he has lost \$300,000 to LARRY TILLERY. B.D. further stated "So if I didn't bet college sports, I'd be about a million dollars ahead. I go every Sunday for forty to eighty thousand dollars behind and I'm trying to get it under twenty grand."

63. On December 3, 2016, law enforcement intercepted a phone call between J.S. and LARRY TILLERY. In this phone call, J.S. told LARRY TILLERY that he had difficulty placing a bet on LARRY TILLERY's website. LARRY TILLERY then agreed to take the bet over the phone and J.S. wagered \$10,000 on an Alabama football game.

64. On October 18, 2016, a phone conversation was intercepted between S.W. and LARRY TILLERY. In this phone conversation, S.W. wagered \$3,000 with LARRY TILLERY.

65. On October 3, 2016, law enforcement intercepted a phone call between D.W. and LARRY TILLERY. In this conversation, LARRY TILLERY states that he owes money to V.W. because she won a parlay bet. A parlay bet is a series of bets on multiple games. If the bettor wins the parlay, they win a multiple of their original bet depending on the odds of the parlay.

66. On October 30, 2016, law enforcement intercepted a phone call between L.M. and LARRY TILLERY where L.M. wagered \$1,000 on the Atlanta Falcons football game. On November 5, 2015, law enforcement intercepted a phone call where L.M. wagered \$1,000 on the Alabama college football game with LARRY TILLERY. On November 20, 2016, law enforcement intercepted a phone call between L.M. and LARRY TILLERY where L.M. wagered \$2,000 on the New England Patriots football game.

67. On October 26, 2016, law enforcement intercepted a phone call between J.F. and LARRY TILLERY. In this phone call, J.F. stated that he would pay LARRY TILLERY \$10,000 and that he needed to write a check for it. LARRY TILLERY then told J.F. to make the check out to him and he would then “cash it through the car lot.” J.F. then stated that his wife was controlling their finances and

then stated “I got a pass to write ten, but didn’t tell her I owed you, because she would think that I’d be sports gambling, which I’m not, but it doesn’t matter.”

68. 18 USC § 1955(d) states that any property, including money, used in violation of the provisions of this section may be seized and forfeited to the United States. Throughout the course of this investigation, LARRY TILLERY used his black 2015 Mercedes-Benz S550 sedan with vehicle identification number WDDUG8CB6FA070331 in furtherance of his illegal gambling operation on multiple occasions as detailed below:

- a. On March 23, 2016, LARRY TILLERY met with the UCA in LARRY TILLERY’s 2015 Mercedes-Benz S550 in Houston, TX. During this meeting, LARRY TILLERY and the UCA discussed how the UCA can place bets with LARRY TILLERY and the UCA paid LARRY TILLERY \$15,000 in currency to gamble in the future with LARRY TILLERY.
- b. On June 5, 2016, the UCA met with LARRY TILLERY in Vinton, Louisiana. While sitting in LARRY TILLERY’s 2015 Mercedes-Benz S550, the UCA and LARRY TILLERY discussed sports gambling and the UCA paid LARRY TILLERY \$20,000 to be credited to the UCA’s gambling account with LARRY TILLERY. Once this meeting concluded, LARRY TILLERY drove from Vinton, Louisiana

directly to his residence at 5 Estates of Montclair in Beaumont, Texas.

- c. At 10:48 a.m. on February 6, 2017, law enforcement intercepted a phone call from LARRY TILLERY to BRIAN TILLERY. In this phone call, LARRY TILLERY requests that BRIAN TILLERY bring him all the money BRIAN TILLERY had because LARRY TILLERY had payoffs to make. At 1:02 p.m. on the same day, LARRY TILLERY called H.Z. and stated that he was going to Houston, TX around 4:30 p.m. or 5:00 p.m. LARRY TILLERY asked him if an individual was coming to Beaumont and he was thinking about giving “it” to this individual because LARRY TILLERY was trying to keep from transporting “it” because he doesn’t want to get “it” confiscated. At 2:30 p.m. on the same day, H.Z. called LARRY TILLERY and asked if he was bringing cash or checks. LARRY TILLERY replied that he was bringing cash. At 3:49 p.m., LARRY TILLERY called JUDY TILLERY and told her he was heading into Houston to conduct a “payoff.” At approximately 4:48 p.m. on February 6, 2017, law enforcement conducted a traffic stop on LARRY TILLERY while he was driving his 2015 Mercedes-Benz S550. LARRY TILLERY consented to the search of the vehicle after advising law enforcement that he had approximately \$230,000 in the vehicle. Law enforcement

found a canvas bag with \$230,100 in currency in the rear floorboard of the vehicle. Superbowl LVI was played on February 5, 2017.

Based on the timing of LARRY TILLERY's trip to Houston, and calls intercepted by law enforcement prior to the stop indicating he was on his way to make a "payoff", I recognize that LARRY TILLERY was traveling to pay a sports gambling debt.

5 Estates of Montclair, Beaumont, Texas 77706

69. The residence of LARRY and JUDY TILLERY is located at 5 Estates of Montclair Beaumont, Texas 77706.

70. On January 27, 2016, HSI and IRS-CI collected the trash from Larry and JUDY TILLERY's residence located at 5 Estates of Montclair, Beaumont, TX 77706. The trash was located on the street available for collection. The following notations were found on notecards in the trash:

- a. "W Den +3 -2 U"
- b. "Brian = Den +3 - 15 - 5U, Den+136-5U ML"
- c. "Den+9E-15 25U, Car=3E"
- d. "Den+3-15 25U, Ariz+3-15P"
- e. Den+1E-15-25U 1H, Ariz+3E-15-250, Ariz+3E-15-25U"
- f. "Amir=NE-3-25U, 38C=NE-3-15-5U"
- g. "Ali=CAR-3-20-1u, NE-3-20-1u, NE-3-25u, NE-3-11-"

71. The NFL conference championships were held on January 24, 2016. The Denver Broncos beat the New England Patriots in one of the games that day. Based on this information, it is reasonable to believe that the “Den” and “NE” are notations for the Denver Broncos and New England Patriots. Based on my training and experience, I know that the numbers following “Den” and “NE” notate the point spread and an additional bet on the total score known as the over/under bet. The other conference championships were held on the same day. Based on this information, it is reasonable to believe that the “Car” and “Ariz” are notations for the Carolina Panthers and Arizona Cardinals. Based on my training and experience, I know that the numbers following “Car” and “Ariz” notate the point spread and an additional bet on the total score known as the “over/under” bet.

72. A piece of paper was found in the trash collected at 5 Estates of Montclair, Beaumont, TX 77706 on January 27, 2016 with the following information on it:

- a. Must -6 500 Pd
- b. Bobby -6 -100 Pd
- c. Warr-2700
- d. Jamal-(numbers not legible) 9
- e. Ali +10-187
- f. Cory-17,680
- g. CANS-8300 Pd

- h. Chris+13-378 Pd
- i. CANS-5100
- j. HG +140
- k. Banks -3780
- l. 130+40-3360-3410-660-3380
- m. Anth -15,000-8000-19,000
- n. Ted +13,200 Pd
- o. Danny -12U (or 00 or W)

73. Based on my training and experience, I recognize the above writing as a gambling ledger noting account balances for bettors.

74. Also found in LARRY TILLERY's trash was a United States Postal Service priority mail envelope from P.M. in Anaheim, CA addressed to LARRY TILLERY at 6140 Eastex Freeway, Beaumont, TX 77708-4415. The postmark was dated on January 20, 2016 and had a printed expected delivery date of January 21, 2016. Within the envelope was found a note that stated "Loan Documents" and "Please Confirm Receipt." The January 18, 2016 issue of Sports Illustrated magazine was also found in the envelope. The magazine cover showed the University of Alabama winning the college football national championship. The magazine was taped on all four sides with the taped top side cut open and a cavity located within the magazine. It was apparent that the magazine was used to conceal something during shipment. A phone number was listed on the priority mail

envelope shipping label ending in 1150. Based on my training and experience, I know that the Priority Mail service offered by the United States Postal Service is utilized to mail currency between bettors and illegal bookmakers.

75. Law enforcement intercepted phone conversations between P.M. and LARRY TILLERY between November 1, 2016 and February 6, 2017. P.M. used the same phone number to call LARRY TILLERY as the number that was listed on the Priority Mail shipping label. On November 1, 2016, P.M. called LARRY TILLERY and placed a bet on the Chicago Cubs for \$20,000. On November 7, 2016, P.M. called LARRY TILLERY and told LARRY TILLERY that he could not log in to the website and that the computer was indicating that he needed to call the agent. LARRY TILLERY asked for P.M.'s account number and P.M. replied "53972." LARRY TILLERY told P.M. that he would look into it. On February 6, 2017, a phone call was intercepted where P.M. asked LARRY TILLERY if he could arrange to bet up to \$25,000 per game during the NCAA basketball tournament on behalf of thirty-five other individuals. P.M. then asked if he could send the money via FedEx and LARRY TILLERY agreed.

76. On February 10, 2016, law enforcement again collected the trash from 5 Estates of Montclair in Beaumont, Texas. A BBVA Compass banking envelope was found with name for C.W. and "9K" written on it. As mentioned earlier in this affidavit, law enforcement intercepted a text message where C.W. made a \$5,000 sports bet with LARRY TILLERY on December 1, 2016. Law enforcement also

located a paper with the following hand written information from the trash taken from 5 Estates of Montclair on February 10, 2016:

- a. 7001 – 140 Watson
- b. 7009 – 125 Watson
- c. 7011 – 140 Koepka
- d. 7019 – 150 Matsumya
- e. 7025 – 130 Na
- f. 7027 – 110 Steele
- g. 7029 – 130 Moore
- h. 7035 – 110

77. A notecard was also found with the following information:

- a. +4670 Sunday
- b. +2845 Sat +2605
- c. +180 Fri
- d. +3540 Thurs
- e. +38 Wed
- f. +6850 Tues
- g. +7550 _ Monday
- h. +5650 _ Sunday

78. Another notecard was found in the trash collected on February 10, 2016 with the following information:

- a. +4670 Sun
- b. +2845 Sat
- c. +180 Fri
- d. +3960 Thurs
- e. -60 Wed
- f. +6700 Tues
- g. +7300 Mon

79. Based on my training and experience, I recognize the above as information consistent with gambling ledgers. Another notecard was found in the trash collected on February 10, 2016 containing the notation “Hog 53982.” I recognize this five digit number as a logon number for LARRY TILLERY’s gambling website.

80. In the trash collected on February 10, 2016, five currency wrappers were found that were labeled “\$10,000” and one currency wrapper band was found labeled “\$5,000.”

81. On October 31, 2016, LARRY TILLERY called JUDY TILLERY at 10:29 a.m. and asked her to look on his desk to see if he left his “tally sheet” there. JUDY TILLERY then confirms that LARRY TILLERY left the tally sheet there. LARRY TILLERY then stated “Okay, carry that with to the car lot and when I get where I can write, uh, I’ll, uh, I’ll get the figures off of it.” LARRY TILLERY called JUDY TILLERY back on October 31, 2016 and requested the figures. JUDY

TILLERY then read off several names and several sets of numbers, both positive and negative. Towards the end of the call, Judy stated that she had to get the dog back in the house and that she would text figures she just told LARRY TILLERY once she went to the car lot. Based on my training, and experience, I recognize the figures on LARRY TILLERY's "tally sheet" to be gambling balances owed to or from bettors.

82. On December 5, 2016, at 5:00 p.m., law enforcement intercepted a phone call between LARRY TILLERY's home telephone located at 5 Estates of Montclair, and the company that services his betting website. In this phone call, LARRY TILLERY provided his website logon as "Blackjack" and also provided his password. LARRY TILLERY then requested to enter a \$10,000 bet on basketball. Later on December 5, 2016 at 5:29 p.m., LARRY TILLERY called this company again from his home telephone line requesting to remove an account under the name of "Sir" because he was a non-payer. Between November 9, 2016 and December 8, 2016, law enforcement intercepted sixty-nine (69) telephone calls where LARRY TILLERY conducted illegal gambling business from his home telephone at 5 Estates of Montclair.

83. On March 22, 2017, law enforcement collected the garbage that was put out for collection at 5 Estates of Montclair, Beaumont, TX 77706. Law enforcement found the following in this collected garbage:

- a. A currency wrapper that had "\$10,000" printed on it and another currency wrapper that had "\$5,000" and "First Bank and Trust East Texas" printed on it.
- b. A white envelope with a man's name written on it;
- c. A notepad page with written notations stating "Jay=", "11-26", "X24882010Σ-210-100", "-21-000", "12-10", "W Charlo-44-100", "-11-000", "12-17", "X Hopkins-75-100", "-28-500".
- d. Torn up notecards with "8401 Miami-1-05-100 1H" and "845 Kent St +12-05-100 1H" written on them.
- e. An empty medicine container with JUDY TILLERY's name on it.

84. The NCAA basketball tournament commonly known as "March Madness" runs from March 14, 2017 through April 3, 2017. Based on the college basketball teams in the March Madness tournament, "Miami" as a reference to the University of Miami, and "Kent St" as a reference Kent State University. These notations are consistent with accepting sports wagers.

85. Throughout the course of this investigation, law enforcement intercepted numerous phone calls from LARRY TILLERY's home phone, and from his cellular phone while he was in his residence, during which LARRY TILLERY engaged in conversations furthering his illegal sports gambling enterprise. In addition, as described previously, notations have been found consistent with

LARRY TILLERY maintaining a gambling ledger, and a computer to help facilitate his illegal activity.

86. CBoT Loan XXXX4 is a 2.8 million dollar home equity extension credit that collateralizes 5 Estates of Montclair. This loan was obtained on May 9, 2013. The balance on this loan was \$2,266,849.16 as of February 21, 2017. From June 17, 2013 through November 16, 2016, loan payments were made from CBoT Account XXX0272 totaling \$1,222,349.17. As explained earlier, funds derived from illegal gambling were deposited into Account XXX0272.

Daylight Motors, 6140 Eastex Freeway, Beaumont, Texas 77708
(Daylight Eastex)

87. Daylight Motors located at 6140 Eastex Freeway, Beaumont, TX 77708 (hereinafter Daylight Eastex) is a used automobile dealership located on the east side of Eastex Freeway, north of Dowlen Road and south of Judy Lane.

88. On December 5, 2014, law enforcement surveilled a waste collection company collect the garbage from Daylight Eastex. This company allowed law enforcement to take and search the contents of the collected garbage. Within this garbage, law enforcement found an inventory printout that appeared to be generated by a program called Autostar. Law enforcement also found a handwritten note that listed the address for F.C.in Dallas, Texas with the numbers "10,500." I have

received information from other law enforcement agents that F.C. is a known bookmaker in the Dallas, Texas area.

89. Law enforcement also found a United States Postal Service priority express mailing label listing LARRY TILLERY as the sender and F.C. as the recipient. This shipping label listed BRIAN TILLERY's cell phone number as the sender's telephone number. Law enforcement also found a printed receipt from a post office in Beaumont showing that a package with the same tracking number as the shipping label was mailed on December 2, 2014 and was scheduled to be delivered on December 3, 2014.

90. On June 30, 2015, IRS Revenue Agent (R/A)Chris Garrett conducted an interview of LARRY TILLERY, JUDY TILLERY, and their certified public accountant at Daylight Eastex. The interview was part of an audit for Daylight Motors, Inc.

91. During this meeting, R/A Garrett asked where the books and records for the business were maintained. R/A Garrett was informed that Daylight Motors uses Autostar software to manage inventory and for accounts receivable, and QuickBooks as the accounting software to keep track of checkbook transactions. R/A Garrett was also told that the Autostar and QuickBooks software records, as well as sales records, invoices and receipts, were maintained onsite. R/A Garrett was given a tour of the location. During this tour, R/A Garrett noticed that LARRY TILLERY's office contained a safe and the office door was secured by a

combination locking mechanism. The cashier's office was across from LARRY TILLERY's office and contained a glass wall that faced towards the public area. There were two desks behind the cashier, one of which was JUDY TILLERY's desk. As R/A Garrett walked past JUDY TILLERY's desk, the room opened up to a storage area where he observed ten filing cabinets.

92. On July 26, 2016, a picture of JUDY TILLERY sitting at a desk was posted on the Facebook account for Daylight Motors Inc. In this photo, one can see that there is a room past JUDY TILLERY's desk that appears to be a storage room. In this photo, there is a computer monitor visible. Another photo was posted on the Daylight Motors Inc. Facebook account on July 26, 2016 that shows a woman sitting at a different desk reviewing a file. There was a computer monitor on the desk with a computer program visible on the monitor. There was a stack of files against the wall and another stack of files in a cabinet on this desk.

93. On April 14, 2016, the UCA spoke with LARRY TILLERY telephonically and asked LARRY TILLERY where he could meet him to deliver \$14,000 in currency to gamble on sporting events. LARRY TILLERY instructed the UCA to go to Daylight Motors and give the money to "Eddie Howard." The UCA then entered Daylight Eastex and asked for Eddie Howard. Eddie Howard introduced himself to the UCA, escorted the UCA to an office room and shut the door behind them. The UCA then handed the envelope with \$14,000 in currency

to Eddie Howard and told him that it contained \$14,000. Eddie Howard took the envelope and wrote "14K" on it.

94. On February 28, 2017, the UCA met with LARRY TILLERY in his office located at Daylight Eastex to collect gambling winnings. LARRY TILLERY reached into his desk and handed the UCA an envelope containing \$38,560 in currency. The UCA saw a safe in LARRY TILLERY's office and noticed the office door was secured by a combination lock. The UCA observed a desktop computer in LARRY TILLERY's office and a 2016 Form 1040 Individual Income Tax Return for LARRY and JUDY TILLERY on the top of LARRY TILLERY's desk.

95. Based on the information described previously in this affidavit, it is my belief that LARRY TILLERY uses this business to facilitate his illegal gambling enterprise, and to conduct financial transactions to conceal the source of his illegal income.

96. CBoT Loan XXXXXX2677 collateralizes Daylight Motors located at 6140 Eastex including the property, buildings located on the property and assets including business inventory owned by Daylight Motors and Lamar Capital. This loan was obtained on December 29, 2014. The balance on this loan was \$1,162,245.73 on February 24, 2017. Between February 2, 2015 and December 30, 2016, a total of \$888,000 was paid on this loan including:

- a. \$521,000 from CBoT Account XXX0272;

- b. \$101,000 from Account XXX0382;
- c. \$137,000 from Account XXX0439;
- d. \$21,500 in checks from Judy Tillery's Beaumont Community Credit Union Account XXXX7;
- e. \$30,500 in cash; and
- f. Two checks from known sports bettors totaling \$63,000.

97. As explained earlier herein, CBoT Accounts XXX0272, XXX0382, and XXX0439 all have commingled funds from illegal gambling.

1355 North 11th Street, Beaumont, Texas 77702 (Daylight 11th Street)

98. Daylight Motors located at 1355 North 11th Street in Beaumont, Texas 77702 (hereinafter Daylight 11th Street) is a used automobile dealership located on the west side of North 11th street, north of Gladys Street and south of Louisiana Street.

99. On January 19, 2017, the UCA called LARRY TILLERY to pay LARRY TILLERY money for sports betting. LARRY TILLERY directed the UCA to pay his son (BRIAN TILLERY) at Daylight 11th Street. The UCA then traveled to Daylight 11th Street where he met BRIAN TILLERY and delivered \$20,000 in currency to him at that time. The UCA's account on www.luckyducksports.com was then credited \$20,000 on January 19, 2017.

100. During the periods of authorized phone interception, law enforcement intercepted numerous calls between LARRY TILLERY and C.L. where they talk

about gambling activities and cash payments between them to satisfy wagering debts. On multiple occasions, law enforcement observed C.L. at the Daylight 11th Street location, and then intercepted a phone call between LARRY and BRIAN TILLERY where BRIAN TILLERY indicates that C.L. delivered or picked up large amounts of currency. For example, on January 19, 2017 at approximately 1:58 p.m., agents conducted surveillance at Daylight 11th Street and witnessed C.L.'s vehicle arrive and park next to BRIAN TILLERY's vehicle. At approximately 1:59 p.m., C.L.'s vehicle departed Daylight 11th Street. At approximately 9:57 p.m., law enforcement intercepted a telephone call between LARRY and BRIAN TILLERY. During this conversation BRIAN TILLERY stated he received "fifty-nine, seven, twenty" (59,720) from C.L.¹ Also during this conversation BRIAN TILLERY stated he had "twenty" (20) from Ryan. This was in reference to the \$20,000 the UCA to BRIAN TILLERY earlier that day on January 19, 2017.

101. On December 23, 2016, at 1:54 p.m., law enforcement intercepted a phone call between BRIAN TILLERY and S.D. where BRIAN TILLERY mentioned he was "at the car lot." Based on affiant's knowledge of the case, BRIAN TILLERY acted as a general manager at Daylight 11th Street. On December 23, 2016, at 2:27 p.m., LARRY TILLERY called BRIAN TILLERY and instructed BRIAN TILLERY to look in the computer to see if he had any "action."

¹ BRIAN TILLERY used only C.L.'s first name in this intercepted phone call.

BRIAN TILLERY then states that he is going to the website and LARRY TILLERY provided him with his logon and password for www.luckyducksports.com and to go to “daily figures.” LARRY TILLERY disconnected the call due to poor reception and called BRIAN TILLERY back at 2:34 p.m.. LARRY TILLERY instructed BRIAN TILLERY to look under three accounts, “Oil,” “Jet,” and “Larry.” BRIAN TILLERY then stated that “Oil” had \$55,000 pending and read the individual bets to LARRY TILLERY.

102. On March 22, 2017, law enforcement walked into Daylight 11th Street. The business was open to the public. Law enforcement observed BRIAN TILLERY working at a desk with an Apple desktop computer and a computer monitor on another desk in the business. Law enforcement observed paperwork on both desks and a computer printer on BRIAN TILLERY’s desk.

103. Based on the information described previously in this affidavit, it is my belief that LARRY TILLERY uses this business to facilitate his illegal gambling enterprise, and to conduct financial transactions to conceal the source of his illegal income.

1502 Calder, 3655 Grayson, and 6215 Gracemount in Beaumont, Texas

104. CBoT Loan XXXXXX2376 collateralizes the property at 1355 11th Street as well as 1502 Calder, 3655 Grayson, and 6215 Gracemount. This loan was obtained on December 24, 2014. The balance of this loan on February 23, 2017 was \$2,786,074.28. Between January 27, 2015 and December 23, 2106, \$864,000 was

paid on this loan, \$856,500 of which came from CBoT account XXX0439. As explained earlier, funds in CBoT account XXX0439 were commingled with illegal gambling deposits.

4320 Christina Court, Beaumont, TX 77706

105. BRIAN and TIFFANY TILLERY reside at 4320 Christina Court, Beaumont, TX 77706. On January 26, 2016, law enforcement collected the garbage at 4320 Christina Court, Beaumont, TX 77706. The garbage had been placed on the street for collection. Law enforcement found a handwritten note stating “Clem 9-1”, “Ala E”, “Michst 7-1”, and “Okl 2-1”. The four college football teams in the 2016 College Football Playoff played earlier that month were Clemson, Alabama, Michigan State, and Oklahoma. Based on my training and experience, I recognize the notations as gambling odds to win the College Football Playoff Championships stating that Clemson had 9-1 odds, Alabama was ‘even’, Michigan State was 7-1, and Oklahoma 2-1 odds.

106. On January 26, 2016, law enforcement found a United States Postal Service priority Mail express receipt in the garbage collected at 4320 Christina Court, Beaumont, TX 77706. This receipt was addressed from LARRY TILLERY at 6140 Eastex Frwy, Beaumont, TX 77708 and addressed to F.C. in Dallas, TX. As explained earlier in this affidavit, F.C. is a known to accept sports wagers in Dallas, Texas.

107. On October 26, 2016 at 11:00 p.m., law enforcement intercepted a call between LARRY TILLERY, BRIAN TILLERY and Tiffany TILLERY. In this call, LARRY TILLERY asks BRIAN TILLERY what his “figure is” and they discuss BRIAN TILLERY collecting and paying out money. BRIAN TILLERY states that LARRY TILLERY has “one eighty in cash” and a check for “twenty thousand, one twenty seven.” LARRY TILLERY instructed BRIAN TILLERY to “take all that and put it in a safe now.” BRIAN TILLERY told LARRY TILLERY that if LARRY TILLERY needed to get into the safe, that “Tiffany” has a key to it. BRIAN TILLERY stated further that “it’s locked up, and “I’m, I’m the only one knows and Tiffany where it’s at.” (sic)

108. On November 14, 2016 at 9:40 a.m., law enforcement intercepted a call between LARRY TILLERY and BRIAN TILLERY. In this call, LARRY TILLERY asked how much money BRIAN TILLERY has and they discussed collecting and paying money from and to several individuals. LARRY TILLERY then asked BRIAN TILLERY if “Tiffany” is there at the car lot. BRIAN TILLERY affirmed that she was and then LARRY TILLERY then instructed BRIAN TILLERY to “run to the house and see what you got.” BRIAN TILLERY then replied “I know that’s what I got. I counted it uh, Saturday.” LARRY TILLERY then instructed BRIAN TILLERY again to “just run to the house...” because LARRY TILLERY wanted to “check and see how much you got there...”. At 10:30am on the same day, law enforcement observed BRIAN TILLERY leave

Daylight 11th Street and arrive at 4320 Christina Court, Beaumont, TX 77706 at 10:40am. At about 10:50 a.m. on the same day, BRIAN TILLERY left his residence and returned to Daylight 11th Street at 11:00 a.m. Later that day at 11:40 a.m., LARRY TILLERY called BRIAN TILLERY again and asked him “You make it home?” BRIAN TILLERY replied by telling LARRY TILLERY “Yeah, eighty four. Eighty-four-one-ninety-five...” “In cash.” LARRY TILLERY then stated “I’ll give you instructions later what to do.”

109. On November 25, 2016, law enforcement intercepted a phone call between LARRY TILLERY and BRIAN TILLERY. In this phone call, LARRY TILLERY requests that BRIAN TILLERY bring him “that money counter.” BRIAN TILLERY replied “yeah, it’s at the house. I’ll get it today.”

110. On February 6, 2017, at 10:48am law enforcement intercepted a call where LARRY TILLERY instructed BRIAN TILLERY to bring all the money he has because LARRY TILLERY has a lot of payoffs to make. On February 6, 2017 at 11:05am, law enforcement intercepted a phone call where BRIAN TILLERY stated that he just got to the house and would travel to LARRY TILLERY shortly.

111. On March 22, 2017, the garbage located at 4320 Christina Court, Beaumont, Texas was collected by law enforcement. The garbage was placed on the street for collection. Law enforcement found a bill addressed to Daylight Motors located at 6140 Eastex Fwy, Beaumont, TX 77708 and an envelope addressed to Lamar Capital at 6140 Eastex Freeway, Beaumont, TX 77708. Law

enforcement also found a torn fragment of a pay stub from Daylight Motors, Inc. for Tiffany Tillery. This paystub listed an address of 4320 Christina Court, Beaumont TX 77706.

112. Based on the evidence found at 4320 Christina Court, and the intercepted phone calls, this property facilitated the TILLERY illegal gambling organization.

18428 North 14th Street, Phoenix, Arizona 85022

113. As explained above, this property facilitated the TILLERY illegal gambling organization. LARRY TILLERY's daughter, TARA MILLER, transported illegal gambling proceeds to this location.

114. Moreover, this property was paid for with proceeds of the TILLERY illegal gambling organization. CBoT Loan XXXXXX1421 collateralized 18428 North 14th Street, Phoenix, AZ 85022 among other properties including 1355 N 11th Street, 1502 Calder, 3655 Grayson Lane, 6140 Eastex Freeway, 6215 Gracemont, and 5265 Fairmont Lane . This loan was a revolving line of credit and was obtained in August of 2012. This line of credit had a limit of \$4,000,000. This line of credit was paid off on December 30, 2014. Some of this line of credit was paid in 2014 with \$151,020.70 from CBoT Account XXX0439, which, as explained above, had commingled funds from illegal gambling deposits.

115. This property was also collateralized with CBoT loan XXXX4980, which also funded other properties. This loan was obtained on November 9, 2010

and was paid in full on November 11, 2014. In 2014, \$1,995,804.32 was paid towards this loan from CBoT Account XXX0439, which as explained above, had commingled funds from illegal gambling deposits.

5269 Westgate, Lumberton, Texas 77657

116. Larry Tillery owns 5269 Westgate in Lumberton, Texas 77657. The deed was transferred to Larry Tillery on August 30, 2012. Bank records for CBoT Account XXX9598 show that a cashier's check from this account was issued to "Hooks Title" on August 30, 2012 in the amount of \$134,590.85 for the purchase of this property. Larry Tillery wrote a personal check out dated June 25, 2012 from this same account for \$1,000. Larry Tillery was the sole signer on CBoT Account XXX9598. This account received deposits from suspected gamblers. Likewise, this account received deposits from CBoT Accounts XXX0439 and XXX0382, which, as explained earlier, also had deposits from suspected gamblers.

CONCLUSION

117. Based on my training and experience, my participation in this investigation, and the information set forth herein, I believe that violations of 18 U.S.C. §§ 1084 (transmission of wagering information), 1952 (interstate transportation in aid of racketeering enterprises), 1955 (prohibition of illegal gambling businesses), 1956 (money laundering), 1957 (engaging in financial transactions with criminally derived property), 26 U.S.C. § 6050 (failing to report currency transactions in excess of \$10,000), and 31 U.S.C. § 5324 (structuring

currency transactions to avoid reporting requirements) have occurred in the Eastern District of Texas.

118. Further, I believe that from February 2014 through November of 2016, \$6,079,500.98 in illegal gambling proceeds have been deposited into bank accounts controlled by LARRY TILLERY, JUDY TILLERY, and BRIAN TILLERY. I also believe that LARRY TILLERY, JUDY TILLERY, and BRIAN TILLERY then engaged in financial transactions involving these illegal proceeds. Such transactions included, but were not limited to, the acquisition of real property interests.

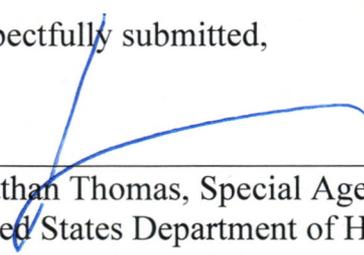
119. Accordingly, I believe that the property described in paragraphs 3 and 4 of this Affidavit was involved in money laundering transactions in violation of 18 U.S.C. § 1956 and 1957 and/or is traceable to property involved in violations of 18 U.S.C. §§ 1084, 1952, and 1955, thus making it subject to forfeiture pursuant to 18 U.S.C. § 981. Moreover, given that the property was involved in structuring in violation of 31 U.S.C. § 5324, it is also subject to forfeiture pursuant to 31 U.S.C. § 5317.

120. The information contained in this Affidavit is based upon my personal knowledge and what I have learned from the other sources specifically discussed herein.

121. This Affidavit does not purport to set forth all my knowledge or investigation concerning this matter.

122. I have read the Complaint for Forfeiture concerning the property described in paragraphs 3 and 4 of this Affidavit, and I verify the factual matters contained in it are true and correct to the best of my knowledge.

Respectfully submitted,



Jonathan Thomas, Special Agent
United States Department of Homeland
Security, Homeland Security
Investigations