

SEALED

IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF ILLINOIS
SPRINGFIELD DIVISION

FILED

MAR 05 2024

CLERK OF THE COURT
U.S. DISTRICT COURT
CENTRAL DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,)

Plaintiff,)

v.)

GREGORY L. FRAASE and)
JIA LIU)

Defendants.)

Case No. 24-CR- **30010**

Title 18, United States Code,
Sections 371 and 1952(a)(3)
and (b)

Title 8, United States Code,
Section 1325(c)

INDICTMENT

The Grand Jury charges:

Count One
(Conspiracy to Violate the Travel Act)

On or before July 2020 and continuing to February 2024, in the
Central District of Illinois and elsewhere,

GREGORY L. FRAASE AND JIA LIU,

hereinafter the defendants, together with others, known and
unknown to the Grand Jury, knowingly and intentionally combined,
conspired, and agreed to commit an offense, namely, violations of
Title 18, United States Code, Section 1952(a)(3) and (b), to wit: using
a facility in interstate and foreign commerce, namely cellular
telephones and the internet, with the intent to promote, manage,

establish, carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, that is, a business enterprise involving prostitution in violation of 720 ILCS 5/11-14 and 720 ILCS 11-14.3, and thereafter performed and attempted to perform an act to promote, manage, establish and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity.

It was the purpose of the conspiracy for the defendants and their co-conspirators to: (a) manage, establish, carry on, and facilitate a business enterprise involving prostitution; (b) to profit from the business enterprise and disperse funds from the business; and (c) to conceal the conspiracy.

Manner and Means of the Conspiracy

It was part of the conspiracy that the defendants worked together in a business enterprise that sought to make money by providing sexual services for money.

As part of the conspiracy and to facilitate the prostitution business, Defendant FRAASE purchased or rented buildings and establishments under his name or in the name of a business he controlled and placed the utilities and other services in his name or

in the name of a business he controlled within the Central District of Illinois. Some of the businesses the defendants controlled to facilitate prostitution included Cozy Cabin Spa, A-1 Spa, and Healthy Spa, all of which were located in Springfield, Illinois.

As part of the conspiracy, the defendants and individuals acting at their direction placed advertisements for massage services in interstate and foreign commerce over the internet on websites like skipthegames.com and adultsearch.com, websites used for advertising sexual services for money, as a means of soliciting customers to pay money for sexual services.

As part of the conspiracy the defendants and other persons known and unknown to the Grand Jury communicated, managed, established, carried out, and facilitated a business enterprise involving prostitution, using the online chat application WeChat, as well as their cellular telephones.

As part of the conspiracy, the defendants arranged to have women travel to the Central District of Illinois to serve as prostitutes in the locations that Defendant FRAASE owned or rented, which were located in the Central District of Illinois.

As part of the conspiracy, the defendants directed, using cellular telephones, individuals to establishments owned or rented under Defendant FRAASE's name in order for those individuals to pay money in exchange for sexual services.

As part of the conspiracy, the defendants utilized payment applications to accept credit card payments to manage, establish, carry on, and facilitate the business enterprise of prostitution.

As part of the conspiracy, the defendants and other persons known and unknown to the Grand Jury, would perform acts and make statements to hide and conceal and cause to be hidden and concealed the purpose of the conspiracy and the acts committed in furtherance thereof.

Overt Acts

In furtherance of the conspiracy, and to affect the objects thereof, the defendants committed at least one of the following acts in the Central District of Illinois:

a. Between December of 2021 and February of 2024, the defendants caused multiple advertisements for A-1 Spa, Healthy Spa, and Cozy Cabin Spa to be posted to online websites like skipthegames.com and adultsearch.com. The websites were used to

advertise services at the massage parlors within the Central District of Illinois knowing that the advertisements were to further the business enterprise involving prostitution.

b. Between October 30, 2023, and December 30, 2023, the defendants, using their cellular telephones and online chatting applications, engaged in discussions with each other and other persons known and unknown to the Grand Jury, regarding management of the commercial sex business.

c. On or about December 8, 2023, Defendant LIU, using her cellular telephone, directed a prospective client to either A-1 Spa or Healthy Spa, both located in Springfield, Illinois, knowing that the prospective client would be offered sexual services for money.

d. On or about February 2, 2024, Defendant LIU, using her cellular telephone, directed a prospective client to Cozy Cabin Spa, located in Springfield, Illinois, knowing that the prospective client would be offered sexual services for money.

e. Between July 17, 2020, and August 2, 2021, Defendant FRAASE opened Ameren accounts for Cozy Cabin Spa, A-1 Spa, and Healthy Spa, under the name of GLF Group, an LLC for

which he was listed as the sole manager and member, to facilitate the use of those properties for the prostitution business enterprise.

f. Between August 2, 2021, and February of 2024, the defendants, using multiple bank accounts and electronic payment services, set up direct payment deposits using merchant processing systems for A-1 Spa and Healthy Spa into bank accounts belonging to, or under the control of, the defendants for the purpose of receiving payments for sexual services.

All in violation of Title 18, United States Code, Sections 371 and 1952(a)(3) and (b).

Count Two
(Marriage Fraud)

On or about April 11, 2022, in the Central District of Illinois,
GREGORY L. FRAASE,
the defendant, did knowingly and unlawfully enter into marriage with Weiwei Hu, of China for the purpose of evading a provision of the immigration laws of the United States.

All in violation of Title 8, United States Code, Section 1325(c).

Forfeiture Allegation

1. The allegations contained in Count One and Two of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. Pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), upon conviction of an offense in violation of Title 18, United States Code, Section 1952, the defendants, FRAASE and LIU, shall forfeit to the United States of America any property, real or personal, which constitutes or is derived from proceeds traceable to the offense. The property to be forfeited includes but is not limited to \$187,274.87 in United States currency and a forfeiture money judgment.

3. If any of the property described above, as a result of any act or omission of the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;

- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

A True Bill,

s/Foreperson

FOREPERSON

s/Tanner K Jacobs

GREGORY K. HARRIS
UNITED STATES ATTORNEY
TKJ