

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. **09-20522 CR-HUCK**

18 U.S.C. §1349
18 U.S.C. §1343
18 U.S.C. §2

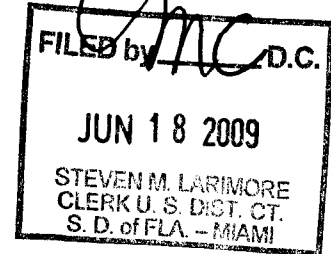
MAGISTRATE JUDGE
O'SULLIVAN

UNITED STATES OF AMERICA

v.

ISAAC NIEGO,

Defendant.



INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At various times material to this Indictment:

1. Defendant **ISAAC NIEGO** and coconspirator Ramon Arturo Arrojo were engaged in the business of soliciting funds from individuals in South Florida based upon a promise to invest and trade the investors' money in, among other things, the securities, commodities, futures, and currencies markets.

2. **ISAAC NIEGO** and coconspirator Ramon Arturo Arrojo conducted this purported business through, among others names, Bull Trade LLC ("Bull Trade") and Profitas Capital Investments ("Profitas Capital"). Bull Trade and Profitas Capital were both Florida limited liability companies with their principal places of business located in Coral Gables, Florida.

3. As part of this purported business, **ISAAC NIEGO** and coconspirator Ramon Arturo Arrojo opened bank and brokerage accounts, solicited investors, and accepted investor funds.

COUNT 1
CONSPIRACY TO COMMIT WIRE FRAUD
(18 U.S.C. §1349)

1. Paragraphs 1 through 3 of the General Allegations section of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. From in or around June 2003, through in or around February 2007, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

ISAAC NIEGO,

did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate and agree with Ramon Arturo Arrojo, a person known to the Grand Jury, to commit certain offenses against the United States, that is, to knowingly and with intent to defraud, devise and intend to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and transmitting and causing to be transmitted certain wire communications in interstate commerce, for the purpose of executing the scheme, in violation of Title 18, United States Code, Section 1343.

PURPOSE OF THE CONSPIRACY

3. The purpose of the conspiracy was for the defendant and Ramon Arturo Arrojo to unjustly enrich themselves by obtaining money from investors by making materially false representations and omitting to state material facts concerning, among other things: (1) the risk

associated with investing money with the companies Bull Trade and Profitas Capital; (2) Bull Trade's and Profitas Capital's "guaranteed" returns; and (3) the use of investors' funds.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which **ISAAC NIEGO** and Ramon Arturo Arrojo sought to accomplish the object and purpose of the conspiracy included, among other things, the following:

4. **ISAAC NIEGO** and Ramon Arturo Arrojo solicited individuals to invest funds with the companies Bull Trade and Profitas Capital. **NIEGO** and Arrojo identified investors from various sources, including Arrojo's business and referrals from past investors.

5. **ISAAC NIEGO** and Ramon Arturo Arrojo falsely represented to investors that their monies were to be invested in the stock, commodities, futures, and currencies markets.

6. **ISAAC NIEGO** and Ramon Arturo Arrojo further falsely represented to investors that investing with **NIEGO**, Bull Trading, and Profitas Capital involved "no risk," that their investment returns would be "guaranteed," and that investment funds would earn profits of several hundred percent.

7. **ISAAC NIEGO** and Ramon Arturo Arrojo entered into written contracts with some investors which falsely promised annual rates of return of several hundred percent.

8. **ISAAC NIEGO** and Ramon Arturo Arrojo, directly and indirectly, accepted investors' monies by check or in cash, and caused the funds to be deposited into bank accounts opened by **NIEGO** and Arrojo.

9. After accepting investors' monies, **ISAAC NIEGO** and Ramon Arturo Arrojo invested only a small portion of the investors' funds in the stock, commodities, futures, and currencies markets. They did so by wiring investors' funds from the bank accounts opened by **NIEGO** and Arrojo to accounts that **NIEGO** and Arrojo had opened at various brokerage firms,

including Alaron Trading Corporation, FC Stone, Rosenthal Collins Group LLC, Bear Stearns Securities Company, E* Trade Securities LLC, and REFCO Group Ltd., LLC.

10. To make it appear as though investors' monies were generating returns, **ISAAC NIEGO** and Ramon Arturo Arrojo would use new investor money to distribute cash and execute supposed interest checks to existing investors. Similarly, to refund initial investors who so requested, **NIEGO** and Arrojo used funds from later investors to make the payments.

11. Through this scheme, **ISAAC NIEGO** and Ramon Arturo Arrojo induced approximately 33 investors to invest over \$2.5 million, a substantial portion of which monies **NIEGO** and Arrojo diverted for their personal use and benefit, and to further the conspiracy.

All in violation of Title 18, United States Code, Section 1349.

COUNTS 2-6
Wire Fraud
(18 U.S.C. §1343 and 2)

1. Paragraphs 1 through 3 of the General Allegations section of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. From in or around June 2003, through in or around February 2007, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

ISAAC NIEGO,

did knowingly and with intent to defraud devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and did knowingly transmit and cause to be transmitted by means of wire communications in interstate commerce, certain writings, signs, signals, pictures or sounds for the purpose of executing the scheme and artifice.

PURPOSE OF THE SCHEME AND ARTIFICE

3. The purpose of the scheme and artifice was for the defendant and Ramon Arturo Arrojo to unjustly enrich themselves by obtaining money from investors by making materially false representations and omitting to state material facts concerning, among other things: (1) the risk associated with investing money with the companies Bull Trade and Profitas Capital; (2) Bull Trade’s and Profitas Capital’s “guaranteed” returns; and (3) the use of investors’ funds.

MANNER AND MEANS OF THE CONSPIRACY

4. Paragraphs 4 through 11 of the Manner and Means section of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein as description of the scheme and artifice.

USE OF THE WIRES

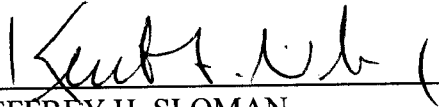
5. On or about the dates enumerated as to each count below, the defendant, **ISAAC NIEGO**, for the purpose of executing and in furtherance of the scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, did knowingly transmit and cause to be transmitted in interstate commerce by means of wire communication certain writings, signs, signals, pictures, and sounds, as more particularly described as to each count below:

Count	Approximate Date	Description of Wire Communication
2	November 3, 2004	Wire transfer in the amount of \$40,000 from investor J. G.'s Ocean Bank account number xxxxx1940, via FEDWIRE in East Rutherford, New Jersey, to Profitas Capital's Washington Mutual bank account number xxx-xxxx194-0 in Coral Gables, Florida

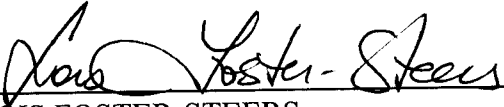
Count	Approximate Date	Description of Wire Communication
3	December 8, 2004	Wire transfer in the amount of \$200,000 from investor J. G.'s Ocean Bank account number xxxxx1940, via FEDWIRE in East Rutherford, New Jersey, to Profitas Capital's Washington Mutual bank account number xxx-xxxx194-0 in Coral Gables, Florida
4	September 21, 2005	Wire transfer in the amount of \$50,000 from investor A.B.'s HSBC bank account number xxxxx655-1, via FEDWIRE in East Rutherford, New Jersey to Profitas Capital's Wachovia bank account number xxxxxxxxx8145 in Coral Gables, Florida
5	September 28, 2005	Wire transfer in the amount of \$24,000 from investor A.B.'s HSBC bank account number xxx-xx655-1, via FEDWIRE in East Rutherford, New Jersey to Profitas Capital's Wachovia bank account number xxxxxxxxx8145 in Coral Gables Florida, Florida
6	December 16, 2005	Wire transfer in the amount of \$30,000 from investor A.B.'s HSBC bank account number xxxxx655-1, via FEDWIRE in East Rutherford, New Jersey to Profitas Capital's Wachovia bank account number xxxxxxxxx8145 in Coral Gables, Florida

In violation of Title 18, United States Code, Sections 1343 and 2.

A TRUE BILL



 JEFFREY H. SLOMAN
 ACTING UNITED STATES ATTORNEY



 LOIS FOSTER-STEERS
 ASSISTANT UNITED STATES ATTORNEY

UNITED STATES OF AMERICA

CASE NO. _____

vs.

CERTIFICATE OF TRIAL ATTORNEY*

ISAAC NIEGO,

Defendant.

Superseding Case Information:

Court Division: (Select One)

New Defendant(s) Yes _____ No _____
Number of New Defendants _____
Total number of counts _____

X Miami _____ Key West _____
_____ FTL _____ WPB _____ FTP _____

I do hereby certify that:

- I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
- I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) Yes
List language and/or dialect Spanish

4. This case will take 15 days for the parties to try.

5. Please check appropriate category and type of offense listed below:

(Check only one)	(Check only one)
I 0 to 5 days _____	Petty _____
II 6 to 10 days _____	Minor _____
III 11 to 20 days <u>X</u> _____	Misdem. _____
IV 21 to 60 days _____	Felony <u>X</u> _____
V 61 days and over _____	

6. Has this case been previously filed in this District Court? (Yes or No) No

If yes:
Judge: _____ Case No. _____
(Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) No

If yes:
Magistrate Case No. _____
Related Miscellaneous numbers: 08-20341-CR-SEITZ
Defendant(s) in federal custody as of _____
Defendant(s) in state custody as of _____
Rule 20 from the _____ District of _____

Is this a potential death penalty case? (Yes or No) No

7. Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003? _____ Yes X No

8. Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to September 1, 2007? _____ Yes X No

Lois Foster-Steers
LOIS FOSTER-STEERS
ASSISTANT UNITED STATES ATTORNEY
Florida Bar No./Court No. 0480509

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: Isaac Niego

Case No: _____

Count #: 1

Conspiracy to Commit Wire Fraud

18 U.S.C. §1349

*** Max. Penalty** 20 years' imprisonment

Counts # 2-6:

Wire Fraud

18 U.S.C. §1343

*** Max. Penalty** 20 years' imprisonment

Count #:

*** Max. Penalty** _____

Count #:

***Max. Penalty:**

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**