

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 :
 v. : Crim. No. 09-
 :
 CARLOS PINHO : 18 U.S.C. §§ 1341, 2

I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the Acting United States Attorney for the District of New Jersey charges:

1. At all times relevant to this Information:

a. B.P.A., a Portuguese corporation with branch locations in New York and New Jersey, was a financial institution that, among other things, provided banking services to individuals. From in or about 2001 through in or about 2002, defendant Carlos Pinho ("defendant Pinho") was employed by B.P.A. as a customer service associate.

b. C.B., a corporation headquartered in New Jersey, was a financial institution that, among other things, provided banking services to individuals. From in or about 2002 through on or about January 31, 2009, defendant Pinho was employed by C.B. as a business development associate.

The Scheme to Defraud

2. From in or about 2001 through on or about January 31, 2009, in the District of New Jersey, and elsewhere, defendant

CARLOS PINHO

knowingly devised and intended to devise a scheme and artifice to defraud clients of B.P.A. and C.B. (the "Investors"), and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises to the Investors, and attempted to do so, as described in substance below.

Object

3. The object of the scheme and artifice to defraud was to obtain money from the Investors by issuing fraudulent certificates of deposit to them and diverting the funds intended to purchase the fraudulent CDs to defendant Pinho for his personal use.

Methods and Means

4. It was part of the scheme and artifice to defraud that defendant Pinho would represent to the Investors that he could help them invest in CDs purportedly issued by the bank at which he was employed that had interest rates that were higher than the market rate.

5. It was further part of the scheme and artifice to defraud that defendant Pinho would receive funds directly from

certain Investors and, instead of using those funds to purchase CDs, he would deposit the funds into bank accounts that he controlled.

6. It was further part of the scheme and artifice to defraud that defendant Pinho would direct certain other Investors to sign a form authorizing him, defendant Pinho, to transfer funds from their bank accounts, purportedly to enable him to purchase CDs for them. Rather than use that transfer authority to purchase CDs for the Investors, defendant Pinho would instead divert funds from the Investors' accounts into bank accounts that he controlled.

7. It was further part of the scheme and artifice to defraud that defendant Pinho would create and then issue to the Investors fraudulent receipts, purportedly from the bank at which he was employed, to document that a specified amount of money had been invested in an actual CD.

8. It was further part of the scheme and artifice to defraud that defendant Pinho would use the funds that he fraudulently obtained from the Investors for his personal use and to continue the scheme by repaying the Investors who demanded withdrawals from fraudulent CDs that, had they been genuine, would have matured. In this fashion, defendant Pinho embezzled more than \$2.5 million in funds from the Investors.

9. On or about August 28, 2008, for the purpose of executing the scheme and artifice described above, and attempting to do so, in the District of New Jersey and elsewhere, defendant

CARLOS PINHO

did knowingly place in a post office and authorized depository for mail matter a fraudulent receipt for a fraudulent CD to be sent and delivered by the United States Postal Service, and cause to be delivered by mail according to the direction thereon to an individual in Manahawkin, New Jersey.

In violation of Title 18, United States Code, Section 1341 and Section 2.

RALPH J. MARRA, JR.
Acting United States Attorney