

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

23 MAG 7107

UNITED STATES OF AMERICA

v.

ISAAC BRIGGS III and
DERRICK HODGE,

Defendants.

SEALED COMPLAINT

Violations of 18 U.S.C. §§ 1343, 1349,
1956(h), 1028A, and 2.

COUNTY OF OFFENSE:
NEW YORK

SOUTHERN DISTRICT OF NEW YORK, ss.:

DANIEL ONOVE II, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation ("FBI"), and charges as follows:

COUNT ONE
(Conspiracy to Commit Wire Fraud)

1. From at least in or about August 2020 through at least in or about November 2023, in the Southern District of New York and elsewhere, DERRICK HODGE and ISAAC BRIGGS III, the defendants, and others known and unknown, willfully and knowingly combined, conspired, confederated, and agreed together and with each other to commit wire fraud, in violation of Title 18, United States Code, Section 1343.

2. It was a part and an object of the conspiracy that DERRICK HODGE and ISAAC BRIGGS III, the defendants, and others known and unknown, knowingly having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343, to wit, HODGE and BRIGGS III agreed to make and caused to be made false statements to victim investors to fraudulently obtain investor funds, and in connection therewith and in furtherance thereof, HODGE and BRIGGS III transmitted and caused to be transmitted interstate emails, telephone calls, wire transfers of funds, and other electronic communications.

(Title 18, United States Code, Section 1349.)

COUNT TWO
(Wire Fraud)

3. From at least in or about August 2020 through at least in or about November 2023, in the Southern District of New York and elsewhere, DERRICK HODGE and ISAAC BRIGGS III, the defendants, knowingly having devised and intending to devise a scheme and artifice to

defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, for the purpose of executing such scheme and artifice, which affected a financial institution, to wit, HODGE and BRIGGS III engaged in a scheme to make and caused to be made false statements to victim investors to fraudulently obtain investor funds, and in connection therewith and in furtherance thereof, HODGE and BRIGGS III transmitted and caused to be transmitted interstate emails, telephone calls, wire transfers of funds, and other electronic communications.

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

COUNT THREE
(Conspiracy to Commit Money Laundering)

4. From at least in or about August 2020 through at least in or about November 2023, in the Southern District of New York and elsewhere, DERRICK HODGE and ISAAC BRIGGS III, the defendants, and others known and unknown, willfully and knowingly combined, conspired, confederated, and agreed together and with each other to commit money laundering, in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i), and to engage in monetary transactions in property derived from specified unlawful activity, in violation of United States Code, Section 1957.

5. It was a part and an object of the conspiracy that DERRICK HODGE and ISAAC BRIGGS III, the defendants, and others known and unknown, knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful activity, would and did conduct and attempt to conduct such a financial transaction, which transaction affected interstate and foreign commerce and involved the use of a financial institution which was engaged in, and the activities of which affected, interstate and foreign commerce, and which in fact involved the proceeds of specified unlawful activity, to wit, the wire fraud violation charged in Count Two of this Complaint, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i).

6. It was further a part and an object of the conspiracy that DERRICK HODGE and ISAAC BRIGGS III, the defendants, and others known and unknown, within the United States, would and did knowingly engage and attempt to engage in a monetary transaction, as defined in Title 18, United States Code, Section 1957(f)(1), in criminally derived property of a value greater than \$10,000 that was derived from specified unlawful activity, to wit, the wire fraud violation charged in Count Two of this Complaint, in violation of Title 18, United States Code, Section 1957(a).

(Title 18, United States Code, Section 1956(h))

COUNT FOUR
(Aggravated Identity Theft)

7. From at least in or about October 2020 through at least in or about November 2023, in the Southern District of New York and elsewhere, ISAAC BRIGGS III, the defendant, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, during and in relation to a felony violation enumerated in Title 18, United States Code, Section 1028A(c), to wit, BRIGGS III used and transferred the name, date of birth, and driver license number of another person during and in relation to the conspiracy to commit wire fraud and wire fraud violations charged in Counts One and Two of this Complaint.

(Title 18, United States Code, Sections 1028A(a)(1), 1028A(b), and 2.)

The bases for my knowledge and for the foregoing charges are, in part, as follows:

8. I am a Special Agent with the FBI. I have been personally involved in the investigation of this matter, and I base this affidavit on that experience, on my examination of various reports and records, and on my conversations with witnesses. Because this affidavit is being submitted for the limited purpose of demonstrating probable cause, it does not include all the facts I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

9. Based on my participation in this investigation, my conversations with witnesses and victims, law enforcement records, bank records, investment documents, and other records obtained during this investigation, I have learned the following about an investor fraud scheme perpetrated by DERRICK HODGE and ISAAC BRIGGS III, the defendants.

Heritage Integrity Investment Trust

10. Based on my review of records from the Montana Secretary of State, I know that Heritage Integrity Investment Trust (“HIIT”) is a domestic business trust organized under the laws of Montana. HIIT was registered with the Montana Secretary of State on or about June 20, 2017 and was assigned corporation number D1047652.

11. Montana state records indicate that “Derrick Hodge” and “Isaac Briggs” are HIIT’s directors. Montana Secretary of State records further indicate that HIIT’s principal address is 295 Madison Avenue, 12th Floor, New York, New York, 10017; its mailing address is 2227 US-1, 229, North Brunswick, New Jersey, 08902.

HIIT Opens a Brokerage Account to Receive Investor Funds

12. Based on my review of bank records, I know that in or about October 2020, an individual identifying himself as “Isaac Briggs, Jr.” contacted a particular brokerage firm (“Brokerage Firm-1”) by telephone to set up a brokerage account in the name of HIIT, for the purpose of trading certain financial instruments, including bonds, options, stocks, and margin. Brokerage Firm-1 opened the account (the “HIIT Brokerage Account”).

a. HIIT Brokerage Account records identify “Isaac Briggs Jr.” and DERRICK HODGE, the defendant, as managing trustees of HIIT.

b. HIIT Brokerage Account documents identify “Phoenix Global Investments, LLC” as a beneficiary of the account. Based on my review of bank records, I have learned that HODGE is an officer of Phoenix Global Investments.

c. HIIT Brokerage Account documents identify ISAAC BRIGGS III, the defendant, as a “trusted contact” associated with the account.

d. Based on interviews with witnesses and my review of bank records, including call recordings and documents, I know that Brokerage Firm-1 opened the HIIT Brokerage Account after the individual identifying himself as “Isaac Briggs, Jr.” submitted application materials, including a New Jersey driver’s license for “Isaac Briggs, Jr.” However, as described further below, I believe that the individual who contacted Brokerage Firm-1 to open the HIIT Brokerage Account was not Isaac Briggs Jr., but instead his son, ISAAC BRIGGS III, the defendant.

HIIT Receives Investor Funds

13. Based on my review of bank records, I know that soon after opening the HIIT Brokerage Account at Brokerage Firm-1, HIIT began to receive investor funds from the victims of the HIIT fraud scheme. To complete their investments, HIIT investors wired their investment funds to an account managed by Brokerage Firm-1 located in New York, New York, which were then pooled into the HIIT Brokerage Account.

a. On or about October 23, 2020, the HIIT Brokerage Account received a wire payment of approximately \$1,000,000 from an investor (“Victim-1”).

b. On or about October 26, 2020, the HIIT Brokerage Account received a wire payment of approximately \$1,000,000 from a second investor (“Victim-2”).

c. On or about October 26, 2020, the HIIT Brokerage Account received a wire payment of approximately \$1,100,000 from a third investor (“Victim-3”).

d. In or about December 2020, the HIIT Brokerage Account received wire payments totaling approximately \$999,669 from a fourth investor (“Victim-4”).

14. Based on my review of bank records, I have learned that from approximately November 2020 to January 2021, additional victims of the HIIT investor fraud scheme wired investment funds to a different account—a business bank account controlled by HIIT (“HIIT Bank Account-1”)—and that those funds were then transferred to the HIIT Brokerage Account.

a. On or about August 14, 2020, HIIT Bank Account-1 was opened at a particular financial institution (“Bank-1”). The signatories for HIIT Bank Account-1 were “Tyshun N Gourdine” and ISAAC BRIGGS III, the defendant.

b. On or about November 17, 2020, HIIT Bank Account-1 received a wire payment of approximately \$950,000 from a fifth investor (“Victim-5”).

c. On or about January 12, 2021, HIIT Bank Account-1 received a wire payment of approximately \$1,000,000 from a sixth investor (“Victim-6”).

d. On or about January 19, 2021, HIIT Bank Account-1 received a wire payment of approximately \$1,000,000 from a seventh investor (“Victim-7”).

e. Between approximately November 18, 2020 and January 22, 2021, approximately \$2,915,000 was transferred from HIIT Bank Account-1 to the HIIT Brokerage Account, constituting the approximate amount of funds invested with HIIT by Victim-5, Victim-6, and Victim-7.

15. Based on my review of bank records, I have learned that a total of approximately \$7 million was invested with HIIT by its victims. No funds other than the investments of Victim-1, Victim-2, Victim-3, Victim-4, Victim-5, Victim-6, and Victim-7 were used to fund the HIIT Brokerage Account.

HIIT Made False Promises to Induce its Victims’ Investments

16. Based on interviews of victims and witnesses and my review of documents obtained in this investigation, I have learned that the victims of the HIIT investor fraud scheme invested in HIIT after individuals associated with HIIT, including ISAAC BRIGGS III and DERRICK HODGE, the defendants, made various misrepresentations about HIIT’s trading program and its use of investor funds. For example:

a. Victim-2 invested \$1 million with HIIT for what he was told by representatives of HIIT, including HODGE and BRIGGS III, was a “small cap” private placement trade program designed to buy and resell mortgages to banks for a profit. Victim-2 made the investment to provide financial security for his children, two of whom have significant disabilities. Representatives of HIIT, including HODGE and BRIGGS III, communicated with Victim-2 about the investment by telephone and email.

i. In late 2020, after making his \$1 million investment, Victim-2 was told by BRIGGS III that HIIT could not participate in the small cap trading program because it had fallen short of its funding goal. Victim-2 knew BRIGGS III to go by the first name “Eli.” BRIGGS III indicated to Victim-2 that HIIT might be able to begin participating in the trading program by early 2021.

ii. Victim-2 demanded the return of his investment in or about February 2021, when HIIT had still not begun the trading program. In or about June 2021, BRIGGS III assured Victim-2 that his money would be returned.

iii. In or about February 2022, HODGE returned \$300,000 to Victim-2 by wire payment, representing a portion of his \$1 million investment. HIIT has not returned the remainder of Victim-2’s investment, nor made any disbursements to Victim-2 of investment profits.

b. Victim-5 invested \$950,000 with HIIT for what he was told by representatives of HIIT, including HODGE and BRIGGS III, was a “small cap program” that would last 40 weeks and provide a return of five times the initial investment. Representatives of HIIT, including HODGE and BRIGGS III, communicated with Victim-5 by telephone, email, and text message.

i. Victim-5 understood that HODGE and BRIGGS III were the facilitators of the small cap program. Victim-5 knew BRIGGS III to go by the first name “Eli.” HODGE and BRIGGS III promised Victim-5 that the first investor payment would be made four weeks after Victim-5 made the initial investment, but no such payment was made to Victim-5.

ii. From late 2020 through 2021, in response to Victim-5’s inquiries about the status of his investment and the HIIT trading program, HODGE and BRIGGS III repeatedly told Victim-5 that the commencement of the small cap trading program was delayed due to various external factors.

iii. In or about July 2021, Victim-5 demanded the return of his investment. In or about January 2022, HODGE returned approximately \$20,035 of Victim-5’s investment, in a wire payment from an account controlled by Phoenix Global Investments (the “Phoenix Bank Account”) at a particular financial institution (“Bank-2”). HIIT has not returned the remainder of Victim-5’s investment, nor made any disbursements to Victim-5 of investment profits.

c. Victim-6 invested \$1 million with HIIT after HIIT represented that its investment program would provide participants with a guaranteed rate of return of 100%.

i. Victim-6 understood that HIIT would use investor funds in a “small cap” trading program with multiple stages. First, HIIT would pool investor funds for ten days to generate profits. After the initial ten-day period, HIIT would return each investor’s initial investment. Next, the profits generated in the ten-day period would be used for a 40-week trading program to generate additional profits, which would be distributed to investors.

ii. By mid-February 2021, well over ten business days after Victim-6 had made its investment, HIIT had still not returned Victim-6’s initial investment. On or about February 15, 2021, Victim-6 demanded the return of its initial investment. On or about March 15, 2021, HIIT informed Victim-6 that it could not return the investment because Brokerage Firm-1 would not release the funds.

iii. On or about June 29, 2021, Victim-6 filed a lawsuit against HIIT, alleging that HIIT had fraudulently misused Victim-6’s investment funds. As a result of the lawsuit, HIIT agreed to return the investments of Victim-1, Victim-3, Victim-4, Victim-6, and Victim-7. The lawsuit did not result in the return of investments to Victim-2 or Victim-5.

17. Statements in the HIIT investment contract documents are consistent with the victim accounts of promises made by HIIT, DERRICK HODGE, and ISAAC BRIGGS III, the defendants. For example, an investment contract document dated July 24, 2020 and titled “Unanimous Memorandum of Understanding Joint Participation, Project Funding & Asset

Management Agreement,” entered into by Victim-2 and HODGE (on behalf of HIIT), made the following representations:

a. The purpose of Victim-2’s \$1 million investment was for it to be pooled with other investor funds “to create profits for the benefit of the [investors] through certain trading transactions to include buying and selling Debenture Instruments, Medium Term Notes, Bank Guarantees, and similar financial obligations.”

b. The investment program would commence with a “10 banking day bullet” period, after which “LTV times \$1,000,000 . . . times five (5) times leverage bullet equals gross proceeds {gp}, that will be held for the benefit of [Victim-2] and rolled into” the investment program’s second phase. In the second phase, Victim-2’s “gross proceeds” would be “placed in 40-week trade program that will have the initial amount from [Victim-2’s investment] plus the amount from [the 10-day bullet period], known as the net proceeds {np}.” The second phase would result in “100% yield of (np) per week gross before deductions . . . to be disbursed after each active week of the program.”

c. HIIT “will not, for any reason, invade, deplete, move or transfer any of the funds” invested by Victim-2 with HIIT.

d. HIIT will “[r]elease” Victim-2’s \$1 million investment back to Victim-2 “without any liens and encumbrances after 12 (twelve) month term is complete.”

18. Investors were also asked to execute an additional investment contract document titled a “Pledge Agreement.” A Pledge Agreement dated September 30, 2020 and entered into by Victim-5 and DERRICK HODGE, the defendant (on behalf of HIIT), stated that HIIT “agreed to utilize” Victim-5’s investment funds (the “Pledged Collateral”) for “commercial activity transactions”; that Victim-5’s “Pledged Collateral secures commercial activity transactions of [HIIT]”; and that the Pledge Agreement would terminate “[u]pon [p]ayment in [f]ull to [Victim-5],” at which point HIIT “shall return” Victim-5’s investment funds to Victim-5.

19. Similar representations were made in HIIT’s investment contract documents with other victims.

BRIGGS III Impersonated His Father to Open the HIIT Brokerage Account

20. For the following reasons, I believe that the individual who contacted Brokerage Firm-1 to open the HIIT Brokerage Account was not Isaac Briggs Jr., but instead his son, ISAAC BRIGGS III, the defendant:

a. Based on my review of bank and phone records, I know that the phone number used by the individual who identified himself as “Isaac Briggs Jr.” in his communications with Brokerage Firm-1 was subscribed to in the name of “Isaac Briggs.” Phone records indicate that the same phone number (the “Briggs Number”) is associated with a New York limited liability company named PrimeSource Equity Solutions, LLC. Corporate records for PrimeSource Equity Solutions, in turn, indicate that the entity’s sole officer is “Eli Briggs III.”

b. Multiple victims of the HIIT fraud scheme identified “Eli Briggs” as their primary point of contact at HIIT. Based on the records described above identifying “Eli Briggs III” as the user of the Briggs Number, I believe that BRIGGS III goes by the alias “Eli” and that BRIGGS III was, in fact, the primary point of contact for the HIIT fraud victims.

c. Law enforcement databases indicate that the Briggs Number is a phone number for ISAAC BRIGGS III.

d. As described in further detail below, “Isaac Briggs III” is listed as a signatory on two bank accounts—identified herein as HIIT Bank Account-1 and a second bank account in the name of and controlled by HIIT (“HIIT Bank Account-2”)—which received investor funds from the HIIT Brokerage Account. Based on my review of bank records, and as described further below, I know that those funds were ultimately disbursed for personal expenses of DERRICK HODGE, and BRIGGS III, the defendants.

e. In addition to identifying “Isaac Briggs III” as the signatory, records from HIIT Bank Account-1 identify the Briggs Number—the same phone used to contact Brokerage Firm-1 to set up the HIIT Brokerage Account—as the account contact number.

f. Based on my review of criminal history records, I know that on or about June 10, 2004, BRIGGS III pleaded guilty in New Jersey state court for his participation in a money laundering offense, in violation of New Jersey Stat. Ann. § 2C:2-6 (liability for the conduct of another), a crime for which he was sentenced to ten years’ imprisonment. Based on my training and experience, I know that brokerage firms like Brokerage Firm-1 conduct Know Your Customer (“KYC”) due diligence and typically do not permit convicted felons to open brokerage accounts where they would manage funds on behalf of investors. For this reason, I believe that BRIGGS III had an incentive to use the identity of his father, Isaac Briggs Jr., to set up the HIIT Brokerage Account and communicate with Brokerage Firm-1.

BRIGGS III and HODGE Misappropriated Victim Investments for Personal Use

21. Based on my review of bank records and interviews with witnesses associated with Brokerage Firm-1, I have learned that HIIT, ISAAC BRIGGS III, and DERRICK HODGE, the defendants, did not fulfill their promises to investors. Instead, they failed to conduct any trading of investor funds, used investor funds for personal expenses, and depleted the investor funds in the HIIT Brokerage Account, contrary to investment contracts into which they entered with investors and statements they made to investors.

22. Based on interviews with witnesses associated with Brokerage Firm-1, I have learned that Brokerage Firm-1 maintains a policy that its brokerage accounts cannot be used as deposit-only accounts; they must be used for purposes of trading. Shortly after the HIIT Brokerage Account was opened, it was flagged for review by Brokerage Firm-1 due to a lack of trading activity. On or about November 4, 2020, and again on or about July 7, 2022, Brokerage Firm-1 warned HIIT that it must commence trading activity. Despite these warnings, HIIT did not start trading. As of about September 25, 2023, no trading activity had ever occurred in the HIIT Brokerage Account.

23. Based on my review of bank records, I have learned that instead of engaging in trading activity to generate profits for the benefit of investors, ISAAC BRIGGS III and DERRICK HODGE misappropriated investor funds from the HIIT Brokerage Account by transferring such funds through intermediary accounts to the Phoenix Bank Account, and then disbursing hundreds of thousands of dollars from the Phoenix Bank Account to themselves. The bank records obtained in the course of this investigation show that:

a. From approximately November 5, 2020 through July 19, 2021, approximately \$410,250 in investor funds from the HIIT Brokerage Account was transferred to HIIT Bank Account-1. Then, from approximately November 18, 2020 through July 21, 2021, approximately \$302,000 was transferred from HIIT Bank Account-1 to the Phoenix Bank Account.

b. From approximately December 8, 2021 through July 27, 2023, approximately \$1,379,700 in investor funds from the HIIT Brokerage Account was transferred to HIIT Bank Account-2 at a particular financial institution ("Bank-3"). From approximately December 9, 2021 through July 19, 2022, approximately \$1,163,000, was transferred from HIIT Bank Account-2 to the Phoenix Bank Account.

c. From approximately November 18, 2020 through December 30, 2022, hundreds of thousands of dollars were disbursed from the Phoenix Bank Account for personal expenses of HODGE and BRIGGS III, including direct payments to their personal accounts, and payments used for travel, entertainment, food, and other expenses. The flow of funds reflected in bank records obtained during this investigation shows that the disbursements made from the Phoenix Bank Account for the personal expenses of HODGE and BRIGGS III were HIIT investor funds.

i. On or about January 28, 2021, a transfer of approximately \$200,000 of investor funds was made from the HIIT Brokerage Account to HIIT Bank Account-1. The next day, on or about January 29, 2021, a transfer of approximately \$195,000 was made from HIIT Bank Account-1 to the Phoenix Bank Account. Three days after that, on or about February 1, 2021, a transfer of approximately \$95,000 was made to a personal bank account of BRIGGS III. Just over two weeks later, BRIGGS III made a \$20,000 purchase at a particular car dealership in New Jersey.

ii. In the days and weeks following the transfer of approximately \$195,000 from HIIT Bank Account-1 to the Phoenix Bank Account, other disbursements were made from the Phoenix Bank Account for personal expenses, including transfers totaling approximately \$12,257 to a personal account of HODGE, approximately \$26,016 in payments on peer-to-peer transaction platforms such as Cash App, Venmo, and PayPal, and approximately \$13,796 in payments for retail purchases. For example, on February 7, 2022, just over one week after the transfer of \$195,000 to the Phoenix Bank Account from HIIT Bank Account-1, the Phoenix Bank Account was used to make a \$2,557.30 purchase from the Gucci luxury fashion company.

iii. On or about July 13, 2022, a transfer of approximately \$600,000 of investor funds was made from the HIIT Brokerage Account to HIIT Bank Account-2. Two days later, on or about July 15, 2022, a transfer of approximately \$500,000 was made from HIIT Bank Account-2 to the Phoenix Bank Account. In the days and weeks that followed, nearly \$300,000

of disbursements were made from the Phoenix Bank Account for personal expenses. These disbursements included payments of approximately \$60,155 for entertainment purchases, and checks totaling approximately \$122,500 written out to HODGE.

iv. Based on my review of bank records, I know that as of July 2023 the HIIT Brokerage Account, which was funded entirely with investor funds, had been completely depleted. Approximately \$5,225,000 was returned to Victim-1, Victim-3, Victim-4, Victim-6, and Victim-7 from the HIIT Brokerage Account as part of the settlement of the lawsuit initiated by Victim-6. Separately, as described above, HODGE returned approximately \$20,035 to Victim-5 and approximately \$300,000 to Victim-2. Approximately \$1,504,634 of investor funds—representing the unreturned investments of Victim-2 and Victim-5—has been misappropriated by HODGE and BRIGGS III.

BRIGGS III and HODGE Continued to Make False Statements to Conceal Their Fraud

24. Based on my review of bank records and public records, I know that ISAAC BRIGGS III and DERRICK HODGE, the defendants, have continued to make false statements regarding their trading program and use of investor funds, even after complaints by HIIT’s victims.

a. On or about November 17, 2022, Victim-5 filed a lawsuit in the Supreme Court for the State of New York against HIIT, HODGE, BRIGGS III, and others, seeking the return of his investment. The lawsuit remains pending.

b. In connection with that lawsuit, HODGE and BRIGGS III submitted sworn affidavits containing false statements about their use of investor funds. For example:

i. On or about March 28, 2023, BRIGGS III stated in an affidavit that HIIT had “invested [Victim-5’s] money in Ruwack 2016 zero coupon bonds,” which were mistakenly restricted from trading, and that HIIT was attempting to “lift the restriction” so that it could begin its trading program. Similarly, on or about March 28, 2023, HODGE stated in an affidavit that HIIT “invested [Victim-5’s] funds in Ruwack 2016 zero coupon bonds.”

ii. On or about June 6, 2023, BRIGGS III stated in an affidavit that “[a]ll \$7 million of HIIT’s capitalization was invested, in November 2020, in Ruwack zero coupon bonds,” which HIIT still intends to trade; that those bonds have “a face value of \$11 million, with a maturity date of March 2026”; and that HIIT “purchased an insurance wrap” for those bonds, “so that the \$11 million payout is absolutely guaranteed.” BRIGGS III further stated that “[w]e have not diverted any funds into our own pockets.”


iii. Based on my review of bank records, I know that these statements by BRIGGS III and HODGE are false. The bank records obtained in the course of this investigation show that HIIT made no payments using investor money for Ruwack zero coupon bonds or an insurance policy for those bonds; to the contrary, as described above, the bank records show that BRIGGS III and HODGE returned approximately \$5,225,000 to five of their victims and that they misappropriated the remaining investor funds, including the funds of Victim-5, for personal use.

WHEREFORE, I respectfully request that a warrant be issued for the arrests of DERRICK HODGE and ISAAC BRIGGS III, the defendants, and that they be arrested, and imprisoned or bailed, as the case may be.

/s Daniel Onove II (By Court with Authorization)

Daniel Onove II
Special Agent
Federal Bureau of Investigation

Sworn to me through the transmission of
this Complaint by reliable electronic
means (telephone), this 6th day of November, 2023.



THE HONORABLE SARAH L. CAVE
United States Magistrate Judge
Southern District of New York