

JS 2014R00864

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : Hon.
: :
: Criminal No. 16- *349- MAS*
v. :
: 18 U.S.C. § 1343
: 15 U.S.C. §§ 80b-6 & 80b-17
JESSE J. HOLOVACKO : 18 U.S.C. § 2

INDICTMENT

The Grand Jury in and for the District of New Jersey, sitting at Newark,
charges:

COUNTS ONE THROUGH SIX
(Wire Fraud)

Relevant Individuals and Entities

1. At all times relevant to this Indictment:
 - a. "Bank A" was a financial institution headquartered in North Carolina, with branch offices throughout the United States and abroad.
 - b. "Subsidiary A" was a wholly-owned indirect subsidiary of Bank A, offering, among other things, private client investment services in branch offices throughout the United States, including in New Jersey.
 - c. "Bank B" was a financial institution located in New Jersey, and was a division of a bank headquartered in New York.
 - d. Defendant JESSE J. HOLOVACKO was a resident of Middlesex County, New Jersey, and was employed as a senior financial advisor providing investment advisory services at a New Jersey branch office of

Subsidiary A. Defendant HOLOVACKO also had a personal bank account at a New Jersey branch of Bank A.

e. “Victim 1” was a client of defendant HOLOVACKO, and had an Individual Retirement Account (“IRA”), maintained at Subsidiary A. Victim 1 also maintained a personal bank account at Bank B.

The Scheme to Defraud

2. From in or around December 2013 through in or around August 2014, in Middlesex County, in the District of New Jersey, and elsewhere, defendant

JESSE J. HOLOVACKO

did knowingly and intentionally devise a scheme and artifice to defraud Victim 1, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing and attempting to execute such scheme and artifice to defraud, did knowingly transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce, certain writings, signs, signals, and sounds, namely, scanned images of deposited cashier’s checks transmitted by means of wire communications described below, each constituting a separate count of the Indictment:

Count	Approximate Date of Deposited Cashier's Check	Description of Deposited Cashier's Check
1	December 27, 2013	Cashier's Check No. 4501016085 withdrawn from Victim 1's Bank B account in the amount of \$15,000, and deposited in defendant's Bank A account
2	February 7, 2014	Cashier's Check No. 4501016481 withdrawn from Victim 1's Bank B account in the amount of \$24,618, and deposited in defendant's Bank A account
3	March 14, 2014	Cashier's Check No. 4501016739 withdrawn from Victim 1's Bank B account in the amount of \$14,612, and deposited in defendant's Bank A account
4	June 18, 2014	Cashier's Check No. 4501017752 withdrawn from Victim 1's Bank B account in the amount of \$22,312, and deposited in defendant's Bank A account
5	July 2, 2014	Cashier's Check No. 4501017919 withdrawn from Victim 1's Bank B account in the amount of \$24,212, and deposited in defendant's Bank A account
6	August 7, 2014	Cashier's Check No. 4501018164 withdrawn from Victim 1's Bank B account in the amount of \$17,312, and deposited in defendant's Bank A account

Object of the Scheme to Defraud

3. The object of the scheme to defraud was for defendant HOLOVACKO to fraudulently obtain money from Victim 1 by falsely and fraudulently representing that the money would be used in connection with certain investments in bonds.

Means and Methods of the Scheme

4. It was part of the scheme and artifice to defraud that defendant HOLOVACKO recommended to Victim 1 certain investments in bonds, supposedly to be made through defendant HOLOVACKO.

5. It was further part of the scheme and artifice to defraud that defendant HOLOVACKO induced Victim 1 to give him money from Victim 1's IRA by falsely and fraudulently representing that the money would be used to purchase bonds.

6. It was further part of the scheme and artifice to defraud that defendant HOLOVACKO directed Victim 1 to transfer funds from Victim 1's IRA to Victim 1's personal bank account at Bank B, and then issue cashier's checks made payable to defendant HOLOVACKO for the purported purchase of bonds.

7. It was further part of the scheme and artifice to defraud that, in this manner, from in or around December 2013 through in or around August 2014, defendant HOLOVACKO induced Victim 1 to provide him with approximately eighteen (18) cashier's checks drawn from Victim 1's personal bank account at Bank B, totaling approximately \$255,044.00, for the purported purchase of bonds, which Victim 1 delivered to defendant HOLOVACKO in person.

8. It was further part of the scheme and artifice to defraud that defendant HOLOVACKO did not actually purchase bonds with Victim 1's funds or invest in any other investment vehicle. Instead, defendant HOLOVACKO

deposited the funds into his personal bank account at Bank A and used a significant portion of the money on meals, entertainment, mortgage payments, cash withdrawals, and other personal expenses.

9. It was further part of the scheme and artifice to defraud that each time defendant HOLOVACKO deposited a cashier's check at a Bank A branch in New Jersey, as set forth above, he caused the transmission by wire of a scanned image of the cashier's check from the Bank A branch in New Jersey through a deposit system running on servers located in Kansas City, Missouri, that then resulted in the transmission of the check data and image to the paying bank for posting and clearing of the cashier's check to defendant HOLOVACKO's bank account.

All in violation of Title 18, United States Code, Section 1343 and Section 2.

COUNT SEVEN
(Investment Adviser Fraud)

1. The allegations set forth in paragraphs 1 and 3 through 9 of Counts One through Six this Indictment are repeated and realleged as if fully set forth herein.

2. From in or around December 2013 through in or around August 2014, in Middlesex County, in the District of New Jersey, and elsewhere, defendant

JESSE J. HOLOVACKO

knowingly and willfully used instrumentalities of interstate commerce and other means, directly and indirectly: (a) to employ a device, scheme, and artifice to defraud clients and prospective clients; (b) to engage in a transaction, practice, and course of business which operated as a fraud or deceit upon clients and prospective clients; and (c) to engage in an act, practice, and course of business which was fraudulent, deceptive, and manipulative, namely, that defendant HOLOVACKO, an investment adviser, fraudulently obtained cashier's checks drawn from Victim 1's personal bank account by falsely claiming that the funds would be used for the purported purchase of bonds on behalf of Victim 1 that were not actually used for investing in bonds and instead were deposited in defendant HOLOVACKO's personal bank account and spent for his personal expenditures.

In violation of Title 15, United States Code, Sections 80b-6 and 80b-17; and Title 18, United States Code, Section 2.

FORFEITURE ALLEGATIONS

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

2. The United States hereby gives notice to defendant HOLOVACKO that, upon conviction of the offenses alleged in Counts One through Seven of this Indictment, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which requires any person convicted of such offenses to forfeit any property constituting or derived from proceeds obtained directly or indirectly as a result of such offenses.

3. If any of the above-described forfeitable property, as a result of any act or omission of defendant HOLOVACKO:


- 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;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section

2461(c), to seek forfeiture of any other property of defendant HOLOVACKO up to the value of the forfeitable property described above.

A TRUE BILL

~~FOREPERSON~~


PAUL J. FISHMAN
United States Attorney

CASE NUMBER: 16-05349-MAS

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

JESSE J. HOLOVACKO

INDICTMENT FOR

18 U.S.C. § 1343
15 U.S.C. §§ 80b-6 and 80b-17
18 U.S.C. § 2

A True Bill.

Foreperson

PAUL J. FISHMAN

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