



d. “Electronic Communication Networks” (“ECNs”) were securities trading systems that connected buyers and sellers electronically, enabling them to trade directly with one another.

e. “Direct Access Trading” enabled securities traders to route their trades through ECNs or directly to market makers.

f. The “National Best Bid and Offer” (“NBBO”) was a method used to calculate the highest “bid” (offer to buy) and lowest “offer” (offer to sell) available to securities traders for a particular security at a particular time.

g. Lightspeed Trading (“Lightspeed”) enabled customers to trade securities using a high-speed platform with Direct Access Trading. Lightspeed required prospective customers to complete account opening paperwork before opening accounts, and Lightspeed relied upon the representations provided by the prospective customers in the account opening paperwork.

h. “Retail Brokerage Firms” enabled customers, primarily non-professional securities traders, to trade securities. Retail Brokerage Firms required prospective customers to complete account opening paperwork before opening accounts, and Retail Brokerage Firms relied upon the representations provided by the prospective customers in the account opening paperwork.

i. “Execution Quality” was a measure used to evaluate how well Retail Brokerage Firms were executing orders for securities, including

whether they were able to provide their customers with a price better than the NBBO and how fast they were able to fill orders.

j. “Price Improvement” was a part of Execution Quality. Retail Brokerage Firms sometimes executed a certain percentage of their customers’ trades at prices better than the prevailing NBBO, i.e., either below the best offer for their customers’ buy orders or above the best bid for their customers’ sell orders. Retail Brokerage Firms generally offered a limited amount of Price Improvement, to be distributed amongst their retail customers.

k. “Enhanced Liquidity” was a practice that Retail Brokerage Firms used together with Price Improvement. Retail Brokerage Firms routed certain of their customers’ trades to Market Makers, which then took the other side of the trade, frequently at prices better than the NBBO. The Market Makers would also fill certain orders at lot sizes that were larger than those available in the market.

l. “Runs” were a series of orders or trades entered in a manner that was designed to influence the price of a security.

m. “Run Based Manipulation” was a type of securities manipulation in which a manipulator took either a long or a short position in a security, entered orders or trades in a manner designed to inflate or deflate the securities’ price while attracting others to trade the security, and finally reversed their position at the inflated or deflated price. Run Based

Manipulation included both “pump-and-dump” manipulation, which involved taking a long position and then inflating a stock’s price, and “bear raids,” which involved the reverse strategy of first taking a short position and then manipulating the price downwards. A common feature of Run Based Manipulation was that the manipulator profited directly from the manipulated market by exploiting investors who bought at inflated prices or sold at depressed prices.

n. “Order Based Manipulation” was a type of securities manipulation involving orders, sometimes but not always accompanied by trades, that were intended to give other market participants a false signal about the security’s demand or supply. These manipulative orders could be used in conjunction with other techniques to cause a run and/or to manipulate the NBBO or other benchmark or reference price.

o. A Virtual Private Network (“VPN”) allowed an internet user to secure their connection to protect personal identity and location information in order to stay anonymous on the Internet.

### **The Conspiracy**

2. From in or about December 2013 through in or about 2016, in Hudson and Passaic Counties, in the District of New Jersey, and elsewhere, the defendant,

**JOSEPH TAUB,**

did willfully and knowingly combine, conspire, confederate and agree with others to execute and attempt to execute a scheme and artifice to (a) defraud persons in connection with securities of an issuer with a class of securities registered under section 12 of the Securities Exchange Act of 1934 and that was required to file reports under section 15(d) of the Securities Exchange Act of 1934, and (b) obtain, by means of false and fraudulent pretenses, representations, and promises, money and property in connection with the purchase and sale of securities of an issuer with a class of securities registered under section 12 of the Securities Exchange Act of 1934 and that was required to file reports under section 15(d) of the Securities Exchange Act of 1934, contrary to Title 18, United States Code, Section 1348.

**Goal of the Conspiracy**

3. The goal of the conspiracy was for TAUB and his co-conspirators to enrich themselves through a scheme to manipulate the price of securities through a pattern of coordinated conduct intended to deceive, and by making and causing to be made fraudulent pretenses, representations, and promises to, brokerage firms, market makers, and the trading public.

**Manner and Means of the Conspiracy**

4. It was part of the conspiracy that:

a. TAUB and his co-conspirators engaged repeatedly in a series of contemporaneous transactions designed to artificially influence the market

price of the securities of various publicly traded companies and induce other market participants to trade in those securities based on the false impression that there was real market interest in the securities using Run Based Manipulation and Order Based Manipulation (“Coordinated Trading Events” or “CTEs”).

b. TAUB and his co-conspirators leveraged Price Improvement and Enhanced Liquidity, which they gained access to by making false and fraudulent representations and material omissions to the Retail Brokerage Firms and Market Makers, to improve the effectiveness of the CTEs.

c. CTEs involved “Loser Accounts,” typically accounts that placed multiple small orders for shares of a security that were intended to create a false impression of supply and demand and raise or depress the price of the security. TAUB and others used the Loser Accounts to engage in Run Based Manipulation and Order Based Manipulation in order to artificially influence the market price of the security and induce other market participants to trade in it based on the false impression of market interest created by the actions of TAUB and others. Overall, and by design, the Loser Accounts lost money for TAUB and his co-conspirators, but helped them manipulate the prices of securities to benefit the “Winner Accounts.”

d. CTEs also involved “Winner Accounts,” typically accounts that took separate and substantially larger positions in the same security as

the Loser Accounts. The Winner Accounts benefitted from the manipulative orders in the Loser Accounts. Overall, the Winner Accounts were profitable for TAUB.

e. CTEs frequently used two or more accounts held at different brokerage firms, including accounts that were in the names of other individuals recruited by TAUB and his co-conspirators (the “Straw Accounts”). TAUB and others instructed the holders of the Straw Accounts (the “Straw Account Holders”), including Shaun Greenwald and others, to deceive the brokerage firms when opening and maintaining the Straw Accounts, including by misrepresenting who controlled the accounts, who funded the accounts, and by lying and making material omissions to the brokerage firms if questioned about the trading in the Straw Accounts (the “Brokerage Firm Misrepresentations & Omissions”).

f. Retail Brokerage Firms closed many of TAUB’s accounts and many of the Straw Accounts. Despite this, TAUB and his co-conspirators maintained access to Price Improvement and Enhanced Liquidity by disguising any link to TAUB using new Straw Accounts and the Brokerage Firm Misrepresentations & Omissions and by deceiving the Retail Brokerage Firms and Market Makers into thinking that they were typical retail customers by breaking up their large order volume into smaller pieces. This allowed TAUB and his co-conspirators to continue to engage in CTEs. Accounts at Retail

Brokerage Firms were typically used as Winner Accounts in CTEs.

g. Lightspeed also closed many of TAUB's accounts and many of the Straw Accounts, including Straw Accounts that were flagged for market manipulation. Again, TAUB and his co-conspirators maintained access to accounts at Lightspeed by disguising any link to TAUB using the Straw Accounts and the Brokerage Firm Misrepresentations & Omissions. This allowed TAUB and his co-conspirators to continue to engage in CTEs. Accounts at Lightspeed were typically used as the Loser Accounts in CTEs.

h. In fact, TAUB secretly controlled the Straw Accounts. TAUB provided the vast majority of the funding for the Straw Accounts and in a manner that disguised from the Retail Brokerage Firms that TAUB was the true source of the funds and thus the beneficial owner of the securities in those accounts.

i. By using the Straw Account Holders and the Brokerage Firm Misrepresentations & Omissions to conceal TAUB's connection to the Straw Accounts, Lightspeed and the Retail Brokerage Firms were deceived into allowing TAUB to have continued access to accounts at Lightspeed and the Retail Brokerage Firms, and to the Price Improvement and Enhanced Liquidity offered by these firms, after they had shut down other accounts linked to TAUB and the Straw Accounts.

j. TAUB compensated co-conspirators for opening the Straw

Accounts and for engaging in the Brokerage Firm Misrepresentations & Omissions.

k. For example, on or about June 18, 2015, TAUB engaged in numerous CTEs in the stock of Esperion Therapeutics Inc. (ESPR) using the following accounts, some of which were Straw Accounts opened and maintained through Brokerage Firm Misrepresentations & Omissions:

- i. Lightspeed Account ending in 0035
- ii. Lightspeed Account ending in 0148
- iii. TD Ameritrade Account ending in 9639
- iv. TD Ameritrade Account ending in 3733

l. Additionally, on or about August 4, 2016, TAUB engaged in numerous CTEs in the stock of Murphy USA Inc. (MUSA) using the following accounts, some of which were Straw Accounts opened and maintained through Brokerage Firm Misrepresentations & Omissions:

- i. Lightspeed Account ending in 0140
- ii. Scottrade Account ending in 0153
- iii. Schwab Account ending in 8747
- iv. Merrill Account ending in 4708

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

**COUNT TWO**

(Securities Fraud – 18 U.S.C. § 1348)

1. Paragraphs One and Four of Count One are re-alleged and incorporated as if set forth fully herein.

2. From in or about December 2013 through in or about 2016, in Hudson and Passaic Counties, in the District of New Jersey, and elsewhere, the defendant,

**JOSEPH TAUB,**

did willfully and knowingly execute and attempt to execute a scheme and artifice to (a) defraud persons in connection with securities of an issuer with a class of securities registered under section 12 of the Securities Exchange Act of 1934 and that was required to file reports under section 15(d) of the Securities Exchange Act of 1934, and (b) obtain, by means of false and fraudulent pretenses, representations, and promises, money and property in connection with the purchase and sale of securities of an issuer with a class of securities registered under section 12 of the Securities Exchange Act of 1934 and that was required to file reports under section 15(d) of the Securities Exchange Act of 1934, in violation of Title 18, United States Code, Sections 1348 and 2, to wit, TAUB and others engaged in a scheme to manipulate the price of securities through a pattern of coordinated conduct intended to deceive, and by making and causing to be made fraudulent pretenses, representations, and promises to, brokerage firms, market makers, and the trading public.

**COUNT THREE**

(Conspiracy to Commit Securities Fraud – 18 U.S.C. § 371)

1. Paragraphs One and Four of Count One are re-alleged and incorporated as if set forth fully herein.

**The Conspiracy**

2. From in or about December 2013 through in or about 2016, in Hudson and Passaic Counties, in the District of New Jersey, and elsewhere, the defendant,

**JOSEPH TAUB,**

did willfully and knowingly combine, conspire, confederate and agree with others, by the use of the means and instrumentalities of interstate commerce, and of the mails, and of facilities of national securities exchanges, to use and employ, in connection with the purchase and sale of securities, manipulative and deceptive devices and contrivances by: (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons, contrary to Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

**Goal of the Conspiracy**

3. The goal of the conspiracy was for TAUB and his co-conspirators to enrich themselves through a scheme to manipulate the price of securities through a pattern of coordinated conduct intended to deceive, and by making and causing to be made fraudulent pretenses, representations, and promises to, brokerage firms, market makers, and the trading public, injecting inaccurate information into the marketplace, and creating false impressions of supply and demand for these securities.

**Manner and Means of the Conspiracy**

4. It was part of the conspiracy that TAUB engaged in a number of manner and means including those referred to in Paragraph Four of Count One, among others.

**Overt Acts**

5. In furtherance of the conspiracy and to effect the illegal objects of the conspiracy, the following overt acts, among others, were committed in the District of New Jersey and elsewhere.

- a. On or about December 3, 2014, TAUB sent Shaun Greenwald an email about opening a new Straw Account that read in part as follows:

Can you start the process of opening a new Ispeed account EAC LLC? I don't wanna use [the account in the name of] LNW anymore

- b. On or about December 9, 2014, Shaun Greenwald submitted

a beneficial ownership of account questionnaire to Lightspeed when opening a new Straw Account that omitted TAUB when answering the following questions:

- i. List all registered and/or authorized agents of the entity indicated in section 1 [EAC Capital LLC].
  - ii. List all individuals and/or entities with a 10% or more direct financial interest in the Entity listed in Section 1 [EAC Capital LLC].
- c. On or about December 9, 2014, Shaun Greenwald submitted a Customer Identification Form to Lightspeed when opening a new Straw Account that TAUB did not complete, despite instructions for the form providing as follows:
- This form is to be completed by any and all managers, members, partners, grantors/trustor, trustees, officers or directors. All boxes must be completed and returned along with your account paperwork.
- d. On or about December 17, 2014, Shaun Greenwald forwarded to TAUB an email with account opening information for Lightspeed Account 0148 in the name of EAC Capital LLC.
  - e. On or about January 6, 2015, Shaun Greenwald forwarded to TAUB an email with username and password information for Lightspeed Account 0148 in the name of EAC Capital LLC.
  - f. On or about June 18, 2015, TD Ameritrade Account ending in 9639 was logged into from an internet connection in New Jersey registered to TAUB's home and engaged in CTEs in ESPR.
  - g. On or about June 18, 2015, TD Ameritrade Account ending in 3733 was logged into from an internet connection in New Jersey registered to TAUB's home and engaged in CTEs in ESPR.
  - h. On or about July 9, 2015, Shaun Greenwald forwarded an

email to TAUB from Lightspeed that warned that trading on June 18, 2015 in ESPR had been flagged as problematic and that the account had previously been warned for this type of trading behavior on April 29, 2015 for trading in another stock.

- i. On or about July 9, 2015, TAUB responded to Shaun Greenwald's July 9, 2015 email and instructed him how to respond to Lightspeed's warning about the trading in ESPR on June 18, 2015.
- j. On or about July 9, 2015, Shaun Greenwald responded to Lightspeed regarding the trading in ESPR on June 18, 2015 using the language that TAUB had provided to him in TAUB's July 9, 2015 email.
- k. On or about August 17, 2015, Shaun Greenwald forwarded an email to TAUB from Lightspeed stating that an account was being closed for problematic trading.
- l. On or about August 17, 2015, TAUB emailed Shaun Greenwald with instructions on how to respond to Lightspeed.
- m. On or about August 17, 2015, Shaun Greenwald responded to Lightspeed using the language provided to him by TAUB in TAUB's August 17, 2015 email.
- n. On or about June 20, 2016, TAUB sent a message to a co-conspirator instructing them to mislead a Retail Brokerage Firm about transactions in one of the Straw Accounts that were being questioned by that firm that read in part as follows:

It's a VPN[.] Tell them for security reasons  
your using a VPN[.] And it's your doing[.]

- o. On or about October 26, 2016, TAUB communicated via WhatsApp with Shaun Greenwald in part as follows:

Greenwald:                      Received Schwab [Straw Account]  
   closing lawyer [sic]

Letter

TAUB: Ugh!!!!  
That sucks (:

Greenwald: Dude let's retire move to caribbean

TAUB: No!!!  
We need to make money  
This sucks

Greenwald: OK next account is ready to go.

All in violation of Title 18, United States Code, Section 371.

**COUNT FOUR**  
(Securities Fraud – 15 U.S.C. § 78j(b))

1. Paragraphs One and Four of Count One are re-alleged and incorporated as if set forth fully herein.
2. From in or about December 2013 through in or about 2016, in Hudson and Passaic Counties, in the District of New Jersey, and elsewhere, the defendant,

**JOSEPH TAUB,**

unlawfully, willfully and knowingly, directly and indirectly, by the use of the means and instrumentalities of interstate commerce, and of the mails, and of facilities of national securities exchanges, would and did use and employ, in connection with the purchase and sale of securities, manipulative and deceptive devices and contrivances by: (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5, and Title 18, United States Code, Section 2, to wit, TAUB and others engaged in a scheme to manipulate the price of securities through a pattern of coordinated conduct intended to

deceive, and by making and causing to be made fraudulent pretenses, representations, and promises to, brokerage firms, market makers, and the trading public, injecting inaccurate information into the marketplace, and creating the false impressions of supply and demand for these securities.

**COUNT FIVE**

(Conspiracy to Defraud the United States)

1. Paragraphs One and Four of Count One are re-alleged and incorporated as if set forth fully herein.

**The Conspiracy**

2. From in or about 2014 through in or about 2016, in Hudson and Passaic Counties, in the District of New Jersey, and elsewhere, the defendant,

**JOSEPH TAUB,**

knowingly and willfully conspired with others to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful Government functions of the Internal Revenue Service of the Treasury Department in the ascertainment, computation, assessment, and collection of the revenue: to wit, income taxes.

**Goal of the Conspiracy**

3. The goal of the conspiracy was for TAUB, Greenwald, and others (the “Tax Co-Conspirators”) to defraud the United States by concealing from the Internal Revenue Service TAUB’s beneficial interest in Straw Accounts, which resulted in the Straw Accounts’ profits being taxed at a lower marginal rate (the “Tax Scheme”).

**Manner and Means of the Conspiracy**

4. It was part of the conspiracy that:
- a. the Tax Co-Conspirators engaged in the manner and means

described in Paragraph Four of Count One, among others.

b. the Tax Co-Conspirators hid from Lightspeed, the Retail Brokerage Firms, and the Internal Revenue Service the identity of TAUB, who actually controlled the Straw Accounts and actually reaped the majority of the profits from those Straw Accounts.

c. because of the Tax Co-Conspirators' actions, the profits from the Straw Accounts were taxed at the lower marginal tax rates applicable to the Straw Account Holders, and not the higher marginal tax rates applicable to TAUB.

d. TAUB agreed to and did provide the funds to pay the taxes on the profits generated by trading in the Straw Accounts at the Straw Account Holders' marginal tax rates.

e. through these manner and means, the Tax Co-Conspirators attempted to and did impede, impair, obstruct, and defeat the lawful governmental functions of the Internal Revenue Service.

**Overt Acts**

5. In furtherance of the conspiracy and to effect the objects of the conspiracy, the following overt acts, among others, were committed in the District of New Jersey and elsewhere.

a. On or about July 29, 2015, TAUB sent a message to Shaun Greenwald that stated in part as follows:

FYI [REDACTED] needs your help with payments to the IRS etc . . . can you reach out to him and see what needs to be done . Also he wants to take 40k out of the profits for himself which he's entitled to because of our 70/30 split. I just wanna make sure his numbers are correct, given the large amounts were dealing with.

- b. On or about January 28, 2016, Shaun Greenwald sent a message to a co-conspirator, copying TAUB, that read in part as follows:

[W]e will need to make a tax payment to the IRS and NJ.

The net 2015 P&L thru December for all accounts is \$509K, including the carryover loss from 2014.

We should make a payment for \$125K to the IRS and \$35K to NJ.

Which is the best account to use for this?

There is still some \$\$ in Schwab.

- c. On or about April 5, 2016, Shaun Greenwald sent TAUB a message that read in part, "after all the distrustions [sic] and tax payments we have \$1.5M going to the new accounts. + Scottrade stays where it is at 716k."
- d. On or about April 7, 2016, Shaun Greenwald sent TAUB a message that attached a spreadsheet with calculations relating to Straw Accounts, including a notation for approximately \$263,651.85 in taxes and a note, "Didn't pay yet - confirm with Joe [TAUB]."
- e. On or about April 17, 2016, TAUB sent an email to Shaun Greenwald that stated in part as follows:

I am trying to go through my numbers here . . .

One of the issues i am having is trying to make sense of all my deposits to start some of these accounts that end up being money i never see again . . .

For instance: I gave [REDACTED] money to start all of his trading accounts. So any amount earned above those initial deposits are split in a 30/70 or 35/65 in my favor . . .

The problem is that I also funded his Lightspeed account. That money obviously was lost as his use of that account basically guarantees him losses. Although going forward after that initial deposit he takes money out of his Etrade account to fund Lightspeed. So that first deposit in all of these starter trader account set-ups, get lost in translation and it ends up being a lose going in his favor towards covering his gains at Etrade.

What you need to do is ask him (for tax purposes) to refund me that initial 30k (almost positive) that was the amount . . . ill double check.

Can you write him an Email, coming solely from you, as a reason for filing his tax return, so I can retrieve these funds.

I am on a mission to try and collect monies rightfully owed to me, that I've been so negligible [sic] about.

- f. On or about June 20, 2016, TAUB sent a message to a co-conspirator instructing them to mislead a Retail Brokerage Firm about transactions in one of the Straw Accounts that were being questioned by that firm that read in part as follows:

It's a VPN[.] Tell them for security reasons  
your using a VPN[.] And it's your doing[.]

- g. On or about September 2, 2016, a Straw Account holder sent a message to TAUB that read in part, "I'm sending \$199,000 to IRS and \$41,000 to the state."
- h. On or about September 4, 2016, Shaun Greenwald sent a message to TAUB and others that read in part as follows:

Please note that before any new accounts are open, the account owner must agree to use us for the accounting and tax payments and filing. We have the experience with the taxation of

traders that other accountants do not have. Additionally, the most ideal account owner is a US Citizen who recently moved to Israel or other country, since he will have a US address, yet doesn't pay state taxes, which saves us thousands in taxes.

- i. On or about November 22, 2016, TAUB wrote to Greenwald, "How much needs to be send to IRS?" in response to an email Greenwald sent with information listing Straw Accounts and amounts of money.

All in violation of Title 18, United States Code, Section 371.

**FORFEITURE ALLEGATION AS TO COUNTS ONE THROUGH FOUR**

1. As the result of committing the offenses constituting specified unlawful activity as defined in 18 U.S.C. § 1956(c)(7), as alleged in Counts One through Four of this Superseding Indictment, defendant JOSEPH TAUB shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the said conspiracy and securities fraud offenses, and all property traceable thereto, including, but not limited to the Specific Property listed in Attachment A to this Superseding Indictment.

**Substitute Assets Provision**

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

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third person;
- (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 subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of

the defendant up to the value of the above-described forfeitable property.

A True Bill.

Foreperson

  
CRAIG CARPENITO  
United States Attorney

**ATTACHMENT A**

- a. Optionshouse account number [REDACTED]2708 held in the name of Joseph Taub;
- b. Bank of America account number [REDACTED]9721 held in the name of M.W.;
- c. Capital One Bank account number [REDACTED]5894 held in the name of E.K.;
- d. Citibank account number [REDACTED]6475 held in the name of E.S.;
- e. Citibank account number [REDACTED]5403 held in the name of E.S.;
- f. JPMorgan Chase Bank account number [REDACTED]2005 held in the name of Joseph Taub;
- g. JPMorgan Chase Bank account number [REDACTED]8225 in the name of Joseph Taub;
- h. JPMorgan Chase Bank account number [REDACTED]7808 in the name of Joseph Taub;
- i. JPMorgan Chase Bank account number [REDACTED]6944 in the name of C.T.;
- j. JPMorgan Chase Bank account number [REDACTED]2081 in the name of Greenwald;
- k. JPMorgan Chase Bank account number [REDACTED]9525 in the name of D.M.;
- l. JPMorgan Chase Bank account number [REDACTED]1697 in the name of ET Interiors LLC;
- m. JPMorgan Chase Bank account number [REDACTED]5566 in the name of JT Capital LLC;

- n. JPMorgan Chase Bank account number [REDACTED]7696 in the name of Brighton Capital LLC;
- o. JPMorgan Chase Bank account number [REDACTED]9317 in the name of LNW Direct LLC;
- p. JPMorgan Chase Bank account number [REDACTED]0796 in the name of SGS Consulting INC.;
- q. JPMorgan Chase Bank account number [REDACTED]6133 in the name of KSW Capital LLC;
- r. Signature Bank account number [REDACTED]5343 held in the name of Ultimate Ventures LLC;
- s. TD Bank account number [REDACTED]8414 held in the name of East 34th Street Holding LLC;
- t. Wells Fargo account number [REDACTED]1851 held in the name of Developer Enterprises;
- u. Wells Fargo Bank account number [REDACTED]3607 held in the name of J.B. POD [First Names of 7 Adult Children of J.B. [a/k/a J.M.] and [First Name of Minor Child of J.B.] M. [last name of J.M. a/k/a J.B.];
- v. Charles Schwab account number [REDACTED]1919 held in the name of East 34<sup>th</sup> Street Holding LLC;
- w. Charles Schwab account number [REDACTED]5366 held in the name of E.K.;
- x. Interactive Brokers account number [REDACTED]5744 held in the name of Joseph Taub;
- y. Interactive Brokers account number [REDACTED]2874 held in the name of Joseph Taub;
- z. Signature Bank account number [REDACTED]7573 held in the name of B.D.;

- aa. ETrade account number [REDACTED]5805 held in the name of East 34<sup>th</sup> Street Holdings LLC;
- bb. Lightspeed Trading account number [REDACTED]3808 held in the name of E.S. & J.S. JTWROS;
- cc. Merrill Lynch account number [REDACTED]4j08 held in the name of Joseph Taub;
- dd. Merrill Lynch account number [REDACTED]8215 held in the name of Joseph Taub C/F Minor Child 1 UTMA/NJ until age 21;
- ee. Merrill Lynch account number [REDACTED]8220 held in the name of Joseph Taub C/F Minor Child 2 UTMA/NJ until age 21;
- ff. Merrill Lynch account number [REDACTED]8222 held in the name of Joseph Taub C/F Minor Child 3 UTMA/NJ until age 21;
- gg. Merrill Lynch account number [REDACTED]8221 held in the name of Joseph Taub C/F Minor Child 4 UTMA/NJ until age 21;
- hh. Merrill Lynch account number [REDACTED]8231 held in the name of Joseph Taub C/F Minor Child 5 UTMA/NJ until age 21;
- ii. Merrill Lynch account number [REDACTED]8212 held in the name of MLPF&S Cust FPO Joseph Taub SEP FBO Joseph Taub;
- jj. Robinhood Financial account number [REDACTED]1517 held in the name of E.S.;
- kk. Scottrade account number [REDACTED]2170 held in the name of East 34<sup>th</sup> Street Holding LLC;
- ll. Tradeking Securities account number [REDACTED]5589 held in the name of Joseph Taub;
- mm. Vision Financial Markets account [REDACTED]4500 held in the name of Joseph Taub;
- nn. Etrade account number [REDACTED]5762 held in the name of B.D.;

- oo. Wedbush Securities account number [REDACTED]0327 held in the name of East 34<sup>th</sup> Street Holding LLC;
- pp. Etrade account number [REDACTED]2854 held in the name of Y.F.; and
- qq. Wells Fargo Advisors account number [REDACTED]4972 held in the name of Ultimate Ventures;
- rr. Wells Fargo Advisors account number [REDACTED]5891 in the name of R.W.;
- ss. TD Ameritrade account number [REDACTED]4326 in the name of R.W.;
- tt. TD Ameritrade account number [REDACTED]4216 in the name of East 34<sup>th</sup> Street Holdings LLC;
- uu. Wells Fargo Advisors account number [REDACTED]2089 in the name of East 34<sup>th</sup> Street Holdings;
- vv. Charles Schwab account number [REDACTED]6742 in the name of R.K.;
- ww. Scottrade account number [REDACTED]7665 in the name of R.K.;
- xx. Lightspeed Trading account number [REDACTED]1206 in the name of R.K.;
- yy. Lightspeed Trading account number [REDACTED]1111 in the name of M.W.;
- zz. TD Ameritrade account number [REDACTED]3856 in the name of R.K.;
- aaa. Wells Fargo Advisors account number [REDACTED]5042 in the name of Y.F.;
- bbb. Capital One Bank account number [REDACTED]4572 in the name of S.M. and B.M.;
- ccc. Etrade account number [REDACTED]9401 in the name of R.W.;
- ddd. Etrade account number [REDACTED]8884 in the name of R.K.;
- eee. Bank of America account number [REDACTED]9225 in the name of E.M.;

- fff. Capital One Bank account number [REDACTED]9094 in the name of T.W.;
- ggg. Scottrade account [REDACTED]7374 in the name of T.W.;
- hhh. Fidelity account number [REDACTED]6261 in the name of M.W.;
- iii. Charles Schwab account number [REDACTED]6742 in the name of R.K.;
- jjj. Fidelity account number [REDACTED]7028 in the name of Y.B.;
- kkk. Lightspeed Trading account number [REDACTED]0327 in the name of East 34<sup>th</sup> Street Holdings LLC; and
- lll. Any and all ownership interest held in the name, on behalf or for the benefit of Joseph Taub and/or JT Capital LLC in the assets of any and all corporations, partnerships or other entities, and/or their subsidiaries, affiliates and joint ventures, including but not limited to:
  - i. Ultimate Ventures LLC
  - ii. East 34<sup>th</sup> Street Holding LLC
  - iii. Developer Enterprises of America LLC
  - iv. Cornerstone Pharmaceutical
  - v. 1108 60<sup>th</sup> Street Partners LLC
  - vi. Brookview Columbus LLC
  - vii. Israel Tech Fund V LLC
  - viii. David Gross Group LLC
  - ix. FH Investments I LLC
  - x. GM Resources LLC
  - xi. Hertz Investment Group

- xii. Israel Tech Fund LLC
- xiii. 451 We Holdings LLC
- xiv. TEG Regency Investor LLC
- xv. 306-312 W Franklin Street LLC
- xvi. MHP 590 Bergen Avenue LLC
- xvii. MHP 431-437 Kennedy Blvd LLC
- xviii. MHP Chatham Portfolio LLC
- xix. MHP 6 Beech Spring Drive LLC
- xx. MHP Union City Package LLC
- xxi. NL Investments LLC
- xxii. Nucleus Resources LLC
- xxiii. Oak Tree Equities LLC
- xxiv. Old City Titanium 65 Newkirk JS LLC
- xxv. Providence Drive LLC
- xxvi. Radco Bay Meadows LLP
- xxvii. Radco Bridges LLC
- xxviii. Radco Creekside LLP
- xxix. Radco Oklahoma City Portfolio LLP
- xxx. Southeast Four Portfolio LLC
- xxxi. BOH Lender, LLC
- xxxii. Beeghly Oaks Ventures LLC

- xxxiii. Oasis Center for Rehab and Healing
- xxxiv. Heritage Center for Rehab & Specialty Care
- xxxv. Sandstone Holdings LP
- xxxvi. Seaview Capital Partners, LLC
- xxxvii. Irvington 65 Headley LLC
- xxxviii. Newark 2<sup>nd</sup> Avenue LLC
- xxxix. Newark Parker LLC
- xl. RP Hampton Center LLC
- xli. Springdale Investments LLC
- xlii. TEG Country Oaks LLC
- xliii. TEG Acquisitions LLC
- xliv. TEG The Lofts at 5 Lyon LLC
- xlv. TEG Oak Park LLC
- xlvi. TEG Auburn Place LLC
- xlvii. TEG Wyndham Hill LLC
- xlviii. TEG Woodbridge LLC
- xlix. TEG Timberview 1 LLC
- 1. TEG Woodland Creek LLC
- li. TEG Timberview 2 LLC
- lii. The Embassy Group, LLC

- liii. Victory Multi Investors
- liv. 2115 Washington Avenue MB LLC
- lv. 3<sup>RD</sup> Avenue Investments 1 LLC
- lvi. Brookview Forum LLC
- lvii. EDMA Management Corp
- lviii. Firstfire Global Opportunities Fund LLC
- lix. H&R High Springs LLC
- lx. NC Resources LLC
- lxi. RDM Capital LLC
- lxii. Trasco LLC
- lxiii. Worldwide Stock Transfer
- lxiv. Stoney Brook MNC LLC
- lxv. MHP West Hoboken Package LLC
- lxvi. MHP 400 Passaic Avenue LLC

(the "Specific Property").

CASE NUMBER: 18-79 -JMV

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

**UNITED STATES OF AMERICA**

**v.**

**JOSEPH TAUB**

**SUPERSEDING INDICTMENT FOR**

**18 U.S.C. §§ 371, 1348, and 1349  
15 U.S.C. § 78j(b) and 78ff  
17 C.F.R. § 240.10b-5  
18 U.S.C. § 2**

**A True Bill**



**foreperson**

**CRAIG CARPENITO  
UNITED STATES ATTORNEY  
FOR THE DISTRICT OF NEW JERSEY**

**DANIEL V. SHAPIRO  
CATHERINE R. MURPHY  
JENNIFER S. KOZAR  
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(973) 645-2700**