

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Criminal Action No.: **17-cr-411-RBJ**

UNITED STATES OF AMERICA,

Plaintiff,

v.

1. **Joseph Rubbo,**
a/k/a Joey Rubbo
2. **Nicholas Rubbo,**
a/k/a Nick Rubbo
a/k/a Nicholas Dino Rubbo

Defendants.

INFORMATION

18 U.S.C. § 371 – Conspiracy

The Acting United States Attorney charges that:

COUNT 1

1. Beginning in or about December 2012, and continuing thereafter until about October 2017, in the State and District of Colorado, and elsewhere, **JOSEPH RUBBO** and **NICHOLAS RUBBO** (collectively, “the defendants”) did knowingly combine, conspire, confederate and agree together with other persons to commit offenses against the United States, that is:
 - a. mail fraud, in violation of Title 18, United States Code, Section 1341; and
 - b. securities fraud, in violation of Title 15, United States Code, Section 77q(a); and
 - c. money laundering, in violation of Title 18, United States Code, Section 1957.

MANNER AND MEANS OF THE CONSPIRACY

It was part of the conspiracy that:

2. The defendants and others lured potential and actual investors with material false pretenses and representations about the defendants' various businesses and purported business opportunities arising from those businesses.
3. These business opportunities related to three businesses owned, operated, controlled by, or otherwise associated with **JOSEPH RUBBO, NICHOLAS RUBBO, P.R., S.D., and A.M.** One set of business opportunities related to VIP Television, Inc. ("VIP"), a Florida corporation. A.M. is president of VIP. The second set of business opportunities related to The Spongebuddy LLC ("Spongebuddy"), a Florida corporation. Spongebuddy purports to produce a glove, also named Spongebuddy. A.M. patented the glove's design and served as the company's manager. In November 2016, the Spongebuddy glove was rebranded as the ScrubbieGlove, and the name of the company also changed from Spongebuddy to The ScrubbieGlove LLC ("Scrubbieglove"). Both VIP and Spongebuddy (now, Scrubbieglove) are affiliated with ANJ Productions LLC ("ANJ"), a Florida corporation. A.M. serves as Managing Member of ANJ.
4. It was part of the conspiracy that one or more of the conspirators would place telephone calls to investors. During those calls, the conspirators made or caused to be made false statements and representations relating to securities offered and sold through ANJ, VIP, and Spongebuddy/Scrubbieglove. These false statements included suggestions of unrealistically high returns from investments, proposed mergers for VIP, and/or the need for unreasonably large productions of the Spongebuddy glove for distribution by a number of large

retailers and renowned investors.

5. After one or more of these telephone calls, investors sent, via U.S. Mail or another interstate mail carrier, money to one or more of the conspirators to invest in the business opportunities described by the conspirators.
6. It was part of the conspiracy that after receipt of the investors' money, one or more of the conspirators sent or caused to be sent to Colorado and elsewhere, via U.S. Mail or another interstate mail carrier, an agreement or an addendum to an existing agreement between the investors and ANJ, VIP, or Spongebuddy. These addenda reflected the amounts of the investors' investments and any additional stock grants or increased ownership interest in ANJ, VIP, and/or Spongebuddy resulting from those investments. Sometimes the addenda were accompanied by stock certificates signed by one or more of the conspirators.
7. After January 2017, it was part of the conspiracy that in addition to sending an addendum to an investment agreement after receipt of an investment, the conspirators sent or caused to be sent promissory notes that characterized the investments as loans and secured those loans with purported assets to include limousines, studio equipment, and Spongebuddy/Scrubbieglove inventory. These promissory notes were signed by a representative of Spongebuddy/Scrubbieglove, usually A.M.
8. The conspirators made or caused to be made false statements and representations to solicit these investments. The false statements and representations included, but are not limited to, the following:
 - a. The conspirators falsely represented or caused to be represented to

investors that their investments were safe because invested funds were deposited into an “escrow” account and money from that account would not be spent; and

- b. The conspirators falsely represented or caused to be represented to investors that their investments were pooled with investments from the conspirators.
 - c. The conspirators falsely represented or caused to be represented to investors that companies like Starz, Wisdom Tree, Pandora, and others sought to or were actively in the process of merging with VIP.
 - d. The conspirators falsely represented or caused to be represented to investors that investments were necessary to fund large productions of the Spongebuddy gloves. These false representations also included statements that there were deals with retailers like QVC, Wal-Mart, Walgreens, or other retailers to distribute large numbers of Spongebuddy gloves.
 - e. The conspirators falsely represented or caused to be represented to investors that a specific celebrity spokesperson, L.G., had not only agreed to market the Spongebuddy, but had also invested in Spongebuddy herself.
9. The conspirators concealed from and omitted to disclose to investors material facts, including, but not limited to, the following:
- a. That the defendants were each the subject of a civil investigation, and resulting consent order, by the State of Illinois in connection with the offering of securities related to ANJ, VIP, and Spongebuddy.
 - b. That in 2002, **JOSEPH RUBBO**, **NICHOLAS RUBBO**, and A.M. were

charged by the Securities and Exchange Commission (SEC) with violations of the antifraud and registration provisions of the federal securities laws.

- c. The fact that S.D. had prior convictions for Larceny and Grand Theft Larceny.
 - d. The fact that **JOSEPH RUBBO, NICHOLAS RUBBO**, and P.R. each had a prior conviction for conspiracy to commit racketeering, in violation of Title 18, United States Code, Section 1962.
 - e. The fact that beyond the production of a few samples, no Spongebuddy units were manufactured between 2012 and 2016;
 - f. The fact that the conspirators used investor funds for purposes other than those represented to investors, including, but not limited to, payments to themselves and other investors, including one investor who was repaid after the State of Illinois commenced an investigation into the defendants' conduct with respect to ANJ, VIP, and Spongebuddy.
10. It was also part of the conspiracy that after investors sent money for an investment in ANJ, VIP, and/or Spongebuddy, one or more of the conspirators would transfer, withdraw, or otherwise receive funds in excess of \$10,000 from the business accounts of ANJ, VIP, and/or Spongebuddy.
 11. The conspirators conducted or caused to be conducted financial transactions in and affecting interstate commerce which involved the proceeds of securities fraud and/or mail fraud. On some occasions, one or more of the conspirators sent or caused to be sent small amounts of money back to investors in Colorado from the business accounts of ANJ, VIP, and/or Spongebuddy. These amounts purportedly reflected distributions or dividends under the

Colorado investors' agreements with ANJ, VIP, and/or Spongebuddy/Scrubbieglove. But these distributions were funded by the Colorado investors' own investments in ANJ, VIP, and/or Spongebuddy. Some of the checks purporting to represent distributions or dividends were signed by **NICHOLAS RUBBO**.

12. The conspirators used and caused others to use the United States mail, commercial interstate carriers, interstate wire and communication facilities, and interstate banking systems in connection with the purchase and sale of the securities.

OVERT ACTS IN FURTHERANCE OF THE CONSPIRACY

In furtherance of the conspiracy, the defendants committed overt acts including, but not limited to, the following:

13. In or around January 2014 and after receipt of money from investors, A.M. mailed or caused to be mailed to the investors an addendum to their existing agreement. The addendum bore A.M.'s signature on behalf of ANJ and was accompanied by stock certificates signed by A.M. and **NICHOLAS RUBBO**.
14. In or around February 2014, **JOSEPH RUBBO** transferred \$25,000 of proceeds from mail and securities fraud from ANJ's account to his personal account.
15. In or around March 2014, \$20,000 of proceeds from mail and securities fraud were transferred from ANJ's account to **JOSEPH RUBBO**'s personal account.

All in violation of Title 18, United States Code, Sections 371, 1341, and 1957 as well as Title 15, United States Code, Sections 77q(a).

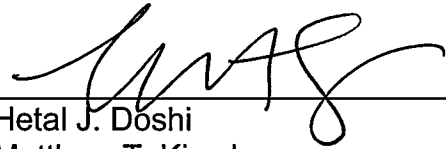
FORFEITURE ALLEGATION

1. The allegations contained in Count One of this Information are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to the provisions of 18 U.S.C. §§ 981(a)(1)(C), 982(a)(1), and 28 U.S.C. § 2461(c).
2. Upon conviction of the violations alleged in Count One of this Information involving violations of Title 18 United States Code, Sections 371, 1341, 1957, and Title 15 United States Code, Sections 77q(a), defendants **JOSEPH RUBBO** and **NICHOLAS RUBBO** 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) any and all of the defendants' right, title and interest in all property constituting and derived from any proceeds the defendants obtained, directly and indirectly, as a result of such offense, including, but not limited to, the entry of a money judgment in the amount of proceeds obtained by the scheme and by the defendants.
3. If any of the property described above, 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 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 subdivided without difficulty; it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), Title 28, United States

Code, Section 2461(c), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property.

Respectfully submitted this 30th day of October, 2017.

ROBERT C. TROYER
Acting United States Attorney



Hetal J. Doshi
Matthew T. Kirsch
Assistant United States Attorneys
United States Attorney's Office
1801 California Street, Suite 1600
Denver, Colorado 80202
Telephone: (303) 454-0100
Email: Hetal.Doshi@usdoj.gov
Matthew.Kirsch@usdoj.gov

Attorneys for the United States

DEFENDANT JOSEPH ANTHONY RUBBO

YOB: 1963

ADDRESS: 3852 Wilderness Way
Coral Springs, Florida 33065

COMPLAINT FILED? _____ YES X NO

IF YES, PROVIDE MAGISTRATE CASE NUMBER:
IF NO, PROCEED TO "OFFENSE" SECTION

HAS DEFENDANT BEEN ARRESTED ON COMPLAINT? _____ YES X NO

OFFENSE: Count 1: 18 U.S.C. § 371, Conspiracy to Commit an Offense or Defraud the United States

LOCATION OF OFFENSE: Washington County, Colorado

PENALTY: Count 1: NMT 5 years' imprisonment; NMT a \$250,000 fine or two times gain or loss, whichever is greater, or both imprisonment and a fine; NMT 3 years' supervised release; \$100 special assessment fee.

AGENTS: FBI Special Agent V. Scott Nielsen
IRS Special Agent Robert Smith

AUTHORIZED BY: Hetal J. Doshi
Matthew T. Kirsch
Assistant United States Attorneys

ESTIMATED TIME OF TRIAL:

___ five days or less X over five days _____ other

THE GOVERNMENT:

_____ will seek detention in this case based on 18 U.S.C. § 3142(f)(2)
X will not seek detention in this case

The statutory presumption of detention is **not** applicable to this defendant.

OCDEF CASE: _____ Yes X No

DEFENDANT NICHOLAS ANTHONY RUBBO

YOB: 1969

ADDRESS: 9090 NW 42nd Court
Coral Springs, Florida 33065

COMPLAINT FILED? _____ YES X NO

IF YES, PROVIDE MAGISTRATE CASE NUMBER:
IF NO, PROCEED TO "OFFENSE" SECTION

HAS DEFENDANT BEEN ARRESTED ON COMPLAINT? _____ YES X NO

OFFENSE: Count 1: 18 U.S.C. § 371, Conspiracy to Commit an Offense or Defraud the United States

LOCATION OF OFFENSE: Washington County, Colorado

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IRS Special Agent Robert Smith

AUTHORIZED BY: Hetal J. Doshi
Matthew T. Kirsch
Assistant United States Attorneys

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OCDEF CASE: _____ Yes X No