

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

Criminal Action No.: 17-CR-0417-PAB

UNITED STATES OF AMERICA,

Plaintiff,

v.

1. ANGELA NICOLE MONACO,
a/k/a Angela Rubbo Beckcom
a/k/a Angela Rubbo
a/k/a Angela Beckcom
2. STEVEN DYKES,
a/k/a Steve Dykes
a/k/a Steven Day
3. PASQUALE RUBBO,
a/k/a Patsy Rubbo
a/k/a Anthony Rubbo,

Defendants.

INDICTMENT

18 U.S.C. § 1349
18 U.S.C. § 1341
15 U.S.C. § 77q(a)
18 U.S.C. § 1957

The grand jury charges that:

COUNT 1
18 U.S.C. § 1349

The Conspiracy

1. Beginning in or about December 2012, and continuing thereafter until about October 2017,

in the State and District of Colorado, and elsewhere,

**ANGELA MONACO,
STEVEN DYKES, and
PASQUALE RUBBO**

(collectively, “the defendants”), and others known to the grand jury, including J.R. and N.R., did knowingly combine, conspire, confederate and agree together with other persons to commit the following offenses:

- a. mail fraud, in violation of Title 18, United States Code, Section 1341; and
- b. wire fraud, in violation of Title 18, United States Code, Section 1343.

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 **MONACO, PASQUALE RUBBO, and DYKES**. **MONACO** and **PASQUALE RUBBO** have two additional siblings, N.R. and J.R., also associated with these business opportunities and this conspiracy. One set of business opportunities related to VIP Television, Inc. (“VIP”), a Florida corporation. **MONACO** 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. **MONACO** 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. **MONACO** serves as Managing Member of ANJ.

4. It was part of the conspiracy that one or more of the defendants would place telephone calls to investors. During those calls, the defendants 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 defendants and/or ANJ, VIP, or Spongebuddy to invest in the business opportunities described by the defendants.
6. It was further part of the conspiracy that beginning in or around January 2017 and continuing until or about October 2017 that some investors sent, via wire transfer, money to one or more of the defendants and/or ANJ, VIP, or Spongebuddy/Scrubbieglove to invest in the business opportunities described by the defendants. Other investors solicited after or about January 2017 until or about October 2017 continued to send investments via U.S. mail or another interstate mail carrier.
7. 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 **MONACO** and N.R.

8. 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, via U.S. Mail or another interstate mail carrier, promissory notes that characterized the investments as “loans.” The promissory notes stated that “loans” were secured by purported assets to include limousines, studio equipment, and Scrubbielove inventory. These promissory notes were signed by a representative of Scrubbielove, usually **MONACO**.
9. It was also part of the conspiracy that on some occasions, one or more of the defendants, along with others, 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. But these distributions were funded by the Colorado investors’ own investments in ANJ, VIP, and/or Spongebuddy.
10. The defendants 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 defendants falsely represented or caused to be represented to investors that invested funds were deposited into an “escrow” account and money from that account had not be spent; and
 - b. The defendants falsely represented or caused to be represented to investors that their investments were pooled with investments from the conspirators.

- c. The defendants 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 defendants 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 defendants 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.
11. It was also part of the conspiracy that money was transferred from the accounts of ANJ, VIP, and/or Spongebuddy to a bank account opened in the name of Grandstand Entertainment LLC (“Grandstand”), which **DYKES** registered with the State of Florida in or around December 2014. Money would then be transferred out of Grandstand’s account into **DYKES** and **PASQUALE RUBBO**’s respective personal accounts.
12. The defendants 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.

COUNTS 2-9
18 U.S.C. § 1341

13. The allegations contained in paragraphs 1 through 12 are realleged and incorporated as if fully set forth in this paragraph.
14. Beginning in or around December 2012, and continuing thereafter until about October

2017, in the State and District of Colorado, and elsewhere,

**ANGELA MONACO,
STEVEN DYKES, and
PASQUALE RUBBO**

knowingly devised and intended to devise a scheme to defraud and to obtain money and property from investors by means of materially false and fraudulent pretenses, representations, and promises by seeking and obtaining investments from investors premised on business opportunities the defendants knew were fictitious.

15. It was part of the scheme to use the same manner and means for the conspiracy alleged in Count 1 and described in paragraphs 2 through 12.
16. For purposes of executing the scheme described in paragraphs 2 through 12 above, on or about the dates listed below, defendants **MONACO, DYKES, and PASQUALE RUBBO**, along with others, having devised and intending to devise the scheme and attempting to do so, caused to be deposited matter as described below for transmission or delivery by private or commercial interstate carrier:

Count	Date	Description of Matter Deposited for Transmission or Delivery
2	2/20/2014	Investment check from M.D.F.1 and M.D.F.2 in the amount of \$300,000.
3	3/21/2014	Investment check from M.D.F.1 and M.D.F.2 in the amount of \$250,000.
4	11/21/2014	Investment check from M.D.F.1 and M.D.F.2 in the amount of \$800,000.
5	7/27/2015	Investment check from M.D.F.1 and M.D.F.2 in the amount of \$700,000.
6	10/21/2015	Investment check from M.D.F.1 and M.D.F.2 in the amount of \$175,000.

Count	Date	Description of Matter Deposited for Transmission or Delivery
7	1/13/2016	Two investment checks from M.D.F.1 and M.D.F.2 in the amounts of \$175,000 and \$50,000.
8	2/18/2016	Investment check from M.D.F.1 and M.D.F.2 in the amount of \$275,000.
9	4/11/2016	Two investment checks from M.D.F.1 and M.D.F.2 each in the amount of \$150,000.

All in violation of Title 18, United States Code, Section 1341.

COUNTS 10-11
15 U.S.C. § 77q(a)

17. The Grand Jury re-alleges and incorporates paragraphs 1 through 13 and 14 through 16.
18. **MONACO, DYKES, and PASQUALE RUBBO** devised, participated in, employed and executed a scheme to sell securities, as described in paragraphs 1 through 16.
19. It was part of the scheme to use the same manner and means for the conspiracy alleged in Count 1 and described in paragraphs 2 through 12.
20. As part of that scheme, defendants also concealed from and omitted to state 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 the offering of securities related to ANJ, VIP, and Spongebuddy.
 - b. That in 2002, **MONACO** was 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 **DYKES** had prior convictions for Larceny and Grand Theft Larceny.

- d. The fact that **PASQUALE RUBBO** 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.
21. On or about the dates listed below for each count, in the District of Colorado and elsewhere, in the offer and sale of securities by communication in interstate commerce or by use of the mails, **MONACO, DYKES, and PASQUALE RUBBO**, directly and indirectly, obtained money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary to make the statements made, in light of the circumstances in which they were made, not misleading, as set forth below:

Count	Date	Description
10	1/27/2014	Investment check from M.D.F.1 and M.D.F.2 in the amount of \$600,000.
11	2/19/2014	Investment check in the amount of \$650,000.

All in violation of Title 15, United States Code, Section 77q(a)(2).

COUNTS 12-18
18 U.S.C. § 1957

22. The Grand Jury re-alleges and incorporates paragraphs 1 through 13, 14 through 16, and 18 through 21.

23. On or about the dates identified below, within the District of Colorado and elsewhere, the defendants named in each count below did knowingly engage in and attempt to engage in monetary transactions, specifically deposits, withdrawals, and transfers of funds and monetary instruments, in and affecting interstate commerce, by, through and to one or more financial institutions, in criminally derived property that was of a value greater than \$10,000 and that was derived from specified unlawful activity, specifically, mail and securities fraud, in violation of Title 18 United States Code, Section 1341 as well as Title 15 United States Code, Section 77q(a), knowing that the property involved in such monetary transactions represented the proceeds of some form of unlawful activity, as follows:

Count	Defendant(s)	Approx. Date	Approx. Amount	Transaction
12	MONACO	2/6/2014	\$25,000	Wire transfer from Tropical Federal Credit Union account number *6189, held in the name of ANJ Production, LLC to Tropical Federal Credit Union account number *6016 held in the name of ANGELA N. RUBBO BECKCOM .
13	MONACO	3/7/2014	\$20,000	Wire transfer from Tropical Federal Credit Union account number *6189, held in the name of ANJ Production, LLC to Tropical Federal Credit Union account number *6016 held in the name of ANGELA N. RUBBO BECKCOM .
14	MONACO DYKES	8/28/2015	\$52,500	Deposit of check number 2078 for \$52,500 signed by ANGELA BECKCOM , payable to STEVE DYKES , and drawn on BB&T bank account number *6500, held in the name of ANJ Productions, LLC.
15	MONACO DYKES	2/10/2014	\$72,000	Deposit of cashier's check no. 809775, purchased by ANGELA BECKCOM , and payable to STEVEN DYKES and

Count	Defendant(s)	Approx. Date	Approx. Amount	Transaction
				drawn on Tropical Federal Credit Union account number *6189 held in the name of ANJ Productions LLC.
16	MONACO DYKES	3/7/2014	\$39,800	Wire transfer authorized by ANGELA BECKCOM from Tropical Federal Credit Union account number *6189, held in the name of ANJ Production, LLC's, to Wells Fargo Bank N.A., account number *5623, held in the name of STEVEN DYKES .
17	DYKES	12/23/2014	\$120,000	Wire transfer from BB&T account number *7485, held in the name of Spongebuddy LLC, to Regent Bank account number *8506 held in the name of Grandstand Entertainment LLC.
18	DYKES PASQUALE RUBBO	1/30/2015	\$15,000	Negotiation of check number 1084 signed by STEVEN DYKES , payable to PASQUALE RUBBO , and drawn on Regent Bank account number *8506, held in the name of Grandstand Entertainment LLC.

All in violation of Title 18, United States Code, Section 1957.

FORFEITURE ALLEGATION

24. The allegations contained in Paragraphs 1 through 23 of this Indictment 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).
25. Upon conviction of the violations alleged in Count One of this Indictment involving violations of Title 18, United States Code, Sections 1349, defendants **ANGELA MONACO, STEVEN DYKES, and PASQUALE 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.

26. Upon conviction of the violations alleged in Counts Two through Ten of this Indictment involving violations of Title 18 United States Code, Sections 1341, defendants **ANGELA MONACO, STEVEN DYKES, and PASQUALE 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.
27. Upon conviction of the violations alleged in Counts Eleven and Twelve of this Indictment involving a violation of Title 15, United States Code, Section 77q(a)(2), defendants **ANGELA MONACO, STEVEN DYKES, and PASQUALE 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.

28. Upon conviction of the violations alleged in Counts Thirteen to Nineteen of this Indictment involving of this Information involving violations of 18 U.S.C. § 1957, defendants **ANGELA MONACO, STEVEN DYKES, and PASQUALE RUBBO** shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1) any and all of the defendants' right, title and interest in all property, real or personal, involved in such offense, or all property traceable to such property, including, but not limited to, the entry of a money judgment in the amount of proceeds obtained by the defendants.

29. 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) and 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.

A TRUE BILL:

“Ink signature on file in Clerk’s Office”

FOREPERSON

ROBERT C. TROYER
Acting United States Attorney

s/ Hetal J. Doshi

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: 1. ANGELA NICOLE MONACO
a/k/a Angela Rubbo Beckcom
a/k/a Angela Rubbo
a/k/a Angela Beckcom

YOB: 1972

COMPLAINT _____ Yes X No
FILED?

If Yes, MAGISTRATE CASE NUMBER:

HAS DEFENDANT BEEN ARRESTED ON COMPLAINT? _____ Yes X No

OFFENSE(S): Count 1: 18 U.S.C. § 1349, Attempt and Conspiracy
Counts 2-9: 18 U.S.C. § 1341, Frauds and Swindles
Counts 10-11: 15 U.S.C. § 77q(a), Use of Interstate Commerce for Purpose of Fraud and Deceit
Counts 12-16: 18 U.S.C. § 1957, Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity

LOCATION Washington County, Colorado
OF OFFENSE:

PENALTY: Count 1: NMT 20 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.

Counts 2-9: NMT 20 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.

Counts 10-11: NMT 10 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.

Counts 12-16: NMT 10 years' imprisonment, NMT a \$250,000 fine or two times the amount laundered, whichever is greater, or both imprisonment and a fine; NMT 3 years' supervised release; \$100 special assessment fee.

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

AUTHORIZED Hetal J. Doshi
BY: Matthew T. Kirsch
Assistant U.S. 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

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

OCDETF CASE: ___ Yes X No

DEFENDANT: 2. STEVEN J. DYKES
a/k/a Steve Dykes
a/k/a Steven Day

YOB: 1956

COMPLAINT _____ Yes X _____ No
FILED?

If Yes, MAGISTRATE CASE NUMBER:

HAS DEFENDANT BEEN ARRESTED ON COMPLAINT? _____ Yes X _____ No

OFFENSE(S): Count 1: 18 U.S.C. § 1349, Attempt and Conspiracy
Counts 2 - 9: 18 U.S.C. § 1341, Frauds and Swindles
Counts 10 - 11: 15 U.S.C. § 77q(a), Use of Interstate Commerce for Purpose of Fraud and Deceit
Counts 14 - 18: 18 U.S.C. § 1957, Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity

LOCATION Washington County, Colorado
OF OFFENSE:

PENALTY: Count 1: NMT 20 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.

Counts 2-9: NMT 20 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.

Counts 10-11: NMT 10 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.

Counts 14-18: NMT 10 years’ imprisonment, NMT a \$250,000 fine or two times the amount laundered, whichever is greater, or both imprisonment and a fine; NMT 3 years’ supervised release; \$100 special assessment fee.

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

AUTHORIZED Hetal J. Doshi
BY: Matthew T. Kirsch
Assistant U.S. 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

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

OCDETF CASE: ___ Yes X No

DEFENDANT: 3. PASQUALE ANTHONY RUBBO
a/k/a Patsy Rubbo
a/k/a Anthony Rubbo

YOB: 1966

COMPLAINT _____ Yes X _____ No
FILED?

If Yes, MAGISTRATE CASE NUMBER:

HAS DEFENDANT BEEN ARRESTED ON COMPLAINT? _____ Yes X _____ No

OFFENSE(S): Count 1: 18 U.S.C. § 1349, Attempt and Conspiracy
Counts 2-9: 18 U.S.C. § 1341, Frauds and Swindles
Counts 10-11: 15 U.S.C. § 77q(a), Use of Interstate Commerce for Purpose of Fraud and Deceit
Count 18: 18 U.S.C. § 1957, Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity

LOCATION Washington County, Colorado
OF OFFENSE:

PENALTY: Count 1: NMT 20 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.

Counts 2-9: NMT 20 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.

Counts 10-11: NMT 10 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.

Count 18: NMT 10 years’ imprisonment, NMT a \$250,000 fine or two times the amount laundered, whichever is greater, or both imprisonment and a fine; NMT 3 years’ supervised release; \$100 special assessment fee.

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

AUTHORIZED Hetal J. Doshi
BY: Matthew T. Kirsch
Assistant U.S. 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

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

OCDETF CASE: ___ Yes X No