



SCIARRA knowingly, willfully, and with intent to defraud, devised and intended to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing such scheme did knowingly transmit, and cause to be transmitted, by means of wire communications in interstate and foreign commerce, certain writings, signs, signals and sounds, including among other wire communications, wire transfers and email communications.

The Purpose of the Scheme to Defraud

4. The purpose of the scheme to defraud was for SCIARRA to enrich himself by defrauding victim-investors out of money and property by means of materially false and fraudulent pretenses, representations, and promises.

The Manner and Means of the Scheme to Defraud

The manner and means by which SCIARRA sought to accomplish and did accomplish the scheme to defraud included, among others, the following:

5. It was part of the scheme to defraud that SCIARRA would and did hold himself out as a *bona fide* insurance agent and financial advisor. Through AGS Financial and later through an entity he described as “Westport Enterprises,” SCIARRA would and did solicit investments from various victim-investors and promised guaranteed greater-than-market annual returns.

6. It was further part of the scheme to defraud that SCIARRA would and did solicit investments from various victim-investors by promising high annual investment returns ranging from 4% to 12% or, in some cases, even more.

7. It was further part of the scheme that SCIARRA would and did make materially false representations to the victim-investors including, among other misrepresentations, falsely

representing to investors that he would invest their funds in a bond fund (such as the ING Bond fund) and/or a cigarette distribution business.

8. It was a further part of the scheme to defraud that SCIARRA would and did induce victim-investors to provide funds to him and the above-referenced entities by, among other ways, electronic funds transfers, personal checks, and cash, purportedly to be used for investment purposes.

9. It was further part of the scheme to defraud that SCIARRA would and did falsely represent to certain of the victim-investors that their investments with him had earned the high investment returns as promised and he would and did provide them false statements both in e-mails and on AGS Financial letterhead that contained false representations regarding amounts of interest earned and false account balances and total account value.

10. It was further part of the scheme to defraud that SCIARRA would and did fail to invest the victim-investors' money as represented and instead diverted victim-investors' money for his own personal use and benefit, including: a large number of withdrawals at Foxwoods Casino; cash withdrawals at automated teller machines ("ATMs"); personal expenditures at restaurants and department stores; repayment of loans from financial institutions and friends and family members; and payment of other personal bills.

11. It was further part of the scheme to defraud that SCIARRA would and did seek to lull victim-investors into believing that their funds had been invested as represented and sought to prevent and forestall the discovery of the scheme by, among other ways, issuing partial payments to the victim-investors as a partial return of the principal and monies that were then due to the victim-investors, but which payments were, in truth and in fact, funded using monies diverted from

the investment funds of other victim-investors.

12. It was further part of the scheme that during the course of the scheme, SCIARRA induced more than twelve (12) individuals and couples to invest over one million dollars (\$1,000,000) with him based on materially false and fraudulent pretenses, representations, and promises, and did cause losses to those victim-investors totaling over \$874,000.

The Execution of the Scheme and Artifice to Defraud

13. On or about March 13, 2012, in the District of Connecticut and elsewhere, having devised and intended to devise the above-described scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises and for the purpose of executing the scheme and artifice, SCIARRA did knowingly transmit, and cause to be transmitted, by means of wire communication in interstate and foreign commerce, certain writings, signs, signals and sounds, namely, an email communication from the State of Connecticut to outside of the State of Connecticut to victim-investors (referenced herein by their initials as) “J.B.” and “R.B.,” falsely representing to them that their investment had earned interest of \$17,486.20 and that their total account value was \$102,518.38.

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

UNITED STATES OF AMERICA



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UNITED STATES ATTORNEY



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MICHAEL S. MCGARRY  
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