


Approved:  SARAH E. MCCALLUM/ANDREW B. BAUER  
Assistant United States Attorneys

14 MAG 1739

Before: HONORABLE SARAH NETBURN  
United States Magistrate Judge  
Southern District of New York

- - - - - x  
UNITED STATES OF AMERICA : SEALED COMPLAINT  
:   
- v. - : Violations of  
: 18 U.S.C. §§ 2, 1001,  
CHARLES J. MOORE, : 1519; 15 U.S.C. §§ 78q(a)  
a/k/a "Chuck," : & 78ff; 17 C.F.R.  
: § 240.17a-3  
Defendant. :   
: COUNTY OF OFFENSES:  
- - - - - x New York

SOUTHERN DISTRICT OF NEW YORK, ss.:

CHRISTOPHER P. CIZIN, being duly sworn, deposes and says that he is a Postal Inspector with the United States Postal Inspection Service ("USPIS") and charges as follows:

COUNT ONE  
(Obstruction of Regulatory Examination)

1. In or about the fall of 2013, CHARLES J. MOORE, a/k/a "Chuck," the defendant, knowingly did alter, destroy, mutilate, conceal, cover up, falsify, and make a false entry in a record, document, and tangible object with the intent to impede, obstruct, and influence the investigation and proper administration of a matter within the jurisdiction of a department and agency of the United States, to wit, MOORE caused falsified invoices to be delivered to employees of the U.S. Securities and Exchange Commission (the "SEC") during the course of a regulatory examination.

(Title 18, United States Code, Sections 1519 & 2.)

COUNT TWO  
(False Statements)

2. From at least in or about February 2013 through at

least in or about September 2013, in the Southern District of New York, CHARLES J. MOORE, a/k/a "Chuck," the defendant, in a matter within the jurisdiction of the executive branch of the Government of the United States, willfully and knowingly did falsify, conceal, and cover up by trick, scheme, and device material facts, and did make materially false, fictitious, and fraudulent statements and representations, to wit, in monthly Financial and Operational Combined Uniform Single ("FOCUS") Reports required to be filed with the SEC, MOORE repeatedly caused the broker-dealer he controlled to report its net capital above the SEC-mandated threshold, when, in truth and in fact, the firm had a net capital deficiency.

(Title 18, United States Code, Sections 1001 & 2.)

COUNT THREE

(Falsifying and Failing to Keep Books and Records  
of a Broker-Dealer)

3. From at least in or about February 2013 through at least in or about September 2013, CHARLES J. MOORE, a/k/a "Chuck," the defendant, willfully and knowingly did cause a registered broker-dealer to fail to make and keep such records as the SEC, by rule, prescribed as necessary and appropriate in the public interest for the protection of investors and otherwise in furtherance of the purpose of the Securities Exchange Act of 1934, to wit, MOORE caused the broker-dealer he controlled to maintain false net capital records, produce false FOCUS Reports to the SEC, and fail to maintain email communications as required by SEC regulations.

(Title 15, United States Code, Sections 78q(a) and 78ff; Title 17, Code of Federal Regulations, Sections 240.17a-3 and 240.17a-4; Title 18, United States Code, Section 2.)

The bases for my knowledge and for the foregoing charges are, in part, as follows:

4. I have been a U.S. Postal Inspector for approximately 10 years. I am currently assigned to a financial fraud team. I have participated in investigations of a wide variety of financial frauds and related crimes, and have made and participated in arrests of individuals who have committed such offenses.

5. The information contained in this Complaint is based upon my personal knowledge, as well as information obtained

during this investigation, directly or indirectly, from other sources, including, but not limited to: (a) business records and SEC filings; (b) email communications provided to the SEC and obtained by search warrant; (c) conversations with non-law-enforcement witnesses; (d) conversations with, and reports prepared by, other federal agents; and (e) conversations with SEC representatives. Because this Complaint is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions and statements of and conversations with others are reported herein, they are reported in substance and in part. Where figures, calculations, and dates are set forth herein, they are approximate, unless stated otherwise.

#### Relevant Entities and the Defendant

6. At all times relevant to this Complaint, Crucible Capital Group, Inc. ("Crucible") was an SEC-registered broker-dealer located at 27 Whitehall Street in Manhattan, New York. Crucible maintained no customer securities trading accounts, but held itself out as a "boutique" investment bank helping small businesses to raise capital and financing. Crucible used its status as an SEC-registered broker-dealer to solicit business.

7. At all times relevant to this Complaint, Angelic Holdings LLC ("Angelic") was an affiliate of Crucible that purportedly conducted "due diligence" in connection with Crucible's business. Angelic and Crucible shared the same office space. Angelic's employees were all Crucible employees. Angelic was not registered with the SEC.

8. At all times relevant to this Complaint, CHARLES J. MOORE, a/k/a "Chuck," the defendant, was the Chief Executive Officer and sole principal of both Crucible and Angelic.

#### Regulation of Crucible

9. At all times relevant to this Complaint, Crucible was subject to governmental regulation by the SEC, and to industry regulation by the Financial Industry Regulatory Authority ("FINRA").

10. As a registered broker-dealer, Crucible was required at all times relevant to this Complaint to preserve all email communications from and to its agents and employees in the ordinary course of business for specified periods of time, and

to make those email communications available for review by the SEC upon request. See 17 C.F.R. § 240.17a-4. To meet this regulatory requirement, Crucible used an email archiving company (the "Email Custodian") to preserve and store email correspondence involving accounts associated with its domain name, "cruciblecapitalnyc.com" (the "Crucible Domain").

11. As a registered broker-dealer that did not maintain customer accounts, Crucible was also required at all times relevant to this Complaint to maintain net capital reserves of at least \$5,000. See 17 C.F.R. § 240.15c3-1(a)(2)(vi).<sup>1</sup> If Crucible's net capital fell below the \$5,000 threshold, it was required to notify the SEC of that fact the same day. Once a broker-dealer falls out of its net capital requirement, it can have its registration suspended or even revoked.

12. At all times relevant to this Complaint, Crucible was required to make a record reflecting each expense incurred relating to its business and any corresponding liability, regardless of whether the liability was joint or several with any person and regardless of whether a third party had agreed to assume the expense or liability. See 17 C.F.R. § 240.17a-3(a)(1) and (a)(2). SEC regulations permitted Crucible to have an expense-sharing agreement with a third party pursuant to which the third party would assume the responsibility to pay expenses related to Crucible's broker-dealer business and Crucible would pay the third party a regular fee. However, the fee payable by Crucible under any such agreement had to correspond to the proportion of expenses reasonably allocable to Crucible's business. Moreover, according to SEC guidance issued in or about 2003, Crucible was required to treat the third party's expense liabilities as Crucible's own for net capital computation purposes unless, among other things, Crucible could demonstrate that the third party had adequate resources independent of Crucible to pay the liability or expense.

13. At all times relevant to this Complaint, Crucible was required to file monthly FOCUS Reports with the SEC containing its current net capital computation. See 17 C.F.R. § 240.17a-5(a)(2)(iv). To assist it in making these monthly reports throughout the period relevant to this Complaint, Crucible retained an external financial and operations principal (the

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<sup>1</sup> In some months relevant to this Complaint, Crucible was required to maintain a slightly higher net capital than \$5,000, but never more than approximately \$5,400. 17 C.F.R. § 240.15c3-1(a)(1)(i) and (ii).

"FinOp") through a FinOp services provider (the "FinOp Services Provider").

#### Summary of the Offense Conduct

14. As set forth below, there is probable cause to believe that CHARLES J. MOORE, a/k/a "Chuck," the defendant, caused Crucible to make false filings with the SEC and obstructed a regulatory examination being conducted by the SEC.

15. First, in monthly FOCUS Reports filed with the SEC from at least in or about February 2013 through at least in or about September 2013, CHARLES J. MOORE, a/k/a "Chuck," the defendant, caused Crucible to falsely represent that it had the requisite net capital to continue holding itself out as a registered broker-dealer. In fact, Crucible had negative net capital each month during this period. Only by failing to account for certain large debts owed to vendors for Crucible-related expenses was Crucible able to represent that its net capital exceeded the minimum required.

16. Second, when the SEC began in the fall of 2013 to examine Crucible's true net worth, CHARLES J. MOORE, a/k/a "Chuck," the defendant, sought to support Crucible's false filings with false documents. Specifically, when the SEC asked to see copies of vendor invoices directed to Crucible and Angelic, MOORE caused a Crucible employee to deliver to the SEC not the true invoices, which revealed large unpaid balances owed by Angelic for Crucible-related services, but falsified invoices intended to make it appear as if Crucible and Angelic were both current on their bills.

17. Finally, throughout the relevant period, CHARLES J. MOORE, a/k/a "Chuck," the defendant, tried to hide the truth about Crucible's net capital and its outstanding debts by directing -- in flagrant breach of regulatory requirements and his own firm's compliance policy -- that all correspondence with the FinOp and with others involved in Crucible's and Angelic's finances take place not over email accounts associated with the Crucible Domain but instead over MOORE's own and his employees' personal email accounts.

#### Crucible's FOCUS Reports and the SEC Examination

18. As part of my investigation, I have reviewed Crucible's filings with the SEC, and have spoken with a representative of the SEC (the "SEC Employee") who, with others,

conducted a regulatory examination of Crucible in or about the fall of 2013 to assess, among other things, its net capital at various points from in or about late 2012 through in or about the fall of 2013.

19. From my review of Crucible's regulatory filings, I know that, every month from in or about February 2013 through in or about September 2013, Crucible, through the FinOp, filed FOCUS Reports with the SEC in which it represented that it had net capital in excess of \$5,000.

20. From my discussions with the SEC Employee, my review of correspondence between the SEC and Crucible, and my review of documents collected from Crucible, I have learned the following:

a. By letter dated September 12, 2013, the SEC informed Crucible that it would conduct an examination of the firm, and requested certain documents as part of that examination. Among the documents requested were a list of current employees and any employees terminated in the past year, a "[l]isting of email addresses and instant message screen names utilized by all employees during the past 12 months," and "[n]et capital computation and all supporting documentation as of July 31, 2013."

b. Productions made in response to this request were furnished by email from a Crucible employee ("Crucible Employee A") using an email address on the Crucible Domain.

c. Documents produced in response to the SEC's September 12, 2013 request included a list of eight current and seven terminated employees, all with email addresses on the Crucible Domain.

d. CHARLES J. MOORE, a/k/a "Chuck," the defendant, was described in these materials as "CEO, Designated Principal." The only email address provided to the SEC for MOORE was one on the Crucible Domain.

e. One of the terminated employees listed in Crucible's response to the SEC's September 12, 2013 letter ("Crucible Employee B") was described as the firm's former Compliance Officer and "Alternate FinOp." The only email address supplied for Crucible Employee B was one on the Crucible Domain.

f. As part of its initial production to the SEC, Crucible supplied a copy of a March 13, 2013 expense-sharing agreement it had with Angelic, pursuant to which Angelic agreed to pay certain of Crucible's expenses in return for a set monthly fee of \$3,500. The expenses covered by this agreement were "[o]ffice and facilities" expenses, "[o]ffice support services," "[a]dministrative support services," and "[p]ayroll administration services and pension and employee benefits administration services." None of the expenses unique to Crucible's business -- for example, payments to the FinOp Services Provider for services rendered in connection with net capital computation and FOCUS Report filings, or payments to the Email Custodian to help Crucible fulfill its requirements under SEC regulations -- is identified as falling within the scope of the expense-sharing agreement.

g. On or about September 20, 2013, the SEC made a second document request to Crucible, this time for items related to Angelic. This request called for, among other things, a "[l]isting of any Angelic Holdings LLC related email addresses utilized by all employees during the past 12 months" and "[a]ccess to all 2013 invoices to Angelic Holdings LLC as they relate to Crucible."

h. In response to this request, Crucible represented that the current employees of Angelic were all the same ones employed by Crucible, and that there were no email addresses associated with Angelic.

i. Also in response to this request, but not until several weeks later, following further follow-up requests, Crucible Employee A handed the SEC a stack of what appeared to be copies of invoices from vendors to Angelic for Crucible-related services (the "Hard-Copy Invoices"). Even though the expense-sharing agreement between Angelic and Crucible did not appear to contemplate that Angelic would cover Crucible's FinOp and Email Custodian expenses, the Hard-Copy Invoices included invoices from both of these vendors to Angelic for Crucible-related services.

j. The FinOp Services Provider Hard-Copy Invoices handed to the SEC consisted of invoices for the months of January 2013 through September 2013. Each such invoice purported to have been sent to MOORE at his Crucible Domain email account, and each called for payment of \$1,500 for services rendered "[i]n connection with Crucible Capital Group, Inc." None reflected any unpaid, past-due balance.

k. The Email Custodian Hard-Copy Invoices handed to the SEC likewise covered the months of January 2013 through September 2013, and called for payments of between \$250 and \$286 monthly for services rendered in preserving and archiving email communications over accounts associated with the Crucible Domain. None of them reflected any unpaid, past-due balance.

#### Use of Personal Email Accounts

21. As part of my investigation in this matter, I have reviewed a portion of Crucible's compliance manual for the period relevant to this Complaint. That policy prohibits Crucible personnel from using personal email addresses to conduct firm business.

22. Also as part of my investigation, I have reviewed email communications seized pursuant to a search warrant served upon Google, Inc., the service provider for personal email accounts maintained by CHARLES J. MOORE, a/k/a "Chuck," the defendant, and Crucible Employee B during the period relevant to this Complaint. (These accounts are "Gmail" accounts.) Based on my review of the results of this email search warrant, I have learned the following:

a. On or about May 29, 2012, Crucible Employee B sent a message from her Gmail account to a Crucible vendor requesting that his firm delay depositing a check that had been sent to the vendor "[d]ue to the Net Capital issue with Finra," and explaining that "we need margin in our account in May."

b. On or about August 15, 2012, an employee of the FinOp Services Provider sent an invoice to Crucible Employee B at her Gmail account for services rendered in July 2012 (the "August 2012 FinOp Invoice"). The August 2012 FinOp Invoice indicates on its face that it is being sent "Via Email" to Crucible Employee B's Gmail account and is for services rendered "[i]n connection with Crucible Capital Group, Inc." Although the balance owed for July services rendered is only \$1,500, the "Client Total Balance" box at the bottom of the invoice reflects an outstanding balance of \$50,782.50.

c. On or about August 20, 2012, an employee of the FinOp Services Provider forwarded the August 2012 FinOp Invoice to an email address on the Crucible Domain, with the subject line, "OUTSTANDING!!! Invoice from [FinOp Services Provider]." Crucible Employee B, copying MOORE at a Gmail address, responded



to the FinOp Services Provider employee as follows: "All the email you sent to Crucible email will be copied to Finra. The reason that we communicate with you through gmail account is that we don't want to bring the problem to Finra. Now we caused Finra's attention because all the OUTSTANDING emails you sent out!"

d. On or about February 6, 2013, Crucible Employee B, using her Gmail account and copying a Gmail address of MOORE's, sent a message to Crucible's outside auditors forwarding contact information for the FinOp and stating that "we would like to have all the issues through our gmail account not Crucible. Please send all your questions to our gmail accounts or give us a call."

e. On or about March 13, 2013, Crucible's landlord emailed MOORE at a Gmail address, attaching a report showing an outstanding rent balance of \$92,322.43 as of March 2013.

f. On or about April 4, 2013, Crucible Employee B, using her Gmail account, sent a message to a commercial real estate broker in which she introduced herself as someone "working for Chuck at Crucible" and forwarded documents related to Crucible's incorporation and relationship to Angelic. In the email, Crucible Employee B instructed the broker to "[p]lease respond to this email through gmail. All further communication will be through this email, as we don't want this showing up on our broker-dealer emails."<sup>2</sup>

g. On or about January 11, 2013, February 22, 2013, April 10, 2013, and April 22, 2013, an employee of the FinOp Services Provider emailed invoices to Crucible Employee B at her Gmail account for services rendered "[i]n connection with Crucible Capital Group, Inc." The invoices themselves are dated January 9, 2013, February 18, 2013, April 1, 2013, and April 18, 2013. They reflect outstanding balances ranging from \$53,007.50 (in January) to \$63,218.75 (in April).

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<sup>2</sup> In an email response dated April 5, 2013, the real estate broker failed to follow Crucible Employee B's instruction and wrote to MOORE at his Crucible Domain account, raising concerns about Crucible's profitability. This chain of email communications thus appears both in the search warrant results for Crucible Employee B's Gmail account and in the emails preserved by the Email Custodian and produced to the SEC examination team by Crucible.

h. On or about June 25, 2013, MOORE, using a Gmail account, sent a message to the FinOp detailing transfers of funds he purportedly had made from his personal bank account to Angelic and then on to Crucible, resulting in a balance of \$15,000 in Crucible's bank account. The FinOp responded that this was incorrect, and that the balance in Crucible's account was actually just \$5,090, even including a "capital contribution" from Angelic to Crucible on May 30, 2013. Later the same day, the FinOp, still corresponding with MOORE's Gmail account, noted that she had already filed the monthly FOCUS Report, and suggested "[i]f you are able to move \$11k more this month, then I can keep the books as is."

i. On or about June 25, 2013, MOORE, using a Gmail account, informed the FinOp that he had "transferred the \$11,000 to Crucible."

j. A few days later, on or about July 3, 2013, the FinOp wrote an email to MOORE, again at a Gmail address, asking him to "[p]lease put the money back." MOORE, having deposited \$11,000 into Crucible's account, evidently had then promptly withdrawn it again. The FinOp told him: "You can't do this. (Put in \$11k and then take out \$11k.) . . . [P]lease put the money back asap."

k. On or about May 21, 2013, June 21, 2013, July 11, 2013, August 19, 2013, and September 27, 2013, an employee of the FinOp Services Provider emailed MOORE and, in some cases, Crucible Employee B, at their Gmail addresses with invoices for services rendered "[i]n connection with Crucible Capital Group, Inc." in the subject months. The attached invoices do not reflect any unpaid, past-due balances.<sup>3</sup>

l. On or about July 14, 2013, an employee of the FinOp Services Provider emailed both Crucible Employee B and MOORE at their Gmail addresses, stating "[w]e'd like to bring your attention to the attached invoice where you have an overdue account balance." Attached to the email were more than 50 invoices dating from 2008 to June 28, 2013.

m. On or about August 27, 2013, a representative from a law firm that provided services to Crucible alerted MOORE via message to MOORE's Gmail account that a check from Angelic to the law firm had bounced.

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<sup>3</sup> As discussed below, the FinOp Services Provider was still owed a large debt as of this time for Crucible-related services.

n. On or about September 10, 2013, two days before the SEC alerted Crucible it would be subject to an examination, a representative from a law firm that provided services to Crucible forwarded to MOORE's Crucible Domain email address a "statement of your account which includes invoices aged over 120 days." About an hour and a half later, the representative sent the same statement to a Gmail account used by MOORE, with the note: "Mr. Moore, as you requested, I am forwarding this email to your attention using your gmail account."

o. On or about November 6, 2013, MOORE, using a Gmail address, sent a message to a vendor explaining that the SEC was conducting an examination and that he would send payment for a balance owed "the minute they leave."

#### Electronic Invoice from the Email Custodian

23. In addition to reviewing emails produced by Google pursuant to search warrant, I have also reviewed emails to and from accounts on the Crucible Domain that were preserved by the Email Custodian on Crucible's behalf and produced to the SEC during its fall 2013 examination (the "Crucible Business Emails"). From that review, I have learned, among other things, that on or about March 4, 2013, a representative of the Email Custodian sent to the Crucible Domain account of CHARLES J. MOORE, a/k/a "Chuck," the defendant, a "Delinquent Notice" attaching a January 31, 2013 invoice (the "Electronic Email Custodian Invoice") for a total balance owed of \$722.97. The current month balance owed, as reflected on the invoice, is \$286.68. The invoice number is 356087.

#### Falsification of Invoices

24. As explained above, during the SEC examination of Crucible in the fall of 2013, Crucible Employee A handed to the SEC Employee and her colleague a stack of Hard-Copy Invoices from, among other vendors, the Email Custodian and the FinOp Services Provider.

25. I have compared the Electronic Email Custodian Invoice found among the Crucible Business Emails of CHARLES J. MOORE, a/k/a "Chuck," the defendant, with a Hard-Copy Invoice that was handed to the SEC in the fall of 2013. The Hard-Copy Invoice purports to be from the Email Custodian, and bears the same invoice number, the same date, and the same current month balance of \$286.68 as the Electronic Email Custodian Invoice.

However, in the "Customer Balance" line of the Hard-Copy Invoice handed to the SEC, the amount that appears as owed is \$286.68 rather than \$722.97. And a "PAID" stamp appears on the Hard-Copy Invoice version, whereas no such stamp appears on the electronic version.

26. I have also compared the FinOp Services Provider Hard-Copy Invoices that were handed to the SEC (which bear dates from January through September 2013) with the emailed FinOp Services Provider invoices found by search warrant in Crucible Employee B' Gmail account (which likewise bear dates from January through September 2013). The comparison reveals that the FinOp Services Provider Hard-Copy Invoices, like the Email Custodian Hard-Copy Invoice for January 31, 2013, appear to be falsified versions of the originals. The observations that lead me to this conclusion include the following:

a. The two sets of FinOp Services Provider invoices share the same basic format, with the same logos and font. They also bear the same description of services rendered, and the same wiring instructions.

b. Whereas the emailed FinOp Services Provider invoices state that they are being sent "Via Email" to Crucible Employee B at her Gmail account, the FinOp Services Provider Hard-Copy Invoices handed to the SEC state that they are being sent "Via Email" to the Crucible Domain account assigned to CHARLES J. MOORE, a/k/a "Chuck," the defendant.

c. Whereas the emailed FinOp Services Provider invoices from January through April of 2013 contain a box on the bottom reflecting large unpaid, past-due balances, the FinOp Services Provider Hard-Copy Invoices for the same months omit this box.

d. The emailed FinOp Services Provider invoices from May 2013 through September 2013 (which, as noted, do not reflect the outstanding balance still owed by Crucible) are different from the FinOp Services Provider Hard-Copy Invoices supplied to the SEC in other, smaller respects. For example, the emailed FinOp Services Provider invoice for May reflects a monthly balance of over \$3,000, while the corresponding FinOp Services Provider Hard-Copy Invoice reflects a monthly balance of just \$1,500.

27. From my conversations with the SEC Employee, I know that the SEC examination team conducted a search of the Crucible

Business Emails to try to locate any FinOp Services Provider invoices sent -- as the FinOp Services Provider Hard-Copy Invoices handed to the SEC suggest -- to CHARLES J. MOORE, a/k/a "Chuck," at his Crucible Domain account. No such invoices could be found in that account.

#### SEC Examination of Net Capital

28. From my conversations with the SEC Employee and my review of documents prepared by the SEC Employee and other members of the SEC, I have learned the following:

a. The SEC Employee reviewed Crucible's and Angelic's bank account records from July 2012 through the end of 2013 and found no record of any payment to the FinOp Services Provider of the outstanding balances reflected in any of the emailed FinOp Services Provider invoices. Nor did the SEC Employee find a record of payment of the large, outstanding balances still owed as of mid-2013 for attorneys' fees and rent.

b. On or about October 25, 2013, the SEC Employee spoke with an associate of the FinOp Services Provider who stated, in substance and in part, that (1) the balance owed to the FinOp Services Provider for Crucible-related services as of that date was \$60,875; (2) the dates of the FinOp Services Provider Hard-Copy Invoices handed to the SEC did not match the dates upon which the FinOp Services Provider actually invoiced Angelic for these services; and (3) the current invoices to Angelic from the FinOp Services Provider as of October 2013 were being sent to MOORE's and Crucible Employee B's Gmail accounts and not to the Crucible Domain account appearing on the FinOp Services Provider Hard-Copy Invoices.

c. The approximately \$53,000 to \$63,000 debt owed to the FinOp Services Provider for Crucible-related services throughout 2013 should have been included in Crucible's net capital computation. Even if viewed as a debt allocable pursuant to the expense-sharing agreement with Angelic, this liability would nonetheless have to be computed into Crucible's net capital because Angelic, throughout the relevant period, lacked the financial solvency to pay the debt.

d. Had the outstanding FinOp Services Provider debt been integrated into Crucible's net capital computation, Crucible would have had to report a continuing net capital deficiency from at least in or about February 2013 through at least in or about September 2013. As a result, it would have

risked suspension and even revocation of its registration with the SEC.

Interviews with Crucible Employees A and B

29. As part of my investigation, I have spoken with both Crucible Employee A and Crucible Employee B.

30. Crucible Employee B<sup>4</sup> has told me, in substance and in part, the following:

a. She arrived in the United States from China in October 2007 to pursue a master's degree.

b. In or about August 2010, she began working as an unpaid intern for Crucible. CHARLES J. MOORE, a/k/a "Chuck," the defendant, agreed to sponsor her for a work visa in the United States.

c. When she began at Crucible, the firm employed approximately three or four others besides her. MOORE was the boss, and the only Crucible employee with his own office. Everyone else worked together in a common area. This remained true throughout Crucible Employee B's time at the firm, which ended in or about May 2013.

d. Generally, with the exception of one long-standing employee, MOORE employed recent college graduates to work at Crucible. They typically worked for long stretches as unpaid interns in the first instance, and were hired for more permanent employment after that.

e. Although Crucible Employee B worked approximately 40 hours or more a week, she was paid for only about half those hours, and was designated a "part time" employee of Crucible. She received no benefits.

f. In or about October 2011, Crucible Employee B took over the bookkeeping function at Crucible -- something with which she had had no prior experience. Crucible Employee B relied on MOORE and the FinOp for guidance about how to make record entries. Crucible Employee B did not compute net capital or participate in the computation of net capital, which was handled by the FinOp. Although MOORE listed her titles at times as "Compliance Officer" and "Alternative FinOp," Crucible

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<sup>4</sup> Crucible Employee B is cooperating with the Government.

Employee B had no responsibilities commensurate with either title.

g. MOORE instructed Crucible Employee B to use her personal email addresses to correspond with Crucible's lawyers, auditors, the FinOp, and others. He dictated the emails in which she instructed vendors, the FinOp, Crucible's auditors, and others to correspond by personal email address rather than over accounts associated with the Crucible Domain, the contents of which would be preserved by the Email Custodian for review by regulators. In fact, MOORE generally dictated Crucible Employee B's email communications related to Crucible and Angelic. He gave dictation while standing behind Crucible Employee B at her desk, verifying that she typed the words as he said them.

h. In or about either 2011 or 2012, FINRA asked MOORE to see invoices from vendors to Crucible. Crucible Employee B gathered the invoices, which were stored in a file cabinet, for MOORE to review. On or about the day FINRA representatives were to arrive at Crucible's offices to collect the documents, MOORE instructed Crucible Employee B to shred some of them. Crucible Employee B fulfilled this instruction by either personally shredding or causing another to shred the invoices.

i. Crucible Employee B left Crucible months before the SEC began its examination of the firm.

31. Crucible Employee A has told me, in substance and in part, the following:

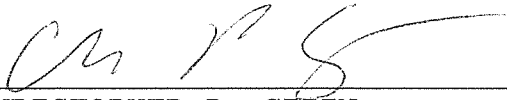
a. He began working at Crucible in approximately April 2011, when he was 23 years old, as an unpaid intern.

b. One day, around the time of a regulatory inquiry, MOORE called Crucible Employee A into his office and directed him to create false FinOp Services Provider invoices for Crucible-related services that would be based on an electronic version of a FinOp Services Provider invoice MOORE had on his computer, but would omit the total client balance box at the bottom and make it appear that the invoices had been sent to MOORE's Crucible Domain email account rather than Crucible Employee B's Gmail account. MOORE explained that he needed these alterations because the unpaid balances reflected badly on Crucible's net capital.

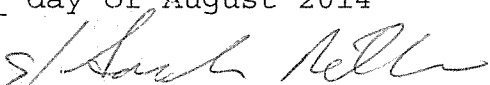
c. Pursuant to MOORE's instructions, Crucible Employee A also created new, falsified invoices from the Email Custodian which omitted unpaid balances.<sup>5</sup>

d. Crucible Employee A left Crucible in March 2014.

WHEREFORE, I respectfully request that an arrest warrant be issued for CHARLES J. MOORE, a/k/a "Chuck," the defendant, and that he be arrested and imprisoned or bailed, as the case may be.

  
CHRISTOPHER P. CIZIN  
Postal Inspector  
U.S. Postal Inspection Service

AUG 07 2014  
Sworn to before me this  
7 day of August 2014

  
UNITED STATES MAGISTRATE JUDGE  
SOUTHERN DISTRICT OF NEW YORK

SARAH NETBURN  
United States Magistrate Judge  
Southern District of New York

<sup>5</sup> When initially questioned about his knowledge of or involvement in falsification of invoices, Crucible Employee A denied any such knowledge or involvement. Only upon being confronted with the two sets of FinOp Services Provider invoices did he admit that he had falsified both the FinOp Services Provider and the Email Custodian invoices at MOORE's direction.