

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Criminal No. 14-
	:	
v.	:	18 U.S.C. § 1343
	:	
JOHN MONTAGUE	:	
	:	
	:	<u>INFORMATION</u>

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

**The Defendant**

1. At all times relevant to this Information:
  - a. Defendant JOHN MONTAGUE was a resident of New Jersey, and was licensed to sell mutual funds, variable annuities and insurance premiums by the entity formerly known as the National Association of Securities Dealers, now the Financial Industry Regulatory Authority. At no time was MONTAGUE licensed to sell corporate or municipal securities, direct participation programs or options.
  - b. Defendant JOHN MONTAGUE operated as a financial advisor.
  - c. Defendant JOHN MONTAGUE established an account at 1<sup>st</sup> Colonial National Bank (the “1<sup>st</sup> Colonial Bank Account”).

**The Defendant's Clients**

2. At all times relevant to this Information, K.B., L.C., T.D., K.D., A.F., C.K., A.P., D.R., D.Sc., D.Se., J.V., and R.W. were among defendant JOHN MONTAGUE’s clients

(collectively, the "Clients").

**The Defendant's Scheme**

3. From at least as early as on or about March 22, 2004 to on or about October 15, 2009, in Gloucester County, in the District of New Jersey and elsewhere, the defendant

JOHN MONTAGUE,

did knowingly and intentionally devise a scheme and artifice to defraud his Clients and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice was in substance as set forth below.

4. It was a part of the scheme and artifice that defendant JOHN MONTAGUE solicited and induced his Clients to purchase investment vehicles which defendant JOHN MONTAGUE well knew he could not sell. Defendant JOHN MONTAGUE nevertheless falsely claimed that he could sell the securities as legitimate investment vehicles, and described them as guaranteed investments that promised a rate of return of approximately six percent.

5. It was further part of the scheme and artifice that defendant JOHN MONTAGUE typically instructed his Clients to make their "investment" checks payable to himself. Defendant JOHN MONTAGUE caused those investment checks to be deposited into his personal bank accounts, including the 1<sup>st</sup> Colonial Bank Account.

6. It was further part of the scheme and artifice that defendant JOHN MONTAGUE typically did not provide his Clients with any documents which would have provided details about the "investments." Instead, defendant JOHN MONTAGUE typically relied on his ability to persuade his Clients to invest with him.

7. It was further part of the scheme and artifice that defendant JOHN

MONTAGUE issued periodic “dividend” checks to his Clients to maintain his Clients’ confidence in the “securities.”

8. It was further part of the scheme and artifice that defendant JOHN MONTAGUE diverted his Clients’ money that purportedly was going to be used to buy the “securities” to his personal use.

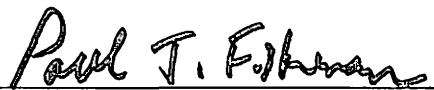
9. As a result of the above-acts, defendant JOHN MONTAGUE caused his Clients to provide him with more than \$900,000 to purchase securities which defendant JOHN MONTAGUE did not do.

10. On or about June 2, 2009, in furtherance of the above-described scheme and artifice, in the District of New Jersey and elsewhere, the defendant,

JOHN MONTAGUE,

knowingly transmitted and caused to be transmitted by means of wire communications in interstate and foreign commerce certain writings, signs, signals, pictures and sounds, namely, the wire transmission of funds from K.D.’s \$8,000 check issued to John Montague for a purported investment from TD Bank, N.A. in New Jersey to TD Bank, N.A. in Maine.

In violation of Title 18, United States Code, Section 1343.

  
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PAUL J. FISHMAN  
United States Attorney

CASE NUMBER: 2009RO0885

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

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**UNITED STATES OF AMERICA**

v.

**JOHN MONTAGUE**

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**INFORMATION FOR**

Title 18, United States Code, Section 1343

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**PAUL J. FISHMAN**

*UNITED STATES ATTORNEY, NEWARK, NEW JERSEY*

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**R. STEPHEN STIGALL**

*ASSISTANT U.S. ATTORNEY*

*CAMDEN, NEW JERSEY*

*856-757-5026*

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