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UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 14-633 (NLH)
:
v. : 18 U.S.C. §§ 1341, 981(a)(1)(C) and 2
:
ROBERT S. ARMSTRONG :

SUPERSEDING INDICTMENT

The Grand Jury in and for the District of New Jersey, sitting at Newark, charges:

COUNTS 1 - 6 - MAIL FRAUD

(18 U.S.C. § 1341)

The Defendant

1. At all times relevant to this Superseding Indictment:

- a. Defendant ROBERT S. ARMSTRONG operated Scholastic School Supply, LLC ("Scholastic School Supply") from his home in Franklinville, New Jersey.
- b. Defendant ROBERT S. ARMSTRONG opened and maintained control of various bank accounts in the name of Scholastic School Supply (the "Scholastic School Supply bank accounts"), including but not limited to the following:
 - i. Fulton Bank of New Jersey checking account number xxx8911;
 - ii. Beneficial Bank checking account number xxxxxx9870
 - iii. Monroe Savings Bank checking account number xxxxxx1907;
 - iv. Newfield National Bank checking account number xxx2685;
 - v. PNC Bank checking account number xxxxxx7298;
 - vi. TD Bank checking account number xxxxxx7686; and
 - vii. Wells Fargo checking account number xxxxxx8026.
- c. Defendant ROBERT S. ARMSTRONG rented and maintained control

over numerous mail boxes at various Commercial Mail Receiving Agents ("CMRA's") and U.S. Post Offices, including but not limited to the following mail boxes:

- i. 283B Egg Harbor Road, Suite 197, Sewell, New Jersey 08080 ("the Sewell Box");
- ii. 1350 East Flamingo Road, Suite 820, Las Vegas, Nevada 89119 ("the Las Vegas Box");
- iii. P.O. Box 923 Malaga, New Jersey 08328 ("the Malaga Box"); and
- iv. 816 North Delsea Drive, Glassboro, Suite 120, New Jersey 08028.

The Scheme and Artifice to Defraud

2. From in or about July 2014, through on or about March 12, 2015, in Franklinville, in the District of New Jersey and elsewhere, defendant

ROBERT S. ARMSTRONG

did knowingly and intentionally devise a scheme and artifice to defraud 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.

The Object of the Scheme and Artifice

3. The object of the scheme and artifice to defraud was for defendant ROBERT S. ARMSTRONG to obtain money from elementary schools throughout the United States (the "Schools") by issuing false and fraudulent invoices to the Schools for text books, workbooks, and other materials which had never been ordered or received by the Schools.

The Defendant's Scheme

4. As part of the scheme to defraud, defendant ROBERT S. ARMSTRONG prepared invoices which sought payment in amounts such as \$647.50 for an order of either math or English/language arts workbooks which the Schools had neither ordered nor received. The invoices contained false and fraudulent information including but not limited to a demand for payment for text books, workbooks, and other materials which had never been ordered or

received by the Schools, a fraudulent address, an out of service telephone number for Scholastic School Supply and a false International Standard Book Number ("ISBN") for the workbooks.

5. It was further part of the scheme and artifice to defraud that defendant ROBERT S. ARMSTRONG contracted with a bulk mailing company to mail via U.S. Mail the invoices to more than 73,000 schools throughout the United States.

6. It was further part of the scheme and artifice to defraud that defendant ROBERT S. ARMSTRONG caused the invoices to contain return envelopes bearing the address of either of the two mail boxes in Sewell, New Jersey or Las Vegas, Nevada to induce the Schools to mail payments for the non-existent text books, workbooks, or other materials back to ARMSTRONG.

7. It was further part of the scheme and artifice to defraud that defendant ROBERT S. ARMSTRONG received checks from the Schools and at times deposited and caused to be deposited such checks into the Scholastic School Supply bank accounts.

8. As of March 12, 2015, approximately 938 Schools sent checks to Scholastic School Supply totaling approximately \$612,774.34.

9. On or about the dates listed below, for the purpose of executing the aforesaid scheme and artifice, in Gloucester County, in the District of New Jersey and elsewhere, the defendant,

ROBERT S. ARMSTRONG,

did knowingly and with fraudulent intent cause to be placed in a post office and authorized depository for mail, and cause to be delivered in accordance with the directions thereon, certain mail matter as more fully described below, to be sent and delivered by the United States Postal Service or by a private or commercial interstate carrier as specified per count, for the purpose of executing such scheme and artifice:

COUNT	DATE	FROM	METHOD OF MAILING	ITEM
1	9/3/14	Pace Charter School, Hamilton, NJ	Mailed Check	Check issued by Pace Charter School, in the amount of \$647.50, check number 005465, to Scholastic School Supply at the Las Vegas Box
2	9/4/14	Our Lady of Angels Regional Catholic School, Morton, PA ("Our Lady of Angels")	Mailed Check	Check issued by Our Lady of Angels, in the amount of \$647.50, check number 10899, to Scholastic School Supply at the Las Vegas Box
3	9/4/14	Maritime Academy Charter School, Philadelphia, PA	Mailed Check	Check issued by Maritime Academy Charter School, in the amount of \$647.50, check number 5536, to Scholastic School Supply at the Las Vegas Box
4	9/4/14	Lincoln Charter Schools, York, PA	Mailed Check	Check issued by Lincoln Charter Schools, in the amount of \$647.50, check number 2876, to Scholastic School Supply at the Las Vegas Box
5	9/8/14	Darnell Charter School, San Diego, CA	Mailed Check	Check issued by Darnell Charter School, in the amount of \$647.50, check number 100513, to Scholastic School Supply at the Las Vegas Box
6	11/3/14	DUE Season Charter School, Camden, NJ	Mailed Check	Check issued by DUE Season Charter School, in the amount of \$1,942.50, check number 014965, to Scholastic School Supply at the Las Vegas Box

All in violation of Title 18, United States Code, Section 1341, and Title 18, United States Code, Section 2.

COUNTS 7-12 – MAIL FRAUD
(18 U.S.C. § 1341)

1. The allegations set forth in paragraphs 1 and 3 through 7 of Counts 1 through 6 of this Superseding Indictment are realleged and incorporated herein.
2. Defendant ROBERT S. ARMSTRONG:
 - a. operated The Trend Publishing from his home in Franklinville, New Jersey; and
 - b. opened and maintained control of various bank accounts in the name of The Trend Publishing (“The Trend Publishing bank accounts”) including but not limited to Bank of America checking account number xxxxxxxx6142.

The Scheme and Artifice to Defraud

3. From in or about July 2014, through on or about March 12, 2015, in Franklinville, in the District of New Jersey and elsewhere, defendant

ROBERT S. ARMSTRONG

did knowingly and intentionally devise a scheme and artifice to defraud 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.

The Object of the Scheme and Artifice

4. The object of the scheme and artifice to defraud was for defendant ROBERT S. ARMSTRONG to obtain money from colleges and trade schools throughout the United States (hereinafter “Colleges and Trade Schools”) by issuing false and fraudulent invoices to the Colleges and Trade Schools for glossy advertisements in the “College Edition (Fall 2014 Edition)” which had never been ordered by the Colleges and Trade Schools or placed in any book, magazine, periodical or other advertisement venue entitled the “College Edition (Fall 2014 Edition).”

The Defendant's Scheme

5. As part of the scheme to defraud, defendant ROBERT S. ARMSTRONG prepared invoices which sought payment in amounts such as \$495.00 for a 5" by 8" glossy advertisement in the "College Edition (Fall 2014 Edition)." The invoices contained false and fraudulent information, including but not limited to a demand for payment for services allegedly rendered, that is, the placement of an advertisement, when such advertisement had not in fact been ordered by the Colleges or Trade Schools or placed in any then existent book, magazine, periodical or other advertisement venue entitled "College Edition (Fall 2014 Edition)," and an out of service telephone number.

6. It was further part of the scheme and artifice to defraud that defendant ROBERT S. ARMSTRONG mailed or caused to be mailed the fraudulent invoices to the Colleges and Trade Schools.

7. It was further part of the scheme and artifice to defraud that defendant ROBERT S. ARMSTRONG caused the invoices to contain return envelopes bearing the address of the above-described Post Office box in Malaga, New Jersey to induce the Colleges and Trade Schools to mail payments for the advertisement back to ARMSTRONG.

8. It was further part of the scheme and artifice that defendant ROBERT S. ARMSTRONG received checks from the Colleges and Trade Schools and at times deposited and caused to be deposited such checks into The Trend Publishing bank accounts.

9. As of March 12, 2015, approximately 78 Colleges and Trade Schools sent checks to The Trend Publishing totaling approximately \$38,310.00.

10. On or about July 2014 through on or about March 12, 2015, for the purpose of executing the aforesaid scheme and artifice, in Gloucester County, in the District of New Jersey and elsewhere, the defendant,

ROBERT S. ARMSTRONG,

did knowingly and with fraudulent intent cause to be placed in a post office and authorized depository for mail, and cause to be delivered in accordance with the directions thereon, certain mail matter as more fully described below, to be sent and delivered by the United States Postal Service or by a private or commercial interstate carrier as specified per count, for the purpose of executing such scheme and artifice:

COUNT	DATE	FROM	METHOD OF MAILING	ITEM
7	7/16/14	Pacifica Graduate Institute, Carpinteria, CA	Mailed Check	Check issued by the Pacifica Graduate Institute, in the amount of \$495.00, check number 78345, to The Trend Publishing at the Malaga Box
8	7/16/14	San Diego University Integrative Studies, San Diego, CA	Mailed Check	Check issued by San Diego University Integrative Studies, in the amount of \$495.00, check number 3584, to The Trend Publishing at the Malaga Box
9	8/1/14	Irvine University, Education Inc., Cerritos, CA	Mailed Check	Check issued by Irvine University, in the amount of \$495.00, check number 3739, to The Trend Publishing at the Malaga Box
10	8/6/14	Bounty Island Corp., (Crimson Technical College), Inglewood, CA	Mailed Check	Check issued by Bounty Island Corporation (Crimson Technical College), in the amount of \$495.00, check number 5201, to The Trend Publishing at the Malaga Address
11	8/7/14	Jacksonville College, Jacksonville, TX	Mailed Check	Check issued by Jacksonville College, in the amount of \$495.00, check number 80793, to The Trend Publishing at the Malaga Box
12	8/19/14	Hawaii Medical College, Honolulu, HI	Mailed Check	Check issued by Hawaii Medical College, in the amount of \$495.00, check number 6429, in the amount of \$495.00, to The Trend Publishing at the Malaga Box

All in violation of Title 18, United States Code, Section 1341, and Title 18,
United States Code, Section 2.

FORFEITURE ALLEGATION

The allegations contained in Counts 1-12 of this Superseding Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c). Upon conviction of the offenses in violation of Title 18, United States Code, Section 1341 set forth in Counts 1-12 of this Superseding Indictment, defendant ROBERT S.

ARMSTRONG shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses. The properties to be forfeited include, but are not limited to, the following:

- (a) \$651,084.34 representing a sum of money equal to the amount of proceeds obtained as a result of the defendant ROBERT S. ARMSTRONG's offenses;
- (b) one 2014 Ford Mustang, VIN No. 1ZVBP8AM0E5228060;
- (c) \$44,943.00 previously contained in Fulton Bank of New Jersey checking account number xxx8911, held in the name of Scholastic School Supply;
- (d) \$21,347.00 previously contained in Beneficial Bank checking account number xxxxxx9870, held in the name of Scholastic School Supply;
- (e) \$46,537.14 previously contained in Monroe Savings Bank account number xxxxxx1907, held in the name of Scholastic School Supply;
- (f) \$27,842.50 previously contained in Newfield National Bank account number xxx2685, held in the name of Scholastic School Supply;
- (g) \$135,181.46 previously contained in PNC Bank checking account number xxxxxx7298, held in the name of Scholastic School Supply; and
- (h) \$49,651.39 previously contained in TD Bank account number xxxxxx7686, held in the name of Scholastic School Supply.


If any of the above described forfeitable property, 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 person;
- (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 21 U.S.C. § 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c). All pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

A TRUE BILL:

FOREPERSON



PAUL J. FISHMAN
United States Attorney

CASE NUMBER: 14-633 (NLH)

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

UNITED STATES OF AMERICA

v.

ROBERT S. ARMSTRONG

SUPERSEDING INDICTMENT

18 U.S.C. §§ 1341, 981(a)(1)(C) and 2

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