

ATTACHMENT A

**Count One
(Wire Fraud)**

From in or about 2013 to the present, in Bergen County, in the District of New Jersey and elsewhere, defendant

THOMAS LANZANA

did knowingly and intentionally devise and intend to devise a scheme and artifice to defraud victim investors and to obtain money and property from victim investors by means of materially false and fraudulent pretenses, representations and promises, and, for purposes of executing and attempting to execute such scheme and artifice to defraud, did knowingly and intentionally transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce certain writings, signs, signals, pictures and sounds, to wit, an email from defendant LANZANA to Victim 1 in New Jersey on or about July 21, 2015.

In violation of Title 18, United States Code, Sections 1343 and 2.

Count Two
(Commodities Fraud)

From in or about 2013 to the present, in Bergen County, in the District of New Jersey and elsewhere, defendant

THOMAS LANZANA

having been required to be registered with the U.S. Commodity Futures Trading Commission as a commodity pool operator under Chapter 1 of Title 7 of the United States Code, did embezzle, steal, purloin, and with criminal intent convert to their own use money and property having a value in excess of \$100, which was received by defendant LANZANA to margin, guarantee, and secure the trades and contracts of customers and which was otherwise received from customers, clients, and pool participants in connection with defendant LANZANA's business.

In violation of Title 7, United States Code, Section 13(a)(1), and Title 18, United States Code, Section 2.

ATTACHMENT B

I, Eugene Taylor, am a Special Agent with the Federal Bureau of Investigation. I have conducted an investigation and discussed this matter with other law enforcement officers who have participated in this investigation, and have knowledge of the following facts. Because this affidavit is being submitted for the limited purpose of establishing probable cause, I have not included each and every fact known to me concerning this investigation. I have set forth only the facts that I believe are necessary to establish probable cause. Unless specifically indicated, all dates, locations, quantities, and dollar amounts described in this affidavit are approximate, and all conversations and statements described in this affidavit are related in substance and in part.

1. At times relevant to this Complaint:

Background of Relevant Entities

a. Defendant THOMAS LANZANA (“LANZANA”) resided at various times in and around Midland Park and New Bergen, New Jersey, and, since 2015, in and around Pawley’s Island, South Carolina. LANZANA was registered as a broker with the Financial Industry Regulatory Authority (“FINRA”), a self-regulatory organization responsible for registering securities industry customers, while working at several firms between 1994 and 2011.

b. Blackbox Pulse LLC (“Blackbox Pulse”) was a limited liability company formed in New Jersey on approximately April 8, 2011. LANZANA was Blackbox Pulse’s registered agent, member, and manager. Blackbox Pulse purported to be a pooled trading entity that invested in foreign currency, securities, and other financial instruments. LANZANA controlled all aspects of Blackbox Pulse’s operations, solicited and accepted funds from Blackbox Pulse customers, was the sole signatory on Blackbox Pulse’s bank accounts, and held himself out as the head trader for Blackbox Pulse. Blackbox Pulse maintained no trading accounts in its name.

c. “Unique Forex” purported to be a commodity pool that invested in foreign currency instruments beginning in approximately 2013. LANZANA represented that Unique Forex was a limited liability company, but Unique Forex was not formally incorporated or formed as a limited liability company in any state. LANZANA solicited and accepted funds from Unique Forex customers, was the sole signatory on Unique Forex’s bank account, and held himself out as the head trader for Unique Forex. Unique Forex maintained no trading accounts in its name.

- d. “Victim 1” was a resident of New Jersey.
- e. “Victim 2” was a resident of Texas.

Regulatory Framework

f. The U.S. Commodity and Futures Trading Commission (“CFTC”) was an independent agency of the United States charged, among other things, with protecting market users and their funds, consumers, and the public from fraud, manipulation, and abusive practices related to foreign exchange contracts, derivatives, and similar products subject to the Commodity Exchange Act.

g. Title 7, United States Code, Section 6m(1), prohibited commodity pool operators from making use of the mails or any other means or instrumentality of interstate commerce in connection with their business unless and until they registered with the CFTC.

h. Blackbox Pulse and Unique Forex were “of the nature of a commodity pool” and solicited and accepted funds from clients for the purpose of trading in foreign currency commodity interests. Consequently, Blackbox Pulse and Unique Forex were “commodity pool operators,” as defined under Title 7, United States Code, section 1a(11), and were therefore required to register with the CFTC. According to the CFTC, Blackbox Pulse and Unique Forex were not and had never been so registered.

The Investment Fraud Scheme

I. Overview

2. From at least 2013 to 2017, LANZANA, individually and as the controlling person of Blackbox Pulse and doing business as Unique Forex, fraudulently solicited and accepted at least \$900,000 from at least 20 customers for making pooled investments in retail off-exchange foreign currency (“forex”) transactions and other investments at Blackbox Pulse and Unique Forex. In reality, LANZANA did not use the customer funds he accepted to make pooled investments in forex or any other instrument, but instead misappropriated those funds to pay other customers who requested the return of their funds, in the manner of a Ponzi scheme, and for LANZANA’s own personal use and benefit.

3. In furtherance of this scheme, LANZANA marketed himself through social media, websites, and word of mouth as a successful forex trader. LANZANA also kept customers’ trust by emailing them account statements and links to internet videos showing forex trades that were never made, sending them

tax documents reporting fake gains, and displaying on his websites statements for Blackbox Pulse and Unique Forex accounts that did not exist.

II. LANZANA's Fraudulent Businesses

A. Blackbox Pulse

4. Beginning in or about April 2012, LANZANA, individually and on behalf of Blackbox Pulse, using social media, the website www.bbpulse.com, and word of mouth, urged prospective investors to open trading accounts at Blackbox Pulse, to trade securities and, later, forex.

5. LANZANA marketed himself as a successful trader, who had developed an algorithm that monitored more than 100 highly liquid stocks a day and provided direction on profitable times to trade. LANZANA also held himself out as the micro-manager of that algorithm. LANZANA led prospective customers to believe their funds would be used to trade securities using this algorithm.

6. LANZANA instructed customers to sign contracts with Blackbox Pulse and write checks or wire funds to Blackbox Pulse bank accounts that he controlled, including a Bank of America account ending in 4130, a BB&T account ending in 6754 (the "Blackbox Pulse BB&T 6754 Account"), and a Chase Bank account ending in 6517. LANZANA's own funds were commingled with customer funds in these accounts, and LANZANA used those accounts to pay for his own personal expenses.

7. LANZANA maintained customers' trust by emailing them daily account statements showing securities trading and trading profits in their accounts. The statements never showed a losing month. In reality, the trading activity and the profits were fabricated.

8. LANZANA also made available to various Blackbox Pulse customers purported statements for a Blackbox Pulse account at Lek Securities Corporation ("Lek Securities"), a broker dealer registered with the U.S. Securities and Exchange Commission ("SEC"). These statements made it appear as though Blackbox Pulse traded an account worth hundreds of thousands of dollars at Lek Securities. For example, LANZANA emailed at least one customer an undated account statement for a Blackbox Pulse account ending in 0272 at Lek Securities that showed a balance of approximately \$536,464.10. In addition, on the Blackbox Pulse website, several customers were able to view similar account statements for a Blackbox Pulse account at Lek Securities, but with the account number appearing as "xxxxxx"; the statements for January 2017 show a balance of approximately \$538,987.36. In reality, neither Blackbox Pulse nor LANZANA has ever had an account at Lek Securities. The statements were fakes.

9. In or around 2013, LANZANA's fraud shifted to forex. Individually and on behalf of Blackbox Pulse, LANZANA fraudulently solicited some of his existing Blackbox Pulse customers to open forex trading accounts at Blackbox Pulse, in part by misrepresenting that he was a successful forex trader. Lanzana did not open a new bank account for funds that he solicited for the purpose of trading forex. Instead, LANZANA instructed these customers to mail him checks written out to Blackbox Pulse or to wire funds to preexisting Blackbox Pulse accounts, primarily the Blackbox Pulse BB&T 6754 Account, or allowed customers to transfer the funds from existing equities accounts at Blackbox Pulse to forex accounts at Blackbox Pulse.

10. Each customer who agreed to open a forex trading account at Blackbox Pulse received a daily statement from LANZANA by email. The statements attached an Excel spreadsheet showing purported forex trades made in the customer's account, profit or loss, the value of the customer's account, and other details. The statements never showed a losing month. LANZANA also emailed these customers a link to a YouTube video in which LANZANA typically described one or more forex trades he purportedly made that day, highlighting details such as profit or loss, while showing price graphs on his computer screen in the background.

11. Additionally, LANZANA made available to various forex customers purported statements for a Blackbox Pulse account at Forex Capital Markets LLC ("FXCM"), which was registered with the CFTC as a retail foreign exchange dealer until March 2017. These statements made it appear as though Blackbox Pulse traded through an account worth hundreds of thousands of dollars at FXCM. For example, LANZANA emailed at least one customer a May 2015 account statement for a Blackbox Pulse, LLC account ending in 6205 at FXCM that showed total equity of approximately \$470,984.24. On the Blackbox Pulse website, several customers were able to view similar account statements for a Blackbox Pulse account at FXCM. In reality, Blackbox Pulse had no account at FXCM, and the statements were fakes.

12. For each tax year between in or around 2012 and in or around 2016, LANZANA sent or caused to be sent annual tax documents to Blackbox Pulse customers, showing fake investment gains. Customers typically received Schedule K-1s, but in at least one tax year, some customers received Form 1099s. These tax forms listed an address for Blackbox Pulse in North Bergen, New Jersey.

13. At various times since in or around 2012, and particularly starting in or around 2016, Blackbox Pulse customers demanded the return of their funds. LANZANA returned some customer funds, in part by using incoming funds from other customers in the manner of a Ponzi scheme. Since in or around 2016, however, LANZANA did not return all funds to customers who made

withdrawal demands. Instead, LANZANA strung along customers through misrepresentations and false promises. For example, LANZANA claimed that Blackbox Pulse funds were being held by a hedge fund, which instituted a cap on withdrawals that prevented LANZANA from returning Blackbox Pulse customer funds. LANZANA told at least one customer that this hedge fund was the Carlyle Group. However, the Carlyle Group held no Blackbox Pulse customer funds, nor was there any other hedge fund holding such funds; these representations were false.

B. Unique Forex

14. In or around 2013, LANZANA also began using the Unique Forex name with prospective customers. In early 2013, LANZANA created a website (www.unique4x.com), and in or around April 2013, he opened a checking account in the name of “Thomas L. Lanzana DBA Unique Forex” ending in 6762 at BB&T (the “Unique Forex BB&T 6762 Account”). LANZANA was the sole signatory on the BB&T 6762 Account.

15. Between in or around April 2013 and 2017, LANZANA, individually and doing business as Unique Forex, solicited prospective and actual customers through social media, the Unique Forex website, and word of mouth to open accounts at Unique Forex. In LANZANA’ solicitations, he continued to misrepresent that he was a successful forex trader, and he led prospective customers to believe he would use their funds to trade forex.

16. LANZANA instructed Unique Forex customers to sign contracts with Unique Forex and to mail him checks written out to Unique Forex or to wire funds to the Unique Forex BB&T 6762 Account. LANZANA’s own funds were commingled with customer funds in this account, and LANZANA used this account to pay for his own personal expenses.

17. LANZANA kept Unique Forex customers’ trust by emailing them daily statements that attached an Excel spreadsheet showing purported forex trades made in the customer’s account, profit or loss, the value of the customer’s account, and other details. The statements never showed a losing month. On days he purportedly traded, LANZANA also emailed customers links to YouTube videos on LANZANA’s Unique Forex YouTube channel. In these videos, LANZANA discussed one or more forex trades he purportedly made that day while displaying price graphs on his computer screen in the background.

18. LANZANA also made available to Unique Forex customers purported statements for a Unique Forex account at FXCM. These statements displayed the account number as “xxxxxxx” and an address for Unique Forex in North Bergen, New Jersey. The typical balance and total equity shown on these statements exceeded \$800,000, which made it appear as though Unique Forex

traded through an account worth hundreds of thousands of dollars at FXCM. For example, the purported January 2017 statement for the Unique Forex account at FXCM shows a balance of \$874,477.07. In reality, no account in the name of either “Unique Forex” or “Unique Forex, LLC” existed at FXCM. The purported FXCM statements were all fakes.

19. For each tax year between approximately 2013 and 2016, LANZANA sent or caused to be sent annual tax documents, either Form 1099s or Schedule K-1s, to Unique Forex customers showing fake investment gains. The tax forms listed an address for Unique Forex in North Bergen, New Jersey.

20. At various times in and around 2016 and 2017, Unique Forex customers requested the return of their funds. LANZANA did not return all funds requested by customers, but instead strung many customers along with a series of misrepresentations and false promises, in some cases in an attempt to convince customers not to withdraw all of their funds.

21. For example, one Unique Forex customer requested that LANZANA return the balance of his account in approximately December 2016. In response, on or about December 19, 2016, LANZANA stated in an email to the customer that if the customer kept \$2,000 in his account, he would avoid suffering a trading loss from immediate liquidation. In reality, the customer’s funds were not being traded and had instead been misappropriated, which LANZANA did not disclose. The same day, the customer agreed to maintain \$2,000 in his account, and on or about January 5, 2017, LANZANA promised that he would send the customer’s funds to him as “one lump sum.” LANZANA has not yet returned the customer’s funds.

III. Misappropriated Customer Funds

22. LANZANA did not transfer any of the customer funds he accepted from his victims into pooled investment accounts for Blackbox Pulse, Unique Forex, or for any other entity. LANZANA transferred approximately \$69,000 of customer funds into his own personal forex trading accounts during this time. LANZANA used at least approximately \$350,000 of customer funds to pay customers who requested the return of their funds, in the manner of a Ponzi scheme. LANZANA also misappropriated customer funds for his own personal use and benefit, including, more than approximately \$51,000 in purchases on Amazon.com, more than approximately \$14,000 on rent, approximately \$6,000 at Luxury Cars of Charleston, more than \$3,600 on golf expenditures, and more than \$1,300 at Tiffany & Co.

IV. Victims

A. Victim 1

23. Victim 1 was a customer in the Unique Forex pool. In or around 2014, Victim 1 learned of Unique Forex through a friend, who told Victim 1 that Unique Forex was generating significant returns. Victim 1 also knew investors in Unique Forex who had been able to withdraw from and re-invest in Unique Forex.

24. Using the email address trade@unique4x.com, LANZANA emailed Victim 1 an electronic version of the “Operating Agreement of Unique Forex” (the “UF Operating Agreement”) on or about July 21, 2015. According to “Addendum II” to the UF Operating Agreement, the trading account that Victim 1 was investing in would be pooled with other customers, with profits to be shared on a pro-rata basis. Victim 1 signed Addendum II to the UF Operating Agreement and emailed it to LANZANA on or about July 27, 2015. LANZANA, again using the trade@unique4x.com account, then sent Victim 1 wire transfer instructions on or about July 28, 2015.

25. On or about July 31, 2015, Victim 1 made an initial investment in Unique Forex by wiring approximately \$2000 to the Unique Forex BB&T 6762 Account. In a series of additional wire transfers between July 2015 and August 2016, Victim 1 invested another approximately \$17,000, for a total approximate investment of \$19,000. Victim 1 understood that the funds he was wiring to the Unique Forex BB&T 6762 Account would be used for trading forex and not for any non-investment purpose.

26. After investing in Unique Forex, Victim 1 was given access to the Unique Forex website at www.unique4x.com (the “Unique4X Website”). By logging into the Unique4X Website, Victim 1 could access what purported to be trading records and statements for his account and for the commodity pool account. According to records obtained from website service provider Weebly, the Unique4X Website was linked to an account registered under LANZANA’s name. None of the statements received by Victim 1 reflected monthly trading losses, and they were all fakes.

27. After learning in or around December 2016 that another Unique Forex customer was unsuccessfully attempting to withdraw funds from the Unique Forex pool, Victim 1 decided to liquidate his account. On or about December 17, 2016, Victim 1 emailed LANZANA a request to close his account. On or about December 19, 2016, through a series of emails, LANZANA responded by suggesting that Victim 1 needed to retain \$2,000 in his account to avoid a trading loss on an open position, but otherwise agreed to process the withdrawal request.

28. Victim 1's December 21, 2016 Unique Forex statement shows that Victim 1 withdrew approximately \$18,532.64 from Unique Forex. However, despite multiple attempts to withdraw funds, to date, Victim 1 has received only the single withdrawal of approximately \$770.00 by check dated on or about October 14, 2016.

B. Victim 2

29. Victim 2 was a customer in the Blackbox Pulse pool. In or around Fall 2014, Victim 2 learned of LANZANA through a family member, who told Victim 2 that his investment with LANZANA was generating significant investment returns and that he was withdrawing funds regularly from his investment.

30. Victim 2 spoke with LANZANA by telephone on or about July 27, 2015. On the telephone call, LANZANA told Victim 2 that he was living in New Jersey and maintained a physical work location there. LANZANA also told Victim 2 that he had a successful 20-year history in the finance industry and a 10-year history running Blackbox Pulse, and that he used an algorithm to trade securities and currencies.

31. On or about July 28, 2015, using the email address trading@bbpulse.com, LANZANA emailed Victim 2 an electronic version of the "Operating Agreement of Blackbox Pulse" (the "BP Operating Agreement") on or about July 28, 2015. The BP Operating Agreement was nearly identical to the UF Operating Agreement that LANZANA emailed to Victim 1. According to "Addendum II" to the BP Operating Agreement, profits from the trading account that Victim 2 was investing in would be shared on a pro-rata basis. Victim 2 signed Addendum II to the BP Operating Agreement and emailed it to LANZANA on or about July 29, 2015. LANZANA, again using the trading@bbpulse.com account, then sent Victim 2 wire transfer instructions on or about July 30, 2015.

32. On or about August 3, 2015, Victim 2 made an initial investment in Blackbox Pulse by wiring approximately \$90,000 to the Blackbox Pulse BB&T 6754 Account. After a series of purportedly positive returns, Victim 2 made a series of additional investments totaling approximately \$45,000 with LANZANA. Victim 2 understood that the funds he was wiring to the Blackbox Pulse BB&T 6754 Account would be used for trading and not for any non-investment purpose.

33. After investing in Blackbox Pulse, Victim 2 received daily emails regarding the performance of the Blackbox Pulse pool. The emails purported to be from "Blackbox Pulse Staff." After analyzing the purported performance of the pool, Victim 2 occasionally asked LANZANA about his investment strategy and trading practices. LANZANA initially was responsive to Victim 2's inquiries,

which, along with the supposedly positive investment returns, caused Victim 2 to invest additional funds. LANZANA's representations regarding the pool's performance, along with statements purporting to reflect Victim 2's returns, were fake.

34. During 2016 and early 2017, Victim 2 became concerned about the Blackbox Pulse investment, in part because LANZANA became increasingly difficult to contact, and sought to exit the pool. On or about February 9, 2017, Victim 2 emailed LANZANA demanding a full return of funds. LANZANA subsequently emailed Victim 2 bogus explanations for why the requested redemption was delayed.

35. Victim 2's last statement, received by email on or about February 10, 2017, purported that Victim 2 had approximately \$166,000 invested in Blackbox Pulse. Despite Victim 2's multiple demands to liquidate the investment, Victim 2 has not received a return of any funds.