

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Crim. No. 20-
	:	
v.	:	18 U.S.C. §§ 1343 and 2
	:	15 U.S.C. §§ 78j(b) and 78ff
MATTHEW BENJAMIN	:	17 C.F.R. § 240.10b-5

I N F O R M A T I O N

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

**COUNT ONE**  
**(Wire Fraud)**

1. At all times relevant to this Information:

a. Defendant MATTHEW BENJAMIN ("BENJAMIN") was a resident of New Jersey and was the primary shareholder of Clear Solutions Group LLC ("Clear Solutions Group").

b. Clear Solutions Group was located in or around Tenafly, New Jersey and was purportedly involved in the purchase, sale, and distribution of wholesale makeup and beauty products.

c. Company A, a Delaware corporation, was a multinational cosmetics, skin care, fragrance, and personal care company headquartered in New York City.

d. Company B was a discount retailer headquartered in North Kingstown, Rhode Island.

### **The Scheme to Defraud**

2. From in or around May 2017 through in or around August 2019, in the District of New Jersey and elsewhere, defendant

#### **MATTHEW BENJAMIN**

did knowingly and intentionally devise and intend to devise a scheme and artifice to defraud victim investors and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, as set forth more fully below.

### **Goal of the Scheme**

3. The goal of the scheme was for BENJAMIN to enrich himself by fraudulently inducing victims (the “Victim Investors”) into investing money in Clear Solutions Group by making material misrepresentations and omissions.

### **Manner and Means of the Scheme**

4. It was part of the scheme to defraud that:

a. BENJAMIN made numerous material misrepresentations to the Victim Investors, including that he would use their investments to purchase closeout or excess cosmetic inventory from Company A and then resell that inventory to Company B at a mark-up, with the profits of that sale to be shared between BENJAMIN and the Victim Investors.

b. BENJAMIN executed promissory notes for the benefit of certain Victim Investors that set forth the amounts of their investments, the terms of repayment, and the remedy in the event of default on the promissory notes.

c. BENJAMIN provided the Victim Investors with false documents that purported to evidence the purchase and sale of cosmetics goods, including, for example:

- i. invoices on Clear Solutions Group letterhead containing a description of the cost of the goods sold, the resale amount, and the profits;
- ii. purchase orders detailing Company B's purchases of cosmetics and other goods from Clear Solutions Group; and
- iii. emails that purported to be between BENJAMIN and Company B personnel regarding payment for purchases by Company B.

d. BENJAMIN collected investment payments from the Victim Investors, including checks that BENJAMIN deposited into his personal and Clear Solutions Group bank accounts. BENJAMIN obtained more than approximately \$1.525 million from the Victim Investors over the course of the fraudulent scheme.

e. BENJAMIN made payments to certain Victim Investors that were purportedly their profits on certain cosmetics contracts, and made representations to certain Victim Investors that portions of their profits on the investment contracts were being reinvested in additional deals to purchase and sell cosmetics, which in turn purportedly would generate more profits for those Victim Investors. In fact, BENJAMIN did not purchase or sell any cosmetics or other goods with the Victim Investors' money.

f. Instead of using the Victim Investors' money as he had promised them he would, BENJAMIN diverted their money and used it for his own personal expenditures, including car and house rental payments, food, international travel, legal fees, purchases of technology equipment, and summer camp tuition for his family members.

#### **Execution of the Scheme**

5. On or about June 3, 2019, in the District of New Jersey and elsewhere, for the purpose of executing and attempting to execute this scheme and artifice to defraud, defendant

#### **MATTHEW BENJAMIN**

did knowingly and intentionally transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce writings, signs, signals, pictures, and sounds, namely, BENJAMIN deposited a check for approximately \$30,925.38 drawn on a victim investor's bank account, which was processed through servers in Maine and Ontario, Canada, into a Clear Solutions Group LLC bank account at a bank branch location in Tenaflly, New Jersey.

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

**COUNT TWO**  
**(Securities Fraud)**

1. The allegations set forth in paragraph 1 and paragraphs 3 through 4 of Count One of this Information are repeated and realleged as if fully set forth herein.

2. From in or around May 2017 through in or around August 2019, in the District of New Jersey and elsewhere, defendant

**MATTHEW BENJAMIN**

by use of the means and instrumentalities of interstate commerce, the mails, and facilities of national securities exchanges, directly and indirectly, knowingly and willfully used manipulative and deceptive devices and contrivances in contravention of Title 17, Code of Federal Regulations, Section 240.10b-5 in connection with the purchase and sale of securities, to wit, interests in Clear Solutions Group LLC, by: (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices, and a course of business which operated and would operate as a fraud and deceit upon persons, namely, persons with interests in Clear Solutions Group LLC.

In violation of Title 15, United States Code, Sections 78j(b) and 78ff, Title 17, Code of Federal Regulations, Section 240.10b-5, and Title 18, United States Code, Section 2.

### FORFEITURE ALLEGATION

1. The allegations contained in this Information are incorporated by reference as though set forth in full herein for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981 and Title 28, United States Code, Section 2461.

2. As a result of committing the offense charged in Counts One and Two of this Information, defendant

#### **MATTHEW BENJAMIN**

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981 and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the said offense, and all property traceable thereto.

#### Substitute Assets Provision

3. 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), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

  
CRAIG CARPENITO  
United States Attorney

CASE NUMBER: \_\_\_\_\_

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

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**UNITED STATES OF AMERICA**

**v.**

**MATTHEW BENJAMIN**

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15 U.S.C. §§ 78j(b) and 78ff  
17 C.F.R. § 240.10b-5**

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CRAIG CARPENITO  
UNITED STATES ATTORNEY  
FOR THE DISTRICT OF NEW JERSEY

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