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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

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UNITED STATES OF AMERICA	:	Hon. André M. Espinosa
	:	
v.	:	Mag. No. 21-11301
	:	
GREGORY CICCONE	:	CRIMINAL COMPLAINT
	:	
	:	<b><u>FILED UNDER SEAL</u></b>

I, Pankaj Sharma, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

**SEE ATTACHMENT A**

I further state that I am a Special Agent with the U.S. Department of Justice, and that this complaint is based on the following facts:

**SEE ATTACHMENT B**

continued on the attached pages and made a part hereof.

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Pankaj Sharma  
Special Agent  
U.S. Department of Justice

Special Agent Sharma attested to this Affidavit by telephone pursuant to F.R.C.P. 4.1(B)(2)(A) on this 24th day of September, 2021.

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HONORABLE ANDRÉ M. ESPINOSA  
UNITED STATES MAGISTRATE JUDGE

**ATTACHMENT A**

**Count One**  
**(Securities Fraud)**

From at least as early as in or about July 2018 through in or about February 2020, in the District of New Jersey and elsewhere, defendant

**GREGORY CICCONE**

willfully and knowingly, directly and indirectly, by use of the means of instrumentalities of interstate commerce, the mails and facilities of national securities exchanges, in connection with the purchase and sale of securities, used and employed manipulative and deceptive devices and contrivances in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material fact 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 courses of business which operated and would operate as a fraud and deceit upon persons, to wit, GREGORY CICCONE engaged in a scheme to commit securities fraud regarding interests in Platinum Travel and Entertainment 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.

## **ATTACHMENT B**

I, Pankaj Sharma, am a Special Agent with the U.S. Attorney's Office, District of New Jersey. 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. The information contained in the Complaint is based upon my personal knowledge, as well as information obtained from other sources, including: (a) statements made or reported by various witnesses with knowledge of relevant facts; (b) my review of publicly available information; and (c) my review of evidence, including business records, bank records, and other documents and records. Because this affidavit is submitted for the limited purpose of establishing probable cause, I have not set forth each and every fact that I know concerning this investigation. I have set forth only the facts which I believe are necessary to establish probable cause. All dates 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.

### **Individuals and Entities**

1. At all times relevant to this Complaint, unless otherwise indicated:
  - a. Defendant GREGORY CICCONE ("CICCONE") was a resident of Woodland Park, New Jersey, Little Falls, New Jersey, and San Diego, California.
  - b. Platinum Travel and Entertainment LLC, a New Jersey-based LLC, and Platinum Enterprises & Concierge Services Inc., a California corporation, (together "Platinum") were entities registered to CICCONE that purportedly provided luxury travel services.
  - c. "Victim 1" was an individual residing in Little Falls, New Jersey.
  - d. "Victim 2" was an individual residing in Escondido, California.
  - e. "Victim 3" was an individual residing in Oceanside, California.
  - f. "Victim 4" was an individual residing in Los Angeles, California.
  - g. "Victim 5" was an individual residing in Groveland, Florida.
  - h. "Victim 6" was an individual residing in Austin, Texas.
  - i. "Victim 7" was an individual residing in Nederland Texas.

- j. “Victim 8” was an individual residing in Mount Gillead, Ohio.
- k. “Victim 9” was an individual residing in Burleson, Texas.
- l. “Individual 1” was an individual residing in Colorado Springs, Colorado. Individual 1 began raising money in May 2019 at the direction of CICCONE and on behalf of Platinum.
- m. “Luxury Hotel 1” was an international luxury hotel and resort company headquartered in Toronto, Ontario, Canada.
- n. “Luxury Hotel 2” was a luxury hotel located in Laguna Beach, CA.
- o. Bank 1 was a bank holding company based in Minneapolis, Minnesota, and incorporated in Delaware.
- p. Bank 2 was financial services company with corporate headquarters in San Francisco, California.

### **Overview**

2. From at least as early as in or about July 2018 through in or about February 2020, CICCONE orchestrated an investment fraud scheme whereby he obtained more than approximately \$1.5 million from at least 22 investors (the “Victim Investors”) through short-term, high-interest promissory notes. In furtherance of the scheme, CICCONE represented to prospective Platinum investors that Platinum was reserving blocks of rooms at luxury hotels, which would later be re-sold to elite clients at a profit.

3. To induce investments, investors were promised approximately 15% to 50% interest on their investments for term periods ranging from approximately one month to approximately six months. Instead of using the funds to reserve blocks of rooms at luxury hotels, as CICCONE promised investors, he diverted investor funds for personal expenditures and, in certain instances, paid investor funds to other investors seeking redemption. When confronted with requests for transparency and redemptions by certain investors, CICCONE failed to honor the redemption requests, made misrepresentations about his inability to honor the redemption requests, misstated and omitted material facts, and provided certain investors with forged, modified, or otherwise fraudulent documentation.

### **CICCONE Defrauds the Victim Investors**

4. CICCONE began soliciting money from the Victim Investors for investment in Platinum at least as early as in or about July 2018.

5. Between on or about July 2018 and on or about January 2019, CICCONE misrepresented to Victim 1, Victim 2, Victim 3, Victim 4 and Victim 5 that Platinum had reserved blocks of rooms at luxury hotels and intended to use funds from the Victim Investors to pay for the rooms. For example, on or about July 26, 2018, CICCONE misrepresented in an email to Victim 1 that he needed “\$100,000.00 to be sent to my business account asap in order to go to [Luxury Hotel 1] and restructure the contract until [he] c[ould] regain access to [his] assets.” CICCONE further stated that Victim 1’s investment would provide a “15% return and two first class tickets . . . as well as a three night stay at any [Luxury Hotel 1 location].”

6. Additionally, on January 12, 2019, CICCONE sent Victim 4 a fraudulent email purporting to be an approximately \$348,875.85 reservation at [Luxury Hotel 2] for clients of Platinum. Approximately two days later Victim 4 sent a wire to CICCONE for \$50,000. The Promissory Note executed between Victim 4 and CICCONE misrepresented that “[t]his Note is being provided to [CICCONE] in order to facilitate [CICCONE’s] entering into an arrangement with [Luxury Hotel 2].

7. Furthermore, when CICCONE solicited investments from Victim 2, Victim 3, Victim 4, and Victim 5, CICCONE also failed to disclose to these Victim Investors that at the time of their investment that he had not repaid more than approximately \$235,500 that was already owed Victim 1.

8. Additionally, CICCONE did not disclose to certain of the Victim Investors before they invested that he had a federal criminal conviction and that the conditions of his supervised release prohibited him from entering into promissory notes without approval of his U.S. Probation Officer, which he had not requested.

9. CICCONE also signed promissory notes that contained false and misleading information. For example, the promissory notes claimed to be secured by certain assets of CICCONE and Platinum, including, but not limited to, a 2016 BMW and, in some instances, real property located in San Diego, California. CICCONE did not disclose to investors that the BMW was listed as a security on nearly all of the Platinum promissory notes and that the value of the automobile was not sufficient to secure all the promissory notes. CICCONE and Platinum also failed to disclose to investors that the real property referenced in the promissory notes was not owned by CICCONE or Platinum, but was merely the home that CICCONE rented for his primary residence.

10. From in or about May 2019 through at least November 2019, CICCONE also made material misrepresentations to additional Victim Investors directly and through Individual 1, who began raising money on behalf of CICCONE in or around May 2019. During this period, CICCONE told Individual 1 about, and sent emails containing, lists of Platinum’s purported “immediate

bookings” at various hotels to support his need to raise money for Platinum. CICCONE made these statements to Individual 1 knowing Individual 1 would communicate the information to investors and prospective investors. CICCONE’s statements to Individual 1, which Individual 1 disseminated to investors, were false. Platinum and CICCONE had not secured the hotel reservations, and CICCONE did not use the funds obtained from the Victim Investors to secure the hotel bookings listed in these communications.

11. For example, on May 3, 2019, Individual 1 emailed a potential investor stating that CICCONE was “seeking 450k for his high-end luxury travel business. Greg [CICCONE] has secured corporate contracts with [Luxury Hotel 1] among other prestigious hospitality brands. Greg [CICCONE] is on a tight clock as he needs this addition [sic] cash to secure rooms and reservations etc. Greg is willing and able to make a short term loan agreement at 15 to 20% ROI to the lender plus perks such as comped rooms for the Lender. This would be a short term loan of approximately 6 months from May – October.”

### **CICCONE Conceals his Scheme and Fails to Redeem Investors**

12. After the Victim Investors made their investments in Platinum, they expected, based on CICCONE’s representations and the terms set forth in their promissory notes with CICCONE, that they would receive repayment between approximately one and six months following their investments. Instead, CICCONE repeatedly made myriad and varied excuses for the delays.

13. In August 2019, after numerous Victim Investors who invested in CICCONE through Individual 1 began asking questions about the delays, CICCONE provided Individual 1 with a fake bank email purporting to confirm the delays CICCONE had told him about as well as inaccurate bank balances. CICCONE knew that Individual 1 would pass this email on to these concerned Victim Investors.

14. In addition, CICCONE sent emails, text messages, and letters to Victim Investors claiming the delays in repayment were due to Platinum’s bank, Bank 1, withholding the funds, and that he was speaking with Bank 1’s CEO’s office to try to resolve the issues. Individual 1 also texted investors—on behalf of CICCONE—claiming that the repayment delays were due to Bank 1 withholding the funds, and that he and CICCONE were in contact with Bank 1.

15. For example, on or about August 17, 2019, CICCONE forwarded a fraudulent email to Individual 1 purporting to be from a representative of Bank 1 stating: “your account is in good standing and the holds on the checks that have been up onto your account is simply a security measure and banking policy and procedure.” CICCONE sent this email to Individual 1 with the knowledge that Individual 1 would send this information to the Victim Investors who invested in CICCONE through Individual 1.

16. Just a few days later, on or about August 29, 2019, CICCONE sent a letter to Victim Investors who raised concerns about delays in repayment stating that “we have experienced delays with our latest venture in working with [Luxury Hotel 1]. The first delay was with our banking partner [Bank 1]. We opened a second account using a DBA and the bank registered this as a new account. Because they register this as a new account it caused a hold on the checks deposited from [Luxury Hotel 1]. When a new account is opened the bank can hold each check up to ten (10) business days until the new account hold of ninety (90) days drops off.”

17. On or about September 6, 2019, CICCONE sent a follow-up email to concerned Victim Investors stating: “I wanted to let you know that we have escalated the matter to corporate at [Bank 1] and finally got a response just moments ago. The CEO's office and executive team is now involved and have assured me a response on Monday and a quick resolution to follow. As soon as I have that date on Monday[,] I will update you again.”

18. On or about September 24, 2019, Victim 6 received a fraud alert from her bank, Bank 2, regarding her approximately \$50,000 Fed wire transfer sent to Platinum's account at Bank 1 on or about August 8, 2019. Bank 2 had identified potentially fraudulent activity related to Platinum's account at Bank 1. Victim 6 contacted Individual 1, who then sent a text to CICCONE on or about the same day: “This just in from [Victim 6]: My bank just contacted me about the \$50k wire in August. Could you call me at your earliest convenience?” CICCONE replied: “I'll call you in a few minutes.” CICCONE further responded: “Can you text me something. I'm a wreck now too[.] Does she know about my past? Are you ok? I'm on with [Victim 6's bank] now.”

19. Later that same day, Individual 1 texted CICCONE: “[Victim 6] said they told her they were [sic] investigating wire fraud.” Individual 1 further explained “[Victim 6] said [her bank] is trying to get the 50k wired back because they detect [sic] fraud.” CICCONE then responded, referencing that he was still on federal supervised release due to his prior conviction: “Is [sic] she doesn't convince them that it isn't fraud and they move forward[,] I'll be in prison by the end of the week.” On or about that same day, based on misrepresentations by CICCONE to Individual 1, Individual 1 sent a text message to Victim 6 stating: “In order for us to keep the contract with [Luxury Hotel 1] and not create a much bigger problem for all of us, we will need you to confirm with [your bank] there is no fraud regarding your wire for platinum [sic] Enterprises. And that you do not need them to return your 50k wire.” Due to CICCONE's misrepresentations to Victim 6 conveyed through Individual 1, on or about September 26, 2019, Victim 6 texted Individual 1: “I just closed all but 1 account at [Bank 2] and sent an email reiterating the massive amounts of mistakes that were made on their end.”

20. CICCONE then began misrepresenting to concerned Victim Investors that the delays in payment were due to his account being frozen as a result of Victim 6's wire to Platinum. In a recorded call to Victim 7 on or about October 10, 2019, CICCONE told Victim 7: "[I]t has been a nightmare. Nothing to have to do with my account, my business, but someone who sends me a wire that they were investigating. It had nothing to do with me. I'm a third party that got screwed in the middle. You're making a ton of money on interest. . . . And I'm going to turn around and sue [Bank 1] which is already in the process, with attorneys waiting, once this whole situation is done."

21. On or about December 2019, in hopes of further delaying Victim Investors from taking legal action against him, CICCONE provided Individual 1 with a forged bank statement purporting to show a balance of approximately \$3.2 million for a family trust that did not exist, and a false financial statement that purported to show CICCONE had a net worth of over approximately \$5.5 million with the knowledge that Individual 1 would send this information to concerned Victim Investors who invested in CICCONE through Individual 1. For example, on or about January 18, 2020, Individual 1 forwarded the documents to Victim 6 via email.

22. In a final effort to delay victim Investors from taking legal action against him, and after Victim Investors learned about his criminal past, CICCONE began blaming the delays in repayment on his former conviction and the federal courts, and misrepresenting to investors that the court had ordered an audit on his business. For example, in an email on or about January 19, 2020, Cicccone emailed Victim Investors, including Victim 6, stating: "I was in court three days that week (Wednesday, January 8 – Friday, January 10th) and have been in the courthouse every day last week. . . . I was order[ed] to go through a federal audit process for Platinum Enterprises. I have been working with legal and answering question upon question by federal investigators/auditors about my business and accounts. . . . Please note that thus far they have not found anything 'wrong' nor have they disputed that all financials are in order which weighs heavily in my favor." CICCONE further explained: "Please keep in mind that through this process I am explaining a high end travel/concierge business plan to a group of government workers whom [sic] have no concept of what an entrepreneur is. They do not know how to run a business. They do not understand the concept of why someone would be diligent in growing in this travel industry. Most importantly they sure do not understand, or better yet can accept, how my clients can spend, on one trip over three or four days, what it would take them five or more years to make in salary. This simple factor that I just explained is making this questioning absolutely excruciating."

### **CICCONE Misappropriates and Unlawfully Transfers Investor Funds**

23. Over the course of the scheme, CICCONE misappropriated the majority of funds received from Victim Investors. In total, CICCONE



misappropriated at least \$1.35 million of Victim Investors' funds by using the money to pay for personal items such as approximately \$54,330 to buy a BMW; approximately \$235,000 to purchase clothes, wine, and other personal items; and over approximately \$216,000 in cash withdrawals.

24. Additionally, CICCONE used investor funds to pay approximately \$120,000 to other investors with overdue notes. For example, on or about October 15, 2019, CICCONE (through Individual 1) raised money from one investor to pay off another investor who was demanding repayment. As they discussed raising money from investors, Individual 1 suggested they make a Ponzi-like payment and texted CICCONE: "One of the lenders I'm working with is interested but he is connected to [an unpaid investor] . . . so if we make [the unpaid investor] happy he may help push [the lender] over the line for the reminder balance." They continued to text each other, and Individual 1 wrote to CICCONE "10k has been sent by Victim 8 for Victim 9. . . . Please confirm when you receive the 10k wire from Victim 8. And also when you imitate [sic] the outgoing wire to Victim 9's account." CICCONE the confirmed with Individual 1 that he both received the approximately \$10,000 payment from Victim 8 and simultaneously wrote a check to Victim 9 for approximately \$10,000.