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

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UNITED STATES OF AMERICA : Hon. André M. Espinosa, U.S.M.J.  
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 v. : Mag. No. 22-11085  
 :  
 MARIO E. RIVERO, JR. : CRIMINAL COMPLAINT  
 :  
 : **FILED UNDER SEAL**

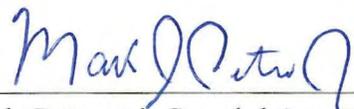
I, Mark Petruzzi, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

**SEE ATTACHMENT A**

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the following facts:

**SEE ATTACHMENT B**

continued on the attached pages and made a part hereof.



Mark Petruzzi, Special Agent  
Federal Bureau of Investigation

Special Agent Petruzzi attested to the facts of this application telephonically pursuant to F.R.C.P. 4.1(b)(2)(A) on March 10, 2022.

*André M. Espinosa / MP*

Honorable André M. Espinosa  
United States Magistrate Judge

**ATTACHMENT A**

**Counts One and Two**  
**(Wire Fraud)**

On or about the dates set forth in the table below, in the District of New Jersey and elsewhere, defendant

**MARIO E. RIVERO, JR.**

knowingly and intentionally devised and intended to devise a scheme and artifice to defraud victim investors, including Victim 1, Victim 2, and Victim 3, and to obtain money and property from victim investors by means of materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing this 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, specifically those referenced below, each constituting a separate count of this Complaint.

<b>Count</b>	<b>Approximate Date</b>	<b>Wire</b>
1	November 26, 2018	Causing the transmission of approximately \$75,044.02 fraudulently obtained from Victim 1, by an interstate wire that traveled through New Jersey.
2	November 16, 2020	Causing the transmission of approximately \$150,000 fraudulently obtained from Victims 2 and 3, by an interstate wire that traveled through New Jersey.

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

**Count Three**  
**(Investment Advisor Fraud)**

From in or around April 2018 through in or around November 2020, in the District of New Jersey, and elsewhere, defendant

**MARIO E. RIVERO, JR**

knowingly and willfully used instrumentalities of interstate commerce and other means, directly and indirectly: (a) to employ a device, scheme, and artifice to defraud clients and prospective clients; (b) to engage in a transaction, practice, and course of business which operated as a fraud or deceit upon clients and prospective clients; and (c) to engage in an act, practice, and course of business which was fraudulent, deceptive, and manipulative, namely, that RIVERO, an investment adviser, fraudulently obtained money and property from Victim 1, Victim 2, Victim 3, and Victim 4 by falsely claiming that the funds were used or would be used for investments on behalf of the respective victims, but that were not actually used for investments and instead were diverted to RIVERO's friends and family members, and into accounts controlled by RIVERO to be spent on his personal expenditures.

In violation of Title 15, United States Code, Sections 80b-6 and 80b-17; and Title 18, United States Code, Section 2.

**Count Four**  
**(Securities Fraud)**

From in or around April 2018 through in or around November 2020, in the District of New Jersey, and elsewhere, defendant

**MARIO E. RIVERO, JR**

knowingly and willfully, directly and indirectly, by use of the means and 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 facts and omitting to state material facts necessary in order to make the statements true, in light of the circumstances in 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, that is, RIVERO engaged in a securities fraud scheme by selling, or causing the sale of, securities in the victim investors' accounts and then using the proceeds from those sales to enrich himself and his family members.

All 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, Mark Petruzzi, 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 which I believe are necessary to establish probable cause. Unless specifically indicated, 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.

### **Introduction**

1. From in or around April 2018 through in or around November 2020, defendant MARIO E. RIVERO, JR. ("RIVERO"), an investment advisor, fraudulently obtained and diverted at least approximately \$529,870 from at least four clients. These funds were initially invested in brokerage accounts that RIVERO managed on behalf of his clients. Despite his obligation to manage his clients' accounts responsibly and honestly, RIVERO convinced his clients to sell a portion of the securities in their accounts and then to authorize the transfer of the resulting funds into their respective checking or savings accounts under the fraudulent pretense that RIVERO would be investing the funds elsewhere. Following the transfer of the funds into his clients' checking and savings accounts, RIVERO diverted the funds from the checking/savings accounts into accounts, controlled by others, from which the funds were gradually funneled back to RIVERO, who used his clients' funds to travel, gamble, and pay his personal expenses.

### **Background**

2. At all times relevant to this Complaint:
- a. RIVERO resided in the District of New Jersey and was a registered investment advisor employed by a brokerage firm ("Brokerage Firm 1") with multiple branches located within the District of New Jersey, including a branch in Newark, New Jersey.
  - b. Financial Institution 1 was a financial institution with branches throughout the District of New Jersey. Financial Institution 1 was associated with Brokerage Firm 1.
  - c. Victim 1 was a resident of Irvington, New Jersey.
  - d. Victim 2, Victim 3, and Victim 4 were family members and residents of Newark, New Jersey. Victim 2, Victim 3 and Victim 4 were elderly.

e. RIVERO purported to provide investment advisor services to clients, including Victim 1, Victim 2, Victim 3 and Victim 4 (collectively the "Victims").

### **The Scheme to Defraud**

3. RIVERO abused his position as an investment advisor to target the Victims, developing overly-personal relationships with them to gain their friendship and trust. RIVERO then took advantage of that trust by convincing the Victims to sell a portion of the securities in their accounts and then obtaining their authorizations to transfer large sums of money from their brokerage accounts to their checking or savings accounts based on the promise that RIVERO would invest their money in investments outside of their brokerage accounts. RIVERO caused large sums of money to be transferred from the Victims' respective brokerage accounts at Brokerage Firm 1 to their checking or savings accounts at Financial Institution 1.

4. After the Victim's funds were transferred to their checking or savings accounts at Financial Institution 1, RIVERO then obtained the Victims' authorizations to obtain cashier's checks, which he would then direct to one of three business entities:

a. Company 1—a corporate entity headquartered in Elizabeth, New Jersey and headed by one of RIVERO's family members ("Family Member 1"). RIVERO caused approximately nine cashier's checks totaling approximately \$220,370 to be paid from the Victims to Company 1 during the scheme.

b. Company 2—a limited liability company headquartered in Elizabeth, New Jersey and also headed by Family Member 1. RIVERO caused approximately one cashier's check totaling approximately \$90,000 to be paid from the Victims to Company 2 during the scheme.

c. Company 3—a corporate entity headquartered in Hialeah, Florida and headed by one of RIVERO's associates. RIVERO caused approximately six cashier's checks totaling approximately \$219,500 to be paid to Company 3.

5. Business records show that RIVERO has significant ties to Companies 1, 2, and 3 and that a significant portion of the money that he stole from the Victims was funneled from Companies 1, 2, and 3 back to RIVERO and his friends and family.

### **Victim 1**

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6. Victim 1 established a brokerage account with Brokerage Firm 1 in or around 2015. In or around 2018, RIVERO began serving as Victim 1's investment advisor and, in that capacity, managed Victim 1's brokerage account.

7. In or around April 2018 and November 2018, RIVERO caused approximately two ACH transactions, whereby approximately \$100,044.02 in securities was liquidated and transferred from Victim 1's brokerage account at Brokerage Firm 1 to Victim 1's savings account at Financial Institution 1.

8. On or about November 26, 2018, RIVERO promised to help Victim 1 search for an apartment. During that search, RIVERO recommended an "investment opportunity" to Victim 1. RIVERO then transported Victim 1 to a branch of Financial Institution 1, located in Linden, New Jersey, and convinced Victim 1 to purchase a cashier's check for \$90,000 payable to Company 2.

9. But Victim 1's funds were not invested as RIVERO had promised. Rather, they were diverted to Family Member 1's personal account and used to pay for RIVERO's personal and gambling expenses.

#### **Victims 2, 3, and 4**

10. Victims 2, 3, and 4 established two joint-brokerage accounts at Brokerage Firm 1 (the "Joint Brokerage Accounts") in or around 2012.

11. From in or around July 2019 through in or around November 2020, RIVERO caused approximately nine wire transactions, whereby approximately \$365,562.46 in securities was liquidated and transferred from the Joint Brokerage Accounts into checking accounts belonging to Victims 2, 3, and 4 at Financial Institution 1.

12. From in around July 2019 through in or around November 2020, RIVERO convinced Victims 2, 3, and 4 to authorize him to "invest" large sums of their money. Indeed, during this time period, RIVERO caused Victims 2, 3, and 4 to purchase approximately fifteen cashier's checks, totaling approximately \$439,870. Nine of these cashier's checks totaling approximately \$220,370 were made payable to Company 1, and six of these cashier's checks totaling approximately \$219,500 were made payable to Company 3.

13. These funds were not invested as RIVERO had promised. Rather, the funds paid to Company 1 were diverted to Family Member 1's personal account and used to pay for RIVERO's personal and gambling expenses, and the funds paid to Company 3 were diverted back to one of RIVERO's personal accounts.

14. Approximately one month after Victims 2, 3, and 4 became suspicious and confronted RIVERO about the lack of return on their "investments," they received a fictitious statement in the mail purporting to show

their “investments” at a separate brokerage firm (“Brokerage Firm 2”). Brokerage Firm 2 has confirmed that no such account exists and that this statement was fraudulent.