

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

LOURDES ROSALES BANEGAS, and  
RAMON CONCEPCION,

Defendants.

 INDICTMENT

25 Cr.  
**25 CRIM 333**

**COUNT ONE**  
**(Conspiracy to Commit Wire Fraud)**

The Grand Jury charges:

**Overview of the Scheme**

1. From at least in or about 2019 through at least in or about 2023, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, engaged in a fraudulent investment scheme known as “LNJ Funds.” As part of their scheme, BANEGAS and CONCEPCION solicited money from victim-investors based on promises that the money would fund supposed investment accounts that would yield a guaranteed profit and carry no risk of losing any principal amount invested. BANEGAS and CONCEPCION claimed, among other things, that they could offer such risk-free and profitable investments because they invested money in student loans guaranteed by the United States government. Based on these misrepresentations and others, BANEGAS and CONCEPCION solicited over one million dollars of monetary payments from over one hundred investors in amounts ranging from approximately \$1,000 to over \$100,000.

2. But in truth and in fact, LNJ Funds was a scam. LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, did not invest the

payments they received from their victims. Additionally, BANEGAS and CONCEPCION did not provide the promised guaranteed profits to their investor-victims and did not refund their investor-victims' principal balances upon request. Instead, BANEGAS and CONCEPCION stole the funds provided by their victim-investors by using funds for personal expenses, withdrawing funds in cash, transferring funds to other accounts under BANEGAS's control, and through other means.

*Background on LNJ Funds*

3. Beginning in or around 2019, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, began promoting a supposed investment business they referred to as "LNJ Funds." BANEGAS, CONCEPCION, and their co-conspirators promoted LNJ Funds through a website accessible to the public, through social media, through email, and by meeting with victims in person in the Bronx, New York and elsewhere. BANEGAS formed LNJ Funds LLC and caused LNJ Funds LLC to open a bank account in or about February 2022.

4. At all times relevant to this indictment, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and their co-conspirators, did not maintain any license to market or sell investments.

5. In order to obtain monetary payments from their victims, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, told victims that LNJ Funds offered two investment products, a "cycle account" and a "growing account." BANEGAS and CONCEPCION told victims that customers who invested in a cycle account would receive a guaranteed profit of approximately 20% of their principal each investment cycle, which was represented to be approximately 60 days. BANEGAS and CONCEPCION told victims that customers who invested in a "growing account" would receive a 20% increase to the

supposed balance of their investment with LNJ Funds every two months but would not be permitted to retain their profit if the principal was withdrawn before six months.

6. LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, told their victims that the principal balance of any funds invested in LNJ Funds was guaranteed and that there was no risk to customers of losing their principal balance. BANEGAS and CONCEPCION told investors, among other things, that LNJ Funds could offer riskless investments with guaranteed returns because, through unspecified means, BANEGAS and CONCEPCION invested in student loans that were guaranteed by the United States government.

7. LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, told their victims that if an LNJ Funds customer requested a return of their invested principal, it would be returned after a period of delay between approximately thirty to ninety days.

8. From time to time, when a victim decided to make a monetary payment believing it to be an investment in LNJ Funds, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, provided documents to the victim that purported to represent an investment contract. These supposed investment contracts reflected and repeated the false promises that BANEGAS and CONCEPCION made to investors concerning guaranteed profit, an investment with no risk to the principal balance, and the provision of a refund in the amount of the principal invested upon request.

9. Based upon the misrepresentations described above, and others, over one hundred victims provided funds to LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, in the form of cash, checks, electronic money

transfers, and wire transfers intending to make investments in LNJ Funds. The investments were often in amounts of approximately \$10,000 or less, but some victims provided larger amounts of money in excess of \$50,000 or \$100,000.

*Misuse of Funds Paid by LNJ Investors*

10. In truth and in fact, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, did not invest the funds paid to them by their victims. Instead, BANEGAS and CONCEPCION stole the funds by using them to pay for personal expenses, converting the funds to cash, and transferring the funds to other accounts under BANEGAS's control. Additionally, from time to time, BANEGAS and CONCEPCION used funds provided by some victims to pay other victims to maintain the appearance that LNJ Funds was a legitimate investment company rather than a scam.

11. For example, the misuse of customer funds by LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, is reflected in a bank account maintained by LNJ Funds, LLC at a bank based in the United States ("Bank-1") (the "LNJ Funds Bank Account"), which was controlled by BANEGAS and CONCEPCION. Hundreds of thousands of dollars were deposited into the LNJ Funds Bank Account, taken from victims who BANEGAS and CONCEPCION falsely led to believe would be invested by BANEGAS and CONCEPCION. At least approximately \$187,000 was removed from the LNJ Funds Bank Account in cash, at least approximately \$63,000 was removed from the account through electronic transfers crediting BANEGAS as the beneficiary, approximately \$115,229 was sent to a bank account in Colombia, and over a hundred thousand dollars was paid to various retailers, airlines, restaurants, and hotels. These transaction were done all or in part for the benefit of BANEGAS and CONCEPCION.

12. Additionally, at least approximately \$655,000 was transferred from the LNJ Funds



Bank Account to other accounts under BANEGAS's control. In particular, during the time LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, carried out the LNJ Funds investment scheme, at least approximately \$308,500 was transferred out of the LNJ Funds Bank Account into another account at Bank-1 held in the name "LJ Boutique" (the "LJ Boutique Account") which was under BANEGAS's control. BANEGAS then used the LJ Boutique Account to send over one hundred thousand dollars to offshore accounts based in Colombia, including an account in BANEGAS's name. For example:

a. On or about January 12, 2023, BANEGAS transferred approximately \$25,000 from the LNJ Funds Bank Account to the LJ Boutique Account, and on that same day, BANEGAS sent approximately \$25,000 from the LJ Boutique Account by wire transfer to an account in Colombia.

b. On or about January 13, 2023, BANEGAS transferred approximately \$10,000 from the LNJ Funds Bank Account to the LJ Boutique Account, and on that same day, BANEGAS transferred approximately \$10,000 from the LJ Boutique Account to an account in Colombia.

c. On or about January 20, 2023, BANEGAS transferred approximately \$6,000 from the LNJ Funds Bank Account to the LJ Boutique Account, and on that same day, BANEGAS transferred approximately \$5,000 from the LJ Boutique Account to an account in Colombia in BANEGAS's name.

d. On or about February 22, 2023, BANEGAS transferred approximately \$10,000 from the LNJ Funds Bank Account to the LJ Boutique Account, and on that same day, BANEGAS transferred approximately \$9,000 from the LJ Boutique Account to an account in Colombia in BANEGAS's name.

*Failure to Return Funds to LNJ Investors*

13. Despite promising that customers of LNJ Funds could receive a refund of any principal balance invested after a period of thirty to ninety days, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, often failed to refund customers' money. Instead, BANEGAS, CONCEPCION, and their co-conspirators insulted customers who requested refunds, ignored customer requests, failed to maintain communication with customers who requested refunds, and continued promising to provide refunds but failing to do so.

14. In addition to failing to provide LNJ Funds customers with the promised principal balance refunds, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, failed to maintain sufficient funds to repay their supposed investors due to their theft and misuse of their victims' money. Indeed, at times when LNJ Funds customers had supposed principal balances totaling hundreds of thousands of dollars and more, the LNJ Funds Bank Account often reached a negative account balance due to the repeated theft and misuse of customer funds by BANEGAS and CONCEPCION.

**Statutory Allegations**

15. From at least in or about 2019 through at least in or about 2023, in the Southern District of New York and elsewhere, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown, willfully and knowingly combined, conspired, confederated, and agreed together and with each other to commit wire fraud, in violation of Title 18, United States Code, Section 1343.

16. It was a part and an object of the conspiracy that LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, and others known and unknown,

knowingly having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343, to wit, BANEGAS and CONCEPCION made false statements to victims, in the Southern District of New York and elsewhere, in order to obtain monetary payments as supposed investments in LNJ Funds with a guaranteed profit margin and no risk of loss to the principal invested, but instead of investing the funds, BANEGAS and CONCEPCION stole the funds and did not provide the victims with the promised profit margins or the return of principal invested, and used interstate and foreign wires in the course of the scheme.

(Title 18, United States Code, Section 1349.)

**COUNT TWO**  
**(Engaging in a Monetary Transaction in Property Derived  
from Specified Unlawful Activity)**

17. The allegations set forth in paragraphs 1 through 16 of this Indictment are repeated and alleged as if fully set forth herein.

18. On or about January 12, 2023, in the Southern District of New York and elsewhere, LOURDES ROSALES BANEGAS, the defendant, knowingly engaged and attempted to engage in a monetary transaction, as defined in Title 18, United States Code, Section 1957(f)(1), in criminally derived property of a value greater than \$10,000 that was derived from specified unlawful activity, to wit, BANEGAS transferred approximately \$25,000 from the LNJ Funds Bank Account to the LJ Boutique Account, and then from the LJ Boutique Account to an account maintained in Colombia consisting of proceeds from wire fraud, in violation of Title 18, United States Code, Section 1343 generated through the LNJ Funds scheme described in this Indictment.



(Title 18, United States Code, Section 1957 and 2.)

**COUNT THREE**

**(Engaging in a Monetary Transaction in Property Derived  
from Specified Unlawful Activity)**

19. The allegations set forth in paragraphs 1 through 18 of this Indictment are repeated and alleged as if fully set forth herein.

20. On or about January 17, 2023, in the Southern District of New York and elsewhere, LOURDES ROSALES BANEGAS, the defendant, knowingly engaged and attempted to engage in a monetary transaction, as defined in Title 18, United States Code, Section 1957(f)(1), in criminally derived property of a value greater than \$10,000 that was derived from specified unlawful activity, to wit, BANEGAS transferred approximately \$25,000 from the LNJ Funds Bank Account to an account maintained in Colombia consisting of proceeds from wire fraud, in violation of Title 18, United States Code, Section 1343 generated through the LNJ Funds scheme described in this Indictment.

(Title 18, United States Code, Section 1957 and 2.)

**COUNT FOUR**

**(Engaging in a Monetary Transaction in Property Derived  
from Specified Unlawful Activity)**

21. The allegations set forth in paragraphs 1 through 20 of this Indictment are repeated and alleged as if fully set forth herein.

22. On or about January 25, 2023, in the Southern District of New York and elsewhere, LOURDES ROSALES BANEGAS, the defendant, knowingly engaged and attempted to engage in a monetary transaction, as defined in Title 18, United States Code, Section 1957(f)(1), in criminally derived property of a value greater than \$10,000 that was derived from specified unlawful activity, to wit, BANEGAS transferred approximately \$25,000 from the LNJ Funds Bank Account to an account maintained in Colombia consisting of proceeds from wire fraud, in violation



of Title 18, United States Code, Section 1343 generated through the LNJ Funds scheme described in this Indictment.

(Title 18, United States Code, Section 1957 and 2.)

**FORFEITURE ALLEGATION**

23. As a result of committing the offense alleged in Count One of this Indictment, LOURDES ROSALES BANEGAS and RAMON CONCEPCION, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28 United States Code, Section 2461(c), any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offense, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense.

24. As a result of committing the offenses alleged in Counts Two, Three, and Four of this Indictment, LOURDES ROSALES BANEGAS, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any and all property, real and personal, involved in said offense, or any property traceable to such property, including but not limited to a sum of money in United States currency representing the amount of property involved in said offense.

25. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- 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 Title 21, United States Code, Section 853(p) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981;  
Title 18, United States Code, Section 982;  
Title 21, United States Code, Section 853; and  
Title 28, United States Code, Section 2461.)

  
FOR PERSON

  
JAY CLAYTON  
United States Attorney