

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 :
 v. : Criminal No. 21-
 :
 :
 ALLEN GILTMAN : 18 U.S.C. § 1349
 : 18 U.S.C. § 371
 : 18 U.S.C. § 2

INFORMATION

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

Count 1
(Wire Fraud Conspiracy)

1. At all times relevant to this Information:
 - a. Defendant Allen GILTMAN (“GILTMAN”) was a resident of California.
 - b. GILTMAN was the registered agent of Irelle Financial Corporation (“Irelle”), a California company, and maintained a bank account under the name “Irelle Corporation” at Bank 1 (the “Irelle Bank Account”).
 - c. The Financial Industry Regulatory Authority (“FINRA”) was an independent nongovernmental organization that regulated member brokerage firms and exchange markets. FINRA operated the Central Registration Depository (“CRD”), the central licensing and registration system

used by the U.S. securities industry and its regulators, which contained the registration records of broker-dealer firms and their associated individuals.

- d. Victim-1 was a resident of New Jersey.

The Conspiracy

2. From in or around 2012 through on or about October 27, 2020, in Morris County, in the District of New Jersey, and elsewhere, the defendant,

ALLEN GILTMAN

did knowingly and intentionally conspire with others to devise and intend to devise a scheme and artifice to defraud individuals, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing and attempting to execute such scheme and artifice to defraud, did transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, contrary to Title 18, United States Code, Section 1343.

Goal of the Conspiracy

3. The goal of the conspiracy was for GILTMAN and GILTMAN'S co-conspirators (the "Co-Conspirators") to enrich themselves by creating fraudulent websites to solicit money from investors via the internet.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that:
 - a. GILTMAN and the Co-Conspirators designed and registered fraudulent websites (the "Fraudulent Websites") that advertised various types

of investment opportunities, most prominently the purchase of certificates of deposit (“CDs”). The Fraudulent Websites advertised higher than average rates of return on the CDs, which enhanced the attractiveness of the investment opportunities to potential victims.

b. GILTMAN and the Co-Conspirators used a variety of means to make the Fraudulent Websites appear legitimate and to gain and maintain the trust of prospective investors, including by:

- i. Displaying the actual names and logos of real financial institutions;
- ii. Purporting that the institutions were members of and/or regulated by the Federal Deposit Insurance Corporation (“FDIC”), FINRA, the Securities Investor Protection Corporation (“SIPC”), or New York Stock Exchange;
- iii. Claiming that deposits made to the entities associated with the Fraudulent Websites were FDIC insured; and
- iv. Using FINRA and/or FDIC member identification numbers issued to real financial institutions and broker-dealers.

c. GILTMAN and the Co-Conspirators purchased internet advertising, which caused advertisements for the Fraudulent Websites to appear in Google and Microsoft Bing search results for searches including phrases such as “best CD rates” or “highest cd rates.”

d. Victims of the fraud scheme (the “CD Fraud Scheme”), including Victim-1, discovered the Fraudulent Websites via internet searches and clicked on links that directed them to the Fraudulent Websites.

e. GILTMAN and the Co-Conspirators impersonated actual FINRA broker-dealers in purporting to be an employee of the financial institution whose name and imagery were depicted on the Fraudulent Websites and used the FINRA broker-dealer’s name and FINRA CRD number.

f. GILTMAN and the Co-Conspirators caused victims of the CD Fraud Scheme to receive various documents by email, including, but not limited to, account applications, term sheets, and wiring instructions related to the purchase of CDs.

g. Victims of the CD Fraud Scheme, including Victim-1, attempted to purchase CDs that were offered through one or more of the Fraudulent Websites by wiring funds at the direction of GILTMAN and the Co-Conspirators to various international and domestic bank accounts controlled by the Co-Conspirators. The funds transmitted by the victims were not used to procure CDs or any other advertised investment products, and none of the victims actually took ownership of the products that they intended to purchase.

h. GILTMAN and the Co-Conspirators took various steps to hide their true identities in furtherance of the CD Fraud Scheme. For example, GILTMAN and the Co-Conspirators used:

- i. Virtual private networks (“VPNs”) to anonymize their digital footprints, such as IP addresses;
- ii. Prepaid gift cards to pay for domain-name registration services, state incorporation filings, internet ads, and VPN, website, and call-answering services;
- iii. Prepaid phones or encrypted communication products to communicate with victims of the CD Fraud Scheme; and
- iv. Fake invoices and websites to explain large money transfers in response to inquiries by banks that received large wire transfers of investor funds.

i. GILTMAN and the Co-Conspirators caused at least 70 victims of the CD Fraud Scheme to transmit funds that they believed to be investments in the aggregate amount of at least approximately \$50 million.

j. GILTMAN accepted proceeds from the CD Fraud Scheme into the Irelle Bank Account and used those funds for personal expenditures, such as luxury vehicles and high-end retail purchases.

All in violation of Title 18, United States Code, Section 1349 and 2.

Count 2
(Conspiracy to Commit Securities Fraud)

1. The allegations in paragraphs 1, 3 and 4 of Count 1 of this Information are re-alleged and incorporated as though fully set forth in this paragraph.

2. From in or around 2012 through on or about October 27, 2020, in Morris County, in the District of New Jersey, and elsewhere, the defendant,

ALLEN GILTMAN

did knowingly and intentionally conspire and agree with others to, by use of the means and instrumentalities of interstate commerce, the mails, and facilities of national securities exchanges, directly and indirectly, knowingly and willfully use manipulative and deceptive devices and contrivances in contravention of Title 17, Code of Federal Regulations, Section 240.10b-5 in connection with the purchases and sales of securities, to wit, Certificates of Deposit offered through various fictitious entities, 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, namely, persons with interests in the fictitious Certificates of Deposit, contrary to Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

In violation of Title 18, United States Code, Section 371.

FORFEITURE ALLEGATION

1. Upon conviction of the offenses charged in Counts One and Two of this Information, defendant ALLEN GILTMAN shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), all property, real and personal, the defendant obtained that constitutes or is derived from proceeds traceable to the commission of the said offense, which includes, but is not limited to, all right, title, and interest of the defendant in the following:

- (a) \$100,704.00 in United States Currency;
- (b) 1000 Euros, converted to \$1,140.20 in United States Currency;
- (c) Black iPhone, serial number FK1ZK8NYN70H;
- (d) MacBook Air laptop, serial number COZH4GVDDJWT;
- (e) LG cell phone, serial number 904VTZC113981;
- (f) Samsung Galaxy cell phone, serial number R9PNs0L3DEJ;
- (g) Silver HP laptop, serial number CND83425X4;
- (h) White iPhone 6;
- (i) Two (2) Verizon Hot Spots;
- (j) Hublot watch, black;
- (k) Pair of four leaf clover earrings with white diamond like stones;
- (l) Snake necklace;
- (m) Three (3) gold colored rings and two (2) silver colored rings;
- (n) One cat ring;
- (o) Silver double cuff earring;
- (p) Gold colored cat ring;
- (q) Gold colored snake earring;

- (r) Ring with pink stone;
- (s) Ring with pearl like stones;
- (t) Gold colored double ring;
- (u) Two rings with 4 square corners each;
- (v) Two fingers ring (wide edge);
- (w) Round gold ring;
- (x) Silver colored flower ring;
- (y) Gold colored ring with round ring attachment;
- (z) White colored closer dangle earrings;
- (aa) Egg shaped pendant;
- (bb) Silver colored plain necklace;
- (cc) Silver colored necklace with four beads – two gold, two silver;
- (dd) Gold colored necklace with round pendant;
- (ee) Gold colored chain with fleur de lis pendant;
- (ff) Silver colored necklace with white four-leaf pendant with diamond like stones;
- (gg) Gold colored necklace with spiral pendant with stones;
- (hh) Green colored clover lead bracelet;
- (ii) Bee lapel pin;
- (jj) Butterfly lapel pin;
- (kk) Flower lapel pin;
- (ll) Necklace with the name “Julia;”
- (mm) Fifteen (15) gold colored bracelets
- (nn) Silver colored watch;
- (oo) Cartier watch, gold;

- (pp) Hublot watch, ID no. 871074;
- (qq) Richard Mille watch;
- (rr) Audemars Piguet watch;
- (ss) Rolex watch;
- (tt) Patek Philippe watch;
- (uu) Pair of white four leaf clover earrings;
- (vv) Four leaf clover bracelet;
- (ww) Diamond-like ring;
- (xx) Gold colored ring with small diamond-like stones on top (crown);
- (yy) Silver ring with groove in middle;
- (zz) Necklace with clovers;
- (aaa) Gold necklace with clover with gold circle in middle

Substitute Assets Provision

2. 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.


PHILIP R. SELLINGER
United States Attorney