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Approved: Sagar K. Ravi
SAGAR K. RAVI
Assistant U.S. Attorney

Before: HONORABLE HENRY B. PITMAN
United States Magistrate Judge
Southern District of New York

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SEALED COMPLAINT

UNITED STATES OF AMERICA :
- v. - :
KENNETH RUBERO, :
Defendant. :

Violations of
18 U.S.C. §§ 641, 1001,
and 2; 42 U.S.C. § 408

COUNTY OF OFFENSE:
BRONX

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SOUTHERN DISTRICT OF NEW YORK, ss.:

PETER DOWD, being duly sworn, deposes and says that he is a Special Agent with the United States Social Security Administration ("SSA"), Office of Inspector General, and charges as follows:

COUNT ONE
(Theft of Government Funds)

1. From at least in or about 2008 up to and including at least February 2018, in the Southern District of New York and elsewhere, KENNETH RUBERO, the defendant, embezzled, stole, purloined, and knowingly converted to his use and the use of others, and without authority, sold, conveyed, and disposed of records, vouchers, money, and things of value of the United States and a department and agency thereof, to wit, the SSA, which exceeded the sum of \$1,000, and received, concealed, and retained the same with intent to convert it to his use and gain, knowing it to have been embezzled, stolen, purloined, and converted, to wit, RUBERO fraudulently obtained over approximately \$396,000 in Social Security disability benefits to which he was not entitled.

(Title 18, United States Code, Sections 641 and 2.)

COUNT TWO
(False Statements)

2. From at least in or about 2008 up to including at least in or about February 2018, in the Southern District of New York and elsewhere, KENNETH RUBERO, the defendant, in a matter within the jurisdiction of the executive branch of the Government of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations, to wit, RUBERO submitted applications for and reports relating to Social Security disability benefits in which he falsely stated, among other things, that he did not work and had no earnings, when in fact he was an owner and manager of a check cashing business located in the Bronx, New York since in or about 2008, and an owner and president of a purported security company located at his residence since in or about 2007, earning a total of over approximately \$720,000.

(Title 18, United States Code, Sections 1001(a) and 2.)

COUNT THREE
(False Statements in Connection with Social Security Disability Benefits)

3. From at least in or about 2008 up to including at least in or about February 2018, in the Southern District of New York and elsewhere, KENNETH RUBERO, the defendant, made and caused to be made false statements and representations of a material fact for use in determining rights to payment under Subchapter II of Chapter 7 of Title 42 of the United States Code, to wit, RUBERO submitted applications for and reports relating to Social Security disability benefits in which he falsely stated, among other things, that he did not work and had no earnings, when in fact he was an owner and manager of a check cashing business located in the Bronx, New York since in or about 2008, and an owner and president of a purported security company located at his residence since in or about 2007, earning a total of over approximately \$720,000.

(Title 42, United States Code, Section 408(a)(3); Title 18,
United States Code, Section 2.)

The bases for my knowledge and for the foregoing charges are, in part, as follows:

4. I am a Special Agent with the SSA, Office of Inspector General, and have been employed in this capacity for over 17 years. I have personally participated in the investigation of this matter. This affidavit is based upon my personal participation in the investigation of this matter, my conversations with law enforcement agents, witnesses, and others, as well as my examination of reports and records. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated. Where figures, calculations, and dates are set forth herein, they are approximate, unless stated otherwise.

Overview

5. From my training and experience, I have learned that the SSA administers Social Security Disability Insurance ("SSD"), a federal benefits program that provides monthly cash benefits to individuals who have worked in the past and paid into Social Security, but who can no longer engage in any substantial gainful activity due to medical disabilities. SSD is a disability benefit only available to individuals who have a qualifying disability and are unable to work in any profession. In order to receive SSD, a beneficiary must certify that he or she is incapable of performing any gainful activity due to the stated disability. In addition, a beneficiary must report to the SSA all sources of income from work activity and any changes in the beneficiary's medical condition. These factors are then taken into account in determining whether the beneficiary is entitled to payments and how much.

6. In or about December 1997, KENNETH RUBERO, the defendant, stopped working as a detective with the New York City Police Department ("NYPD") due to a claimed disability, and began receiving SSD. On multiple forms submitted to the SSA, RUBERO falsely claimed he could not work due to problems with his knees, neck and back and failed to report earnings from employment as required. In fact, since at least in or about

2008, RUBERO has been an owner and manager of Baychester Payment Center, LLC ("Baychester"), a check cashing and money services business located in the Bronx, New York, and an owner and president of Secure Logistics, Inc. ("Logistics"), a purported security company located at RUBERO's residence in White Plains, New York (the "Rubero Residence"), earning a total of over approximately \$720,000.

7. From at least in or about 2008 up to and including at least in or about February 2018, KENNETH RUBERO, the defendant, received a total of approximately \$396,000 in SSD benefits for himself and his child, during which time RUBERO had earned a total of over approximately \$720,000 from his work with Baychester and Logistics.

RUBERO's False Statements and Representations to the SSA

8. As part of my investigation, I have reviewed records maintained by the NYPD. From my review of those documents, I have learned that, in or about 1985, KENNETH RUBERO, the defendant, began working as a police officer with the NYPD and was subsequently promoted to detective in or about 1991. In or about December 1997, at the age of 33, RUBERO stopped working for the NYPD due to claimed knee, neck, and back problems.

9. As part of my investigation, I have reviewed documents maintained by the SSA related to KENNETH RUBERO, the defendant. From my review of these documents, I have learned the following:

a. On or about April 17, 2001, RUBERO submitted an application for SSD benefits (the "SSD Application") to the SSA in which he claimed that "injuries to [his] knees" and "damage to [his] back and neck" had limited his ability to work since on or about August 27, 1999. In the SSD Application, RUBERO agreed to the following reporting responsibilities and statements:

I agree to promptly notify Social Security if:

- My MEDICAL CONDITION IMPROVES so that I would be able to work, even though I have not yet returned to work.
- I GO TO WORK whether as an employee or a self-employed person. . . .

The above events may affect my eligibility or disability benefits as provided in the Social Security Act, as amended.

RUBERO signed the SSD Application below the following statement:

I know that anyone who makes or causes to be made a false statement or representation of material fact in an application or for use in determining a right to payment under the Social Security Act commits a crime punishable under Federal law by fine, imprisonment, or both. I affirm that all information I have given in this document is true.

b. A separate page attached to the SSD Application titled "Receipt For Your Claim for Social Security Disability Insurance Benefits" also required RUBERO to report the following change to SSA: "You return to work (as an employee or self-employed) regardless of the amount of earnings." The same document stated that "[y]ou can make your reports by telephone, mail, or in person."

c. On or about July 3, 2002, based on the SSD Application submitted by RUBERO and after a hearing was conducted, the SSA approved RUBERO to receive SSD benefits from August 27, 1999 onward based on findings that he had not engaged in substantial gainful activity since on or about August 27, 1999 and had severe impairments from pain with his knees, neck and back.

d. From in or about January 2008 through the present, RUBERO provided the SSA with periodic forms concerning his disability and employment status. For example, on or about June 8, 2011, RUBERO submitted a "Work Activity Report" to the SSA in which he represented that he had not earned over \$530 in any month since January 2005. RUBERO signed this form under bolded language in capital letters stating the following: "ANYONE MAKING A FALSE STATEMENT OR REPRESENTATION OF A MATERIAL FACT FOR USE IN DETERMINING A RIGHT TO PAYMENT UNDER THE SOCIAL SECURITY ACT COMMITS A CRIME PUNISHABLE UNDER FEDERAL LAW." RUBERO's signature was witnessed by a woman (the "Domestic Partner") who listed the Rubero Residence as her address.

e. On or about November 8, 2011, the SSA sent RUBERO a letter notifying him that the SSA had reviewed his disability claim and found that his disability was continuing. In this notice, the SSA stated the following:

You must promptly report any changes which may affect your benefits. Failure to do so could mean you have to repay any benefits not due. Let us know if: You returned to work since your last report or you return to work in the future (no matter how little you earn).

In addition, the letter explained, in substance and in part, that RUBERO could work as an employee or as self-employed and "earn any amount of money for up to 9 months" (the "Trial Work Period"), but that if after the Trial Work Period his average earnings were more than \$1,000 a month beginning in January 2011, then "we call your work 'substantial' and we will stop your monthly payments."

f. On or about August 22, 2012, the SSA sent RUBERO a letter titled "Important Information" which stated the following, in substance and in part: "It is important that you report changes right away. Be sure to tell us about any of the following changes: You return to work."

g. On or about March 18, 2013, the SSA sent RUBERO a letter notifying him that the SSA had reviewed his disability claim and found that his disability was continuing. In this notice, the SSA stated the following:

You must promptly report any changes which may affect your benefits. Failure to do so could mean you have to repay any benefits not due. Let us know if: You returned to work since your last report or you return to work in the future (no matter how little you earn).

In addition, the letter explained, in substance and in part, that RUBERO could work as an employee or as self-employed and "earn any amount of money for up to 9 months" during the Trial Work Period, but that if after the Trial Work Period his average earnings were more than \$1,040 a month beginning in January

2013, then "we call your work 'substantial' and we will stop your monthly payments."

h. On or about September 2, 2014, the SSA sent RUBERO a letter requesting that RUBERO provide more information about his work since April 2013 and providing him with a summary of SSA's records showing that RUBERO had earnings from the "City of New York" of between approximately \$4,060 and \$7,460 annually from in or about 2008 through in or about 2013. In response to this letter from the SSA, RUBERO wrote the following, in substance and in part:

I am writing to inform you that what is being reported as wages for the years 2008-2014 by the New York City Police Department is not earned income. This income is derived from the portion of the Health Benefits that are being paid out on my behalf for my Domestic Partner. This issue came up before in September 2012 and was answered. . . . I have not been employed since that time in any capacity.

i. On or about July 28, 2015, RUBERO reported to the SSA for an interview related to his continued receipt of SSD benefits. He arrived at the interview in a white 2014 Mercedes Benz SUV with a license plate registered under his name (the "2014 Mercedes"). From my review of a video of this interview, I observed RUBERO speaking with an SSA employee and filling out a number of forms related to his continued receipt of SSD benefits as described below:

i. RUBERO filled out and signed a Work Activity Report (the "Work Activity Report") which contained instructions to "use this form to describe your work activity" since July 10, 2002 and inquired whether RUBERO "had any employment or wages" since July 10, 2002. In the Work Activity Report, RUBERO stated, in substance and in part, that from in or about July 2004 to a date he did not recall, RUBERO had worked for an armored car company. Apart from this work, RUBERO did not disclose any other work or employment income or wages as requested on the Work Activity Report. RUBERO signed the Work Activity Report below the following statement:

I declare under penalty of perjury that I have examined all the information on this form, and on any accompanying statements or forms, and it is true and correct to the best of my knowledge. I understand that anyone who knowingly gives a false or misleading statement about a material fact in this information . . . commits a crime and may be sent to prison, or may face other penalties, or both.

ii. RUBERO filled out and signed a "Continuing Disability Review Report" (the "CDR Report") in which he stated the following regarding what he does in a "typical day":

I wake around 7 AM[.] Bath + Shower + B[reak]fast. Run a couple of errands if possible [and] come back home [and] rest [and] watch TV. Stretch eat lunch and dinner[.] Watch TV go to sleep.

RUBERO also listed "music" as one of his hobbies or interests and stated that he "spend[s] a good part of [his] day listening to music." Finally, RUBERO answered "Yes" in response to questions asking whether he had difficulty doing chores, driving or using public transportation, shopping, lifting objects, walking, standing, and sitting.

iii. RUBERO filled out and signed a "Function Report" (the "Function Report") in which he described what he did from the time he woke up until going to sleep: "I wake up, often sit in the hot tub, drive my son to camp/school and run errands. Then go back home." RUBERO further reported that his "wife and child takes care of [him]," that his wife prepared his meals, and that he "cannot do any household chores." Under a section of the Function Report titled "Social Activities" and in response to a question asking for a list of places RUBERO went on a regular basis, RUBERO stated that he "go[es] to the

pharmacy" and "run[s] errands to the stores that [he] owns (partner in a business)" two to three times a week.¹

j. On or about October 24, 2017, the SSA sent RUBERO a letter notifying him that the SSA had reviewed his disability claim and found that his disability was continuing. In this letter, the SSA stated the following:

You must promptly report any changes which may affect your benefits. Failure to do so could mean you have to repay any benefits not due. Let us know if: You returned to work since your last report or you return to work in the future (no matter how little you earn)."

In addition, the letter explained, in substance and in part, that RUBERO could work as an employee or as self-employed and "earn any amount of money for up to 9 months" during the Trial Work Period, but that if after the Trial Work Period his average earnings were more than \$1,070 a month beginning in January 2017, then "we call your work 'substantial' and we will stop your monthly payments."

k. In connection with the review conducted by the SSA in 2017, RUBERO represented that he had not worked from in or about 2008 through in or about 2016.

RUBERO's Ownership and Management of Baychester

10. According to records from the New York State Department of Financial Services ("NYDFS"), as well as my review of SSA records, I have learned the following, in substance and in part, about Baychester:

a. Baychester was organized as a limited liability company in New York State on or about May 24, 2006 and was licensed as a check cashier on or about February 26, 2007.

¹ The SSA's investigation of KENNETH RUBERO, the defendant, had begun prior to this July 28, 2015 interview. In light of the pending investigation, the SSA did not terminate RUBERO's SSD benefits due to his disclosures at this interview.

b. Baychester was primarily involved in providing check-cashing services, money order sales and money transmission, and the following services: prepaid debit cards, distribution of public assistance, Metro Cards, phone cards, and operation of ATMs. In order to provide these services, Baychester operated its licensed headquarters at 1209 East 233rd Street in the Bronx, New York (the "Baychester Headquarters"), as well as two branches and temporary stations at several employers, including hospitals and extended-care centers.

c. Since in or around 2008, KENNETH RUBERO, the defendant, served as the manager of Baychester overseeing its daily operations.

d. On or about December 30, 2008, RUBERO became a five percent owner in Baychester with two other partners ("Partner-1" and "Partner-2"), each of whom owned 47.5% of Baychester.

e. On or about October 31, 2011, after RUBERO and Partner-1 bought out the interests of Partner-2, RUBERO and Partner-1 each owned 50% of Baychester. In a letter dated October 5, 2011 that RUBERO submitted to the NYDFS in connection with this change of control and signed as "manager" of Baychester, RUBERO stated that he was retired, that his professional relationship with Baychester was that of an investor, and that "the change of control will not impact the day to day participation in the business by Mr. Kenneth Rubero."

f. From in or about 2009 through in or about 2018, Baychester reported paying earnings each year to between seven and 14 employees.

g. A "Check Cashier Report of Examination" dated June 30, 2014 stated that, with respect to the internal review function at Baychester, Partner-1 "is responsible for monitoring the daily functions" and "is assisted by Kenneth Rubero, another managing member." The findings of the report were discussed with the management of Baychester, which was represented by Partner-1 and RUBERO.

h. The "Check Cashing Policies and Procedures" for Baychester stated that "[i]t is the policy of [Baychester] that postdated checks are not cashed or negotiated. To prevent this

from happening, Baychester has contacted their POS administrator . . . and had them set the POS system to need a Manager's Override when the date imputed is more than 1 day ahead. The Manager's Override can only be overridden by [Partner-1] or Kenneth Rubero."

i. Baychester reported the following income and net profit for each year from 2008 to 2016, totaling approximately \$7.1 million in income and \$841,000 in profit:

\$ thousands	2008	2009	2010	2011 ²	2012	2013	2014 ³	2015	2016	Total
Income	524	780	955	599	1,078	944	461	1,020	801	7,162
Profit/(Loss)	155	254	164	219	217	(23)	65	(311)	101	841

j. On or about March 14, 2016, RUBERO and Partner-1 signed Baychester's "Check Cashers Annual Report" for 2015 and affirmed that they were both an owner, partner or stockholder with 10% or more of the voting stock of Baychester, that they were authorized to submit the report, and that the information contained in the report was accurate.

11. Based on my interview of Partner-1, as well as my review of documents and other information provided by Partner-1 regarding Baychester, I have learned the following, in substance and in part:

a. In or around 2007, KENNETH RUBERO, the defendant, approached Partner-1 to inquire whether Partner-1 was interested in going into the check cashing business.

b. RUBERO found the space for the Baychester Headquarters and contributed \$50,000 to the business, which was half-owned by Partner-2 until Partner-2's interest was bought out by Partner-1 and RUBERO. RUBERO has remained a 50% owner and shareholder of Baychester through at least in or about March 2018.

c. RUBERO was in charge of corporate clients and commercial accounts for Baychester and met with clients in the

² As of June 30, 2011.

³ As of June 30, 2014.

Tri-State area. RUBERO also solicited new clients for Baychester and brought paperwork for these new clients back to the Baychester offices where an employee handled the paperwork.

d. Among his duties, RUBERO visited Baychester's stores two to four days a week, opened the locations if security was not present, and filled the ATMs if they were running low with cash from the store.

e. RUBERO could conduct much of the business of Baychester from his phone and worked with an accountant to prepare taxes for Baychester.

f. RUBERO owned Logistics, which was involved in security, and had men working for him. Baychester retained Logistics for security guard services and paid for those services at Logistics' hourly rates.

g. From at least in or about 2012 through at least in or about 2016, RUBERO regularly sent emails to Partner-1, Baychester employees, clients, and third parties, including banks, accountants, and insurers, in connection with his work at Baychester. For example, on or about November 19, 2012, a corporate client emailed RUBERO to ask Baychester to be present for check cashing services on a certain date, and RUBERO responded that "we will be there." On or about November 3, 2014, RUBERO emailed a representative of an insurance broker to provide information regarding an employee that would be driving Baychester vehicles. On or about April 17, 2015, RUBERO emailed Partner-1 that he had explained to an employee that the employee "should never cash a check over 1000 without speaking to any one of us and why." On or about February 26, 2016, RUBERO emailed a Baychester employee to address an issue with a returned check.

h. From at least in or about May 2011 through at least in or about September 2016, Logistics submitted over 20 invoices totaling over approximately \$95,000 to Baychester for "collection and security consulting."

i. On or about January 5, 2014, Baychester obtained a \$700,000 business loan from a bank. RUBERO signed the loan agreement as a "Managing Member of Baychester Payment Center LLC" and personally guaranteed the full amount of the loan.

12. As part of my investigation, I have conducted surveillance of KENNETH RUBERO, the defendant, and have observed him at Baychester Headquarters on a regular basis and at different times throughout the work day from in or around 2014 through in or around January 2018. Based on my surveillance, I have learned the following, in substance and in part:

a. On or about December 9, 2014 at approximately 9:49 AM, RUBERO entered a branch of a bank ("Bank-1") next to Baychester Headquarters, exited Bank-1 carrying two boxes on his shoulder, and entered Baychester Headquarters with the boxes. On that same day, RUBERO entered the 2014 Mercedes parked at Baychester Headquarters and left the area.

b. On or about December 10, 2014, the 2014 Mercedes was parked at Baychester Headquarters.

c. On or about December 11, 2014, RUBERO drove the 2014 Mercedes to Baychester Headquarters and opened it for business at approximately 8:45 a.m.

d. On or about April 8, 2015, from at least approximately 9:00 a.m. to at least approximately 11:45 a.m., the 2014 Mercedes was parked at Baychester Headquarters.

e. On or about May 13, 2015 at approximately 11:03 a.m., RUBERO entered Bank-1. Approximately 10 minutes later, RUBERO exited Bank-1 with paper in his hand and entered Baychester Headquarters. The 2014 Mercedes was parked at Baychester Headquarters during this time.

f. On or about August 10, 2015, from at least approximately 9:30 a.m. to approximately 12:04 p.m., the 2014 Mercedes was parked at Baychester Headquarters.

g. On or about August 21, 2015 at approximately 12:10 p.m., RUBERO exited Baychester Headquarters to retrieve a box from the 2014 Mercedes and reentered Baychester Headquarters. Then, at approximately 1:52 p.m., RUBERO entered the 2014 Mercedes and left the area.

h. On or about September 3, 2015 at approximately 11:40 a.m. and on or about September 10, 2015 from at least

approximately 1:35 p.m. to approximately 2:50 p.m., the 2014 Mercedes was parked at Baychester Headquarters.

i. On or about October 4, 2016 at approximately 1:10 p.m., RUBERO entered a blue 2017 Mercedes Benz SUV (the "2017 Mercedes"), which was registered to RUBERO, and left the area. Shortly afterward, a vehicle driven by Partner-1 followed RUBERO in the 2017 Mercedes until they entered the highway.

j. On or about February 23, 2017, at approximately 10:31 a.m., RUBERO entered the 2017 Mercedes parked at Baychester Headquarters and left the area following a vehicle driven by Partner-1.

k. On or about May 25, 2017 at approximately 9:24 a.m., the 2017 Mercedes was parked outside of Baychester Headquarters. At approximately 10:15 a.m., RUBERO entered the 2017 Mercedes and drove to a hospital at which Baychester had a temporary station.

l. On or about June 5, 2017 at approximately 11:45 a.m., RUBERO drove the 2017 Mercedes from Baychester Headquarters to the former location of a Baychester branch, which he entered and exited holding an envelope.

m. On or about June 21, 2017 at approximately 9:30 a.m., the 2017 Mercedes was parked at Baychester Headquarters. At approximately 10:06 a.m., RUBERO entered the 2017 Mercedes and left the area.

n. On or about July 6, 2017 at approximately 10:44 a.m., the 2017 Mercedes was parked at Baychester Headquarters. At approximately 11:07 a.m., RUBERO left the area in the 2017 Mercedes. At approximately 3:13 p.m., the 2017 Mercedes was again parked at Baychester Headquarters.

o. On or about July 13, 2017 at approximately 9:20 a.m., RUBERO entered the 2017 Mercedes parked at Baychester Headquarters while holding two money envelopes and left the area.

p. On or about July 24, 2017 at approximately 10:59 a.m., RUBERO exited the 2017 Mercedes and entered Baychester

Headquarters holding a medium sized box. The 2017 Mercedes was parked outside Baychester Headquarters until at least 12:17 p.m.

q. On or about July 25, 2017 at approximately 2:44 p.m. and August 14, 2017 at approximately 2:04 p.m., the 2017 Mercedes was parked at Baychester Headquarters.

r. On or about August 30, 2017 at approximately 10:00 a.m., RUBERO exited the 2017 Mercedes and entered Baychester Headquarters.

s. On or about September 18, 2017 at approximately 12:00 p.m. and October 4, 2017 at approximately 10:20 a.m., the 2017 Mercedes was parked at Baychester Headquarters.

t. On or about October 6, 2017 at approximately 12:06 p.m., the 2017 Mercedes was parked at Baychester Headquarters. At approximately 1:43 p.m., RUBERO entered the 2017 Mercedes and left the area.

u. On or about October 16, 2017 at approximately 11:44 a.m., the 2017 Mercedes was parked at Baychester Headquarters.

v. On or about November 1, 2017 at approximately 11:10 a.m., the 2017 Mercedes was parked at Baychester Headquarters. At approximately 12:08 p.m., RUBERO entered the 2017 Mercedes and left the area.

w. On or about November 14, 15, 21, and 27, 2017, December 1 and 13, 2017, and January 5, 11, and 16, 2018, the 2017 Mercedes was parked at Baychester Headquarters.

x. On or about January 25, 2018 at approximately 10:38 a.m., RUBERO entered the 2017 Mercedes parked at Baychester Headquarters and drove to a gas station.

13. Based on my review of records from various banks at which Baychester has accounts, I have learned, among other things, that KENNETH RUBERO, the defendant, was an authorized signor on Baychester accounts at three different banks and that he has signed several checks in connection with the business of Baychester.

RUBERO's Ownership of Secure Logistics

14. Based on my review of corporate records and government databases regarding Logistics, including my review of SSA records, I have learned the following, in substance and in part, regarding Logistics:

a. Since in or about February 28, 2007, KENNETH RUBERO, the defendant, and the Domestic Partner have been owners of Logistics.

b. Logistics is located at the Rubero Residence in White Plains, New York.

c. In a certificate provided to the New York State Department of State in or about January 2011, RUBERO signed on behalf of Logistics and listed his title as "President."

d. From in or about 2008 through in or about 2017, Logistics reported paying earnings each year to between two and approximately 20 employees.

e. From in or about 2008 to 2013, Logistics reported paying earnings to approximately seven different employees, including the Domestic Partner and another employee who also received earnings from Baychester.

15. Based on my review of statements for a bank account at Bank-1 held jointly by Rubero and the Domestic Partner (the "Rubero Joint Account"), there were large transfers of funds to and from the Rubero Joint Account and a bank account held by Baychester (the "Baychester Account") at a different bank ("Bank-2"). For example, on or about September 26, 2014, there was an \$80,000 transfer from the Baychester Account to the Rubero Joint Account and an \$80,000 withdrawal from the Rubero Joint Account by RUBERO on the same day.

16. Based on my review of tax return documents filed by KENNETH RUBERO, the defendant, Baychester, and Logistics, I have learned that RUBERO earned the following income from Baychester and Secure Logistics for the period from in or about 2008 through in or about 2014, which totaled approximately \$720,800:

\$ thousands	2008	2009	2010	2011	2012	2013	2014	Total
Baychester	46.9	83.0	60.0	87.4	113.1	27.9	64.7	483.0
Logistics	45.8	20.5	45.7	36.3	35.9	25.6	28.0	237.8
Total	92.7	103.5	105.7	123.7	149	53.5	92.7	720.8

WHEREFORE, I respectfully request that a warrant be issued for the arrest of KENNETH RUBERO, the defendant, and that he be arrested and imprisoned or bailed, as the case may be.




PETER DOWD

Special Agent

Social Security Administration

Office of Inspector General

Sworn to before me this
6th day of April, 2018


THE HONORABLE HENRY B. PITMAN
United States Magistrate Judge
Southern District of New York