CF/2023R00773

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon.
	:	
v.	:	Crim. No. 26-
	:	
LEOR MOSHE	:	18 U.S.C. § 1343

I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the United States charges:

1. At all times relevant to this Information:

a. Defendant Leor Moshe ("MOSHE") resided in Lakewood, New Jersey.

b. Capital Funding ASAP LLC ("Capital Funding") was a New Jersey business entity, which was incorporated by MOSHE in 2018. MOSHE was the sole signatory on Capital Funding's bank account.

c. Victims-1 through -4 were individual investors who resided in or near Lakewood, New Jersey or Brooklyn, New York.

The Scheme to Defraud

2. From in or around June 2019 through in or around June 2023, in the District of New Jersey and elsewhere, the defendant,

LEOR MOSHE,

did knowingly and intentionally devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, as set forth below.

Goal of the Scheme to Defraud

3. The goal of the scheme to defraud was for MOSHE to enrich himself by fraudulently inducing investors (the "Victim Investors") to invest in Capital Funding by making material misrepresentations and omissions, and thereafter using the fraudulently obtained funds for, among other things, his personal benefit.

Manner and Means of the Scheme

4. It was part of the scheme to defraud that:

a. MOSHE induced Victim Investors to invest in Capital Funding by falsely representing, among other things, that their investments would be used exclusively to fund short-term business loans. MOSHE also falsely represented to the Victim Investors that they would receive returns between approximately 9% and 53%, depending on the length of the investment.

b. MOSHE provided investment agreements to some Victim Investors. These agreements represented that Capital Funding was in the business of providing short-term financing to individuals and businesses. The agreements stated that Capital Funding would use investments to provide short-term financing to merchants, and for no other purpose. Many of these agreements further stated that the Victim Investors had no prior experience in financing and were relying on Capital Funding's representations with respect to its business operations and that MOSHE had expertise in the business of short-term financing.

c. MOSHE also falsely represented to the Victim Investors that their funds would be used only to finance Capital Funding's short-term lending. Instead, MOSHE used a significant portion of the Victim Investor funds to pay for personal expenses and to make Ponzi-like payments to earlier investors.

i. For example, Investor-1 signed an investment agreement with Capital Funding in which MOSHE represented to Investor-1 that Investor-1's investment would be used to provide short-term loans to businesses and that the investment would receive returns of approximately 9 to 10%. On or about February 5, 2021, in reliance on the investment agreement and on MOSHE's false and fraudulent misrepresentations, Investor-1 sent MOSHE, via Capital Funding's bank account, approximately $380,000. Before that deposit, Capital Funding's bank account contained only approximately $35,000. Three days later, without any additional deposits into the account, MOSHE transferred approximately $88,000 to his personal cryptocurrency account.

ii. Similarly, Investors-2 and -3 signed investment agreements with Capital Funding, and in those investment agreements MOSHE falsely told Investors-2 and -3 that their investments would be used to provide short-term loans to businesses and that their investments would receive returns of approximately 9 to 10%. On or about January 18 and 19, 2023, in reliance on documents and MOSHE's false and fraudulent misrepresentations, Investors-2 and -3 sent MOSHE, via the Capital Funding bank account, a total of approximately $350,000. Before those deposits, Capital Funding's bank account contained approximately $155,000. On those same days, MOSHE, through the Capital Funding bank account, paid approximately $262,000 to two previous investors.

iii. In addition, MOSHE convinced Investor-4 to sign a promissory note stating that Investor-4 was lending $2 million to a property in Jackson, New Jersey (the "Jackson Property"). MOSHE represented, through the promissory note, that the Jackson Property would return Investor-4's principal plus approximately 53% interest one year later. MOSHE personally guaranteed the payments, pledged his interest in the Jackson Property as collateral, and represented that Investor-4's investment would be used to provide short-term loans to businesses. On or about February 10, 2023, in reliance on the promissory note and MOSHE's false and fraudulent misrepresentations, Investor-4 sent MOSHE, via the Capital Funding bank account, approximately $2 million. Before that deposit, the Capital Funding bank account contained approximately $349,000. Over the next three days, without any additional deposits, MOSHE, through Capital Funding's bank account, paid a total of approximately $820,000 to five previous investors.

d. As a result of his material misrepresentations and omissions, MOSHE obtained approximately $47 million from the Victim Investors.

e. MOSHE used approximately $11 million of the Victim Investor funds on personal expenses, including paying for gambling debts, home renovations, mortgage loans, and car loans.

f. MOSHE also used a significant portion of the Victim Investor funds to make Ponzi-like payments to earlier investors.

The Charged Wire Transmission

5. On or about February 10, 2023, in the District of New Jersey and elsewhere, the defendant,

LEOR MOSHE,

for the purpose of executing and attempting to execute the scheme described above, did knowingly transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, that is, an interstate wire transfer of approximately $2,000,000 from Investor-4 that passed through New Jersey.

All in violation of Title 18, United States Code, Section 1343.

FORFEITURE ALLEGATION

1. Upon conviction of the offense charged in this Information, the defendant,

LEOR MOSHE,

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real and personal, which constitutes or is derived from proceeds traceable to the commission of such offense.

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 18 U.S.C. § 982(b)(1) and 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.

ROBERT FRAZER
United States Attorney

Christopher Fell
Assistant U.S. Attorney

Approved by:

Elaine K. Lou
Chief, Criminal Division