

**SUPERIOR COURT OF N.J.
FILED**

SEP 26 2007



SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - CRIMINAL

State Grand Jury
Number SGJ543-07-8
Superior Court 07-09-00137-S
Docket Number _____

STATE OF NEW JERSEY)
)
 v.) INDICTMENT
)
 JEFFREY SCOTT LAFFERTY)
)
 and)
)
 VINCELLA L. ROSS)

The Grand Jurors of and for the State of New Jersey, upon their oaths, present that:

COUNT ONE

(Conspiracy - First Degree)

JEFFREY SCOTT LAFFERTY

and

VINCELLA L. ROSS

between on or about September 1, 2002 and on or about July 26, 2007, at the Village of Ridgewood, in the County of Bergen, elsewhere, and within the jurisdiction of this Court, with the purpose of promoting or facilitating the commission of the crimes of Securities Fraud, Theft by Deception, Misapplication of Entrusted Property, and Money Laundering, did conspire, and agree that:

A. One or more of them would engage in conduct which would constitute the aforesaid crimes, or an attempt or

solicitation to commit such crimes; or

B. One or more of them would aid in the planning, attempt, solicitation, or commission of the aforesaid crimes, that is:

1. Securities Fraud, in that one or more of them did in connection with the offer, sale or purchase of any security, in an amount of \$75,000 or more, directly or indirectly make an untrue statement of material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, contrary to the provisions of N.J.S.A. 49:3-52 (b), and N.J.S.A. 49:3-70;

2. Theft by Deception, in that one or more of them would purposely obtain property of another by deception, by creating or reinforcing a false impression, in an amount of \$75,000 or more, contrary to the provisions of N.J.S.A. 2C:20-4 (a);

3. Misapplication of Entrusted Property, in that one or more of them would apply or dispose of property that had been entrusted to them as a fiduciary, in a manner known to be unlawful and involving a substantial risk of loss or detriment to the owner of the property or to a person for whose benefit the property was entrusted whether or not the actor has derived a pecuniary benefit, thereby deriving a benefit of \$75,000 or more, contrary to the provisions of N.J.S.A. 2C:21-15; and

4. Money Laundering, in that one or more of them would engage in a transaction involving property, in an amount of \$500,000 or more, known or which a reasonable person would believe to be derived from criminal activity, knowing that the transaction was designed in whole or in part to conceal or disguise the nature, location, source, ownership or control of the property derived from criminal activity, contrary to the provisions of N.J.S.A 2C:21-25b(2) (a).

All contrary to the provisions of N.J.S.A. 2C:5-2, and against the peace of this State, the government and dignity of the same.

COUNT TWO

(Securities Fraud-Second Degree)

JEFFREY SCOTT LAFFERTY

and

VINCELLA L. ROSS

between on or about September 1, 2002 and on or about July 26, 2007, at the Village of Ridgewood, in the County of Bergen, elsewhere, and within the jurisdiction of this Court, did knowingly, in connection with the offer, sale, or purchase of any security, in an amount of \$75,000 or more, directly or indirectly make an untrue statement of material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, and thereby misled Gail Conenello, Robert Conenello, Renee DeFalco, and other investors whose identities are known to the Grand Jurors, to believe their money, in an amount of \$75,000 or more, would be invested for their benefit, in that the said JEFFREY SCOTT LAFFERTY and VINCELLA L. ROSS, managing partners and owners of Lafferty & Partners, LLC, did directly or indirectly make an untrue statement of material fact or omit to state a material fact to Gail Conenello, Robert Conenello, Renee DeFalco and other investors whose identities are known to the Grand Jurors, that their money, in an amount of \$75,000 or more, would not be invested for their benefit, and would instead be

spent by the said JEFFREY SCOTT LAFFERTY and VINCELLA L. ROSS on personal expenses, contrary to the provisions of N.J.S.A. 49:3-52(b), N.J.S.A. 49:3-70 and N.J.S.A. 2C:2-6, and against the peace of this State, the government and dignity of the same.

COUNT THREE

(Theft by Deception - Second Degree)

JEFFREY SCOTT LAFFERTY

and

VINCELLA L. ROSS

between on or about September 1, 2002 and on or about July 26, 2007, at the Village of Ridgewood, in the County of Bergen, elsewhere, and within the jurisdiction of this Court, purposely did obtain the property of another by deception, in an amount of \$75,000 or more, by creating or reinforcing the false impression to Gail Conenello, Robert Conenello, Renee DeFalco and other investors whose identities are known to the Grand Jurors that their money would be invested for their benefit, WHEREAS IN TRUTH AND IN FACT, as the said JEFFREY SCOTT LAFFERTY and VINCELLA L. ROSS, managing partners and owners of Lafferty & Partners, LLC, well knew, the money of Gail Conenello, Robert Conenello, Renee DeFalco, and other investors whose identities are known to the Grand Jurors, in an amount of \$75,000 or more, was not invested for their benefit, contrary to the provisions of N.J.S.A. 2C:20-4 and N.J.S.A. 2C:2-6, and against the peace of this State, the government and dignity of the same.

COUNT FOUR

(Misapplication of Entrusted Property - Second Degree)

JEFFREY SCOTT LAFFERTY

and

VINCELLA L. ROSS

between on or about September 1, 2002 and on or about July 26, 2007, at the Village of Ridgewood, in the County of Bergen, elsewhere, and within the jurisdiction of this Court, did apply or dispose of property that had been entrusted to them as fiduciaries in a manner which they knew was unlawful and involved substantial risk of loss or detriment to the owners of the property and did derive a benefit of \$75,000 or more, in that the said JEFFREY SCOTT LAFFERTY and VINCELLA L. ROSS, managing partners and owners of Lafferty & Partners, LLC, did apply or dispose of the money of Gail Conenello, Robert Conenello, Renee DeFalco and other investors whose identities are known to the Grand Jurors, that was entrusted to the said JEFFREY SCOTT LAFFERTY and VINCELLA L. ROSS as fiduciaries, in a manner which the said JEFFREY SCOTT LAFFERTY and VINCELLA L. ROSS knew to be unlawful and involving a substantial risk of loss or detriment to Gail Conenello, Robert Conenello, Renee DeFalco and other investors whose identities are known to the Grand Jurors, thereby deriving a benefit of \$75,000 or more, all contrary to the provisions of N.J.S.A. 2C:21-15 and N.J.S.A. 2C:2-6, and against

the peace of this State, the government and dignity of the same.

COUNT FIVE

(Money Laundering - First Degree)

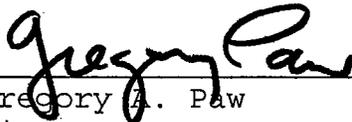
JEFFREY SCOTT LAFFERTY

and

VINCELLA L. ROSS

between on or about, September 1, 2002 and on or about July 26, 2007, at the Village of Ridgewood, in the County of Bergen, elsewhere, and within the jurisdiction of this Court, did engage in a transaction involving property, in an amount of \$500,000 or more, known or which a reasonable person would believe to be derived from criminal activity, knowing that the transaction was designed in whole or in part to conceal or disguise the nature, location, source, ownership or control of the property derived from criminal activity, that is the said JEFFREY SCOTT LAFFERTY and VINCELLA L. ROSS, managing partners and owners of Lafferty & Partners, LLC, did engage in the transactions of automatic teller machine withdrawals and purchasing a house, in an amount of \$500,000 or more, known to be derived from criminal activity, knowing that the transactions were designed in whole or in part to conceal or disguise the nature, location, source, ownership or control of the property which the said JEFFREY SCOTT LAFFERTY and VINCELLA L. ROSS knew to be derived from criminal activity, contrary to the provisions of N.J.S.A. 2C:21-25(b)(2)(a) and N.J.S.A. 2C:2-6, and against the peace of this State, the

government and dignity of the same.



Gregory A. Paw
Director
Division of Criminal Justice

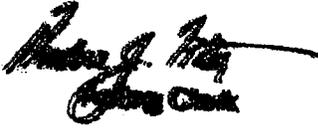
A TRUE BILL:



Foreperson

SUPERIOR COURT OF N.J.
FILED

SEP 26 2007



SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - CRIMINAL

State Grand Jury
Number SGJ543-07-8
Superior Court
Docket Number 07-09-00137-S

STATE OF NEW JERSEY)
v.)
JEFFREY SCOTT LAFFERTY)
and)
VINCELLA L. ROSS)

ORDER OF VENUE

CLERK OF SUPERIOR COURT
SUPERIOR COURT OF N.J.
MERCER COUNTY
RECEIVED AND FILED

SEP 26 2007

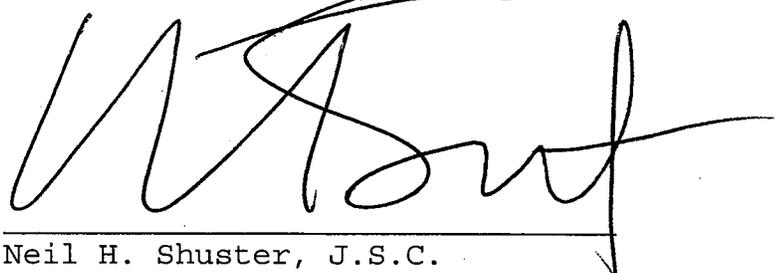


SUE REGAN
DEPUTY CLERK OF SUPERIOR COURT

An Indictment having been returned to this Court by the State Grand Jury in the above captioned matter,

IT IS ORDERED on this *26th* day of *SEPTEMBER*, 2007, pursuant to paragraph 8 of the State Grand Jury Act, that the County of Bergen be and hereby is designated as the County of venue for the purpose of trial.

IT IS FURTHER ORDERED that the Clerk of the Superior Court shall transmit forthwith the Indictment in this matter and a certified copy of this Order to the Criminal Division Manager of the County of Bergen for filing.



Neil H. Shuster, J.S.C.