

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of )  
Banking and Insurance, State of New Jersey, )  
to fine, suspend and/or revoke the insurance ) ORDER TO SHOW CAUSE  
producer license of Mario Rivero, Reference )  
No. 1297533. )

TO: MARIO RIVERO  
1000 BISCAYNE BLVD  
MIAMI, FLORIDA 33132-1760

MARIO RIVERO  
726 MURRAY STREET, UNIT 728  
ELIZABETH, NJ 07202-2232

This matter, having been opened by the Commissioner of Banking and Insurance, State of New Jersey (“Commissioner”), upon information that Mario Rivero (“Rivero” or “Respondent”) may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Rivero was formerly licensed as a non-resident insurance producer in the State of New Jersey pursuant to N.J.S.A. 17:22A-32(a), said license having expired on September 30, 2022; and

WHEREAS, Respondent is subject to the provisions of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 to -48 (“Producer Act”) and the Producer Licensing regulations promulgated thereunder, N.J.A.C. 11:17-1.1 to -2.17, and the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(d), the Commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by this act and Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes against any person who is under investigation for or charged with a violation of this act or Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes even if the person's license or registration has been surrendered or has lapsed by operation of law; and

WHEREAS, pursuant to N.J.S.A. 17:22A-47(b), within 30 days of the initial pretrial hearing date, an insurance producer shall report to the Commissioner any criminal prosecution of the producer taken in any jurisdiction, and the report shall include a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents; and

WHEREAS, pursuant to N.J.S.A. 17:22A-47(c), an insurance producer shall report to the Commissioner any disciplinary action taken against the insurance producer, or any formal disciplinary proceedings initiated against the producer, by the Financial Industry Regulatory Authority (FINRA), any successor organization, or other similar non-governmental regulatory authority with statutory authority to create and enforce industry standards of conduct, within 30 days of the final disposition of the matter; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(2), an insurance producer shall not violate any insurance law, regulation, subpoena or order of the Commissioner or of another state's insurance regulator; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(7), an insurance producer shall not commit any insurance unfair trade practice or fraud; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(8), an insurance producer shall not use fraudulent, coercive or dishonest practices, or demonstrate incompetence, untrustworthiness or financial irresponsibility in the conduct of insurance business in this State or elsewhere; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(9), an insurance producer shall not have an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(18), an insurance producer shall not fail to notify the Commissioner within 30 days of the initiation of formal disciplinary proceedings in a state, other than this State, affecting the producer's insurance license; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(19), an insurance producer shall notify the Commissioner within 30 days of the final disposition of any formal disciplinary proceedings initiated against the insurance producer, or disciplinary action taken against the producer, by the Financial Industry Regulatory Authority (FINRA), any successor organization, or other similar non-governmental regulatory authority; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a), the Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license or may levy a civil penalty, or may take any combination of actions for violating the Producer Act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), any licensee violating the Producer Act and/or the Insurance Producer Standards of Conduct is subject to a penalty not exceeding \$5,000.00 for the first offense and not exceeding \$10,000.00 for each subsequent offense;

additionally, the Commissioner may order restitution of moneys owed any person and reimbursement of costs of the investigation and prosecution; and

**ALLEGATIONS COMMON TO ALL COUNTS**

IT APPEARING, that at all relevant times, Respondent was licensed as a resident insurance producer in the State of New Jersey, until his license expired on September 30, 2022; and

IT FURTHER APPEARING, that from January 9, 2015 to October 1, 2020, Respondent was employed as an agent and investment adviser representative of Wells Fargo Clearing Services, LLC (“Wells Fargo”), an insurance and securities brokerage firm, and provided investment advice to clients and customers of Wells Fargo; and

IT FURTHER APPEARING, that at all relevant times, Respondent was a registered representative of Wells Fargo with the Financial Industry Regulatory Authority (“FINRA”), a self-regulatory organization responsible under federal law for, among other things, supervising its member firms and their representatives, and enforcing rules that govern the activities of its member firms and their representatives; and

IT FURTHER APPEARING, that between January 2018 and November 2020, in his capacity as an investment adviser, Respondent managed the brokerage investment accounts of at least four Wells Fargo customers (collectively, “WF Customers”), whose investment accounts totaled more than \$500,000; and

IT FURTHER APPEARING, that under the false pretense of offering his WF customers new investment opportunities, Respondent counseled and recommended to his WF Customers that they: (1) sell a portion of their current investment portfolios; (2) deposit the sales proceeds into their own personal bank accounts; (3) and subsequently withdraw the proceeds in the form of a

cashiers' check issued to a businesses owned by relatives or friends of the Respondent, and Respondent's WF Customers abided by his recommendations; and

IT FURTHER APPEARING, that unbeknownst to his WF Customers, Respondent, through manipulative, deceptive or fraudulent practices, gained control of \$529,780 of the investment funds belonging to his WF Customers and diverted said monies to use for his own personal benefit; and

IT FURTHER APPEARING, that on or about October 1, 2020, Respondent left his employment at Wells Fargo and thereafter began employment as an agent and investment adviser representative with LPL Financial, LLC ("LPL"), a securities brokerage firm; and

IT FURTHER APPEARING, that on or about May 21, 2021, LPL terminated Respondent's employment for failing to comply with LPL's investigation into consumer complaints about Respondent's securities business practices; and

### **COUNT ONE**

IT FURTHER APPEARING, that on or about June 4, 2021, FINRA and Respondent executed a Letter of Acceptance, Waiver, and Consent ("AWC") whereby Respondent was permanently barred from having any association with any FINRA member in any capacity because Respondent failed to provide information and documents in connection with FINRA's investigation into allegations of investment fraud asserted by Respondent's WF Customers; and

IT FURTHER APPEARING, that FINRA and Respondent had executed the AWC prior to the expiration of Respondent's producer license, and Respondent failed to report said event to the Commissioner within 30 days, in violation of N.J.S.A. 17:22A-47(c) and N.J.S.A. 17:22A-40(a)(2), (9) and (19); and

**COUNT TWO**

IT FURTHER APPEARING, that on March 10, 2022, a criminal complaint (No. 22 Crim. 11085 (D.N.J.) (Dkt. No. 34)) was filed by the Federal Bureau of Investigation (“FBI”) against Respondent in the United States District Court of the District of New Jersey, alleging that Respondent misappropriated over \$500,000 from multiple WF Customers; and

IT FURTHER APPEARING, that on March 14, 2022, pursuant to said criminal complaint, Respondent was arrested and charged with the following crimes: (1) two counts of Wire Fraud, in violation of 18 U.S.C. Sections 1343 and 2; (2) one count of Investment Advisor Fraud, in violation of the Investment Advisers Act of 1940 (“Advisors Act”), 15 U.S.C. Sections 80b-6 and -17; and (3) one count of Securities Fraud, in violation of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. Sections 78j(b) and 78ff and Rule 10b-5 promulgated thereunder; and

IT FURTHER APPEARING, that on August 22, 2023, after pleading guilty to one count of Wire Fraud and one count of Securities Fraud, Respondent was sentenced to a federal prison term of 42 months; and

IT FURTHER APPEARING, that Respondent was arrested and subjected to criminal prosecution prior to the expiration of Respondent’s producer license, and Respondent failed to report said events to the Commissioner within 30 days, in violation of N.J.S.A. 17:22A-47(b) and N.J.S.A. 17:22A-40(a)(2) and (18); and

**COUNT THREE**

IT FURTHER APPEARING, that the New Jersey Bureau of Securities (“NJBS”) is a state regulatory agency responsible under the Uniform Securities Law (1997), N.J.S.A. 49:3-47 to -89, to protect investors from investment fraud, and regulate the securities industry in New Jersey, and

IT FURTHER APPEARING, that on or about March 14, 2022, the NJBOS entered a Summary Revocation Order (“SRO”) against Respondent that found Respondent had engaged in fraudulent, unethical and dishonest practices in the securities business, in that Respondent effected transactions in securities by manipulative and deceptive practices that caused WF Customers to be defrauded of at least \$529,780, in violation of N.J.S.A. 49:3-58(a)(1) and (a)(2)(vii); and

IT FURTHER APPEARING, that the NJBOS also found that Respondent had engaged in fraudulent, unethical and dishonest practices in the securities business, in that Respondent had consented to the imposition of sanctions by FINRA that barred him from any association with any FINRA member in any capacity, in violation of N.J.S.A. 49:3-58(a)(1) and (a)(2)(vii); and

IT FURTHER APPEARING, that upon having determined that Respondent had engaged in fraudulent, unethical and dishonest practices in the securities business, the NJBOS issued the SRO revoking Respondent’s agent registration and investment adviser representative registration effective March 14, 2022; and

IT FURTHER APPEARING, that the SRO was entered by the NJBOS prior to the expiration of Respondent’s producer license, and Respondent failed to report said event to the Commissioner, within 30 days, in violation of N.J.S.A. 17:22A-47(a) and N.J.S.A. 17:22A-40(a)(2), (9) and (18); and

**COUNT FOUR**

IT FURTHER APPEARING, that between January 2018 and November 2020, Respondent engaged in fraudulent, unethical and dishonest practices and demonstrated incompetence and untrustworthiness in the conduct of securities business, specifically by engaging in manipulative, deceptive and deceitful tactics to cause his Wells Fargo Customers to liquidate \$529,780 from their investment portfolios for purpose of investing in new business opportunities when, in fact,

Respondent never invested said monies and instead diverted the WF Customers' investment funds to use for his own personal benefit, in violation of N.J.S.A. 17:22A-40(a)(2), (7), (8), (15) and (16); and,

**NOW, THEREFORE, IT IS** on this 17<sup>th</sup> day of April, 2026

ORDERED, that Respondent appears and show cause why his New Jersey insurance producer licenses should not be suspended or revoked pursuant to N.J.S.A. 17:22A-40; and

IT IS FURTHER ORDERED, that Respondent appears and show cause why the Commissioner should not assess a civil penalty of not more than \$5,000.00 for the first violation and \$10,000.00 for each subsequent violation of the Producer Act and/or the Producer Standards of Conduct regulations, and order Respondent to pay restitution of moneys owed to any person, pursuant to the provisions of N.J.S.A. 17:22A-45(c); and

IT IS FURTHER ORDERED, that Respondent appears and show cause why, in addition to any other penalty, he should not be required to reimburse the Department for the costs of the investigation and prosecution as authorized by N.J.S.A. 17:22A-45(c); and

IT IS PROVIDED, that Respondent has the right to request an administrative hearing, to be represented by counsel or other qualified representative, at his expense, to take testimony, to call or cross-examine witnesses, to have subpoenas issued, and to present evidence or argument if a hearing is requested; and

IT IS FURTHER PROVIDED, that unless a request for a hearing is received within twenty (20) days of the service of this Order to Show Cause, the right to a hearing in this matter shall be deemed to have been waived by Respondent and the Commissioner shall dispose of this matter in accordance with law. A hearing may be requested by mailing the request to Matthew Gervasio, Supervising Investigator, Department of Banking and Insurance, P.O. Box 329, Trenton, New

Jersey 08625, or by faxing the hearing request to the Department at (609) 292-5337. A copy of the request for a hearing shall also be sent to Dakar R. Ross, Deputy Attorney General, Department of Banking and Insurance, P.O. Box 117, Trenton, New Jersey 08625. The request from each respondent shall contain the following:

- A. Respondent's full name, address, and daytime telephone number;
- B. A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- C. A specific admission or denial of each fact alleged in this Order to Show Cause. Where the Respondent has no specific knowledge regarding a fact alleged in the Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and
- D. A statement requesting a hearing.



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Susan Ochs  
Acting Commissioner