

NEWS

United States Department of Justice
U.S. Attorney, District of New Jersey
970 Broad Street, Seventh Floor
Newark, New Jersey 07102



Ralph J. Marra, Jr., Acting U.S. Attorney

More Information? Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

News on the Internet. News Releases and related documents are posted at our website.
Go to: <http://www.usdoj.gov/usao/nj/press/index.html>

Contact:

Michael Drewniak, Public Affairs Officer
973-645-2888

berg0520.rel

FOR IMMEDIATE RELEASE

May 20, 2009

Newark Lawyer Paul Bergrin Arrested, Charged with
Racketeering Conspiracy, Including Murder of a Federal Witness

– Three Others Also Arrested and Charged –

(More)

Public Affairs Office
Michael Drewniak, PAO

973-645-2888

<http://www.usdoj.gov/usao/nj/press/index.html>

NEWARK – Defense attorney Paul Bergrin was arrested today with three other individuals on an Indictment charging him with being the leader of a racketeering conspiracy that included murder of a witness in a drug case, the attempted hiring of a hitman in another drug case, wire fraud and money laundering, Acting U.S. Attorney Ralph J. Marra, Jr., announced.

The 14-count Indictment accuses Bergrin of using various legal entities, including the Law Office of Paul W. Bergrin, P.C., to conduct illegal activities, including murder, to protect criminal clients, perpetuate their activities and shield them from prosecution. The Indictment specifically details Bergrin’s role in the murder of a confidential witness in an Essex County federal drug case, and his efforts to hire a hitman from Chicago to kill at least one witness in a Monmouth County drug case being prosecuted by the county. (That murder never transpired; the “hitman” was a cooperating witness.)

The Indictment was returned yesterday and unsealed with the arrests of Bergrin and three co-defendants early this morning. A fifth defendant is incarcerated in the Monmouth County Jail awaiting trial on state drug charges.

Bergrin and the other three arrested today are scheduled to make initial appearances in federal court before U.S. Magistrate Judge Madeline Cox Arleo at approximately 2:30 p.m. The U.S. Attorney’s Office will move at that time to have Bergrin held without bail, citing his ongoing danger to the community and flight risk. The government this morning filed a detailed certification in court in support of that motion.

Bergrin, 53, of Nutley – a former Essex County Assistant Prosecutor and Assistant U.S. Attorney between 1985 and 1990 – is named in each count of the Indictment. He is charged with racketeering and racketeering conspiracy, wire fraud and wire fraud conspiracy, murder of a federal witness, and conspiracy to murder a federal witness and, separately, witnesses in a state case, as well as Travel Act violations and conspiracy to commit Travel Act violations.

The charges related to the murder of a witness carry a mandatory minimum sentence of life in prison. The racketeering charges each carry a maximum penalty of life in prison.

Also arrested today and charged in the Indictment are:

- Thomas Moran, 42, of Paramus, an attorney with an office in Bergrin’s law offices, charged with conspiracy to travel in aid of a racketeering enterprise, and two counts of travel in aid of a racketeering enterprise – all connected to the efforts to hire the Chicago hitman to kill witnesses in the Monmouth County drug case.
- Vincente Esteves, 36, of, Manalapan – currently in custody facing state drug trafficking

charges in Monmouth County – charged in the Indictment with conspiracy to travel in aid of a racketeering enterprise – the alleged drug dealer who sought to benefit from the murder of witnesses against him in the Monmouth County drug case.

- Yolanda Jauregui, a/k/a “Yolanda Bracero,” 37, of Nutley (same address as Bergrin), charged in the indictment with wire fraud conspiracy and wire fraud, in connection with a mortgage fraud scheme with Bergrin.
- Sundiata Koontz, 37, of West Orange, charged in the indictment with wire fraud conspiracy and five counts of wire fraud, in connection with the mortgage fraud scheme with Bergrin.

“The conduct alleged is simply shocking,” Marra said. “A licensed lawyer, a former prosecutor essentially became one of the criminals he represents, supporting, encouraging, indeed directing, a criminal enterprise that engaged in murder and murder conspiracies, drug trafficking and financial fraud. Bergrin can now expect to feel the full weight of the very legal system he turned on its head with his conduct.”

“It is unconscionable that an attorney, who should be a staunch guardian of our legal system, betrays that trust and responsibility by utilizing his practice as a criminal enterprise,” said Gerard P. McAleer, Special Agent in Charge of the Drug Enforcement Administration in New Jersey. “The allegations in this indictment make Bergrin no different than a street gangster.”

“The crimes alleged in this indictment are especially egregious because Bergrin is a man who once took an oath to uphold, protect, and defend the constitution and enforce the law as a federal and state prosecutor,” said Weysan Dun, FBI Special Agent in Charge in Newark. “As a defense attorney, Bergrin is still an officer of the court. For a person in such a position to not only commit crimes, but also seek to undermine our system of justice system is a total betrayal of values.”

According to the Indictment and certification filed in court today, in November 2003, Bergrin received the name of a confidential federal informant, who went by the name Kemo, from a client, William Baskerville, and passed along the name to Baskerville’s drug trafficking associates. (Baskerville had just been arrested and was in jail on federal drug charges that carried a potential life prison term.)

Bergrin allegedly told the drug traffickers at this meeting that if the informant were killed, Bergrin could get Baskerville out of jail and derail the federal prosecution. As he was leaving the meeting, Bergrin instructed the drug traffickers to remember what he had just told them – “No Kemo, no case.” On March 3, 2004, Anthony Young, one of the

attendees of Bergrin's meeting, shot the informant three times in the back of the head while the informant attempted to cross the intersection of South Orange Avenue and 19th Street in Newark.

A federal jury convicted Baskerville in 2007 of conspiracy to murder a federal witness and drug trafficking and was sentenced to life in prison. Young pleaded guilty before the trial, testified against Baskerville, and was sentenced to 30 years in prison.

The Chicago Hitman/Monmouth County Drug Case

On May 29, 2008, Esteves was charged by the Monmouth County Prosecutor's Office with a number of drug trafficking offenses and was being represented by Bergrin. According to the Indictment, from at least as early as June 2008 through December 2008, Esteves, Bergrin and Moran schemed to locate and kill a number of witnesses that they believed intended to cooperate with the prosecution and testify against Esteves. As in the Baskerville case, the intention, according to the Indictment, was to thwart the prosecution, get Esteves out of jail and allow him to resume his drug trafficking business.

In particular, according to the Indictment, Bergrin, Esteves and Moran singled out someone known as "Junior the Panamanian," whom they believed was cooperating with authorities. Esteves and Bergrin also identified for the hitman two others Esteves wanted killed to prevent their testimony in the Monmouth County case.

On Aug. 5, 2008, Bergrin traveled to Chicago, met with the hitman and identified Junior the Panamanian as the "f__king rat" he wanted murdered, according to the Indictment. Other meetings in person followed between Bergrin and the hitman. Moran allegedly arranged for Esteves to get a cell phone in jail so he could (and did) communicate directly with the hitman. Moran agreed to obtain a gun for the hitman so that the hitman could kill Junior the Panamanian.

The hitman made numerous recordings of his meetings and conversations with Bergrin and Moran, according to the government's certification. In one of those conversations, on Dec. 8, 2008, Bergrin, the cooperating witness, Moran and Bracero were present, and Bergrin and the cooperating witness discussed that Junior the Panamanian had been located.

According to the government's certification, about the planned murder, the hitman asked Bergrin, "Is it going to help our case or hurt it?" To which Bergrin replied: "It's going to help it. I got it all figured out Put on a ski mask and make it look like a robbery and take all the money in the house It cannot under any circumstances look like a hit."

The Mortgage Fraud

As set forth in the Indictment, Bergrin and his co-conspirators also agreed to and ultimately obtained fraudulent mortgages on properties located in Essex County. The scheme involved providing lending institutions with information that falsely inflated the value of the properties to be mortgaged and falsely portrayed the buyers' credit worthiness. The mortgage fraud scheme caused mortgages worth more than \$1.1 million to be issued. Substantially all of those mortgages went into default.

The racketeering charges each carry a maximum penalty of life in prison and a fine of \$250,000. The charges related to travel in aid of a racketeering enterprise carry a maximum penalty of 20 years in prison and a fine of \$250,000. The charges related to wire fraud carry a maximum penalty of 30 years in prison and a fine of \$1,000,000.

Despite the indictment, all the defendants are presumed innocent unless proven guilty beyond a reasonable doubt.

Marra credited the FBI's Red Bank Resident Agency, under the direction of Special Agent in Charge Weysan Dun, DEA Special Agents under the direction of Special Agent in Charge Gerald P. McAleer, and Special Agents of the IRS Criminal Investigation, under the direction of Special Agent in Charge William P. Offord. Marra also thanked the Monmouth County Prosecutor's Office, under the direction of Prosecutor Luis A. Valentin, for its assistance in the case.

The case is being handled by Assistant United States Attorneys John Gay and Joseph N. Minish.

-end-