



*United States Attorney  
Southern District of New York*

**FOR IMMEDIATE RELEASE  
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**MANHATTAN U.S. ATTORNEY CHARGES  
FEDERAL AND LOCAL GOVERNMENT EMPLOYEES  
FOR OPERATING ILLEGAL GAMBLING RING**

PREET BHARARA, the United States Attorney for the Southern District of New York, JOSEPH M. DEMAREST, JR., the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), and JANE HUGHES, the Special Agent-in-Charge of the New York Office of the United States Postal Service, Office of Inspector General ("USPS-OIG"), announced the arrests this morning of nine individuals, including current and former employees of the United States Postal Service ("USPS"), Metropolitan Transit Authority ("MTA"), and the City of New York Department of Sanitation ("DSNY"), for operating an illegal gambling business out of various workplaces including USPS and MTA facilities. A tenth individual was previously arrested in a related case. According to the Complaint filed in Manhattan federal court:

Since at least May 2005, the defendants have operated a "Lotto"-type gambling business (the "Lottery") which tracked the numbers chosen for the New York State Lotto drawings and paid out on a monthly basis prizes in the range of \$100,000. Each month, hundreds of players paid approximately \$20.00 per entry in the Lottery. "Lottery books," which listed each player's name and

the six numbers he or she chose to play per entry, were distributed to players from a central storage facility by "runners." The winner was the first player or players to have all six numbers chosen in the New York State Lotto.

JAMES MONTELEONE, 52, a former MTA employee, currently resides in Bethlehem, Pennsylvania. FRANK LINSALATA, 46, currently resides in Brooklyn, New York. ALVIN BLANK, 73, a former USPS employee, currently resides in Brooklyn, New York. JUAN DEJESUS, 48, a USPS employee, currently resides in New York, New York. JOHN ALFONZO, 49, a DSNY employee, currently resides in Brooklyn, New York. RUBEN CHAVES, 22, an MTA employee, currently resides in Brooklyn, New York. MICHAEL FARRAJ, 45, an MTA employee, currently resides in Staten Island, New York. MAURICE PALMER, 62, a USPS employee who was identified as JOHN DOE 1 in the Complaint, currently resides in Queens, New York. ROMUALDO MUNOZ, 59, a USPS employee who was identified as JOHN DOE 2 in the Complaint, currently resides in Bronx, New York.

MONTELEONE was arrested this morning in Bethlehem, Pennsylvania; he was presented in the Eastern District of Pennsylvania and released on bail. The remaining eight defendants were arrested this morning in New York, New York, and are expected to appear in Manhattan federal court later today. The defendants each are charged with one count of conspiracy to conduct a gambling operation, which carries a maximum potential prison term of five years and a maximum fine of \$250,000 or twice the gross gain or loss from the offense.

ANDREW TURELLI was arrested on July 21, 2009, in a related case and is charged with one count of conspiracy to conduct a gambling operation.

Mr. BHARARA thanked the FBI and the USPS-OIG for their work in the investigation of this case. Mr. BHARARA also thanked the DSNY and the MTA for their assistance.

This case is being handled by the Office's General Crimes Unit. Assistant United States Attorneys AIMEE HECTOR and DANIEL CHUNG are in charge of the prosecution.

The charges contained in the Complaint are merely accusations and the defendants are presumed innocent unless and until proven guilty.

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