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**FORMER CARPENTERS UNION LEADER PLEADS GUILTY IN
MANHATTAN FEDERAL COURT, ADMITTING YEARS OF
RACKETEERING, ILLEGAL PAYMENTS, AND
OBSTRUCTION OF JUSTICE**

PREET BHARARA, the United States Attorney for the Southern District of New York, GEORGE VENIZELOS, the Acting Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), and MARJORIE FRANZMAN, the Special Agent-in-Charge for the New York Region of the U.S. Department of Labor's Office of Inspector General ("DOL-OIG"), announced today that JOHN GREANEY, the former president and business manager of Local 608 of the Carpenters Union, pleaded guilty in Manhattan federal court before United States Magistrate Judge HENRY B. PITMAN to all thirteen counts against him. The superseding Indictment charged GREANEY and other officials within the District Council of New York City and Vicinity (the "District Council") of the United Brotherhood of Carpenters and Joiners (the "Carpenters Union") with engaging in a 15-year labor racketeering scheme involving the receipt of illegal payments from multiple contractors.

GREANEY is the seventh defendant in the case to plead guilty, and the highest-ranking Carpenters Union official to do so. Today, he pleaded guilty to the following charges: racketeering (RICO) conspiracy (Count One); racketeering (Count Two); four counts of wire-fraud conspiracy (Counts Three, Four,

Five, Six); four counts of deprivation of honest services (Counts Eight, Nine, Ten, Eleven); two counts of unlawful acceptance of payments by a labor representative (Counts Fourteen, Fifteen); and perjury (Count Twenty-Four).

According to the Superseding Indictment to which GREANEY pleaded guilty, other documents previously filed in this case, and statements made in court today:

The Carpenters Union is a national labor union that represents skilled workers at construction sites. In New York City, approximately 20,000 members of the union are divided into eleven locals, overseen by the District Council. Up until his arrest in this case in August 2009, GREANEY was the president and business manager of Local 608, the largest local in the District Council, with approximately 7,400 members.

Since 1994, the District Council and its constituent locals have been bound by a federal consent decree stemming from a civil case brought by the United States under the Racketeer Influenced and Corrupt Organizations Act ("RICO") to address a history of union corruption and organized crime influence within the District Council. The consent decree, among other things, prohibited union officials from associating with organized crime figures and imposed job referral rules governing the assignment of shop stewards and union members to job sites. At various times, monitors have been appointed under the consent decree to investigate wrongdoing in the union, including job referral violations, bribe taking, false reports, and off-the-books payment of wages.

Notwithstanding the consent decree, between 1994 and their arrest in August 2009, GREANEY and his co-conspirators engaged in a racketeering conspiracy to enrich themselves and others and maintain control of the Carpenters Union through, among other things, the unlawful acceptance of cash payments and other things of value from owners of construction contractors who had signed collective bargaining agreements with the Union. In exchange for the bribes, GREANEY and his co-conspirators allowed and helped certain contractors to defraud the union and its benefit funds out of millions of dollars by permitting the contractors to, among other things, pay union members cash at below-union rates, without benefits, employ illegal aliens and non-union workers on their job sites; and avoid payment to the union benefit funds in violation of applicable collective bargaining agreements. GREANEY and his co-conspirators helped the contractors to conceal the scheme by, among other things, filing false shop steward reports, issuing union cards to the illegal aliens who worked for those contractors for cash, giving

false testimony, and destroying documents.

At the plea proceeding today, among other things, GREANEY admitted that while he was President of Local 608, he received cash bribes from multiple contractors and shared the payments with other union officers, including his co-defendants MICHAEL FORDE, the former Executive Secretary-Treasurer of the District Council and chairman of the benefit funds, and BRIAN HAYES, a former business agent and officer of Local 608. He also admitted to helping contractors cheat the union benefit funds and to depriving union members of his honest services.

FORDE, GREANEY, and HAYES were previously relieved of their union officer positions following their arrests. FORDE, GREANEY, and co-defendant JOSEPH OLIVIERI (executive director of the Association of Wall, Ceiling and Carpentry Industries of New York) were similarly relieved of their benefit fund trustee positions.

Under the terms of his plea agreement with the Government, GREANEY, 50, of Yonkers, New York, will surrender to the U.S. Marshals on or before August 20, 2010, to begin serving jail time. GREANEY is scheduled to be sentenced by United States District Judge VICTOR MARRERO on December 17, 2010, at 3:30 p.m.

* * *

The six other defendants who have previously pleaded guilty to date are as follows:

MICHAEL BRENNAN, 54, of Bushkill, Pennsylvania, who was a union shop steward, pleaded guilty on July 6, 2010, to the Indictment's RICO count, and specifically to racketeering acts involving the acceptance of cash bribes and obstruction of justice. He is scheduled to be sentenced on October 29, 2010, at 4:00 p.m.

BRIAN CARSON, 50, of Bronx, New York, who was a union shop steward, pleaded guilty on April 5, 2010, to one count of aiding and abetting the embezzlement of monies from union benefit funds. He is scheduled to be sentenced on July 30, 2010, at 4:30 p.m.

FINBAR O'NEILL, 44, of Paramus, New Jersey, who is a contractor, pleaded guilty on May 20, 2010, to one count of making unlawful payments to labor representatives, and one count of conspiracy to make such unlawful payments. He is scheduled to be sentenced on November 19, 2010.

JOSEPH RUOCCO, 50, of East Stroudsburg, Pennsylvania, who was a union shop steward, pleaded guilty on July 8, 2010, to one count of aiding and abetting the embezzlement of monies from union benefit funds. He is scheduled to be sentenced on October 29, 2010, at 3:30 p.m.

JOHN STAMBERGER, 53, of Brick, New Jersey, who was a union shop steward, pleaded guilty on March 12, 2010, to conspiracy to commit wire fraud, and unlawful acceptance of payments by a labor representative. He is scheduled to be sentenced on December 17, at 3:00 p.m.

MICHAEL VIVENZIO, 62, of Mahwah, New Jersey, who was a union shop steward, pleaded guilty on June 23, 2010, to one count of aiding and abetting the embezzlement of monies from union benefit funds. He is scheduled to be sentenced on October 15, 2010, at 4:00 p.m.

All defendants are currently out on bail, and will be sentenced by Judge MARRERO.

Trial as to the remaining defendants, including FORDE, 55, of Woodside, New York, HAYES, 39, of New York, New York, and OLIVIERI, 55, of Yonkers, New York, is scheduled to begin on September 7, 2010, before Judge MARRERO. The charges contained in the Indictment against these defendants are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

U.S. Attorney PREET BHARARA stated: "John Greaney's guilty plea unfortunately confirms that corruption has been deeply entrenched within the Carpenters Union. In today's tough economic times, the jobs of tradesmen cannot be entrusted to leaders making back-door deals to line their own pockets. The hardworking men and women of the Carpenters Union deserved better. This Office, along with our partners at the FBI and the Department of Labor, is committed to vigorously prosecuting every corrupt union representative who their position for personal gain."

FBI Assistant Director-in-Charge GEORGE VENIZELOS stated: "Countless forms of corruption have haunted the Carpenters Union for years, substantiated by today's plea. Top officials and leaders of the union circumvented the law by creating a scheme in which greed took over, fueling the desire for more control and greater financial gain. The FBI is committed to putting an end to corrupt union leadership and restoring the faith of the dedicated union members who deserve proper representation."

DOL-OIG Special Agent-in-Charge MARJORIE FRANZMAN stated: "Today's guilty plea highlights the Office of Inspector General's efforts to combat the influence of labor racketeering in the nation's unions. The defendant victimized the very same union membership that he was entrusted to represent by accepting bribes from union construction contractors, among other unscrupulous acts. We remain committed to working with the FBI to eliminate union corruption and protect benefit plan assets."

Mr. BHARARA praised the FBI and DOL-OIG for their outstanding work in investigating this case.

The prosecution is being handled by the Organized Crime Unit of the United States Attorney's Office. Assistant United States Attorneys LISA ZORNBERG and MARK LANPHER are in charge of the prosecution.

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