

NEWS

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FOR IMMEDIATE RELEASE
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Former Far Hills Councilman Gets 20 Months
in Prison for Conspiracy to Launder \$700,000

(More)

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NEWARK – A former Far Hills councilman was sentenced today to 20 months in federal prison for conspiring to launder approximately \$700,000 in what he believed to be the proceeds of loansharking and illegal gambling as part of a scheme to defraud the IRS of more than \$200,000 owed in personal income taxes, U.S. Attorney Christopher J. Christie announced.

U.S. District Judge William J. Martini ordered Thomas A. Greenwald, 54, now of Chatham, to surrender to the federal Bureau of Prisons by Jan. 21 to begin serving his prison sentence. Under his plea agreement, Greenwald also agreed to forfeit \$25,900.

Greenwald pleaded guilty on May 10 to conspiracy to commit money laundering and conspiracy to defraud the IRS.

During the plea proceeding, Greenwald admitted that he was introduced to two individuals who he believed to be involved in loansharking and illegal gambling activities. Greenwald later learned that they were undercover FBI agents. Greenwald admitted that he met these individuals through Stephen Appolonia, a co-owner of International Trucks of Central Jersey, after Appolonia informed Greenwald that Greenwald could make a substantial sum of cash through laundering these funds.

Greenwald also admitted that, after meeting the undercover FBI agents, he informed Appolonia that he wished to launder approximately \$700,000 in loansharking and illegal gambling proceeds for them. Greenwald admitted that he wished to launder this amount for the purpose of creating fraudulent business expenses in relation to an oil tank business he had sold in late 2004 so that he could falsely reduce the amount he owed in personal income taxes for calendar year 2004. To this end, Greenwald admitted to having the undercover FBI agents produce fraudulent invoices for construction and demolition work they had purportedly performed on behalf of Greenwald's business.

At the hearing, Greenwald conceded that the scheme, if completed, would have resulted in defrauding the IRS of between \$200,000 and \$400,000 in taxes he owed.

Greenwald agreed to forfeit \$25,900 to the United States, representing the fees he had earned for laundering the cash provided by the undercover FBI agents.

Greenwald resigned as a Far Hills councilman in 2005 as a result of the instant charges. The guilty plea of represented at the time, the latest conviction to arise from Operation Bid Rig, the same investigation which has led to charges being filed against more than 18 officials in Monmouth and Ocean Counties over the last several years, including convictions of the former mayors of Asbury Park, Ocean Township, West Long Branch, Brick Township, Hazlet and Keyport as well as councilmen from Asbury Park, Neptune Township, Middletown and Long Branch.

Christie credited Special Agents of the FBI's Red Bank Resident Agency, under the direction of Special Agent in Charge Weysan Dun, in Newark, as well as Special Agents with the IRS Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, for their work in the investigation of Greenwald and the many other defendants.

The case is being prosecuted by Assistant U.S. Attorney Mark J. McCarren, the Chief of the Public Protection Unit.

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Defense Counsel: Paul J. Fishman, Esq., Newark