

NEWS

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



Christopher J. Christie, U.S. Attorney

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Assistant U.S. Attorney:
MARK McCARREN
973-645-2867
HOPE S. OLDS
973-645-2764

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FOR IMMEDIATE RELEASE
Sept. 13, 2007

Co-owner of Municipal Truck Sales Company Admits Paying Off Public
Official and Money Laundering Purported Loansharking Proceeds

(More)

Public Affairs Office
Michael Drewniak, PAO

973-645-2888

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NEWARK – A co-owner of International Trucks of Central Jersey located in Hillside and Howell pleaded guilty today to bribing a public official and also to conspiring to launder money purported to be loansharking and illegal sports gambling proceeds, U.S. Attorney Christopher J. Christie announced.

Stephen Appolonia, 53, of Colts Neck, pleaded guilty before U.S. District Judge William J. Martini to one count of making a corrupt payment to a County of Monmouth public official in exchange for his official action and one count of conspiring to launder money. Judge Martini scheduled sentencing for Dec. 6.

At his plea hearing, Appolonia admitted providing \$2000 in cash to former Middletown committeeman Raymond J. O'Grady, who was the Director of the Central Motor Pool for the County of Monmouth, in a scheme to have the county pay approximately \$6,000 for repairs to the transmission of a vehicle that the county already had traded back to Appolonia's business.

Appolonia also admitted that in November 2004, he introduced former Far Hills Councilman Thomas A. Greenwald, 53, currently of Chatham, to an individual who held himself out as a demolition contractor who was also involved in money laundering and other illegal activities. Furthermore, Appolonia informed Greenwald that the individual had two associates that were looking to launder the proceeds of loansharking and illegal sports gambling. Appolonia admitted he told Greenwald that substantial amounts of cash could be made by laundering these funds. Appolonia stated that he and Greenwald agreed that they would engage in the money laundering transactions with the two associates, who they later learned were undercover FBI agents.

In open court, Appolonia admitted that on November 11, 2004, at a restaurant in Howell, Appolonia was present when Greenwald provided a check to the undercover FBI agents in the amount of \$18,000 in exchange for \$20,000 in cash. Shortly thereafter, Appolonia and Greenwald entered into an agreement whereby they would split a 10 percent commission on all money laundering deals that they engaged in with the undercover agent.

Before Judge Martini, Steve Appolonia admitted that in December 2004, Appolonia agreed to assist Greenwald launder approximately \$700,000 over the next several months. As a result, on four occasions over the next two months, Greenwald took approximately \$350,000 in cash from the undercover agents in return for checks totaling approximately \$325,500. Appolonia admitted that his share was approximately \$10,500.

The charge of bribing a public official carries a maximum penalty of 10 years in prison and a \$250,000 fine. The charge of conspiracy to launder money believed to be the

proceeds of loansharking carries a maximum penalty of 20 years in prison and a \$250,000 fine.

O'Grady was convicted at trial in June 2006 for accepting corrupt payments from undercover FBI agents, as well as for his involvement in a scheme to accept a corrupt payment from Stephen Appolonia in relation to the repair of a transmission on a County truck. O'Grady was sentenced to 43 months in prison by Judge Martini on Oct. 11, 2006.

On May 10, 2007, Greenwald pleaded guilty to 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 he owed in personal income taxes. Greenwald is scheduled to be sentenced on October 25.

Christie credited Special Agents of the FBI's Red Bank Resident Agency, under the direction of Special Agent in Charge Weysan Dun, and detectives from the Brick Police Department, under the direction of Police Chief Ron Dougard, and the Ocean County Prosecutor's Office, under the direction of Ocean County Prosecutor Marlene Lynch Ford, with the investigation that resulted in today's guilty plea.

The government is represented by Assistant U.S. Attorneys Hope Olds and Mark McCarren, Chief of the Public Protection Unit in Newark.

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Defense Counsel: Walter F. Timpone, Esq. Morristown