
**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : CRIMINAL COMPLAINT
v. :
BRIAN F. MONAGHAN :
and :
ROBERT CANTALUPO : Mag No. 05-

I, Robert O’Connell, being duly sworn, state that the following is true and correct to the best of my knowledge and belief. In or about the dates set forth below in the District of New Jersey, and elsewhere, the defendants did:

SEE ATTACHMENT A.

in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i) & 2.

I further state that I am a Special Agent with the United States Internal Revenue Service and that this complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached pages and made a part hereof.

Robert O’Connell, Special Agent
Department of Treasury
Internal Revenue Service
Criminal Investigations

Sworn to before me and subscribed in my presence,

The _____ day of October, 2005, in the District of New Jersey

HONORABLE MADELINE COX ARLEO
UNITED STATES MAGISTRATE JUDGE

Signature of Judicial Officer

ATTACHMENT A

From in or about January, 2003, to in or about October, 2005 in the District of New Jersey, and elsewhere, defendants,

BRIAN F. MONAGHAN
and ROBERT CANTALUPO

knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, and knowing that the transaction was designed in whole or in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the proceeds of specified unlawful activity, conducted and attempted to conduct a financial transaction affecting interstate and foreign commerce, specifically the transfer, delivery, and other disposition of United States currency, involving the proceeds of specified unlawful activity, namely the distribution of controlled substances.

in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i) & 2.

ATTACHMENT B

I, Robert O'Connell, am a Special Agent with the United States Internal Revenue Service, Criminal Division ("IRS"), and I am fully familiar with the facts set forth herein based on my own investigation and my conversations with other agents, and members of the law enforcement community and my review of their reports and of items of evidence. Where statements of others are related herein, they are related in substance and part. Since this complaint is being submitted for a limited purpose, I have not set forth each and every fact that I know concerning this investigation. Where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged. Based upon my investigation and my discussions with other individuals involved in this investigation, as well information obtained from two undercover officers, I have knowledge of the following facts:

1. The American Built Motorcycles is a stand alone store located at 46 Flint Road, South Toms River, New Jersey. American Built Motorcycles is owned and operated by BRIAN MONAGHAN (hereinafter "MONAGHAN"), who is identified as the company President. American Built Motorcycles sells high end custom motorcycles priced from \$28,000 for a used custom motorcycle to over \$55,000.00 for a new motorcycle. ROBERT CANTALUPO (hereinafter "CANTALUPO") is a sales manager at American Built Motorcycles.

2. MONAGHAN was identified in bank records as making numerous cash deposits just under \$10,000 into American Built Motorcycles business bank account. In fact, bank records revealed that MONAGHAN has never made a cash deposit over \$10,000. Bank records also revealed that there were numerous structured cash deposits made from April 18, 2003 through July 29, 2005. The amount of cash deposits structured by American Built Motorcycles for 2003 totaled approximately \$531,115; for 2004 totaled approximately \$391,875; and for 2005 (through July) totaled approximately \$212,600. The total amount of cash structured into American Built Motorcycles' account during the above time period is approximately \$1,135,590.

3. On April 21, 2005 an IRS undercover agent ("UC1") went to American Built Motorcycles and met with CANTALUPO. The conversation was recorded. During the recorded conversation, CANTALUPO told UC1 not to worry about giving them a large amount of cash at once because, "we know how to handle cash." CANTALUPO proceeded to inform UC1 that they (American Built Motorcycles) would fill out the paperwork in such a way as to make it look like the cash was brought to them in increments under \$10,000. He told UC1 not to worry about the paperwork.

4. On May 19, 2005, UC1 returned to American Built Motorcycles with another IRS undercover agent ("UC2")(hereinafter collectively referred to as "the UCs"). The UCs met with sales manager CANTALUPO and again recorded the conversation. The UCs and CANTALUPO discussed the use of cash to purchase a motorcycle. The UCs also discussed with CANTALUPO the fact that no "forms would be filed" using the UCs' real names. In fact, UC2 told CANTALUPO that UC2 did not want to purchase the bike and/or register the bike in UC's name. CANTALUPO told the UCs that that was fine and that all he needed to process the sale and register the motorcycle was a photocopy of *someone's* driver license (color copy if possible) and a social security number. CANTALUPO explained that if a customer was to bring \$30,000 in cash

at one time to buy a motorcycle, the receipt will say the customer was at the business three or four times making small payments toward the purchase price of the motorcycle. He explained that he would break up the payments to look as if he was given less than \$10,000 a time. He said he needed to do this because as long as he deposited less than \$10,000 in the bank, the bank would not question the source of the cash. He explained that, "they (American Built Motorcycles) do it all the time." In fact, he stated, "I just did it on Saturday," and that "they (American Built Motorcycles Built Motorcycles) know how to handle cash." He then said, "Just don't bring me all twenties. I had a guy bring me \$30,000 in twenties. It took me an hour and a half to count it."

5. On July 15, 2005, the UCs returned to American Built Motorcycles for the purpose of purchasing a custom motorcycle with cash represented to be the proceeds of the sale of controlled substances, namely marijuana. On that day, the UCs met with CANTALUPO who contacted MONAGHAN and explained to him that the UCs wanted to meet with MONAGHAN personally. CANTALUPO immediately set up a meeting in MONAGHAN's office.

6. In a recorded conversation UC2 explained to MONAGHAN that UC2 was interested in purchasing a new custom motorcycle from him for \$43,615. UC2 explained to MONAGHAN that UC2 wanted to pay for the bike in cash and that the cash was from drug proceeds. UC2 told MONAGHAN that UC2 has never had a legitimate job and that UC2 used to "run weed (marijuana)" from Texas to North Carolina. UC2 explained that UC2 made so much money selling marijuana that he/she will never have to work another day in his/her life. MONAGHAN responded, "Hey, good for you. You're lucky you never got caught. That's great that you never have to work again and that you are set for life. Good for you man." UC2 also told MONAGHAN that he/she did not want any paperwork to reflect his/her real name or to be traceable back to him/her.

7. MONAGHAN agreed to record the sale as if an unrelated third party had made the purchase. UC2 gave MONAGHAN a photocopy of a North Carolina Driver's License containing a photograph of someone clearly of another race and UC2 gave MONAGHAN a matching social security number. Both MONAGHAN and CANTALUPO agreed to conduct the sale.

8. Then, in CANTALUPO's presence, MONAGHAN told the UCs that the sales receipt would read as if they came in 5 different times with cash less than \$10,000 each time. MONAGHAN explained that if he took cash over \$10,000 to the bank, the bank would require him to fill out forms about the cash and its source. MONAGHAN instructed CANTALUPO to complete the sale as just explained and then left his office.

9. CANTALUPO personally counted the cash by hand in front of UC1 and UC2. While counting the cash, CANTALUPO informed the UCs that there was a safe in MONAGHAN's office where cash was stored. The total cash paid at one time to American Built Motorcycles on July 15, 2005 for the motorcycle was \$43,615. Furthermore, CANTALUPO gave UC2 a sales receipt reflecting the false information and stating that UC1 and UC2 had come on five separate occasions with less than \$10,000 each time to pay off the motorcycle. CANTALUPO also gave UC2 a computer generated odometer statement that reflected the purchaser's name as that of the name on the fake identification. After the sale was complete, the motorcycle was loaded into the bed of the UC2's pick-up truck and driven to a secure location.

10. Forty-five days after the purchase, a search was conducted of the Forms 8300 Database for American Built Motorcycles and it revealed that American Built Motorcycles had not filed the required Form 8300's relating to the receipt of cash in excess of \$10,000 for the above undercover transaction within the required time period (45 days). In fact, the search revealed that American Built Motorcycles has never filed a Form 8300 for any transaction.

11. Moreover, bank records reveal that a few days after the purchase, American Built Motorcycles structured cash deposits into the bank. For example \$7,000 cash was deposited on July 18, 2005; \$7,500 cash on July 20, 2005; \$9,000 cash on July 21, 2005; \$9,900 cash on July 22, 2005; and \$9,900 cash on July 25, 2005 for a total cash deposit of \$43,300.