

4/23/12
12:50 P.M.

RECEIVED

APR 23 2012

10-0673 VGOOM

AT 8:30
WILLIAM T. WALSH, CLERK STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 12- 270 (JAP)
v. : 29 U.S.C. § 501(c)
GREGORY TAYLOR aka :
"Ronnie" :

I N D I C T M E N T

The Grand Jury in and for the District of New Jersey,
sitting in Newark, charges:

Introduction

Counts One through Thirty Seven
(Embezzlement from Local 1233)

Background

1. At all times relevant to this Indictment unless
otherwise stated:

The Defendant and Other Entities

(a) Local 1233 of the International Longshoreman's
Association (hereinafter "Local 1233") was a "labor organization"
within the meaning of the provisions of Title 29, United States
Code, Sections 152(5), 402(i) and 402(j). It represented and
admitted to membership individuals who worked on the Ports of New
Jersey and New York.

(b) Defendant GREGORY TAYLOR was employed by Local 1233 as
its Secretary Treasurer from in or about January 2005 to in or

about May 20, 2010. As such, he was an officer and representative of a labor union, pursuant to Title 29, United States Code, Section 402(q). According to the Constitution and By-Laws of Local 1233, the duties of Secretary Treasurer include: (1) receiving all monies paid to the union and depositing them into a union bank account; (2) co-signing checks from the union; (3) keeping true and accurate records of all of the union's financial transactions; (4) receiving authorization from the Executive Board in order to disburse union funds; and (5) reporting all financial transactions to the union's Auditing Committee.

(c) Defendant GREGORY TAYLOR, as Secretary Treasurer, was also a fiduciary and his duties and obligations, pursuant to Section 501(a) of Title 29, United States Code, were, among others: (1) to hold money and funds of Local 1233 solely for the benefit of the union and its members; (2) to manage and expend the union's funds in accordance with its constitution and by-laws; and (3) to avoid acting on his own behalf or for the benefit of any party whose interests were adverse to the interests of the union.

(d) Defendant GREGORY TAYLOR also possessed, without authorization, a credit card that was issued by American Express (the "AMEX card") to Local 1233. In addition, Bank of America issued defendant GREGORY TAYLOR two debit cards that were linked

to the Local 1233 operating account. Both the credit card and the debit cards were expected to be used for union related business and solely for the benefit of Local 1233 and its members. During the relevant time period, defendant GREGORY TAYLOR improperly exercised his authority to sign union checks and to make payments to American Express for personal expenses he generated from the Local 1233 operating account.

(e) ADP is a company that provides, among other things, payroll services, human resource management and employee benefits administration. Local 1233 retained ADP to administer the payroll for its employees. Each week, ADP calculated the gross payroll for each union employee and then generated the requisite payroll checks that were then mailed to the union. The payroll was funded by the union's operating account at Bank of America.

(f) In each year between 2007 and in or about February 2010, "petty cash" checks were issued from the union's operating account at Bank of America. These checks were not authorized by any Executive Board action, nor co-signed as required by the union's by-laws. These checks were purportedly issued to help pay for incidental expenses that arose during the normal course of Local 1233's operation, but in fact the \$300 monthly "petty cash" disbursements provided no apparent benefit to the union or its members and were solely for the benefit for defendant GREGORY TAYLOR.

g. Between November 2008 and December 2008, defendant TAYLOR, on behalf of Local 1233, purchased 1,050 gift cards valued at \$21,000 from Wakefern Food Corporation ("Wakefern") with two checks (#608 and #632) totaling \$20,000, purportedly for distribution to the union members for the 2008 Thanksgiving\ Christmas holiday period. Each gift card was worth \$20, although Wakefern discounted bulk purchases. Wakefern is the parent organization of Shop Rite supermarkets. The gift cards were redeemable at any Shop Rite store. Of the 1050 gift cards purchased for the members, 173 were used for the personal benefit of defendant Gregory Taylor.

h. On or about November 16, 2009, defendant TAYLOR purchased an additional 400 gift cards [discounted] for approximately \$7600 from Wakefern with a Local 1233 check (#8484). The gift cards were worth \$20 each and were to be distributed to the union members for the 2009 Thanksgiving\ Christmas holiday period. Of the 400 gift cards purchased for the members, 135 were used for the personal benefit of defendant Gregory Taylor.

2. On or about the dates set forth below, in Essex County, in the District of New Jersey and elsewhere, defendant

GREGORY TAYLOR aka "Ronnie"

while an officer and employee of Local 1233, a labor organization engaged in an industry affecting commerce, embezzled, stole, and

unlawfully and willfully abstracted and converted to his own use and the use of others, and caused to be embezzled, stolen, and unlawfully and willfully abstracted and converted to his own use and the use of others, money, funds, securities, property, and other assets of Local 1233, as described below:

| | | |
|-------|--------------------|--|
| ONE | May 31, 2007 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| TWO | August 28, 2007 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| THREE | January 15, 2008 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| FOUR | April 1, 2008 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| FIVE | June 3, 2008 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| SIX | July 11, 2008 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| SEVEN | September 30, 2008 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| EIGHT | October 24, 2008 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| NINE | January 13, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |

| TEN | February 26, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
|------------|--------------------|--|
| ELEVEN | March 10, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| TWELVE | April 29, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| THIRTEEN | May 6, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| FOURTEEN | May 12, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| FIFTEEN | June 23, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| SIXTEEN | June 30, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| SEVENTEEN | July 7, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| EIGHTEEN | July 22, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| NINETEEN | September 22, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| TWENTY | October 20, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| TWENTY ONE | October 27, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |

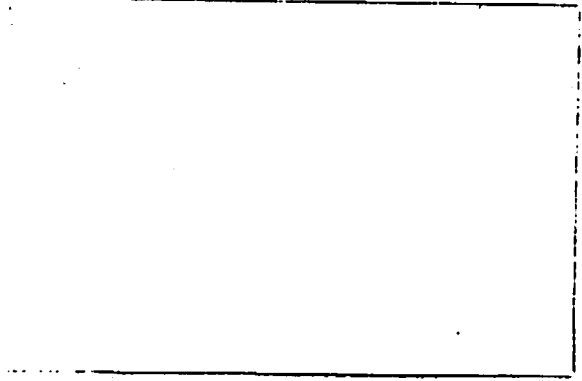
| | | |
|--------------|-------------------------------------|--|
| TWENTY TWO | November 25, 2009 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| TWENTY THREE | February 9, 2010 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| TWENTY FOUR | February 9, 2010 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| TWENTY FIVE | February 16, 2010 | extra paycheck resulting in \$2854 in unauthorized and improper salary |
| TWENTY SIX | April 19, 2010 | one paycheck representing four (4) weeks in unauthorized and improper vacation pay in the amount of \$7852 |
| TWENTY SEVEN | from February 2007 to December 2007 | nine (9) \$300 Petty cash checks totaling \$2700 |
| TWENTY EIGHT | from January 2008 to December 2008 | fourteen (14) \$300 Petty cash checks totaling \$4200 |
| TWENTY NINE | from January 2009 to December 2009 | sixteen (16) \$300 Petty cash checks totaling \$4800 |
| THIRTY | from January 2010 to February 2010 | two (2) \$300 Petty cash checks totaling \$600 |
| THIRTY ONE | from November 2008 to December 2009 | 172 gift cards worth \$3,440. |
| THIRTY TWO | from November 2009 to December 2009 | 135 gift cards worth \$2,700. |
| THIRTY THREE | on or about April 1, 2009 | round-trip airline tickets from New Jersey to Santo Domingo, totaling \$1,241.80 |
| THIRTY FOUR | on or about November 23, 2009 | round-trip airline tickets from New Jersey to Colombia, totaling \$1,138.90 |

| | | |
|--------------|-------------------------------|---|
| THIRTY FIVE | on or about January 18, 2010 | round-trip airline tickets for travel from New Jersey to Abidjan (Ivory Coast of Africa) totaling \$1,460 |
| THIRTY SIX | on or about February 22, 2010 | charges for changes to the Abidjan travel itinerary totaling \$1,614 |
| THIRTY SEVEN | on or about February 22, 2010 | round-trip airline tickets for travel from New Jersey to Santo Domingo totaling \$401.80 |

All in violation of Title 29, United States Code, Section 501(c).

A TRUE BILL,


PAUL J. FISHMAN
United States Attorney



CASE NUMBER: 3:12-cr-270(JAP)

United States District Court
District of New Jersey

UNITED STATES OF AMERICA

v.

Gregory Taylor

INDICTMENT FOR

TITLE 29 USC S 501(c)

PAUL J. FISHMAN

UNITED STATES ATTORNEY, NEWARK, NEW JERSEY

V. GRADY O'MALLEY
SENIOR LITIGATION COUNSEL
NEWARK, NEW JERSEY
973-645-2725