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NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

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**THREE INDICTED IN INVESTIGATION BY DIVISION OF CRIMINAL JUSTICE &
WATERFRONT COMMISSION INTO SHAKEDOWN OF DOCK WORKERS**

TRENTON - Attorney General Paula T. Dow, Criminal Justice Director Stephen J. Taylor and Commissioner Ronald Goldstock of the Waterfront Commission of New York Harbor today announced the indictment of two men on charges of loansharking and money laundering in connection with a joint investigation into alleged extortion of money from dock workers at the Port of New York and New Jersey.

According to Director Taylor, Joseph Queli, 64, of Wall, and Nicholas Bergamotto, 63, of Newark, were charged with loansharking and money laundering in a state grand jury indictment obtained by the Division of Criminal Justice Gangs & Organized Crime Bureau. Queli's wife, Regina Queli, 62, was indicted with him on charges of money laundering and tax evasion for allegedly handling criminal proceeds and failing to report them on tax returns.

The two men were initially arrested and charged in April 2010 as a result of Operation Terminal, an ongoing investigation by the Division of Criminal Justice and the Waterfront Commission of New York Harbor into the activities of a criminal enterprise that allegedly has exercised control and corrupt influence over International Longshoremen's Association (ILA) locals operating shipping terminals at the Port. The criminal enterprise allegedly was demanding "tribute" from dock workers for better jobs and pay. Also charged last April were a top ILA official, Nunzio LaGrasso, another ILA member, and a Newark police officer who is LaGrasso's nephew.

The indictment announced today was returned by the state grand jury on Oct. 26, 2010, but sealed by the court until today because of the ongoing investigation.

It is alleged that as part of the criminal enterprise operating at the Port, Queli made loans to ILA members at usurious interest rates, ranging from 78 to 156 percent per year. Queli or Bergamotto, acting on his behalf, would allegedly demand weekly payments from the union members of 1 ½ to 3 percent interest on the loan amount.

Bergamotto allegedly gave the money he collected on such loans to Queli. Queli is charged in the indictment with theft by extortion because he allegedly threatened bodily injury to one man if he did not make his loan payments.

The nine-count indictment charges Queli and Bergamotto with conspiracy (2nd degree), criminal usury, commonly known as loansharking (2nd degree), and money laundering (2nd degree). Queli

is charged in separate counts with theft by extortion (2nd degree) and conspiracy (2nd degree). Joseph and Regina Queli are named in additional counts charging them with conspiracy (2nd degree), money laundering (2nd degree), filing false tax returns (3rd degree), and failure to pay taxes (3rd degree). The tax charges relate to calendar years 2005 through 2009.

Second-degree crimes carry a maximum sentence of 10 years in state prison and a \$150,000 fine, while third-degree crimes carry a maximum sentence of five years in prison and a \$15,000 fine. The indictment is merely an accusation and the defendants are presumed innocent until proven guilty. The indictment was handed up to Superior Court Judge Linda R. Feinberg, who assigned the case to Monmouth County. It is posted with this release at www.njpublicsafety.com.

The charges filed in April 2009 against the other defendants are pending. LaGrasso, 60, of Florham Park, Secretary-Treasurer of ILA Local #1478, was charged with extortion and commercial bribery, both in the second degree. LaGrasso is Vice President of the Atlantic Coast District of all ILA locals. LaGrasso's nephew, Newark Police Officer Alan Marfia, 39, of Kenilworth, was charged with second-degree official misconduct for allegedly using his access to police databases to obtain information for LaGrasso on undercover police vehicles that were conducting surveillance near his union office. Rocco Ferrandino, 68, of Lakewood, a timekeeper at Maher Terminal in Port Newark/Elizabeth, was charged with second-degree extortion and second-degree commercial bribery.

The investigation into the activities of the alleged criminal enterprise at the New Jersey waterfront revealed that ILA members working at the shipping terminals are required to make a cash "tribute" payment at Christmas time each year to the enterprise out of the year-end bonuses each ILA member receives called "container royalty checks."

It is alleged that those payments are funneled to the criminal enterprise through LaGrasso. The payments must be made for union members to receive high-paying jobs, preferred shift assignments and overtime, all as determined under the influence of the criminal enterprise. Each of the thousands of union members allegedly must make a payment that typically ranges from a couple of hundred dollars to a couple of thousand dollars depending on the size of the container royalty check. It is alleged that LaGrasso collected some tribute payments directly, but usually relied on others, such as Ferrandino, to collect them.

Supervising Deputy Attorney General Mark Eliades, Chief of the Division of Criminal Justice Gangs & Organized Crime Bureau, and Deputy Attorney General Erin Callahan presented the case to the state grand jury. Attorney General Dow and Commissioner Goldstock credited all of the detectives, attorneys and officers who worked on the investigation for the Division of Criminal Justice and the Waterfront Commission. They also thanked Newark Police Director Garry McCarthy for the valuable assistance of his department.

The Port of New York and New Jersey is the largest port complex located on the East Coast of North America. Roughly \$200 billion in cargo moves through the port each year. Through the years, the New Jersey Division of Criminal Justice and the Waterfront Commission have conducted investigations into the activities of organized crime in and around the port. Past investigations have led to prosecution of union officials and members of the Genovese crime family, which has been found to control or exert significant influence over the ILA and commercial activity at the waterfront. Their criminal activities have included extortion, fencing, commercial bribery, loansharking and gambling.