



*United States Attorney
District of New Jersey*

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**PENNSYLVANIA MAN SENTENCED TO TWO YEARS IN PRISON FOR
CONSPIRING WITH MEMBERS OF ORGANIZED CRIME FAMILY AND OTHERS
IN FRAUD SCHEME**

CAMDEN, N.J. – A West Reading, Pennsylvania, man was sentenced today to 24 months in prison for his role in a conspiracy to defraud FirstPlus Financial Group Inc. (FPFG), a Texas-based financial services company allegedly targeted for extortionate takeover and looting by a group led by Lucchese organized crime family member Nicodemo S. Scarfo, U.S. Attorney Paul J. Fishman announced.

Cory Leshner, 33, previously pleaded guilty before U.S. District Judge Robert B. Kugler to a superseding information charging him with conspiracy to commit wire fraud. Judge Kugler imposed the sentence today in Camden federal court.

According to documents filed in this case and statements made in court:

Leshner and 12 others – including Scarfo, a member of the Lucchese La Cosa Nostra (LCN) crime family, and Salvatore Pelullo, an associate of the Lucchese and Philadelphia LCN families – were variously charged in a November 2011 indictment with a racketeering conspiracy, including acts of securities fraud, wire fraud, mail fraud, bank fraud, extortion, interstate travel in aid of racketeering, money laundering and obstruction of justice. The indictment charged that FPFG was targeted for extortionate takeover and looting by a group of the conspirators. A substantial part of the enterprise’s activities occurred in New Jersey, including communications and the transfer of money into and out of the state. Cory Leshner admitted that he joined the conspiracy in April 2007.

Leshner admitted that he assisted Scarfo and Pelullo in managing family trusts and limited liability companies on behalf of Scarfo and Pelullo as part of the scheme to defraud FPFG. Leshner said that Pelullo directed Leshner in the use of various bank accounts through which Pelullo received hundreds of thousands of dollars between July 2007 and April 2008 as part of the scheme. The money included the proceeds of the fraud that Pelullo allegedly received as part of a fraudulent “consulting” agreement between his shell company, Seven Hills Management, and codefendant William Maxwell, a Texas attorney who served as “special counsel” to FPFG as part of the scheme. The money also involved proceeds received from the fraudulent sale of Scarfo and Pelullo’s worthless companies to FPFG in 2007. The receipt of the

fraudulent proceeds often occurred in the form of wire transfers from accounts in Pennsylvania to accounts in New Jersey.

Leshner also said that he was a law school student during the scheme. Leshner graduated from law school in 2010 and became an attorney in Pennsylvania in 2011. As part of his plea agreement, Leshner agreed to notify the Pennsylvania Supreme Court of his guilty plea and to accept any disciplinary action brought by disciplinary officials as a result of the guilty plea and sentence. Leshner also agreed to not seek the reinstatement of his license to practice law while serving any sentence of imprisonment imposed in the case.

Scarfo, Pelullo, and the Maxwells were convicted at trial on July 3, 2014, and sentenced to prison. Scarfo and Pelullo were sentenced to 30 years in prison. William Maxwell was sentenced to 20 years in prison and John Maxwell to 10 years in prison.

In addition to the prison term, Judge Kugler sentenced Leshner to three years of supervised release and ordered to pay restitution of \$14.2 million.

U.S. Attorney Fishman praised special agents of the FBI, under the direction of Special Agent in Charge Timothy Gallagher in Newark; the Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations, under the direction of Special Agent in Charge Michael C. Mikulka, New York Region; and the Bureau of Alcohol, Tobacco, Firearms and Explosives, under the direction of George P. Belsky in Newark. He also thanked the FBI under the direction of Special Agent in Charge William F. Sweeney Jr. in Philadelphia for its vital assistance and the U.S. Securities and Exchange Commission for its role.

The government is represented by Assistant U.S. Attorney Howard Wiener, of the New Jersey U.S. Attorney's Office Organized Crime/Gangs Unit and Criminal Division in Camden, and Trial Attorney Adam Small of the Organized Crime and Gang Section of the Justice Department's Criminal Division.

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Defense counsel: Rocco C. Cipparone Jr. Esq., Haddon Heights, New Jersey

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