

Department of Justice
U.S. Attorney's Office
Northern District of New York

FOR IMMEDIATE RELEASE

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Troy Man Arraigned on Wire Fraud and Embezzlement Charges

ALBANY, NEW YORK – John R. Paeglow III, age 63, of Troy, New York, was arraigned today on 10 counts of wire fraud, and one count of embezzling funds from an employee benefit plan.

The announcement was made by United States Attorney Grant C. Jaquith and Michael C. Mikulka, Special Agent in Charge, New York Region, United States Department of Labor, Office of Inspector General (DOL-OIG).

Paeglow was arraigned today in Albany before United States Magistrate Judge Christian F. Hummel, and released on conditions pending trial before Senior United States District Judge Frederick J. Scullin, Jr.

According to the indictment, Paeglow fraudulently solicited and received over \$400,000 on behalf of his now-closed Castleton, New York-based book printing business Integrated Book Technology, Inc./Hamilton Printing (“IBT/Hamilton”), by orchestrating the submission of fraudulent invoices and forged shipping documents to a New Jersey-based commercial finance company. Paeglow obtained funding based on his false promises that he expected payment for the sales of books that, in fact, had not been sold or shipped.

Paeglow is also charged with embezzling employee contributions to his company's health plan.

The charges in the indictment are merely accusations. The defendant is presumed innocent unless and until proven guilty.

The charges filed against Paeglow carry a maximum sentence of 20 years in prison, a fine of up to the greater of \$250,000 or twice the pecuniary gain to the defendant or the loss to any victim, and a term of supervised release of up to 3 years. A defendant's sentence is imposed by a judge based on the particular statute the defendant is charged with violating, the U.S. Sentencing Guidelines and other factors.

This case is being jointly investigated by the U.S. DOL-OIG and the New York State Police Financial Crimes Unit, and is being prosecuted by Assistant U.S. Attorney Emmet J. O'Hanlon.