

SUPERIOR COURT OF N.J.
REC'D

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SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - CRIMINAL

SUPERIOR COURT
CLERK'S OFFICE

State Grand Jury

Docket Number SGJ543-07-1

Superior Court

Docket Number _____

STATE OF NEW JERSEY)

v.)

JUSTIN M. SCIARRA)

INDICTMENT

PAUL W. HOPKINS, JR.)

PAUL BROWN)

ADRIENNE HOPKINS)

SCIARRA INSURANCE AGENCY)

AJAX ENTERPRISES, INC.)

also known as

AJAX LEASING, INC.)

AJEX ENTERPRISES, INC.)

UJEX ENTERPRISES, INC.)

Q-TOWN, INC.)

HOMESTEAD ASSURANCE)

BROKERAGE, INC.

AMERICA'S PEO, INC.)

also known as

AMERICA'S PEO HOLDINGS, INC.)

also known as

STAFF AMERICA)

and)

PTD FINANCIAL LTD.)

The Grand Jurors of and for the State of New Jersey, upon
their oaths, present that:

COUNT ONE

(Conspiracy to Commit Racketeering - Second Degree)

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

ADRIENNE HOPKINS

SCIARRA INSURANCE AGENCY, INC.

AJAX ENTERPRISES, INC.

AJEX ENTERPRISES, INC.

UJEX ENTERPRISES, INC.

Q-TOWN, INC.

HOMESTEAD ASSURANCE BROKERAGE

AMERICA'S PEO, INC.

and

PTD FINANCIAL, LTD.

who are named as defendants herein, at the times and places herein specified, with the purpose of promoting and facilitating the commission of the crime of racketeering, did commit the crime of conspiracy, that is, the defendants did agree that:

A. One or more of them knowingly would engage in conduct which would constitute the crime of racketeering, and

B. One or more of them knowingly would aid the others in the planning, solicitation and commission of the crime of

racketeering, that is:

One or more of the defendants, being persons employed by or associated with an enterprise, which enterprise was engaged in and the activities of which affected trade or commerce, would conduct and participate, directly and indirectly, in the conduct of the enterprise's affairs through a pattern of racketeering activity, in violation of N.J.S.A. 2C:41-2c and N.J.S.A. 2C:2-7, all as hereinafter described.

THE RELEVANT TIMES

1. The conspiracy occurred between in or about August 1, 1996, and in or about July 26, 2002.

THE RELEVANT PLACES

2. The conspiracy took place at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere and within the jurisdiction of this Court.

THE ENTERPRISE

3. SCIARRA INSURANCE AGENCY; AJAX ENTERPRISES, INC.; AJEX ENTERPRISES, INC.; UJEX ENTERPRISES, INC.; HOMESTEAD ASSURANCE BROKERAGE, all being Delaware corporations; Q-TOWN, INC., a Pennsylvania corporation; and AMERICA'S PEO, INC. and PTD

FINANCIAL LTD., both being New Jersey corporations; and officers of the said corporations, including the said JUSTIN M. SCIARRA, PAUL W. HOPKINS, JR., PAUL BROWN, and ADRIENNE HOPKINS, who would constitute a group of individuals associated in fact with the said corporations, all of which engaged in and the activities of which affected trade and commerce, and which constituted an enterprise within the meaning of N.J.S.A. 2C:41-1c.

THE PURPOSES OF THE ENTERPRISE

4. It was a part of the conspiracy that the purpose of the participants and associates of the enterprise would include obtaining money and benefits for the members and associates of the enterprise primarily in the following ways:

A. Engaging in repeated acts of theft by failure to make required disposition of property, in violation of N.J.S.A. 2C:20-9;

B. Engaging in repeated acts of theft of services, in violation of N.J.S.A. 2C:20-8;

C. Engaging in repeated acts of misconduct by corporate official, in violation of N.J.S.A. 2C:2C:21-9c; and

D. Engaging in repeated acts of financial facilitation of criminal activity, in violation of N.J.S.A. 2C:21-25.

THE PATTERN OF RACKETEERING ACTIVITY

5. In order to achieve the purposes of the participants

and associates of the enterprise, one or more of the co-conspirators would employ one or more of the following means and methods:

A. At the above identified New Jersey locations, the co-conspirators would operate employee leasing companies, insurance brokerages, and other businesses, that is, SCIARRA INSURANCE AGENCY; AJAX ENTERPRISES, INC.; AJEX ENTERPRISES, INC.; UJEX ENTERPRISES, INC.; HOMESTEAD ASSURANCE BROKERAGE; Q-TOWN, INC.; AMERICA'S PEO, INC.; and PTD FINANCIAL LTD., to purposely and unlawfully obtain monies from their clients under the false pretense of using said monies to pay premiums for workers' compensation insurance coverage to insurance carriers;

B. That the co-conspirators would purposely and unlawfully issue certificates of insurance purporting to have obtained valid workers' compensation insurance coverage for their clients, when no such insurance coverage for their clients had been obtained;

C. That the co-conspirators would purposely and unlawfully transfer and use monies obtained from and entrusted by their clients for the purpose of paying workers' compensation insurance premiums for their own benefit, which transfers and which uses were not authorized by their clients;

D. That the co-conspirators would purposely and unlawfully make false or misleading statements, representations,

submissions, or omitting relevant and material information, such as misclassifications of employees and misstating employee payroll, to insurance carriers, insurance brokerages, or government agencies for the purpose of obtaining workers' compensation insurance coverage from various insurance carriers, including AMERICAN INTERNATIONAL GROUP, INC.; NATIONAL UNION FIRE INSURANCE, CO.; GRANITE STATE INSURANCE CO.; LEGION INSURANCE, CO.; AMERICAN ALTERNATIVE INSURANCE CO.; TIG INSURANCE CO.; OLD GUARD INSURANCE CO.; FEDERAL GUARANTY INSURANCE UNDERWRITERS; AND THE ST. PAUL COMPANIES, hereinafter "carriers."

E. That the co-conspirators would purposely and unlawfully make false or misleading statements, representations, submissions on, or omit relevant and material information to the carriers from, applications for workers' compensation insurance coverage for the purpose of evading payment or full payment of premiums;

F. That the co-conspirators would purposely and unlawfully refuse to submit to carrier audits, or did provide falsified or misleading information during such audits, or did withhold relevant and material information from the carriers' auditors for the purpose of evading payment or full payment of premiums;

E. That the co-conspirators would purposely and unlawfully submit workers' compensation insurance claims

containing false or misleading statements, representations, submissions, or omitting relevant and material information to the carriers, their representatives, insurance brokerages, or government agencies for the purpose of obtaining workers' compensation insurance benefits from the said carriers.

G. That the co-conspirators would purposely and unlawfully conceal their theft of monies, which were entrusted to them by clients for payment of workers' compensation insurance premiums, by transferring said monies to various bank accounts under their control or to corporations and entities under their control;

THE ROLE OF THE DEFENDANTS

6. The defendants did agree that they would participate, directly and indirectly, in the conduct of the affairs of the enterprise in the following ways, among others:

A. JUSTIN M. SCIARRA, would participate as an officer of SCIARRA INSURANCE AGENCY; AJAX ENTERPRISES, INC.; AJEX ENTERPRISES, INC.; UJEX ENTERPRISES, INC.; HOMESTEAD ASSURANCE BROKERAGE; and Q-TOWN, INC., and would direct and control the operation of those corporations to include negotiating employee leasing agreements with clients, obtaining workers' compensation coverage from various insurance carriers, and controlling payments made to and from SCIARRA INSURANCE AGENCY; AJAX ENTERPRISES, INC.; AJEX ENTERPRISES, INC.; UJEX ENTERPRISES,

INC.; HOMESTEAD ASSURANCE BROKERAGE; Q-TOWN, INC. He would additionally direct and control the response to claims for workers' compensation insurance benefits made by employees of AJAX ENTERPRISES, INC.; AJEX ENTERPRISES, INC.; UJEX ENTERPRISES; Q-TOWN, INC.; and AMERICA'S PEO, INC.

B. PAUL HOPKINS would participate as a founder and corporate officer of AMERICA'S PEO, INC., and would direct and control the operation of AMERICA'S PEO, INC. to include marketing its employee leasing services, soliciting customers for the same, and obtaining workers' compensation insurance coverage. In addition, PAUL HOPKINS would also assist JUSTIN SCIARRA and PAUL BROWN by finding and soliciting customers for the services of AJAX ENTERPRISES, INC.; AJEX ENTERPRISES, INC.; UJEX ENTERPRISES, INC.; and HOMESTEAD ASSURANCE BROKERAGE.

C. PAUL BROWN would participate as a corporate officer of HOMESTEAD ASSURANCE BROKERAGE, INC., and as an office and billing manager for SCIARRA INSURANCE AGENCY; AJAX ENTERPRISES, INC.; AJEX ENTERPRISES, INC.; UJEX ENTERPRISES, INC.; HOMESTEAD ASSURANCE BROKERAGE; and Q-TOWN, INC. As such he would assist JUSTIN M. SCIARRA in controlling the manner in which payments were made to and from SCIARRA INSURANCE AGENCY; AJAX ENTERPRISES, INC.; AJEX ENTERPRISES, INC.; UJEX ENTERPRISES, INC.; HOMESTEAD ASSURANCE BROKERAGE; and Q-TOWN, INC.

D. ADRIENNE HOPKINS would participate as a founder

and corporate officer of AMERICA'S PEO, INC. and PTD FINANCIAL, LTD. As such she would assist PAUL HOPKINS in controlling the finances of and payments from AMERICA'S PEO, INC. to PTD FINANCIAL, LTD.

E. SCIARRA INSURANCE AGENCY, INC. would serve as one of the locations where monies from victims were misappropriated.

F. AJAX ENTERPRISES, INC. would serve as one of the locations where fraudulent statements and misrepresentations were made to carriers, fraudulent certificates of insurance were issued to clients, and where monies from victims were misappropriated.

G. AJEX ENTERPRISES, INC. would serve as one of the locations where fraudulent statements and misrepresentations were made to carriers, fraudulent certificates of insurance were issued to clients, and where monies from victims were misappropriated.

H. UJEX ENTERPRISES, INC. would serve as one of the locations where fraudulent statements and misrepresentations were made to carriers, fraudulent certificates of insurance were issued to clients, and where monies from victims were misappropriated.

I. Q-TOWN, INC. would serve as one of the locations where fraudulent statements and misrepresentations were made to carriers and where fraudulent certificates of insurance were

issued to clients.

J. HOMESTEAD ASSURANCE BROKERAGE, INC. would serve as one of the locations where fraudulent statements and misrepresentations were made to carriers and other victims, fraudulent certificates of insurance were issued to clients, and where monies from victims were misappropriated.

K. AMERICA'S PEO, INC. would serve as one of the locations where fraudulent statements and misrepresentations were made to clients and where monies from victims were misappropriated.

L. PTD FINANCIAL, LTD. would serve as one of the locations where monies from victims were misappropriated.

PATTERN OF RACKETEERING ACTIVITIES

7. The pattern of racketeering activity, as defined in N.J.S.A. 2C:41-1d, would consist of at least two incidents of racketeering activity, including theft of services, N.J.S.A. 2C:20-8; theft by failure to make required disposition of property received, N.J.S.A. 2C:20-9; financial facilitation of crime N.J.S.A. 2C:21-25; and misconduct by corporate official, N.J.S.A. 2C:21-9c.

All in violation of N.J.S.A. 2C:41-2d, N.J.S.A. 2C:2-7 and N.J.S.A. 2C:5-2, and against the peace of this State, the government and dignity of the same.

COUNT TWO

(Racketeering - Second Degree)

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

ADRIENNE HOPKINS

SCIARRA INSURANCE AGENCY, INC.

AJAX ENTERPRISES, INC.

AJEX ENTERPRISES, INC.

UJEX ENTERPRISES, INC.

Q-TOWN, INC.

HOMESTEAD ASSURANCE BROKRAGE

AMERICA'S PEO, INC.

and

PTD FINANCIAL, LTD.

between on or about August 1, 1996, and on or about July 26, 2002, at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere and within the jurisdiction of this Court, did commit the crime of racketeering, being persons employed by or

associated with an enterprise as defined in Count One of this Indictment, which enterprise engaged in and the activities of which affected trade and commerce, knowingly did conduct and participate, directly and indirectly, in the conduct of the enterprise's affairs through a pattern of racketeering activity, as also defined in Count One of this Indictment and incorporated by reference herein, that is, by the commission of two or more incidents of racketeering conduct set forth as follows:

A. ACTS OF RACKETEERING PERTAINING TO THEFT BY FAILURE TO MAKE REQUIRED DISPOSITION OF PROPERTY RECEIVED

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

SCIARRA INSURANCE AGENCY, INC.

AJAX ENTERPRISES, INC.

AJEX ENTERPRISES, INC.

UJEX ENTERPRISES, INC.

Q-TOWN, INC.

HOMESTEAD ASSURANCE BROKERAGE

and

AMERICA'S PEO, INC.

did commit multiple acts of theft by failure to make required disposition of property received as alleged in Count Four of this

indictment by purposely obtaining or retaining property belonging to another upon agreement or subject to a known legal obligation to make specified payment or other disposition in an amount that is \$75,000 or more, by dealing with said property as his own and failing to make the required disposition or payment, that is, by obtaining and failing to make the required disposition of monies entrusted to them by clients for the payment of workers' compensation insurance premiums, contrary to the provisions of N.J.S.A. 2C:20-9.

B. ACTS OF RACKETEERING PERTAINING TO ATTEMPTED THEFT OF SERVICES.

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

SCIARRA INSURANCE AGENCY, INC.

AJAX ENTERPRISES, INC.

AJEX ENTERPRISES, INC.

UJEX ENTERPRISES, INC.

Q-TOWN, INC.

HOMESTEAD ASSURANCE BROKERAGE

and

AMERICA'S PEO, INC.

did commit multiple acts of attempted theft of services as alleged in Count Five of this Indictment by purposely attempting

to obtain the services of another which they knew are available only for compensation by deception, including through fraudulent statements, to avoid payment for the services, in the amount of \$75,000 or more, by fraudulently misrepresenting the true nature of their employee leasing business, the classifications of employees, employee payroll amounts, and the actual employers of workers to obtain workers' compensation insurance coverage and benefits for their own benefit or the benefit of another who was not entitled thereto, contrary to the provisions of N.J.S.A. 2C:20-8 and N.J.S.A. 2C:5-1.

C. ACTS OF RACKETEERING PERTAINING TO MISCONDUCT BY CORPORATE OFFICIAL.

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

and

ADRIENNE HOPKINS

did commit multiple acts of misconduct by corporate official as alleged in Counts Six, Seven, and Eight of this Indictment by purposely using, controlling and operating, SCIARRA INSURANCE AGENCY; AJAX ENTERPRISES, INC.; AJEX ENTERPRISES, INC.; UJEX ENTERPRISES, INC.; HOMESTEAD ASSURANCE BROKERAGE; Q-TOWN, INC.; AMERICA'S PEO, INC.; and PTD FINANCIAL, LTD. for the furtherance or promotion of the criminal objects as defined in Counts Four, Five, and Nine of this Indictment in the amount of \$75,000 or

more, contrary to the provisions of N.J.S.A. 2C:21-9c.

D. ACTS OF RACKETEERING PERTAINING TO FINANCIAL FACILITATION OF CRIMINAL ACTIVITY.

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

and

ADRIENNE HOPKINS

did commit multiple acts of financial facilitation of criminal activity as alleged in Count Nine of this Indictment by knowingly engaging in a transaction involving property, in the amount of \$75,000 or more, known to be derived from criminal activity, or knowing that the transaction was designed in whole or in part to conceal or disguise the nature, location, source, ownership or control of the property derived from the criminal activity as alleged in Count Four and Count Five of this Indictment, that is, by knowingly transferring monies of the victims of their criminal activity through various banking transactions into their possession and for their own benefit, contrary to the provisions of N.J.S.A. 2C:21-9c.

FORFEITURES

1. All allegations of Count One and Two of this Indictment are hereby incorporated by reference and re-alleged as if fully set forth herein, for the purpose of alleging forfeitures pursuant to N.J.S.A. 2C:41-3b.

2. The defendants have property constituting:

A. Interests, including money and other things of value, acquired and maintained in violation of N.J.S.A. 2C:41-2, as described in Counts One and Two herein, and

B. Interests in, security of, claims against, and property and contractual rights affording a source of influence over the enterprise specified herein, which the said defendants established, acquired, maintained, operated, controlled, conducted, and participated in the control of, in violation of N.J.S.A. 2C:41-2c, as specified in Counts One and Two herein.

3. The said interests, all forfeitable to the State of New Jersey, include, but are not limited to, the following:

A. AJAX ENTERPRISES, INC., including proceeds, investments, bank accounts, office equipment and all other property, both real and personal, belonging to said corporation.

B. AJEX ENTERPRISES, INC., including proceeds, investments, bank accounts, office equipment and all other property, both real and personal, belonging to said corporation.

C. UJEX ENTERPRISES, INC., including proceeds, investments, bank accounts, office equipment and all other property, both real and personal, belonging to said corporation.

D. Q-TOWN, INC., including proceeds, investments, bank accounts, office equipment and all other property, both real and personal, belonging to said corporation.

E. SCIARRA INSURANCE AGENCY, INC., including proceeds, investments, bank accounts, office equipment and all other property, both real and personal, belonging to said corporation.

F. HOMESTEAD ASSURANCE BROKERAGE, INC., including proceeds, investments, bank accounts, office equipment and all other property, both real and personal, belonging to said corporation.

G. PTD FINANCIAL, LTD., including proceeds, investments, bank accounts, office equipment and all other property, both real and personal, belonging to said corporation.

4. For defendant JUSTIN M. SCIARRA, any interest he may have acquired or maintained in violation of N.J.S.A. 2C:41-1 et seq., including but not limited to the following:

- A. Real property at:
251 Hartford Road
Medford, NJ 08055
- B. GMC Suburban 1997
VIN 1GDFK16RXVJ716157
Plate No. KWH37S
Registered to: Justin M. Sciarra
- C. Dodge Intrepid 1995
VIN 1B3HD46T0SF581940
Plate No. UWL87X
Registered to: Justin M. Sciarra

5. For defendant PAUL BROWN, any interest he may have acquired or maintained in violation of N.J.S.A. 2C:41-1 et seq., including but not limited to the following:

- A. Real Property at:
325 S. Lowell Avenue
Bellmawr, NJ 08031

COUNT THREE

(Conspiracy - Second Degree)

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

and

ADRIENNE HOPKINS

who are named as defendants herein, between on or about July 8, 1996 and on or about July 26, 2002, at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere, and within the jurisdiction of this Court, with the purpose of promoting and facilitating the commission of the crimes of theft by failure to make required disposition of property received, attempted theft of services, financial facilitation of criminal activity, and workers' compensation fraud, did agree that:

A. One or more of them knowingly would engage in conduct which would constitute the aforesaid crimes, and

B. One or more of them knowingly would aid in the planning and commission of said crimes, that is:

1. Purposely failing to make required payment or

disposition of property, in the amount of \$75,000 or more, obtained from another upon agreement or subject to a known legal obligation to make specified payment or other disposition, and dealing with the property obtained as their own, in violation of N.J.S.A. 2C:20-9.

2. Purposely attempting to obtain services which they knew were available only for compensation by deception to avoid payment for the service, or knowingly diverting services, over which they have control, but to which they are not entitled, to their own benefit or to the benefit of another not entitled thereto, in violation of N.J.S.A. 2C:20-8 and N.J.S.A. 2C:5-1.

3. Knowingly transporting or possessing property known to be derived from criminal activity; engaging in transactions involving property known to be derived from criminal activity with the intent to promote or facilitate the criminal activity; and directing, organizing, financing, planning, managing, supervising, or controlling the transportation or transactions of property known to be derived from criminal activity, all in violation of N.J.S.A. 2C:21-25a, N.J.S.A. 2C:21-25b and N.J.S.A. 2C:21-25c.

4. Purposely or knowingly making false or misleading statements, representations or submissions, or engaging in deceptive leasing practices, for the purpose of evading the full payment of benefits or premiums, in violation of N.J.S.A. 34:15-

57.4a.

Among the means by which the aforesaid co-conspirators would carry out the conspiracy are the following:

It was part of said conspiracy that the said JUSTIN M. SCIARRA and PAUL BROWN would cause applications for workers' compensation insurance coverage containing false statements to be submitted to insurance carriers;

It was further part of said conspiracy that the said JUSTIN M. SCIARRA and PAUL HOPKINS would knowingly enter into employee leasing contracts with clients seeking workers' compensation insurance coverage for their businesses.

It was further part of said conspiracy that the said JUSTIN M. SCIARRA and PAUL BROWN would cause to be issued certificates of insurance containing false or misleading information.

It was further part of said conspiracy that the said JUSTIN M. SCIARRA, PAUL HOPKINS, PAUL BROWN and ADRIENNE HOPKINS would engage in banking transactions involving monies known to have been provided by their clients for the purpose of paying workers' compensation insurance premiums.

The Grand Jurors aforesaid, upon their oaths, do further present that in pursuance of said conspiracy, that the following overt acts, among others, were committed:

OVERT ACTS

1. On or about July 8, 1996, the said JUSTIN M. SCIARRA

caused an application for workers' compensation insurance containing false information to be submitted to National Union Fire Insurance Company.

2. On or about January 30, 1997, the said JUSTIN M. SCIARRA wrote a check on Commerce Bank, N.A. Account 2905537, belonging to SCIARRA INSURANCE AGENCY, INC., in the amount of \$3,381 to HOMESTEAD ASSURANCE BROKERAGE.

3. On or about December 30, 1997, the said PAUL BROWN wrote a check on Commerce Bank, N.A. Account 2905537, belonging to SCIARRA INSURANCE AGENCY, INC., in the amount of \$3,256 to the Camden County Probation Department for the said JUSTIN M. SCIARRA.

4. On or about October 1, 1999, the said JUSTIN M. SCIARRA and PAUL HOPKINS signed an agreement for UJEX ENTERPRISES, INC. to lease employees to and to obtain workers' compensation insurance for STAFF AMERICA, INC.

5. On or about August 15, 2000, the said JUSTIN M. SCIARRA and PAUL BROWN caused an application for designation of a workers' compensation insurance carrier to be submitted to the New Jersey Compensation Rating and Inspection Bureau, which application contained false information.

6. On or about December 27, 2001, the said ADRIENNE HOPKINS wrote a check in the amount of \$2,452 from Commerce Bank, N.A. Account 5696356, belonging to PTD FINANCIAL LTD., to

ADRIENNE HOPKINS.

7. On or about July 11, 2002, the said PAUL BROWN wrote a check in the amount of \$5,066.87 from Commerce Bank, N.A. Account 7852247, belonging to UJ/T&L Transportation, Inc., to UJEX ENTERPRISES, INC.

All contrary to the provisions of N.J.S.A. 2C:5-2, and against the peace of this State, the government and dignity of the same.

COUNT FOUR

(Theft by Failure to Make Required Disposition
of Property Received - Second Degree)

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

SCIARRA INSURANCE AGENCY, INC.

AJAX ENTERPRISES, INC.

AJEX ENTERPRISES, INC.

UJEX ENTERPRISES, INC.

Q-TOWN, INC.

HOMESTEAD ASSURANCE BROKERAGE

and

AMERICA'S PEO, INC.

between on or about July 8, 1996 and on or about June 30, 2002 at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere, and within the jurisdiction of this Court, did commit theft by purposely obtaining or retaining property from AAMPRO Inc.; A. Bancroft & Sons Roofing Contractor, Inc.; Amboy Gas & Wash, Inc.; AMK Petroleum, Inc.; Arco South, Inc., t/a Andy's Shell; Atco

Trucking Co., Inc.; Brindisi Builders, Inc.; C&B Auto; C&J Auto Body, Inc.; CJ Auto Body; Carrier Haulers, Inc.; Centrix HR, LLC; Chetti's, Inc.; Cifaloglio, Inc.; City Wide Carpet, Inc.; Cugini Builders, Inc.; Dionysius/Beer With Us, Dionysus, Inc., t/a Beer With Us; Delaware Express, Inc.; DJ Mascioli Mechanical Contractors, Inc.; Eagle Medical Transport, Inc.; Eagle Rock Bus Co.; Friede Goldman Halter, Inc.; Fresh Cut Lawncare, Inc.; Green Giant Nursery & Landscaping, Inc.; Green County Construction, LLC; Gregory J. Luisi, t/a Luisi Brothers Construction; Henry Cifaloglio, Inc.; Iuliucci's Landscaping; James R. MacCauley, Inc.; Jenzac Express, Inc., t/a ATI, JL Trucking, LLC; Jolly Roger Racing Team, Inc.; Joseph Dore, d/b/a Toyz Trucking; JP Landscaping & Maintenance; K. Foreman Trucking; K&S Cleaning, Inc.; Keansburg Shell, t/a Rte 36 Gas & Go; Kephart Trucking Co.; L&S Construction; Lakeview Garage, Inc.; Lancer Home Inspection; Larry's Auto Repair; Magnolia Garden Village, Mamma Flora, Inc.; Mark Nardi, d/b/a Exterior Auto Service; McCay Trucking; McKee Donato Construction, Co.; MEJ Warehousing, Inc.; Merchantville Overhead Door; Mid-Atlantic Restoration, Inc.; Nature Scape, f/k/a Chetti's Naturescape; Nicholas Pelis; OPM Petroleum Co., LLC, d/b/a Galloway Shell Mart & Car Wash; Personal Temperature Service, t/a New Jersey Mechanical Contractors; Philip Atanasio Carpenter Contractor; Phylia, Inc., t/a The Beer Stop; PJA Builders, Inc.; Precision Flooring Corporation; Pro-Auto

Recyclers; R&P Construction of NJ, Inc.; Rabone, Inc., t/a Lakeside; Roger Forss General Painting, Inc.; Route 1 Gas & Go;; South Millville Auto Sales, Inc.; Seaboard Asphalt of Hammonton; Simp, Inc., t/a A&L Tire; Simpson Oil Co., LLC; Specialty Haulers, Inc.; Sunshine Landscape; T&L Transportation, Inc.; Thompson Realty Co.; Tri-County Pavement Maintenance, Inc./Tri-County Pavement Maintenance & Supply; Tri Cty Sweeping; Transcom Terminals; Tri-State Shuttle, Inc.; Tri-County Sweeping, Inc.; UN Trucking, t/a Upert A. Nelson; Walters Marine Construction; Waszen Bros Sanitation, Inc.; Wide Sky Turf Farms, Inc.; WLT, Inc.; William Parker Associates, Inc.; XTL, Inc.; Zone 2, Inc.; World Warehousing; World Wide Labor Support of Illinois, Inc.; and others whose identities are unknown to the Grand Jurors, that is, money in an amount of \$75,000 or more, upon agreement or subject to a known legal obligation to make specified payment or other disposition and did deal with said money as their own and did fail to make the required payment or disposition, contrary to the provisions of N.J.S.A. 2C:20-9 and N.J.S.A. 2C:2-6 and against the peace of this State, the government and dignity of the same.

COUNT FIVE

(Attempted Theft of Services - Second Degree)

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

SCIARRA INSURANCE AGENCY, INC.

AJAX ENTERPRISES, INC.

AJEX ENTERPRISES, INC.

UJEX ENTERPRISES, INC.

Q-TOWN, INC.

HOMESTEAD ASSURANCE BROKERAGE

and

AMERICA'S PEO, INC.

between on or about July 8, 1996, and on or about November 6, 2002, at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere and within the jurisdiction of this Court, purposely did attempt to obtain services which they knew were available only for compensation by deception to avoid payment for the services, in the amount of \$75,000 or more, that is, the said

JUSTIN SCIARRA, PAUL HOPKINS, PAUL BROWN, AJAX ENTERPRISES, INC.,
AJEX ENTERPRISES, INC., UJEX ENTERPRISES, INC., Q-TOWN, INC.,
HOMESTEAD ASSURANCE, INC., and AMERICA'S PEO, INC., did attempt
to obtain workers' compensation insurance coverage and benefits
from American International Group, National Union Fire and
Insurance Co., Legion Insurance Co., American Alternative
Insurance Co., TIG Insurance Co., Old Guard Insurance Co.,
Granite State Insurance Co., Federal Guaranty Insurance
Underwriters, and The St. Paul Companies, by deception, including
through fraudulent payments, to avoid payment for said insurance
coverage and benefits, contrary to the provisions of N.J.S.A.
2C:20-8, N.J.S.A. 2C:5-1 and N.J.S.A. 2C:2-6, and against the
peace of this State, the government and dignity of the same.

COUNT SIX

(Misconduct by Corporate Official - Second Degree)

JUSTIN SCIARRA

and

PAUL BROWN

between on or about June 27, 1996 and November 6, 2002, at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere, and within the jurisdiction of this Court, purposely or knowingly did use, control and operate corporations, that is, SCIARRA INSURANCE AGENCY, INC., AJAX ENTERPRISES, INC., AJEX ENTERPRISES, INC., UJEX ENTERPRISES, INC., Q-TOWN, INC. and HOMESTEAD ASSURANCE BROKERAGE, for the furtherance or promotion of a criminal object, thereby deriving a benefit of \$75,000 or more, that is, the said JUSTIN SCIARRA and PAUL BROWN, as officers of SCIARRA INSURANCE AGENCY, AJAX ENTERPRISES, INC., AJEX ENTERPRISES, INC., UJEX ENTERPRISES, INC., Q-TOWN, INC. and HOMESTEAD ASSURANCE BROKERAGE, did use, control and operate said corporations for the furtherance or promotion of the criminal objects of theft by failure to make required disposition of property received, in violation of N.J.S.A. 2C:20-9; theft of services, in violation of

N.J.S.A. 2C:20-8; financial facilitation of criminal activity, in violation of N.J.S.A. 2C:21-25; workers' compensation fraud, in violation of N.J.S.A. 34:15-57.4a; failure to provide workers' compensation insurance, in violation of N.J.S.A. 34:15-79; racketeering, in violation of N.J.S.A. 2C:41-2; and conspiracy to commit racketeering, in violation of N.J.S.A. 2C:5-2 and 2C:41-2d, contrary to the provisions of N.J.S.A. 2C:21-9c and N.J.S.A. 2C:2-6 and against the peace of this State, the government and dignity of the same.

COUNT SEVEN

(Misconduct by Corporate Official - Second Degree)

PAUL W. HOPKINS, JR.

between on or about September 27, 1999 and July 26, 2002, at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere, and within the jurisdiction of this Court, purposely or knowingly did use, control and operate a corporation, that is, AMERICA'S PEO, INC., a.k.a. AMERICA'S PEO HOLDINGS, a.k.a. STAFF AMERICA, INC., for the furtherance or promotion of a criminal object, thereby deriving a benefit of \$75,000 or more, that is, the said PAUL W. HOPKINS, JR., as an officer of AMERICA'S PEO, INC., did use, control and operate the said corporation for the furtherance or promotion of the criminal objects of theft by failure to make required disposition of property received, in violation of N.J.S.A. 2C:20-9; theft of services, in violation of N.J.S.A. 2C:20-8; financial facilitation of criminal activity, in violation of N.J.S.A. 2C:21-25; racketeering, in violation of N.J.S.A. 2C:41-2; and conspiracy to commit racketeering, in violation of N.J.S.A. 2C:5-2 and 2C:41-2d, contrary to the

provisions of N.J.S.A. 2C:21-9c and N.J.S.A. 2C:2-6 and against the peace of this State, the government and dignity of the same.

COUNT EIGHT

(Misconduct by Corporate Official - Second Degree)

ADRIENNE HOPKINS

between on or about September 27, 1999 and July 18, 2002, at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere, and within the jurisdiction of this Court, purposely or knowingly did use, control and operate a corporation, that is, PTD FINANCIAL LTD., for the furtherance or promotion of a criminal object, thereby deriving a benefit of \$75,000 or more, that is, the said ADRIENNE HOPKINS, as an officer and owner of PTD FINANCIAL LTD., did use, control and operate the said corporation for the furtherance or promotion of the criminal object of financial facilitation of criminal activity, in violation of N.J.S.A. 2C:21-25; racketeering, in violation of N.J.S.A. 2C:41-2; and conspiracy to commit racketeering, in violation of N.J.S.A. 2C:5-2 and 2C:41-2d, contrary to the provisions of N.J.S.A. 2C:21-9c and N.J.S.A. 2C:2-6 and against the peace of this State, the government and dignity of the same.

COUNT NINE

(Financial Facilitation of Criminal Activity - Second Degree)

JUSTIN M. SCIARRA

PAUL W. HOPKINS, JR.

PAUL BROWN

and

ADRIENNE HOPKINS

between on or about July 8, 1996, and on or about July 26, 2002, at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere, and within the jurisdiction of this Court, did engage in a transaction involving property, in an amount of \$75,000 or more, known to be derived from criminal activity, or knowing that the transaction was designed in whole or in part to conceal or disguise the nature, location, source, ownership or control of the property derived from criminal activity, that is, the said JUSTIN M. SCIARRA, PAUL W. HOPKINS, JR., PAUL BROWN, and ADRIENNE HOPKINS did establish various bank accounts, and did engage in various transactions of issuing checks from, depositing checks in, and transferring funds between such bank accounts, in an amount greater than \$75,000, but less than \$500,000, which the

said JUSTIN M. SCIARRA, PAUL W. HOPKINS, JR., PAUL BROWN, and ADRIENNE HOPKINS knew to be derived from criminal activity, that is, theft by failure to make required disposition of property received in violation of N.J.S.A. 2C:20-9, knowing that the transactions were designed in whole or in part to conceal or disguise the nature, location, source, ownership or control of the property derived from criminal activity, contrary to the provisions of N.J.S.A. 2C:21-25a, N.J.S.A. 2C:21-25b, N.J.S.A. 2C:21-25c and N.J.S.A. 2C:2-6, and against the peace of this State, the government, and dignity of the same.

COUNT TEN

(Workers' Compensation Fraud-Fourth Degree)

JUSTIN M. SCIARRA

and

PAUL BROWN

between on or about December 9, 1997 and on or about November 6, 2002, at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere, and within the jurisdiction of this Court, purposely or knowingly did make false or misleading statements, representations or submissions concerning facts material to a claim for benefits for the purpose of wrongfully obtaining benefits, or purposely or knowingly did make false or misleading statements, representations or submissions, including misclassifications of employees, or did engage in deceptive leasing practices, for the purpose of evading the full payment of benefits or premiums pursuant to N.J.S.A. 34:15-1, et seq.; that is, the said JUSTIN M. SCIARRA and PAUL BROWN purposely or knowingly did make false or misleading statements,

representations or submissions concerning materials facts material to American International Group, National Union Fire and Insurance Co., Legion Insurance Co., American Alternative Insurance Co., TIG Insurance Co., Old Guard Insurance Co., Granite State Insurance Co., Federal Guaranty Insurance Underwriters, and The St. Paul Companies for the purpose of wrongfully obtaining workers' compensation insurance benefits or for the purpose of evading the full payment of workers' compensation insurance premiums, contrary to the provisions of N.J.S.A. 34:15-57.4a and N.J.S.A. 2C:2-6, and against the peace of this State, the government and dignity of the same.

COUNT ELEVEN

(Failure to Provide Workers' Compensation
Coverage - Fourth Degree)

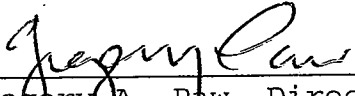
JUSTIN M. SCIARRA

and

AJEX ENTERPRISES, INC.

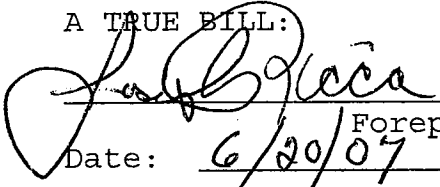
between on or about December 9, 1997 and on or about December 31, 2002, at the Township of Brigantine, in the County of Atlantic; at the Township of Audubon and at the Township of Cherry Hill, both in the County of Camden; at the Township of Medford, at the Township of Moorestown, at the Township of Marlton and at the Township of Mount Laurel, all in the County of Burlington; elsewhere, and within the jurisdiction of this Court, JUSTIN M. SCIARRA, owner and operator of AJEX ENTERPRISES, INC., who was an employer and who was actively engaged in the business, did willfully fail to provide Workers' Compensation Insurance for the employees of said employee leasing business, contrary to the

provisions of N.J.S.A. 34:15-71, N.J.S.A. 34:15-72, and N.J.S.A. 34:15-79, and against the peace of this State, the government and dignity of the same.



Gregory A. Paw, Director
Division of Criminal Justice

A TRUE BILL:



Foreperson
Date: 6/20/07

SUPERIOR COURT OF N.J.
REC'D

JUN 20 2007

Madeline J. Pity
Acting Clerk

FILED

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - CRIMINAL

JAN 06 2009

State Grand Jury

Number SGJ543-07-1

SUPERIOR COURT
CLERK'S OFFICE

Superior Court

Docket Number 07-06-00073-S

STATE OF NEW JERSEY)

v.)

JUSTIN M. SCIARRA)

PAUL W. HOPKINS, JR.)

ORDER OF VENUE

PAUL BROWN)

ADRIENNE HOPKINS)

SCIARRA INSURANCE AGENCY)

AJAX ENTERPRISES, INC.)

also known as
AJAX LEASING, INC.)

AJEX ENTERPRISES, INC.)

UJEX ENTERPRISES, INC.)

Q-TOWN, INC.)

HOMESTEAD ASSURANCE
BROKERAGE, INC.)

AMERICA'S PEO, INC.)

also known as
AMERICA'S PEO HOLDINGS, INC.)
also known as
STAFF AMERICA)

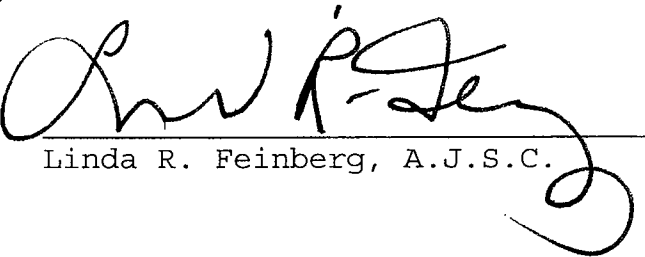
and)

PTD FINANCIAL LTD.)

An Indictment having been returned to this Court by the
State Grand Jury in the above captioned matter,

IT IS ORDERED on this 20th day of June, 2007,
pursuant to paragraph 8 of the State Grand Jury Act, that the
County of Camden be and hereby is designated as the County of venue
for the purpose of trial.

IT IS FURTHER ORDERED that the Clerk of the Superior Court
shall transmit forthwith the Indictment in this matter and a
certified copy of this Order to the Criminal Division Manager of
the County of Camden for filing.


Linda R. Feinberg, A.J.S.C.

FILED

JAN 06 2009

**SUPERIOR COURT
CLERK'S OFFICE**

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION-CRIMINAL

IN THE MATTER OF)
STATE GRAND JURY INDICTMENT)
NUMBER SGJ543-07-1)

ORDER TO UNSEAL INDICTMENT

Upon application of Peter W. Lee, Deputy Attorney General of the State of New Jersey, having on this date made written and oral application for an order to unseal State Grand Jury Indictment SGJ543-07-1, which indictment was sealed by this court on June 20, 2007 upon application by the State of New Jersey, Division of Criminal Justice,

IT IS ORDERED on this *6th* day of *January* 2009, that the Clerk of the Superior Court shall unseal State Grand Jury Indictment Number SGJ543-07-1 and the Order of Venue designating a county of venue for the purpose of the trial of the said indictment.



Linda R. Feinberg, A.J.S.C.

