

FILED

MAY 16 2016

State Grand Jury Judge

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - CRIMINAL

State Grand Jury
Number SGJ686-16-1-S
Superior Court
Docket Number 16-05-00072-S

STATE OF NEW JERSEY)

v.)

SUPERSEDING INDICTMENT

JOSEPH J. TALAFIOUS, JR.)

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

COUNT ONE

(Financial Facilitation of Criminal Activity - First Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about October 4, 2004 and on or about May 20, 2015,
at the City of Jersey City, in the County of Hudson, elsewhere,
and within the jurisdiction of this Court, did engage in
transactions involving property, in the amount of \$500,000 or
more, known or which a reasonable person would believe to be
derived from criminal activity, 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, that is, the said JOSEPH J.
TALAFIOUS, JR., an attorney at law of the State of New Jersey, did
deposit or direct the deposit of monies misappropriated from

clients of his law practice into the attorney trust account and attorney business account of the Law Offices of Joseph J. Talafous, Jr., knowing that the transactions were designed in whole or in part to conceal or disguise the nature, location, source, ownership or control of the said client monies, in the amount of \$500,000 or more, to wit, in excess of \$1,500,000, contrary to the provisions of N.J.S.A. 2C:21-25b(2)(a), and against the peace of this State, the government and dignity of the same.

COUNT TWO

(Theft By Unlawful Taking - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about October 4, 2004 and on or about September 19, 2014, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did unlawfully take, or exercise unlawful control over, movable property of another with purpose to deprive him thereof, in the amount of \$75,000 or more, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey and trustee of The J.S. Trust, did unlawfully take the movable property of The J. S. Trust in the amount of \$402,417.74 and did deposit those monies into the said JOSEPH J. TALAFIOUS, JR.'S attorney trust account and attorney business account, with the purpose to deprive the beneficiaries of The J.S. Trust thereof, contrary to the provisions of N.J.S.A. 2C:20-3, and against the peace of this State, the government and dignity of the same.

COUNT THREE

(Theft By Failure to Make Required Disposition of Property

Received - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about October 4, 2004 and on or about September 19, 2014, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did purposely obtain or retain property upon agreement or subject to a known legal obligation to make specified payment or other disposition and did deal with the property obtained as his own and fail to make the required payment or disposition, in the amount of \$75,000 or more, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey and trustee of The J.S. Trust, did purposely obtain or retain property of The J.S. Trust, in the amount of \$402,417.74, and, subject to a known legal obligation to make specified payment or other disposition on behalf of the beneficiaries of The J.S. Trust, deposited those monies into the said JOSEPH J. TALAFIOUS, JR.'S attorney trust account and attorney business account, dealing with those monies as the said JOSEPH J. TALAFIOUS JR.'S own and did fail to make the required payment or disposition, contrary to the provisions of N.J.S.A. 2C:20-9, and against the peace of this State, the government and dignity of the same.

COUNT FOUR

(Misapplication of Entrusted Property - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about October 4, 2004 and on or about September 19, 2014, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did knowingly apply or dispose of property that had been entrusted to him as a fiduciary, in the amount of \$75,000 or more, in a manner which the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey and trustee of The J.S. Trust, knew was unlawful and involved substantial risk of loss or detriment to The J. S. Trust, the owner of the property, or to a person for whose benefit the property was entrusted, thereby deriving a benefit in the amount of \$402,417.74, contrary to the provisions of N.J.S.A. 2C:21-15, and against the peace of this State, the government and dignity of the same.

COUNT FIVE

(Theft By Unlawful Taking - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about September 10, 2009 and on or about June 27, 2013, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did unlawfully take, or exercise unlawful control over, movable property of another with purpose to deprive him thereof, in the amount of \$75,000 or more, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey and executor for The Estate of M.C., did unlawfully take the movable property of The Estate of M.C. in the amount of \$316,275.23 and did deposit those monies into the said JOSEPH J. TALAFIOUS, JR.'S attorney trust account and attorney business account, with the purpose to deprive the beneficiaries of The Estate of M.C. thereof, contrary to the provisions of N.J.S.A. 2C:20-3, and against the peace of this State, the government and dignity of the same.

COUNT SIX

(Theft By Failure to Make Required Disposition of Property

Received - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about September 10, 2009 and on or about June 27, 2013, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did purposely obtain or retain property upon agreement or subject to a known legal obligation to make specified payment or other disposition and did deal with the property obtained as his own and fail to make the required payment or disposition, in the amount of \$75,000 or more, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey and executor for The Estate of M.C., did purposely obtain or retain property of The Estate of M.C., in the amount of \$316,275.23, and, subject to a known legal obligation to make specified payment or other disposition on behalf of the beneficiaries of The Estate of M.C., deposited those monies into the said JOSEPH J. TALAFIOUS JR.'S attorney trust account and attorney business account, dealing with those monies as the said JOSEPH J. TALAFIOUS JR.'S own and did fail to make the required payment or disposition, contrary to the provisions of N.J.S.A. 2C:20-9, and against the peace of this State, the government and dignity of the same.

COUNT SEVEN

(Misapplication of Entrusted Property - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about September 10, 2009 and on or about June 27, 2013, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did knowingly apply or dispose of property that had been entrusted to him as a fiduciary, in the amount of \$75,000 or more, in a manner which the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey and executor for The Estate of M.C., knew was unlawful and involved substantial risk of loss or detriment to The Estate of M.C., the owner of the property, or to a person for whose benefit the property was entrusted, thereby deriving a benefit in the amount of \$316,275.23, contrary to the provisions of N.J.S.A. 2C:21-15, and against the peace of this State, the government and dignity of the same.

COUNT EIGHT

(Theft By Unlawful Taking - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about June 29, 2012 and on or about May 8, 2014, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did unlawfully take, or exercise unlawful control over, movable property of another with purpose to deprive him thereof, in the amount of \$75,000 or more, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey, did unlawfully take the movable property of The Estate of M.Z. in the amount of \$406,075.81 and did deposit those monies into the said JOSEPH J. TALAFIOUS JR.'S attorney trust account and attorney business account, with the purpose to deprive the beneficiaries of The Estate of M.Z. thereof, contrary to the provisions of N.J.S.A. 2C:20-3, and against the peace of this State, the government and dignity of the same.

COUNT NINE

(Theft By Failure to Make Required Disposition of Property

Received - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about June 29, 2012 and on or about May 8, 2014, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did purposely obtain or retain property upon agreement or subject to a known legal obligation to make specified payment or other disposition and did deal with the property obtained as his own and fail to make the required payment or disposition, in the amount of \$75,000 or more, that is, the said JOSEPH J. TALAFIOUS, an attorney at law of the State of New Jersey, did purposely obtain or retain property of The Estate of M.Z., in the amount of \$406,075.81, and, subject to a known legal obligation to make specified payment or other disposition on behalf of the beneficiaries of The Estate of M.Z., deposited those monies into the said JOSEPH J. TALAFIOUS JR.'S attorney trust account and attorney business account, dealing with those monies as the said JOSEPH J. TALAFIOUS JR.'S own and did fail to make the required payment or disposition, contrary to the provisions of N.J.S.A. 2C:20-9, and against the peace of this State, the government and dignity of the same.

COUNT TEN

(Misapplication of Entrusted Property - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about June 29, 2012 and on or about May 8, 2014, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did knowingly apply or dispose of property that had been entrusted to him as a fiduciary, in the amount of \$75,000 or more, in a manner which the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey, knew was unlawful and involved substantial risk of loss or detriment to The Estate of M.Z., the owner of the property, or to a person for whose benefit the property was entrusted, thereby deriving a benefit in the amount of \$406,075.81, contrary to the provisions of N.J.S.A. 2C:21-15, and against the peace of this State, the government and dignity of the same.

COUNT ELEVEN

(Theft By Deception - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about June 8, 2012 and on or about May 20, 2015, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did purposely obtain the property of another in the amount of \$75,000 or more, by deception, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey, did purposely obtain the property of The Estate of M.M., in the amount of \$325,050.81, by creating or reinforcing the false impression that monies the said JOSEPH J. TALAFIOUS, JR. requested from the executor of The Estate of M.M. represented fees for legal services rendered and for work performed in furtherance of The Estate of M.M., WHEREAS, IN TRUTH AND IN FACT, as the said JOSEPH J. TALAFIOUS, JR. well knew, the monies requested by the said JOSEPH J. TALAFIOUS, JR. from the executor of The Estate of M.M. did not represent fees for legal services rendered or for work performed in furtherance of The Estate of M.M., contrary to the provisions of N.J.S.A. 2C:20-4, and against the peace of this State, the government and dignity of the same.

COUNT TWELVE

(Theft By Failure to Make Required Disposition of Property

Received - Second Degree)

JOSEPH J. TALAFIOUS

between on or about June 8, 2012 and on or about May 20, 2015, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did purposely obtain or retain property upon agreement or subject to a known legal obligation to make specified payment or other disposition and did deal with the property obtained as his own and fail to make the required payment or disposition, in the amount of \$75,000 or more, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey, did purposely obtain or retain property of The Estate of M.M., in the amount of \$325,050.81, and, subject to a known legal obligation to make specified payment or other disposition on behalf of the beneficiaries of The Estate of M.M., deposited those monies into the said JOSEPH J. TALAFIOUS JR.'S attorney trust account and attorney business account, dealing with those monies as the said JOSEPH J. TALAFIOUS JR.'S own and did fail to make the required payment or disposition, contrary to the provisions of N.J.S.A. 2C:20-9, and against the peace of this State, the government and dignity of the same.

COUNT THIRTEEN

(Misapplication of Entrusted Property - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about June 8, 2012 and on or about May 20, 2015, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did knowingly apply or dispose of property that had been entrusted to him as a fiduciary, in the amount of \$75,000 or more, in a manner which the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey, knew was unlawful and involved substantial risk of loss or detriment to The Estate of M.M., the owner of the property, or to a person for whose benefit the property was entrusted, thereby deriving a benefit in the amount of \$325,050.81, contrary to the provisions of N.J.S.A. 2C:21-15, and against the peace of this State, the government and dignity of the same.

COUNT FOURTEEN

(Theft By Deception - Second Degree)

JOSEPH J. TALAFIOUS, JR.

between on or about November 3, 2008 and on or about November 12, 2010, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, purposely did obtain the property of another in an amount greater than \$75,000 by deception, that is, the said JOSEPH J. TALAFIOUS, JR., purposely did obtain the property of P.J.P. and The Estate of P.J.P, in the amount of \$78,201.71, by creating or reinforcing the false impression that monies JOSEPH J. TALAFIOUS, JR. withdrew from the Morgan Stanley Active Asset Fund accounts of P.J.P. and The Estate of P.J.P., under a power of attorney for P.J.P. and as executor for The Estate of P.J.P., represented fees for legal services rendered and for work for the benefit of P.J.P. and The Estate of P.J.P., but deposited by JOSEPH J. TALAFIOUS, JR., in his attorney trust account and attorney business account, for the benefit of JOSEPH J. TALAFIOUS, JR., contrary to the provisions of N.J.S.A. 2C:20-4, and against the peace of this State, the government and dignity of the same.

COUNT FIFTEEN

(Misapplication of Entrusted Property - Second Degree)

JOSEPH J. TALAFOUS, JR.

between on or about November 3, 2008 and on or about November 12, 2010, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did knowingly apply or dispose of property that had been entrusted to him as a fiduciary, in a manner which the said JOSEPH J. TALAFOUS, JR. knew was unlawful and involved substantial risk of loss or detriment to P.J.P. and The Estate of P.J.P., the owner of the property, or to a person for whose benefit the property was entrusted, thereby deriving a benefit in an amount of \$75,000 or more, contrary to the provisions of N.J.S.A. 2C:21-15, and against the peace of this State, the government and dignity of the same.

COUNT SIXTEEN

(Filing False or Fraudulent Gross Income Tax Return

- Third Degree)

JOSEPH J. TALAFIOUS, JR.

on or about April 15, 2012, at the City of Jersey City, in the County of Hudson, at the City of Trenton, in the County of Mercer, elsewhere, and within the jurisdiction of this Court, did file, prepare, cause to be filed or assist in the preparation or filing of a false or fraudulent return, with the intent to evade, avoid or otherwise not make timely payment of any tax, fee, penalty or interest, or any part thereof, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey, operating as a solo practitioner, did file, prepare, cause to be filed or assist in the preparation or filing of a false or fraudulent gross income tax return, Form NJ-1040, required to be filed pursuant to the provisions of N.J.S.A. 54A:8-1, with the intent to evade, avoid or otherwise not make timely payment of the personal gross income tax for the tax year ending 2011, contrary to the provisions of N.J.S.A. 54:52-10, and against the peace of this State, the government and dignity of the same.

COUNT SEVENTEEN

(Filing False or Fraudulent Gross Income Tax Return

- Third Degree)

JOSEPH J. TALAFOUS, JR.

on or about December 1, 2014, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did file, prepare, cause to be filed or assist in the preparation or filing of a false or fraudulent return, with the intent to evade, avoid or otherwise not make timely payment of any tax, fee, penalty or interest, or any part thereof, that is, the said JOSEPH J. TALAFOUS, JR., an attorney at law of the State of New Jersey, operating as a solo practitioner, did file, prepare, cause to be filed or assist in the preparation or filing of a false or fraudulent amended gross income tax return, Form NJ-1040X, required to be filed pursuant to the provisions of N.J.S.A. 54A:8-1, with the intent to evade, avoid or otherwise not make timely payment of the personal gross income tax for the tax year ending 2012, contrary to the provisions of N.J.S.A. 54:52-10, and against the peace of this State, the government and dignity of the same.

COUNT EIGHTEEN

(Filing False or Fraudulent Gross Income Tax Return

- Third Degree)

JOSEPH J. TALAFIOUS, JR.

on or about October 15, 2014, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did file, prepare, cause to be filed or assist in the preparation or filing of a false or fraudulent return, with the intent to evade, avoid or otherwise not make timely payment of any tax, fee, penalty or interest, or any part thereof, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey, operating as a solo practitioner, did file, prepare, cause to be filed or assist in the preparation or filing of a false or fraudulent gross income tax return, Form NJ-1040, required to be filed pursuant to the provisions of N.J.S.A. 54A:8-1, with the intent to evade, avoid or otherwise not make timely payment of the personal gross income tax for the tax year ending 2013, contrary to the provisions of N.J.S.A. 54:52-10, and against the peace of this State, the government and dignity of the same.

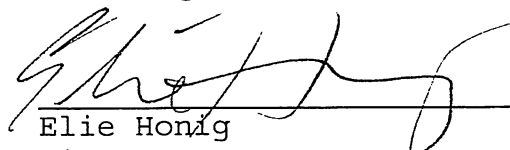
COUNT NINETEEN

(Filing False or Fraudulent Gross Income Tax Return

- Third Degree)

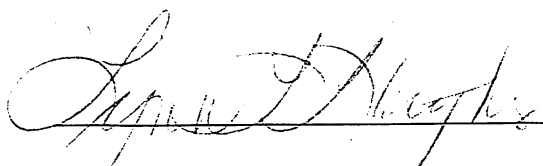
JOSEPH J. TALAFIOUS, JR.

on or about October 14, 2015, at the City of Jersey City, in the County of Hudson, elsewhere, and within the jurisdiction of this Court, did file, prepare, cause to be filed or assist in the preparation or filing of a false or fraudulent return, with the intent to evade, avoid or otherwise not make timely payment of any tax, fee, penalty or interest, or any part thereof, that is, the said JOSEPH J. TALAFIOUS, JR., an attorney at law of the State of New Jersey, operating as a solo practitioner, did file, prepare, cause to be filed or assist in the preparation or filing of a false or fraudulent gross income tax return, Form NJ-1040, required to be filed pursuant to the provisions of N.J.S.A. 54A:8-1, with the intent to evade, avoid or otherwise not make timely payment of the personal gross income tax for the tax year ending 2014, contrary to the provisions of N.J.S.A. 54:52-10, and against the peace of this State, the government and dignity of the same.



Elie Honig
Director
Division of Criminal Justice

A TRUE BILL:



, Foreperson

FILED

MAY 16 2016

State Grand Jury Judge

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - CRIMINAL

State Grand Jury

Number SGJ686-16-1-S

Superior Court

Docket Number 16-05-00072-S

STATE OF NEW JERSEY)

v.)

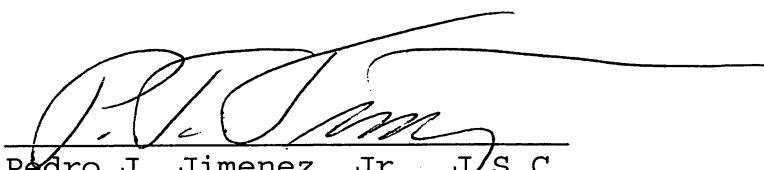
JOSEPH J. TALAFIOUS, JR.)

ORDER OF VENUE

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

IT IS ORDERED on this 16th day of May, 2016, pursuant to paragraph 8 of the State Grand Jury Act, that the County of Hudson 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 Hudson for filing.


Pedro J. Jimenez, Jr., J.S.C.