

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

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FOR IMMEDIATE RELEASE

Thursday, July 30, 2015

## **Two Texas Men Sentenced To Prison For Roles In Organized Crime Racketeering Conspiracy**

CAMDEN, N.J. – Two Texas men who were convicted along with a member and an associate of the Lucchese organized crime family of La Cosa Nostra (LCN) were sentenced today to prison terms for their respective roles in a racketeering conspiracy and related offenses, U.S. Attorney Paul J. Fishman announced.

William Maxwell, 56, of Houston, Texas, was sentenced to 20 years in prison; his brother, John Maxwell, 63, of Dallas, Texas, was sentenced to 10 years in prison. The Maxwells, along with Nicodemo S. Scarfo, 50, of Galloway, New Jersey, and Salvatore Pelullo, 48, of Philadelphia, were convicted in July 2014 of racketeering conspiracy and related offenses, including securities fraud, wire fraud, mail fraud, bank fraud, extortion, money laundering and obstruction of justice, after a six-month trial before U.S. District Judge Robert B. Kugler, who imposed the sentences today in Camden federal court.

According to documents filed in this case and the evidence presented at trial:

Since 1989, Scarfo has been a member of the Lucchese family. As a member, he was required to earn money and participate in the affairs of the Lucchese family. Pelullo was an associate of the Lucchese family.

In April 2007, Scarfo, Pelullo and others conspired to take control of FirstPlus Financial Group Inc. (FPFG), a publicly held company in Texas, by using threats of economic harm to intimidate and remove FPFG's management and board of directors, and to replace them with people beholden to Scarfo and Pelullo, including the Maxwell brothers. Once the takeover had occurred, FPFG's new board of directors named William Maxwell as "special counsel" to FPFG and John Maxwell as the company's CEO, positions that they used to funnel \$12 million to themselves, Scarfo and Pelullo through fraudulent legal services and consulting agreements.

The indictment also named as conspirators Scarfo's father, Nicodemo D. Scarfo (Scarfo Sr.) the imprisoned former boss of the Philadelphia LCN family; and Vittorio Amuso, the imprisoned boss of the Lucchese LCN family. Five other defendants – Cory Leshner, Howard Drossner, John Parisi,

Todd Stark and Scarfo's wife, Lisa Murray-Scarfo – previously pleaded guilty to various charges related to their roles in the conspiracy.

In addition to the prison term, Judge Kugler sentenced each of the Maxwells to three years of supervised release and ordered them to pay restitution \$14 million each. Scarfo and Pelullo were each sentenced to 30 years in prison earlier this week.

U.S. Attorney Fishman credited special agents of the FBI in Newark, under the direction of Special Agent in Charge Richard M. Frankel, with the investigation leading to today's sentencing. They also thanked the U.S. Department of Labor-Office of Inspector General's Office of Labor Racketeering and Fraud Investigations New York Region, the FBI's Philadelphia Division and the Bureau of Alcohol, Tobacco, Firearms and Explosives for their roles in the case.

The government is represented by Assistant U.S. Attorneys Steven D'Aguanno and Howard Wiener of the District of New Jersey and Trial Attorney Adam L. Small of the Criminal Division's Organized Crime and Gang Section.

Defense counsel:

William Maxwell: Michael N. Huff Esq., Philadelphia

John Maxwell: Mark W. Catanzaro Esq., Mount Holly, New Jersey

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