



THE UNITED STATES ATTORNEY'S OFFICE
DISTRICT *of* NEW JERSEY

Department of Justice

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

Wednesday, August 7, 2019

Bergen County Man Admits Embezzlement from Employee Benefit Plan

NEWARK, N.J. – A Bergen County, New Jersey, man today admitted that he embezzled funds from an employee benefit plan, U.S. Attorney Craig Carpenito announced.

Howard Preschel, 63, of Teaneck, New Jersey, pleaded guilty before U.S. District Court Judge Susan D. Wigenton in Newark federal court to one count of an indictment charging him with embezzling funds from the CMG Vending Inc. Pension Trust Fund.

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

Preschel served as a trustee for the CMG Vending Inc. Pension Trust Fund. CMG Vending operated, leased, and rented vending machines throughout New Jersey and New York. Preschel was, by law, a fiduciary, and therefore required to act solely in the interest of the participants and beneficiaries.

Between November 2010 and April 2018, Preschel embezzled \$368,783 from the trust fund by engaging in 52 separate illegal withdrawals or transfers from various accounts. As a result of these illegal withdrawals and transfers, the trust fund lost an additional \$93,267 in interest. As part of the plea agreement, Preschel agreed to make restitution to the trust fund in the amount of \$462,050. Preschel also agreed to a debarment which prohibits him from acting as a fiduciary on behalf of any employee benefit plan for a period of 13 years.

The embezzlement count to which Preschel pleaded guilty carries a maximum potential sentence of five years in prison and a fine of \$250,000 or twice the gross amount of gain to the defendant or loss to the victim, whichever is greater. Sentencing is scheduled for Nov. 13, 2019.

U.S. Attorney Carpenito credited special agents of the U.S. Department of Labor, Office of Inspector General, under the direction of Special Agent in Charge Michael Mikulka in

Mountainside, and the U.S. Department of Labor, Employee Benefits Security Administration, under the direction of Acting Regional Director Thomas Licetti of the New York Regional Office, with the investigation leading to today's guilty plea.

The government is represented by Assistant U.S. Attorney Thomas S. Kearney of the U.S. Attorney's Office Criminal Division in Newark.

Attachment(s):

[Download Preschel.Indictment_1.pdf](#)

Topic(s):

Financial Fraud

Component(s):

[USAO - New Jersey](#)

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