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**OWNER OF FORMER METAL FINISHING BUSINESS INDICTED ON
FEDERAL ENVIRONMENTAL AND LABOR EMBEZZLEMENT CHARGES**

CHICAGO – The owner of a former metal finishing business was arrested today on federal environmental and labor embezzlement charges, law enforcement officials announced. The defendant, **David Jacobs**, was the president and owner of the former Northwestern Plating Works, Inc. (NPW), located at 3114 South Kolin, in Chicago. NPW used cyanides, acid, corrosives, brass, copper, zinc and nickel in its electroplating processes. He was charged with one count of improperly storing and disposing of hazardous wastes and one count of embezzling more than \$830,000 from an employee pension plan in a two-count indictment returned by a federal grand jury on August 16, announced Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois.

Jacobs, 37, of Riverside, was released on a \$50,000 partially secured bond after he appeared late this afternoon before Magistrate Judge Sidney I. Schenkier in U.S. District Court.

The environmental count alleges that certain wastes generated by NPW were designated as “hazardous wastes” under the federal Resource Conservation and Recovery Act. The law requires businesses either to transport such wastes to special treatment, storage or disposal facilities within 90 days, or to be licensed under state and federal environmental protection laws to treat, store or

dispose of hazardous wastes. NPW was not a licensed hazardous waste facility. Between July 2005 and April 2006, Jacobs allegedly knowingly stored and disposed of hazardous wastes consisting of waste chemicals at NPW without a required permit.

The labor fraud count alleges that from September 2001 to March 2005, Jacobs embezzled for his own use and the use of others more than \$830,000 from NPW's employee Profit Sharing Plan, which NPW had established and maintained to provide retirement income to eligible employees. The Plan was administered by Jacobs, who was the sole member of the committee acting as the fiduciary for the Plan as well as the sole trustee. Jacobs maintained custody of the Plan's funds in a brokerage account to which he had sole access.

"Stealing pension funds deprives honest employees of hard-earned benefits. Employers who abuse their authority over retirement funds to facilitate fraudulent activities will not be tolerated," said Gordon S. Heddell, Inspector General of the U.S. Department of Labor.

Mr. Fitzgerald announced the charges with Penny Prochazka, Special Agent-in-Charge of the U.S. Environmental Protection Agency Criminal Investigation Division, and James Vanderberg, Special Agent-in-Charge of the U.S. Department of Labor Office of Inspector General, in Chicago.

The government is being represented by Assistant U.S. Attorney April Perry.

If convicted, each count carries a maximum penalty of five years in prison and a \$250,000 fine. Restitution is mandatory. The Court, however, would determine the appropriate sentence to be imposed under the advisory United States Sentencing Guidelines.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendant is presumed innocent and is entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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