

Former GC Gets 18 Months for Stealing \$2.6m From Company Account

The former in-house counsel of an Ocean County, New Jersey-based home health care company was sentenced Thursday to 18 months in prison for using his attorney trust account to steal more than \$2.6 million from his employer, U.S. Attorney Paul J. Fishman announced.

Matthew S. Neugeboren of Manalapan, N.J., pleaded guilty in May to charges of wire fraud and filing a false tax return before U.S. District Judge Mary L. Cooper.

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

From 2006 through 2013, Neugeboren was in-house counsel for Company A, a home health care company in Ocean County. As such, Neugeboren maintained an attorney trust account to pay for Company A's expenses. To cover those expenses, Neugeboren requested checks and wire transfers be made from Company A's bank accounts into his attorney trust account.

As part of the scheme, Neugeboren caused Company A to transfer more money into his attorney trust account than was necessary to cover company expenses. Neugeboren admitted that he used the additional money for his personal benefit, including gambling. Neugeboren admitted that from January 2008 through December 2012, he stole \$2,644,912 from Company A.

In addition to the wire fraud scheme, Neugeboren knowingly and willfully filed a false tax return that failed to include approximately \$630,000 in gross income that he received in calendar year 2011 from his scheme to defraud Company A.

In addition to the prison term, Judge Cooper ordered Neugeboren to serve three years of supervised release, entered a forfeiture order of \$1,404,963 and ordered him to pay restitution of \$1,404,963 to the victim company and \$474,814 to the IRS, the U.S. Attorney's office said in a statement.