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POSTAL SERVICE VENDOR SENTENCED TO NINE MONTHS IN FEDERAL PRISON FOR FRAUD SCHEME INVOLVING TRUCK WASHING SOAP

CHICAGO — A former salesman for a postal service vendor was sentenced to nine months in federal prison for intentionally dumping truck wash soap, which is used to wash postal vehicles, down sewer drains, causing the United States Postal Service to purchase more truck wash soap than it needed, federal law enforcement officials announced today. The defendant, **Nicholas Peregonow**, who was a salesman for a company in Elgin, benefitted by receiving increased commissions on his sales of truck wash soap to the Postal Service.

Peregonow, 67, of Wood Dale, was ordered to begin serving his sentence July 31. He was also ordered to serve five months in home confinement after he is released from custody during two years of supervised release, and to pay restitution of \$102,510 to the Postal Service, representing the value of the soap that was dumped. U.S. District Judge Sharon Johnson Coleman imposed the sentence on June 19 in U.S. District Court in Chicago.

Peregonow was charged in December 2010, and pleaded guilty in January 2012 to two counts of mail fraud and one count of theft of government funds based on the fraud scheme.

“The majority of contractors provide support to the Postal Service in a professional manner. However, the U.S. Postal Service Office of Inspector General’s Major Fraud Investigations Division aggressively investigates instances like these where the public trust has been violated through fraudulent activity,” said Joanne Yarbrough, Special Agent-in-Charge of Postal Service Office of Inspector General’s Major Fraud Investigations Division.

“Dumping soap into sewer systems can damage expensive treatment equipment and sicken or kill fish and wildlife that come in contact with the discharged waters,” said Randall Ashe, Special Agent-in-Charge of the Environmental Protection Agency’s Criminal Enforcement Program Office in Illinois, which assisted in the investigation.

Law enforcement officials were contacted after a truck driver witnessed Peregonow dumping soap down a drain in an area near the main Postal Service facility in Chicago where large Postal Service vehicles are washed and soap containers are stored. Peregonow was in charge of providing soap to the Postal Service under a contract between the Postal Service and his employer. According to the indictment, several times per month over at least a nine-month period between October 2009 and June 2010, Peregonow opened valves on 270-gallon soap containers and allowed soap to flow down the drain. As a result, the Postal Service purchased much more soap from Peregonow than it needed, and Peregonow personally benefitted from the commissions he earned on soap sales.

The government was represented by Special Assistant United States Attorney Stephen Rotter.

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