



Shari C. Hyman
Commissioner and Chair

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**THE BUSINESS INTEGRITY COMMISSION DENIES THREE REGISTRATIONS
AFTER FINDING THAT APPLICANTS LACKED GOOD CHARACTER, HONESTY
AND INTEGRITY**

*Denials Issued for Various Reasons Including False and Misleading Information in Applications,
Unlawful Operation and Failing to Pay Business Taxes*

Commissioner and Chair Shari C. Hyman of the New York City Business Integrity Commission (“the Commission”) announced on Monday, June 24, 2013, that the Commission denied two applications to operate a trade waste business and one registration application to operate a wholesale market business in New York City. The Commission has the authority to refuse approval of registrations and licenses in these industries when, among other things, it is determined that applicants lack “good character, honesty and integrity”.

“Today’s denials remind us of the deceptive practices and poor character of bad actors in the markets and trade waste industries,” said Commissioner and Chair Hyman, “However, they also demonstrate how BIC’s unique and integrated licensing, enforcement and investigative arms are well-suited in preventing these types of companies from doing business in New York City and hurting legitimate operators and their customers.”

S & M Tropical Corp (“S & M”) applied to the Commission to operate a wholesale market business in the area adjacent to the New York City Terminal Cooperative Produce Market (“Adjacent Area”). The Commission’s investigation revealed that S & M was in fact the successor of a previously denied firm, 3’s Produce. 3’s Produce was denied by the Commission in January 2013 because its principal, Dae Soo Yu (“Yu”) was convicted on grand larceny charges. Only days after the Commission issued the denial of 3’s Produce’s registration application, S and M Tropical Corp. began to operate unlawfully with much of the same equipment, employees and customers as 3’s Produce. BIC issued three separate violations for unregistered activity to the company, and S & M was found guilty of each violation. Despite these repeated violations, S & M continued to unlawfully operate until the City commenced a lawsuit under the Nuisance Abatement Law.

MC&O Construction Inc (“MC&O”) applied to the Commission to renew its registration to operate a trade waste business engaged in the removal of construction and demolition debris. The Commission’s investigation revealed that MC&O failed to disclose two prior criminal convictions and pending federal charges against the company’s principals, Owen O’Reilly and

Eamonn McDonnell. As Vice-President for MC&O, O'Reilly was convicted in 2011 for failing to pay prevailing wages on a public works project in Suffolk County, New York and again in 2012 for underreporting business information in order to defraud on taxes. In 2012, both O'Reilly and McDonnell pleaded guilty for failing to pay federal taxes for MC&O. McDonnell has completed his prison sentence and O'Reilly is currently incarcerated.

PJF Trucking LLC ("PJF") applied to the Commission to renew its registration to operate a trade waste business engaged in the removal of construction and demolition debris. The Commission's background investigation into PJF revealed that the company was the debtor in a \$23,100 tax lien filed by the State of New Jersey. The company knowingly failed to provide information on the resolution of the lien despite repeated requests from the Commission.

The Business Integrity Commission ("BIC") is both a law enforcement and regulatory agency charged with the oversight of the private carting industry, the businesses operating in the City's public wholesale markets, and the shipboard gambling industry. The mission of BIC is to eliminate organized crime and other forms of corrupting and criminality from the industries it regulates.

Copies of the above mentioned denial decisions are available on the Agency website:
<http://www.nyc.gov/html/bic/html/home/home.shtml>