



RICHARD A. BROWN
DISTRICT ATTORNEY

**DISTRICT ATTORNEY
QUEENS COUNTY**
125-01 QUEENS BOULEVARD
KEW GARDENS, NEW YORK 11415-1568
718-286-6000

Release # 177-2009
www.queensda.org

FOR IMMEDIATE RELEASE
FRIDAY, OCTOBER 2, 2009

CONTACT: QDA PRESS OFFICE
(718) 286-6315

**FINANCIAL FRAUDSTER SENTENCED TO JAIL
AND ORDERED TO PAY \$400,000 IN RESTITUTION AND PENALTIES**

Queens District Attorney Richard A. Brown today announced that a former Queens resident who committed tax, mortgage and credit card fraud, in part, by maintaining two separate identities – complete with different driver’s licenses and social security numbers – has been sentenced to six months in jail and ordered to make approximately \$350,000 in restitution to banks and more than \$65,000 – plus interest and penalties – to the New York State Department of Taxation and Finance. Among his victims were Washington Mutual Bank and P.C. Richard and Son.

District Attorney Brown said, “The defendant has pleaded guilty to having run elaborate schemes that defrauded mortgage lenders, banks, businesses and the government out of hundreds of thousands of dollars through a variety of false identities, shell corporations, forged documents, ghost employment and tax evasion. Fortunately, thanks to the diligence and efforts of prosecutors and investigators from the District Attorney’s Office, the New York State Department of Taxation and Finance and the United States Secret Service who spent considerable time tracking the defendant through a maze of paperwork, he has been brought to justice and his victims have been fiscally restored.”

New York State Department of Taxation and Finance Acting Commissioner Jamie Woodward said, “The Department’s special investigators aggressively pursue cases against tax cheats and tax evaders. These criminals force ordinary citizens to shoulder a greater share of the tax burden by denying the state legitimate revenue that supports schools, health care and transportation services. The Tax Department, with support of prosecutors around the state, is committed to pursuing tax criminals and scofflaws. I thank District Attorney Brown and his staff for their aggressive prosecution of this case.”

Acting Commissioner Woodward added, “The Department offers programs such as the Voluntary Disclosure and Compliance Program to encourage delinquent taxpayers to become compliant without facing criminal prosecution or civil penalty. It is hoped that this arrest will encourage such taxpayers to come forward and satisfy their tax obligation. For more information about these programs, go to the Department’s website at www.nystax.gov.”

Special Agent in Charge Brian G. Parr of the Secret Service New York Field Office said, “The results of this investigation exemplify the effectiveness of strong partnerships between city, state, and federal law enforcement, working in concert to combat financial fraud and identity theft.”

The District Attorney identified the defendant as Rafael Vascones, 53, who presently resides

(MORE)

at 407 West Pearl Street in Granbury, Texas, and conducted business in New York as the sole owner of Integrated Business Communications, Inc., and NA Networking Group, Inc., both of Queens.

Vascones, who formerly lived at 13-07 141st Street in Whitestone, Queens, appeared before Queens Supreme Court Justice James P. Griffin on November 17, 2008, and pleaded guilty to second- and third-degree grand larceny and violations of the New York State Tax Law – filing false personal income tax returns and failure to file corporate taxes. As the sole corporate officer of each corporation, Vascones also entered guilty pleas to tax charges on behalf of the corporations – failure to file corporate taxes (Integrated Business Communications, Inc.) and false returns or reports corporate taxes (NA Networking Group, Inc.).

Appearing yesterday afternoon before Queens Supreme Court Justice Michael D. Aloise, Vascones was sentenced to six months in jail and five years' probation and ordered to surrender his passport and not seek a new one. In addition, he and his two corporations were each fined \$5,000.

District Attorney Brown said that, in pleading guilty, Vascones agreed to make restitution of up to \$322,735 to Washington Mutual Bank, \$26,694.93 to GE Money Bank (the finance company for P.C. Richard's credit accounts) and \$65,238 to the New York State Department of Taxation and Finance, plus penalties and interest – some of which have already been paid.

At the time of his plea, said the District Attorney, Vascones also admitted that in February 1996, he obtained a New York State driver's license in the name of Orlando Guerini and renewed the license twice – most recently in November 2001. Vascones also admitted that during that same period he held a New York State driver's license under his true name – Rafael Vascones.

District Attorney Brown said that, in pleading guilty, Vascones allocuted to the following:

TAX FRAUD

Under the name and identity of Orlando Guerini, Vascones was the sole corporate officer and owner of Integrated Business Communications, Inc., and as such, was required to – but failed to – file New York State Corporate tax returns for Integrated Business for the years 1999, 2000, 2001 and 2002, and that as the sole corporate officer and owner of NA Networking Group, Inc., Vascones signed and filed a false New York State corporate return for NA Networking for the year 2004.

MORTGAGE FRAUD

In April 1999, Vascones purchased a property at 13-07 141st Street in Whitestone by obtaining a mortgage from the Greenpoint Mortgage Corporation for \$360,000 using the Guerini identity and without informing the lender of his true identity. Ten months later, he transferred ownership of the property to his brother-in law Celso Mora – a \$20,000 a year doorman for an apartment house in Forest Hills – without notifying the mortgage lender.

Thereafter, in September and October 2005, Vascones and Mora sought to refinance the mortgage with Washington Mutual Bank in an attempt to increase the amount of the mortgage in order to receive a sizeable cash pay out from the proceeds of the loan. In order for Mora to qualify for the mortgage and to maximize the amount of money Vascones could obtain from the bank, Vascones provided information for the mortgage application which misrepresented Mora's true

(MORE)

income and assets – namely, he provided a 1099 form that asserted that Mora worked at NA Networking Group as a Network Specialist, earning more than \$85,000 a year, and that he also worked at CT Carpet and Furniture in Bloomfield, New Jersey, a company in which Vascones had an association – even though he knew that Mora did not work for either company, that his income was not what was represented on the application, that he did not reside at the Whitestone address and that he did not own a rental property at 14-23 119th Street – as alleged on the mortgage application. Based upon this false and fraudulent information, Washington Mutual approved the application and granted a mortgage for \$850,000. At closing, Mora received a check for \$322,735 from the proceeds of the loan which he then deposited in his bank account at North Fork Bank.

In November 2005, Vascones received two bank checks totaling \$330,000 from Mora – one made out to NA Networking and the other made out to him personally – which represented the proceeds of the loan and additional monies that Vascones had arranged to be deposited in Mora's bank account in order to inflate his account balance to help obtain the mortgage from Washington Mutual Bank.

Celso Mora was indicted on May 10, 2007 and pleaded guilty on November 17, 2008 to first-degree falsifying business records. He was sentenced on January 23, 2009 to five years' probation.

CREDIT CARD FRAUD

District Attorney Brown said that in October 2004, Vascones approached a salesperson at the P.C. Richard store located at 35-18 Steinway Street in Astoria and offered to pay him \$100 for each P.C. Richard credit account he set up with the personal identifying information Vascones provided him even though Vascones knew that the individuals had no idea that they were applying for credit accounts at P.C. Richard. Vascones then arranged for purchases – mainly, laptop computers – to be made, maxing out the credit on the credit accounts with the knowledge that no payments were ever going to be made on the accounts. In some cases, the cards were maxed out within two days of being acquired. Vascones always used the same salesperson – who, in addition to the \$100 he received from Vascones, received a commission from P.C. Richard for each sale he made.

The investigation was conducted by Sergeant John Kenna, of the District Attorney's Detective Bureau, under the supervision of Lieutenant Robert Burke and the overall supervision of Chief Lawrence J. Festa and Deputy Chief Albert D. Velardi; by Alan Maier, section head of the Tax Department's Special Investigations Unit in Nassau County; and by Special Agents from the United States Secret Service New York Field Office, Credit Card Squad.

Senior Assistant District Attorney Kateri Gasper, of the District Attorney's Special Proceedings Bureau, prosecuted the case under the supervision of Assistant District Attorneys Robert D. Alexander, Chief of the District Attorney's Computer Crimes Unit, and Anthony M. Communiello, Chief of the Special Proceedings Bureau, and Oscar W. Ruiz, Deputy Bureau Chief, and the overall supervision of Executive Assistant District Attorney Peter Crusco and Deputy Executive Assistant District Attorney Linda Cantoni of the Investigations Division.

#