

NEWS

United States Department of Justice
U.S. Attorney, District of New Jersey
402 East State Street, Room 430
Trenton, New Jersey 08608



Christopher J. Christie, U.S. Attorney

More Information? Contact the Assistant U.S. Attorney or other contact listed below to see if more information is available.

News on the Internet: News Releases, related documents and advisories are posted short-term at our website, along with links to our archived releases at the Department of Justice in Washington, D.C. ***Go to: <http://www.njusao.org/break.html>***

Assistant U.S. Attorney
ERIC M. SCHWEIKER
609-989-0566

coto1121.rel
FOR IMMEDIATE RELEASE
Nov 21, 2008

Former Manhattan Restaurant Operator Sentenced to 24 Months in Prison
In Connection with Auto Insurance Money Laundering Scheme

(More)

Greg Reinert, PAO
Public Affairs Office
<http://www.njusao.org>

856-757-5233
973-645-2888

Breaking News (NJ) <http://www.usdoj.gov/usao/nj/press/index.html>

TRENTON – A New York man was sentenced to 24 months in federal prison today for his role of a million-dollar automobile insurance fraud and money laundering scheme, U.S. Attorney Christopher J. Christie announced.

U.S. District Judge Joel A. Pisano also ordered Vincent G. Cotona, 44, to pay restitution in the amount of \$357,291 and to serve three years of supervised release upon the completion of his prison term.

On Jan. 22, Vincent Cotona pleaded guilty before Judge Pisano to a charge of conspiracy to commit money laundering. Vincent Cotona, the brother of lead defendant John Cotona, is the former operator of a restaurant on South Street in Manhattan, which operated under various names, including “Villa Rotone.”

At his plea hearing, Vincent Cotona admitted to involvement in the insurance fraud scheme, and that he controlled bank accounts that were used to launder the proceeds of the auto insurance fraud scheme.

An 11-count federal Indictment unsealed on Jan. 19, 2007, with the arrest of seven defendants, charged 10 men and one woman from New Jersey, New York and Florida for their roles in separate auto insurance and bank fraud schemes.

All of the defendants have pleaded guilty to various offenses, including conspiracy to commit mail fraud, mail fraud, conspiracy to commit money laundering, structuring currency transactions, and making false statements to law enforcement officers. With today’s sentencing, all of the defendants have now been sentenced by Judge Pisano.

On Aug. 4, Judge Pisano sentenced John V. Cotona, a/k/a “John Bruno,” 39, of Marlboro, to 108 months in federal prison and ordered him to pay \$1.275 million in restitution.

On Jan.10, John Cotona pleaded guilty to charges of conspiracy to commit mail fraud, conspiracy to launder money and bank fraud. At his plea hearing, John Cotona stated that between January 2001 and June 2005, he operated Perfect Touch Auto Body in Red Bank. During this time period, John Cotona conspired and agreed with others to submit false automobile property damage claims to various insurance companies, he admitted.

John Cotona admitted that the false insurance claims included information that the subject vehicles suffered damaged resulting from fictitious accidents. John Cotona further admitted that, in addition to making claims for purported repairs, many of the cars involved in the fictitious accidents were actually owned by him and titled in the names of other people or various shell companies that he controlled. John Cotona also admitted that he agreed to launder the proceeds of the scheme through bank accounts of the shell

companies, which he controlled at Commerce Bank.

In determining an actual sentence, Judge Pisano consulted the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents of the U.S. Secret Service, under the direction of Special Agent in Charge Cynthia Wofford; Special Agents of the IRS Criminal Investigations Division, under the direction of Special Agent in Charge William P. Offord; Postal Inspectors of the U.S. Postal Inspection Service, under the direction of Postal Inspector in Charge David L. Collins; Investigators with the Monmouth County Prosecutor's Office, under the direction of Prosecutor Luis A. Valentin; and Police Officers with the Red Bank Police Department, under the direction of Chief Mark Fitzgerald; the Sayreville Police Department, under the direction of Chief John Garbowski; and the Marlboro Police Department, under the direction of Chief Robert Holmes, Sr., with the investigation leading to the Indictment.

Christie also thanked the National Insurance Crime Bureau, Commerce Bank Corporate Security, and the special investigation units at Allstate Insurance, New Jersey Manufacturer's Insurance, GEICO, State Farm, Travelers, Chubb, Cambridge, Gallagher Bassett, DealerGuard, A.I.U., and CNA Insurance for providing valuable assistance.

The government is represented by Assistant U.S. Attorney Eric M. Schweiker of the Criminal Division in Trenton.

– end –

Defense Attorney: Jeremy Schneider, Esq. New York, NY