

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO. <u>11-</u>
v.	:	DATE FILED: _____
JOHN R. PIGNOTTI	:	VIOLATIONS:
	:	18 U.S.C. § 1341 (mail fraud – 1 count)
	:	18 U.S.C. § 1028A (aggravated identity theft - 1 count)

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to the information:

1. From on or about March 20, 2001 to on or about October 8, 2008, defendant JOHN R. PIGNOTTI was employed as a branch manager at a security firm (“Firm No. 1”) in Bala Cynwyd, Pennsylvania. From on or about October 9, 2008 to on or about April 9, 2010, defendant PIGNOTTI was employed as a branch manager for a security firm (“Firm No. 2”) in Philadelphia, Pennsylvania. Both firms were in the business of providing security guards for local businesses. At both firms, defendant PIGNOTTI was given substantial authority to generate employee payrolls, approve client invoices, and distribute employee paychecks. Defendant PIGNOTTI was in a position of trust at both firms.

2. While employed by Firm No. 1, defendant JOHN R. PIGNOTTI used the personal identifying information of former security guards at Firm No. 1, including names, addresses and social security numbers, to generate fraudulent paychecks issued in their names. Defendant PIGNOTTI then cashed the fraudulent paychecks and collected the proceeds. In this

way, defendant PIGNOTTI stole approximately \$111,000 from Firm No. 1. While employed by Firm No. 2, defendant PIGNOTTI created fictitious clients and fictitious security guards, and caused paychecks to be issued in the names of the fictitious security guards who allegedly worked for the fictitious clients. Defendant PIGNOTTI then cashed the resulting paychecks. In this way, defendant PIGNOTTI stole approximately \$326,000 from Firm No. 2.

THE SCHEME

3. From in and about at least January 2006 until on or about April 9, 2010, defendant

JOHN R. PIGNOTTI

knowingly devised and intended to devise a scheme to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises.

MANNER AND MEANS

It was part of the scheme that:

4. While employed by Firm No. 1, defendant JOHN R. PIGNOTTI created false payrolls that included hours worked by former security guards who Firm No. 1 did not employ at the times reflected in the false payrolls. Defendant PIGNOTTI transmitted the fraudulent payrolls to Firm No. 1's headquarters in Lexington, New York, either via facsimile or by entering data into Firm No. 1's computer system.

5. The fraudulent payrolls defendant JOHN R. PIGNOTTI submitted to Firm No. 1 included the personal identifying information of former security guards, including their names, social security numbers, and addresses.

6. Defendant JOHN R. PIGNOTTI caused the mailing of inflated billing

invoices to Firm No. 1's clients that falsely included bogus hours worked by former security guards.

7. Based on the false payrolls defendant JOHN R. PIGNOTTI submitted, Firm No. 1's headquarters in Lexington, New York mailed paychecks in the names of former employees to defendant PIGNOTTI in Bala Cynwyd, Pennsylvania.

8. Defendant JOHN R. PIGNOTTI caused the false paychecks Firm No. 1 issued to be cashed at a local check cashier, and kept the proceeds generated by his fraud.

9. While employed at Firm No. 2, defendant JOHN R. PIGNOTTI created fictitious clients, including "H&B Towers" and "B&C Arcade," and created fictitious security guards who allegedly worked for the fictitious clients.

10. Defendant JOHN R. PIGNOTTI created false payroll records that included hours worked by fictitious security guards, and sent the false payroll records to Firm No. 2's payroll agency located in Long Island, New York. Firm No. 2's payroll agency mailed paychecks in the names of the fictitious security guards to defendant PIGNOTTI in Philadelphia, Pennsylvania, and defendant PIGNOTTI cashed the paychecks and kept the proceeds.

11. To make the fictitious clients appear to be real companies, defendant JOHN PIGNOTTI created fake sign-in sheets and payroll records for the fictitious guards who allegedly worked there. Additionally, defendant PIGNOTTI created false outstanding invoices, which he mailed to post office boxes that he opened in the names of these fictitious companies.

12. To further cover up the fraud, defendant JOHN R. PIGNOTTI periodically made minimal payments on the false outstanding invoices by sending United States Postal Service money orders in the names of the fictitious companies to Firm No. 2's bank located in

New York, New York.

13. On or about May 12, 2007, in the Eastern District of Pennsylvania, and elsewhere, defendant

JOHN R. PIGNOTTI

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, knowingly caused to be delivered by mail according to the directions thereon, an invoice from Firm No. 1, 1133 Rt. 55, Lexington, NY 12540, to The National Board of Medical Examiners, 3750 Market Street, Philadelphia, PA 19104, which falsely included hours allegedly worked by security guard J.S. when, in fact, J.S. was not employed by Firm No. 1 on May 12, 2007.

All in violation of Title 18, United States Code, Section 1341.

COUNT TWO

THE UNITED STATES ATTORNEY CHARGES THAT:

Between on or about May 7, 2007 and on or about May 11, 2007, in the Eastern District of Pennsylvania, defendant

JOHN R. PIGNOTTI

knowingly and without lawful authority possessed and used, and aided and abetted the possession and use of, a means of identification of another person, that is, the name, social security number, and address of J.S. during and in relation to a mail fraud.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and (c)(5), and 2.

ZANE DAVID MEMEGER
United States Attorney