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Southern District of New York*

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**OWNERS OF CHECK CASHING OPERATION AND  
ARMORED CAR COMPANY CONVICTED OF BANK FRAUD IN FEDERAL COURT**

MICHAEL J. GARCIA, United States Attorney for the Southern District of New York, announced that DOMINICK COLASUONNO and PHILIP COLASUONNO, owners of Prima Checking Cashing, Inc. ("Prima"), and American Armored Car, Ltd. , Ltd. ("American Armored Car"), were found guilty late yesterday, by a jury in Manhattan federal court, of bank fraud relating to their involvement in a scheme to defraud JP Morgan Chase Bank ("Chase"). PHILIP COLASUONNO, a certified public accountant, was also convicted of conspiracy to commit bank fraud. DOMINICK COLASUONNO was acquitted of conspiracy to commit bank fraud.

The evidence at trial showed that DOMINICK COLASUONNO and PHILIP COLASUONNO owned and controlled Prima, which operated approximately 14 check cashing locations in New York City and Westchester County, and American Armored Car, which serviced clients in New York and New Jersey. Additionally, the evidence at trial showed that PHILIP COLASUONNO was a certified public accountant and a partner in the accounting firm Philip Colasuonno & Co. LLP.

The evidence at trial demonstrated that, in order to operate its check cashing locations, Prima needed a line of credit. To that end, Prima, under the control of the COLASUONNOS had maintained a banking relationship with Chase and its predecessor banks since the late 1980s. Chase extended various forms of credit to Prima that were critical to Prima's business. Chase required Prima to submit annual financial statements audited by an independent accounting firm, so that Chase could decide whether to continue to extend credit to Prima and, if so, how much credit to extend.

Starting with the financial statements for 2001 and continuing until late 2004, Prima's annual audited financial statements, which were prepared under the control of PHILIP COLASUONNO, inflated the amount of fixed assets held by Prima by at least approximately \$3.9 million. The evidence at trial demonstrated that Chase was falsely told that Prima had spent approximately \$3.9 million in, among other things, making

improvements to its check cashing locations. The evidence at trial demonstrated that these statements were false and that Prima did not make these improvements to its stores. The evidence at trial also demonstrated that, although Chase was to receive audited financial statements of Prima, audits by outside accountants of the amount of fixed assets acquired by Prima did not take place.

The evidence at trial also showed that DOMINICK COLASUONNO and PHILIP COLASUONNO defrauded Chase by artificially inflating the balance in Prima's primary account at Chase with money obtained from American Armored Car. The balance in Prima's account at Chase was calculated on a daily basis and monitored by Chase employees. Chase used this balance to monitor Prima's business activity and to make daily lending decisions. By parking cash from American Armored Car in Prima's Chase account for up to eight days, the evidence showed, Prima's bank balance at Chase was inflated, and the defendants thereby misled Chase in its lending decisions.

DOMINICK COLASUONNO faces a maximum sentence of 30 years' imprisonment and a fine of the greater of \$1 million or twice the gross gain or loss resulting from the offense. PHILIP COLASUONNO faces a maximum sentence of 60 years' imprisonment and a fine of the greater of \$2 million or twice the gross gain or loss resulting from the offenses. Sentencing is scheduled for February 16, 2007, before United States District Judge ALVIN K. HELLERSTEIN, who presided over the trial.

Mr. GARCIA extended his thanks and appreciation to the Federal Bureau of Investigation, which investigated this case.

Assistant United States Attorneys DANIEL W. LEVY and THOMAS G. A. BROWN are in charge of this prosecution.

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