



U.S. Department of Justice

**Loretta E. Lynch**  
United States Attorney  
Eastern District of New York

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**FOR IMMEDIATE RELEASE**

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**PRESS RELEASE**

**SILENT BUSINESS PARTNER OF ORGANIZED CRIME-CONTROLLED  
WORLD TRADE CENTER CONTRACTOR INDICTED FOR SCHEME TO DEFRAUD  
THE PORT AUTHORITY AND RELATED CRIMES**

**Lawyer and Accountant Also Indicted**

A ten-count indictment was unsealed today in United States District Court for the Eastern District of New York charging the defendant Vincent Vertuccio, also known as "Vinny," with conspiracy to defraud the Port Authority of New York and New Jersey in connection with the One World Trade Center project located in lower Manhattan, and related money laundering and tax crimes. The defendant Praful Pandya, an accountant, was charged with aiding and assisting in the preparation of false tax returns for Vertuccio. The defendant John Servider, a lawyer, was charged with Vertuccio with conspiracy to alter, and alteration of, records for use in a grand jury proceeding. The indictment was returned under seal by a federal grand jury sitting in Brooklyn, New York, on April 8, 2015.

The charges were announced by Loretta E. Lynch, United States Attorney for the Eastern District of New York, Shantelle P. Kitchen, Special Agent-in-Charge, Internal Revenue Service-Criminal Investigation, New York (IRS), Cheryl Garcia, Special Agent-in-Charge, United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations (DOL-OIG), Diego G. Rodriguez, Assistant Director-in-Charge, Federal Bureau of Investigation, New York Field Office (FBI), and Michael Nestor, Inspector General, Port Authority of New York and New Jersey, Office of Inspector General (PA-OIG).

As alleged in the indictment, Vincent Vertuccio controlled and directed the activities of Crimson Construction Corporation (Crimson), a company that was awarded a contract for work at the One World Trade Center (1WTC) project in lower Manhattan worth approximately \$11.4 million. In seeking the contract, Vertuccio directed an employee of Crimson not to disclose Vertuccio's role in Crimson because of his ties to organized crime. After being awarded the contract, Crimson received more than \$1.5 million in connection with the 1WTC project, of which significant sums were diverted into a bank account held by Vertuccio's mother and used to pay for renovations to Vertuccio's daughter's house. As a result,

Crimson was unable to meet its obligations at 1WTC and was terminated from the project. Vertuccio, with the assistance of his accountant Praful Pandya, also submitted false and fraudulent individual tax returns for tax years 2008 and 2011.

After Vertuccio became aware of an ongoing grand jury investigation into his conduct, he and his lawyer, John Servider, allegedly conspired to alter invoices and sales receipts issued by a Manhattan jewelry store so as to remove Vertuccio's name from the records before they were returned to the grand jury.

"As alleged, Vertuccio and his team of criminal consultants, including his accountant and his lawyer, cheated the taxpayers and the criminal justice system for their own corrupt purposes. We will not tolerate self-serving exploitations of Port Authority projects. We will continue to work closely with our law enforcement partners to vigorously prosecute such criminal activity," stated United States Attorney Lynch.

"As the federal agency responsible for investigating tax crimes, IRS-Criminal Investigation works with our law enforcement partners on a variety of complex financial fraud investigations toward the mutual goals of protecting the American taxpayer and seeing that everyone pays their fair share. When individuals divert money intended for public projects into their own pockets, they risk committing tax and money laundering crimes in the process, inviting additional criminal sanctions. These consequences are magnified by the steps they take to conceal their actions and cover their tracks," stated IRS Special Agent-in-Charge Kitchen.

"As alleged, the defendants defrauded the Port Authority and the construction of One World Trade Center. When they learned of our investigation, they altered invoices, changed names, and doctored receipts in a vain attempt to avoid detection. We have no tolerance for the shakedown of projects," stated FBI Assistant Director-in-Charge Rodriguez.

"Today serves as an unfortunate reminder that as alleged in the indictment, organized crime continues to plague the region's construction industry. Accordingly, we remain vigilant in protecting Port Authority projects and programs from fraudsters who line their pockets at the expense of law-abiding citizens," stated PA-OIG Inspector General Nestor. Mr. Nestor expressed thanks to his law enforcement partners for their dedication and skill in the investigation of this case and commended the One World Trade Center integrity monitor whose efforts were integral in detecting some of the alleged schemes.

The defendants are scheduled to be arraigned this afternoon before United States Magistrate Judge Roanne L. Mann at the federal courthouse in Brooklyn. The charges in the indictment are merely allegations, and the defendants are presumed innocent unless and until proven guilty.

The government's case is being handled jointly by the Office's Organized Crime & Gangs Section and the Public Integrity Section. Assistant United States Attorneys Lan Nguyen and M. Kristin Mace, and Special Assistant United States Attorney Jonathan P. Lax are in charge of the prosecution.

**The Defendants:**

VINCENT VERTUCCIO, a/k/a “Vinny”

Age: 60

Maspeth, NY

PRAFUL PANDYA

Age: 68

Forest Hills, NY

JOHN SERVIDER

Age: 53

Patterson, NY

E.D.N.Y. Docket No. 15-CR-174 (SRT)