

A.G. Schneiderman Announces 109-Count Indictment Charging Six Individuals In Massive Multi-Year Auto Insurance Fraud Scheme

Defendants Charged With Filing Forged And Falsified Documents To Fraudulently Obtain Over \$250K In Commercial Policies And Vehicle Registrations

Schneiderman: Auto Insurance Fraud Leads To Increased Insurance Rates Passed Along To Hardworking New Yorkers

NEW YORK – Attorney General Eric T. Schneiderman today announced the charges against six individuals in a 109-count indictment for their roles in a multi-year scheme to fraudulently obtain commercial car insurance policies and vehicle registrations. The Attorney General's indictment, unsealed in the Kings County Supreme Court before Justice Danny Chun, charges alleged ringleader Jean Myrtho Davilmar, insurance brokers George Thomas and Keith Ashman, and co-conspirators Joe Sainvilus, Jr., Hermaine Celestin and Jessica Davilmar. The defendants obtained over a quarter-million dollars in fraudulently discounted commercial insurance policies, and then falsely registered cars with the New York State Department of Motor Vehicles ("DMV"), by filing forged and falsified documents with the Kings County Supreme Court Clerk's Office, DMV, automobile insurance carriers and others.

"Auto insurance fraud leads to increased insurance rates passed along to many hardworking New Yorkers," said **Attorney General Schneiderman**. "Insurance fraud is a crime, and my office will continue to vigorously prosecute those who attempt to game the system."

"The Department of Financial Services is committed to aggressively fighting auto insurance rate evasion to protect hardworking and honest New Yorkers from paying unnecessary higher insurance premiums," said **Maria T. Vullo, Superintendent of the New York State Department of Financial Services**. "DFS values its working relationship with the Attorney General's office and we look forward to continuing our partnership in fighting insurance fraud and combatting consumer abuse."

The defendants were arrested on a Kings County Grand Jury indictment charging 109 counts, including Grand Larceny in the Second Degree (a class C felony), Insurance Fraud in the Third Degree (a class D felony), Offering a False Instrument for Filing in the First Degree (a class E felony), Falsifying Business Records in the First Degree (a class E felony), Criminal Possession of a Forged Instrument in the Second Degree (a class D felony), Scheme to Defraud in the First Degree (a class E felony), and other crimes.

According to the indictment, as part of the scheme, the defendants created fictitious business partnerships by filing false documents with the Kings County Supreme Court Clerk's Office. The defendants then allegedly fraudulently obtained commercial automobile insurance for multiple vehicles under the names of these fictitious business partnerships. In order to obtain lower premiums, on the applications for commercial insurance, the defendants allegedly falsely represented that the vehicles insured under the policies would be engaged in low-risk businesses such as delivering packages, performing carpentry or photography. To further lower premiums, defendants allegedly made additional misrepresentations including providing false pedigree information for purported members of the business partnerships, falsely stating the geographical location where the vehicles were operated and garaged, and misrepresenting the actual operators of the vehicles.

Additionally, after fraudulently obtaining insurance for vehicles under commercial policies, the defendants submitted false registration and title applications to DMV, registering the vehicles under the names of the fictitious partnerships. These DMV applications allegedly included forged signatures, false addresses, and fictitious individuals listed as the buyers and sellers of the vehicles. In support of their falsified registration and title applications, defendants also allegedly submitted copies of the fraudulently obtained insurance cards as proof that the vehicles had valid insurance in New York State, a prerequisite before DMV could issue registrations and license plates.

According to statements made by the prosecutor at arraignment, when a policy canceled for nonpayment or because the defendants could not maintain the façade that the cars were being used in low-risk businesses, the defendants allegedly opened another policy under a fake partnership and transferred the cars onto the new policy. Additionally, when vehicles in this scheme were towed by offices of the New York City Marshal for non-payment of accrued parking violations in New York City, the defendants allegedly submitted false documents to the Marshal's Office in order to have the vehicles released.

As a result of their scheme, between May 2006 and June 2014, the defendants allegedly fraudulently obtained commercial automobile insurance and DMV registrations valued in excess of \$250,000 dollars.

The indictment charges the following defendants with multiple felonies:

- Jean Myrtho Davilmar, age 73, of Kings County, New York
- George M. Thomas, age 44, of Nassau County, New York
- Keith M. Ashman, age 37, of Suffolk County, New York
- Joe Sainvilus Jr., age 32, of Kings County, New York
- Hermine Celestin, age 57, of Kings County, New York
- Jessica Davilmar, age 30, of Kings County, New York

The Honorable Justice Danny Chun set \$250,000 cash/ \$1 million bail bond for defendant Jean Davilmar, \$50,000 cash/ \$100,000 bail bond for defendant George Thomas, \$7,500 cash/ \$15,000 bail bond for defendant Keith Ashman, \$5,000 cash/ \$15,000 bail bond for defendant Joe Sainvilus, Jr., \$5,000/ \$15,000 bail bond for defendant Hermine Celestin, and \$2,500 cash/ \$10,000 bail bond for defendant Jessica Davilmar.

The charges against the defendants are merely accusations, and the defendants are presumed innocent until and unless proven guilty in a court of law.

These arrests are the culmination of a long-term investigation conducted by the Attorney General's Automobile Insurance Fraud Unit. The Attorney General thanked the New York State Department of Financial Services, DMV, and the New York Automobile Insurance Plan for their valuable assistance in the investigation. The Attorney General also thanked the New York City Marshal's Office, Progressive Insurance Co., Maidstone Insurance Co., National General Insurance Co., Farm Family Casualty Insurance Co., Assigned Risk Solutions, American Transit Insurance Co., GEICO Insurance Co., Travelers Insurance Co., the **CARCO Group**, the New York City Marshal's Office, the Kings County Clerk's Office, the Massachusetts Registry of Motor Vehicles and the United States Social Security Administration's Inspector General's Office for their assistance.

The case is being prosecuted by Assistant Attorney General Irwin Weiss of the Auto Insurance Fraud Unit, with the assistance of Supervising Legal Analyst Paul Strocko and Legal Analyst Brandon Shapiro. The Auto Insurance Fraud Unit is led by Chief Joseph G. D'Arrigo. The Criminal Enforcement and Financial Crimes Bureau is led by Bureau Chief Gary T. Fishman and Deputy Bureau Chief Stephanie Swenton. The Division of Criminal Justice is led by Executive Deputy Attorney General Kelly Donovan.

The Attorney General's investigation was conducted by Investigator Patrick Lubin, with the assistance of Investigators Zylona Silva and Michael Houlihan, under the direction of Supervising Investigators Edward Keegan and Natalie Shifrin and Deputy Chief Leonard D'Alessandro. The Investigations Bureau is led by Chief Dominick Zarrella.