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**District Attorney's Insurance Fraud Unit
Alleges over \$439,000 stolen from 38 victims by local resident
Posing as an attorney and setting up phony businesses
used to steal goods and services in complex check kiting scam**

District Attorney Lynne Abraham and Linda Perkins, Chief, Insurance Fraud Unit, today announce the arrest of Mac Kenneth K. Ortiz Sr., 36, of the 4800 block of Levick Street and 4100 block of Markland Street in Philadelphia. Mr. Ortiz is charged as follows:

Theft by Deception, 18 Pa. C.S.A. § 3922-M1	4 counts
Attempt Theft by Deception, 18 Pa. C.S.A. § 3922-F3	1 count
Theft by Deception, 18 Pa. C.S.A. § 3922-F3	34 counts
Receiving Stolen Property, 18 Pa. C.S.A. § 3925-M1	3 counts
Receiving Stolen Property, 18 Pa. C.S.A. § 3925-F3	28 counts
Criminal Use of a Communication Facility 7512-F3	33 counts
Insurance Fraud, 18 Pa. C.S.A. § 4117-F3	5 counts
Forgery, 18 Pa. C.S.A. § 4101-F2	8 counts
Forgery, 18 Pa. C.S.A. § 4101-F3	4 counts
Bad Checks, 18 Pa. C.S.A. § 4105-M1	11 counts
Tampering with Records or Identification, 18 Pa. C.S.A. § 4104-M1	5 counts
Securing Execution of Documents by Deception, 18 Pa. C.S.A. § 4114-M2	5 counts
False Swearing, 18 Pa. C.S.A. § 4903-M2	4 counts
Unsworn Falsifications to Authorities, 18 Pa. C.S.A. § 4904-M2	5 counts
Tampering with Public Records or Information, 18 Pa. C.S.A. § 4911-F3	5 counts

Identity Theft, 18 Pa. C.S.A. § 4120-F3	3 counts
Identity Theft, 18 Pa. C.S.A. § 4120-F2	6 counts
Unauthorized practice of law, 42 Pa. C.S.A. § 2524-M3	1 count
Unauthorized practice of law, 42 Pa. C.S.A. § 2524-M2	3 counts

Unauthorized Practice of Law

In June 2006, the Disciplinary Board of the Supreme Court of Pennsylvania forwarded to the District Attorney’s Office a complaint that had been filed with the Disciplinary Board by a client of Mac Kenneth K. Ortiz. In the complaint, the client, a Philadelphia landlord and businessman, stated that he had retained Ortiz to resolve a dispute with a tenant who had illegally subdivided and sold a property actually owned by the client/landlord. The client related further that he had been referred to Ortiz by the manager of a Philadelphia rental property agency who had in fact rented Ortiz a property on Levick Street, that Ortiz had identified himself as an attorney licensed to practice in Pennsylvania, and that he had paid Ortiz \$5,000 to handle the dispute. After 9 months, the client’s dispute with his tenant remained unresolved and he was unable to contact Ortiz in order to ascertain the status of the dispute. The Disciplinary Board determined that Ortiz was not licensed to practice law in the Commonwealth of Pennsylvania and referred the matter to the District Attorney’s Insurance Fraud Unit.

Investigators assigned to the Insurance Fraud Unit subsequently discovered that from 1999 to 2005, Ortiz had registered 6 corporations in the Commonwealth of Pennsylvania including three (3) law firms and one (1) non-profit medical corporation posing as a government agency. It is alleged that Ortiz falsely identified himself as an attorney licensed to practice in Pennsylvania and, thus, knowingly and intentionally deceived at least four (4) persons into paying him and his law firm, known as Commonwealth Law Associates, PC, money for legal services that were never rendered. He represented himself as specializing in real estate, bankruptcy, and insurance matters.

In one case, Ortiz, posing as a licensed attorney accepted over \$43,000 in retainer fees and insurance payments on behalf of an unsuspecting client who needed help resolving an insurance claim stemming from damage to his small grocery store. An uninsured driver crashed into the client’s store causing substantial damage to the building. The driver had previously registered his vehicle with PennDot using a fake insurance card. The driver is now facing criminal charges related to the fraudulent registration of his vehicle. Following settlement with the insurance company, Ortiz convinced the store owner to turn over all insurance payments to him, promising the store owner that he could get more money for his claim. It is alleged that Ortiz never gave the store owner any money owed him for damage to his building. The store, located near Torresdale Avenue and Margaret Street, was subsequently condemned and is scheduled to be demolished.

Check Kiting Scam

Insurance fraud investigators identified the six (6) corporations Ortiz registered in Pennsylvania, all operating in Philadelphia, as:

- Tri-State Property Recovery & Rehabilitation Corp, also known as Tri-State Property Auto Group, 424 East Eleanor Street
- Community One Services, Inc., 425 E. Wyoming Avenue
- Commonwealth Law Associates, P.C., 2022 Orthodox Street
- North East Community Law Center, P.C., 4844 Levick Street
- County Volunteer Emergency Rescue Services Corp., 2022-2024 Orthodox Street
- El Morro Restaurant Inc., 4100 Torresdale Avenue and 4101-07 Paul Street

Investigators further determined that Ortiz “operated” a fake bank known as Republican Financial Bank through which he generated phony bank deposits that were subsequently deposited into legitimate bank accounts or used as a banking reference to establish credit in the name of one of his fraudulent businesses/identities. It is alleged that Ortiz also knowingly and intentionally deceived various businesses by contracting with them for goods and services, for which he never paid. He used various fictitious identities and stolen identities, bad checks, and multiple credit card accounts secured with fraudulent business, personal and banking information to facilitate his protracted deception and theft.

Insurance fraud investigators uncovered forty-four (44) fraudulent banking and purchase transactions by Ortiz involving accounts with legitimate banks and businesses including **Avaya, Bank of America, Citigroup, Commerce Bank, FedEx Kinkos, Gateway, Home Depot, Office Depot, Office Max, Pep Boys, Pitney Bowes, Sprint/Nextel, and Staples.**

Other businesses include **AFA Protective Services** (alarm system), **Aspen Publishing** (legal publishing), **Best Case Solutions** (bankruptcy law software), **Brodart Inc.** (office electronics), **Business Services for Real Estate** (real estate forms), **Certegy Check Processing** (electronic checking), **Country Home Products** (outdoor power equipment), **Domestic Linen Supply** (uniforms), **GTSI** (televisions and computers), **Guardian** (alarm system), **Martin Leasing** (digital copier and printing equipment), **New Pig** (mail order maintenance and construction goods), **Practicing Law Institute** (legal publishing), **Simplex Grinnell** (alarm system), **System ID Warehouse** (computers), **Thomson West Publishing** (legal publishing), **Luke Oil** (fleet vehicle gas credit cards), **Wright Express** (fleet vehicle gas cards), and **Zebra Printer** (ID card printer).

In addition, it is alleged that in 2005 and 2006 Ortiz registered five (5) vehicles with PennDot using fraudulent insurance information. Two of the vehicles were registered as ambulances. Ortiz also owned a blue 2001 Ford Crowne Victoria that had previously been used as an unmarked police car. The car was retired and resold. Ortiz subsequently outfitted the vehicle with emergency lights and sirens purchased over the internet using one of his phony accounts. Representing himself as the owner of an ambulance service, Ortiz also obtained a red, emergency vehicle registration plate for the vehicle. During the course of the investigation, insurance fraud detectives also found in Ortiz' possession four (4) simulated firearms (3 semi-automatic guns and 1 revolver) along with blank ammunition, two (2) bullet-proof vests, and a black 1997 Ford Windstar also displaying a red, emergency vehicle plate as well as fictitious government numbers and letters on the side purporting to represent the vehicle as official government property.

Penalties:

- Felonies of the first degree (F1) are punishable by a maximum of twenty (20) years in prison for each count and fine not to exceed \$25,000 each count.
- Felonies of the second degree (F2) are punishable by a maximum of ten (10) years in prison for each count and fine not to exceed \$25,000 each count.
- Felonies of the third degree (F3) are punishable by a maximum of seven (7) years in prison for each count and fine not to exceed \$15,000 each count.
- Misdemeanors of the first degree (M1) are punishable by a maximum of five (5) years in prison for each count and fine not to exceed \$7,500 each count.
- Misdemeanors of the second degree (M2) are punishable by a maximum of two (2) years in prison for each count and fine not to exceed \$5,000 each count.
- Misdemeanors of the third degree (M3) are punishable by a maximum of one (1) years in prison for each count and fine not to exceed \$2,500 each count.