

Judge seeks money trail in bank fraud case

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CAMDEN — A federal judge made it clear Tuesday she wants to see the money trail before sentencing Cherry Hill businessman John A. "Jay" Phillips for a \$6.5 million bank fraud.

U.S. District Court Judge Freda L. Wolfson, who postponed Phillips' sentencing to Dec. 1, said she wants an adequate financial picture of where the money went.

Phillips' plea agreement does not include a specific sentence. The fraud statute carries a possible 30-year term in federal prison.

Defense attorney Rocco Cipparone Jr., said Phillips, who once ran a title company in his name and the Coliseum fitness club in Voorhees, "is not sitting on a pile of money buried somewhere."

The sentencing will include a restitution order for more than \$4 million, attorneys agreed.

Cipparone said his client had no funds to hire a forensic accountant to track money obtained with fraudulent mortgages and loans.

Attorney Derek Baker, representing National Penn Bank of Boyertown, Pa., one of the chief victims of the bank fraud, said his client has searched more than three years of civil and bankruptcy records without finding a cash trail.

Phillips, 42, wore an electronic recording device for federal investigators in a separate probe into billboard contracts in Washington Township that benefited two aides of former Gov. James McGreevey.