



Department of Justice

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FOUR INDIVIDUALS AND THREE CORPORATIONS CONVICTED FOR ROLES IN WIRE FRAUD CONSPIRACY AT NEW YORK PRESBYTERIAN HOSPITAL

WASHINGTON — A Manhattan jury today convicted four individuals and three corporations for their participation in an eight-year conspiracy, involving kickbacks in excess of \$2 million, to defraud New York Presbyterian Hospital (NYPH), the Department of Justice announced. In addition to today's convictions, previously 10 individuals and three companies have pleaded guilty to date to charges arising out of this investigation.

After a four week trial, Michael Yaron and two companies owned by him, Cambridge Environmental & Construction Corp., which does business as National Environmental Associates (Cambridge/NEA), an asbestos abatement company, and Oxford Construction & Development Corp., a construction company; Moshe Buchnik, the president of two asbestos abatement companies; Santo Saglimbeni, a former vice president of facilities operations at NYPH; Artech Corporation, a company owned by a relative of Saglimbeni; and Emilio "Tony" Figueroa, a former director of facilities operations at NYPH were each convicted of engaging in a wire fraud conspiracy to defraud NYPH. Additionally, Yaron, Cambridge/NEA, Oxford, Buchnik, Saglimbeni and Artech were also convicted of wire fraud for transferring money electronically from the bank account of one co-conspirator to Artech's bank account.

"We are very pleased that the jury found these individuals and companies guilty of conspiracy to defraud New York Presbyterian Hospital," said Sharis A. Pozen, Acting Assistant Attorney General in charge of the Justice Department's Antitrust Division. "This verdict sends a clear message that corrupt purchasing officials and the contractors who paid them kickbacks will be held accountable for this type of illegal conduct."

According to the court document, the scheme to defraud NYPH centered on Saglimbeni, with the assistance of Figueroa, awarding asbestos abatement, air monitoring and general construction contracts to Yaron, Buchnik, Cambridge/NEA and Oxford in return for over \$2.3 million in kickbacks paid to Saglimbeni. A portion of those kickbacks were funneled by Yaron to Saglimbeni through Artech, a sham company Saglimbeni created in the name of his mother in order to conceal the kickbacks. Counts three and four of the superseding indictment charging Saglimbeni and Figueroa with mail fraud conspiracy and mail fraud were severed from the matter and will be tried on April 16, 2012, in U.S. District Court in Manhattan.

Sentencing for all defendants is scheduled for June 20, 2012, before Judge George B. Daniels. The wire fraud and wire fraud conspiracy charges each carry a maximum penalty of 20

years in prison for individuals and a \$1 million criminal fine for individuals and companies. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

The convictions announced today resulted from a federal antitrust investigation of bid rigging, fraud, bribery and tax-related offenses in the award of construction, maintenance and service contracts to the facilities operations department of NYPH.

The investigation is being conducted by the Antitrust Division's New York Field Office with the assistance of the FBI and the Internal Revenue Service-Criminal Investigation's New York Field Office. Anyone with information concerning bid rigging, bribery, tax offenses or fraud at NYPH should contact the Antitrust Division's New York Field Office at 212-264-9308, visit www.justice.gov/atr/contact/newcase.htm or contact the FBI's New York Division at 212-384-1000.

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