



*United States Attorney  
Southern District of New York*

**FOR IMMEDIATE RELEASE  
AUGUST 25, 2009**

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**MANHATTAN U.S. ATTORNEY CHARGES  
CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
OF NEMAZEE CAPITAL WITH BANK FRAUD**

PREET BHARARA, the United States Attorney for the Southern District of New York, and JOSEPH M. DEMAREST, JR., the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), announced the arrest this morning of HASSAN NEMAZEE, the Chairman and Chief Executive Officer of Nemazee Capital Corporation, in connection with a scheme to defraud Citibank, N.A. ("Citibank"). According to the Complaint filed in Manhattan federal court:

NEMAZEE engaged in a fraudulent scheme to induce Citibank to lend up to \$74 million to NEMAZEE based on false representations that NEMAZEE owned millions of dollars in collateral. NEMAZEE submitted, and caused to be submitted, to Citibank numerous documents that purported to establish the existence of accounts in NEMAZEE's name at various financial institutions containing many hundreds of millions of dollars. In fact, those were fraudulent and forged documents.

Specifically, the various accounts referenced in the fraudulent documents that NEMAZEE submitted, and caused to be submitted, to Citibank either never existed or had been closed years before NEMAZEE submitted the documents referencing those accounts. Furthermore, on many of the documents at issue, NEMAZEE falsely provided as the address and telephone numbers of various financial institutions purportedly vouching for his financial strength an address and telephone number that was, in fact, controlled by NEMAZEE. As a result, in the event anyone at Citibank made an effort to confirm the existence of the assets

reflected on the fraudulent documents submitted by NEMAZEE, they would in fact be contacting a telephone number assigned to NEMAZEE himself, and not any financial institution.

On August 23, 2009, federal agents interviewed NEMAZEE at Newark Liberty International Airport, as he was in the process of checking in for a flight to Rome, Italy. On the afternoon of August 24, 2009, NEMAZEE repaid to Citibank his outstanding loan, an amount in excess of \$74 million.

NEMAZEE, 59, currently resides in Manhattan and Katonah, New York. He is charged with one count of bank fraud, which carries a maximum prison term of 30 years and a maximum fine of \$1,000,000 or twice the gain or loss resulting from the crime.

NEMAZEE is expected to be presented later today in Manhattan federal court before United States Magistrate Judge RONALD L. ELLIS.

Mr. BHARARA praised the investigative work of the FBI. Mr. BHARARA said that the investigation is continuing.

Assistant United States Attorneys JOHN M. HILLEBRECHT and DANIEL W. LEVY are in charge of the prosecution.

The charge and allegations contained in the Complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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