



*United States Attorney
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**MANHATTAN U.S. ATTORNEY CHARGES COMPANY EXECUTIVE
WITH MULTIMILLION DOLLAR 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 unsealing of an Indictment today charging BILL SURI, a/k/a "David Miller," the owner of a furniture company called Woodkraft International Inc. ("Woodkraft"), with defrauding four banks -- Citibank, Wachovia, North Fork, and HSBC -- into providing Woodkraft with a total of approximately \$2.1 million in loans and lines of credit.

According to the Indictment unsealed in Manhattan federal court today:

Between September 2002 and October 2006, SURI made a series of false statements in loan applications he submitted to the banks. Among other things, SURI repeatedly changed and operated Woodkraft under various names when applying for loans to different banks to conceal the Woodkraft's true credit history. SURI also failed to disclose Woodkraft's prior loans and credit lines to the banks. In addition, SURI concealed his ownership of Woodkraft from the banks and arranged for another individual ("CC-1") to pose as the owner of the company. SURI and CC-1 also falsely represented that the loaned funds would be used to purchase additional inventory and new equipment for Woodkraft, when, in truth and in fact, the proceeds were to be used largely to pay SURI's personal expenses and to repay the creditors of Woodkraft-related entities. SURI and CC-1 submitted financial statements to the banks that were purportedly prepared by an independent accountant, but which were really complete

fabrications prepared by SURI's wife.

The Indictment charges SURI with bank fraud and bank fraud conspiracy. If convicted on the charges, SURI faces a maximum sentence on each charge of 30 years in prison and a maximum fine of \$1,000,000 or twice the pecuniary loss or gain that resulted from the offense.

SURI, 66, of New York, New York, was arrested earlier today and is expected to be presented in Manhattan federal court this afternoon. This case has been assigned to United States District Judge SIDNEY H. STEIN.

Mr. BHARARA praised the investigative work of the FBI.

The case is being handled by the Complex Frauds Unit of the United States Attorney's Office. Assistant United States Attorney WILLIAM STELLMACH is in charge of the prosecution.

The charges in the Indictment are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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