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Southern District of New York*

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**BERMUDIAN NATIONAL PLEADS GUILTY TO STEALING
ALMOST \$2 MILLION DOLLARS FROM
THE GOVERNMENT OF BERMUDA**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that HARRISON ISAAC, JR., a former Management Accountant in the Accountant General's Department of the Ministry of Finance of the Government of Bermuda ("the Accountant General's Department"), pleaded guilty in Manhattan federal court late yesterday to charges that he looted an account maintained by the Government of Bermuda at The Bank of New York located in New York, New York ("Bermuda Account"), which account was used by the Bermudian Government to pay checks to vendors in United States dollars.

According to the charges, as a Management Accountant in the Accountant General's Department, ISAAC was responsible for managing the Bermuda Account and tasked with overseeing payments to vendors from that account. On January 15, 2003, ISAAC submitted a request to The Bank of New York for access cards in the names of himself and other employees of the Accountant General's Department relating to the Bermuda Account which would allow the cardholder to electronically access the Bermuda Account. The access cards were to be used by employees only to view transactions on the Bermuda Account; no authorization had been given to any employee to use the access cards to make wire transfers of any kind.

According to the charges, starting in May 2003, ISAAC began using at least two of the access cards, one issued in his name and the other issued in the name of a former Ministry of Finance employee, to make unauthorized wire transfers from the Bermuda Account to accounts in the United States and Bermuda, many of which he or a co-conspirator controlled. From May 29, 2003, up to and including February 6, 2004, ISAAC wire-transferred approximately \$1,899,888 from the Bermuda Account.

Of this total, approximately \$48,350 was wire-transferred from the Bermuda Account to an account in the name of ISAAC's company, Bermuda On The Rocks, an events promotion company based in Hamilton, Bermuda; and approximately \$1,442,033 was wire-transferred from the Bermuda Account to the accounts of All Brand New, Inc., and Simply Perfection, Inc., two companies based in Atlanta, Georgia and owned by one of ISAAC's co-conspirators. None of these entities was a vendor of products or services to the Bermudian Government or had any right to these payments.

According to the charges, on April 15, 2004, HARRISON ISAAC, JR. was arrested by Bermudian law enforcement at the Bermuda International Airport with an outbound ticket to Atlanta, Georgia. During a search incident to ISAAC's arrest, Bermuda authorities recovered five access cards for the Bermuda Account in the names of other present and former employees of the Bermudian Accountant General's Department, including the access card in the name of the former Ministry of Finance employee which was used to make unauthorized wire transfers from the Bermuda Account. ISAAC also possessed a handwritten note on which was written, among other things, "sell everything," "liquidate," and "reset password."

On April 28, 2004, the United States Government requested that ISAAC be provisionally arrested and detained pending extradition proceedings related to the United States fraud charges. On January 26, 2005, the Government of Bermuda extradited ISAAC to the United States.

In entering his plea of guilty, ISAAC admitted that he participated in a conspiracy to defraud the Government of Bermuda out of approximately \$1,899,888 and that he did in fact wire the funds out of the account.

ISAAC faces a maximum sentence of twenty five years in prison. ISAAC also faces a maximum fine of \$250,000. Sentencing is scheduled for April 27, 2006 at 11:00 a.m. before United States District Judge LAURA TAYLOR SWAIN.

ISAAC, 35, is a Bermudian national.

Mr. GARCIA praised the efforts of the FBI in the investigation of this case.

Assistant United States Attorney BRET R. WILLIAMS and LYNN A. NEILS are in charge of the prosecution.

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