



*United States Attorney  
Southern District of New York*

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**MANHATTAN U.S. ATTORNEY ANNOUNCES CRIMINAL ENTERPRISE  
CHARGE AGAINST QUEENS MAN WHO ORCHESTRATED \$10 MILLION  
COMMERCIAL BANK FRAUD, BANK BRIBERY,  
AND IDENTITY THEFT SCHEME**

*Third Defendant Also Charged With Conspiracy  
And Bank Fraud Crimes*

PREET BHARARA, the United States Attorney for the Southern District of New York, announced the filing of additional charges against CHRISTOPHER CAVOUNIS, 30, of Fresh Meadows, New York, for organizing, managing and supervising a continuing financial crimes enterprise which orchestrated schemes to defraud several banks of at least \$10 million by obtaining commercial loans and lines of credit using false and fraudulent documents. The Superseding Indictment filed yesterday also charges JAGDESH COOMA, 27, of Fresh Meadows, New York, and THOMAS NUCCIO, 31, of Promfret, Connecticut, with participating in a bank fraud conspiracy and committing bank fraud. As part of the scheme, CAVOUNIS, COOMA, and NUCCIO allegedly submitted applications for loans in the names of shell companies with no assets, and with straw owners, using fraudulent documents created to trick the banks into believing those entities were real. CAVOUNIS also paid bribes totaling over \$135,000 to an employee of Citibank to obtain \$2.45 million worth of loans.

According to the Superseding Indictment, which was unsealed today, and the Complaint previously filed in Manhattan federal court:

From at least 2009 to November 2010, CAVOUNIS, COOMA, NUCCIO and others allegedly obtained, through fraud, a total of at least 16 commercial loans and/or lines of credit, receiving at least \$10 million, from eight different lenders -- Capital One Bank, N.A.; Citibank, N.A. ("Citibank"); First Republic Bank; Herald National Bank; New York Commercial Bank; Signature Bank; Sovereign Bank; and TD Bank, N.A. (collectively, the "Lenders"). All of these loans are presently in default. To trick the

Lenders into providing the loans, CAVOUNIS, COOMA, and NUCCIO engaged in an elaborate scheme in which they prepared and then submitted applications and supporting documentation for commercial loans that contained false and misleading information on behalf of empty shell companies with no existing business or assets.

As part of the alleged scheme, CAVOUNIS and COOMA recruited straw borrowers who provided personal identifying information to the defendants in exchange for future payment. With the information in hand, the defendants represented these individuals to be the owners or executives of various companies in applications for loans from the Lenders. In addition, CAVOUNIS and COOMA provided the Lenders with fraudulent documentation in support of those applications, which they had created, and which purported to accurately reflect the personal and financial information of each straw owner, and/or corresponding company. This documentation included falsified tax returns, identification documents, and bank or other financial statements. Unbeknownst to the Lenders, however, the straw borrowers were in no way affiliated with those companies, which were themselves complete shams with neither existing businesses nor actual earnings and income. CAVOUNIS, in connection with certain applications, also assumed the identity of another individual himself and provided financial institutions with a fraudulent driver's license in the name of that individual.

Furthermore, to help obtain the loans, over the course of an approximately four month period in 2010, CAVOUNIS paid a Citibank employee in excess of \$135,000 in bribes to secure approval for several lines of credit, in the total approximate amount of \$2.45 million, which were issued to empty shell companies he controlled.

When one of the banks froze a line of credit obtained through the scheme, CAVOUNIS allegedly resorted to threats in an attempt to obtain the loan. For example, in October 2010, after Citibank approved a \$450,000 line of credit but subsequently froze funding when CAVOUNIS attempted to withdraw that entire amount within mere days of approval, he threatened two Citibank bankers with physical violence unless the loan proceeds were made immediately available to him.

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CAVOUNIS was charged with organizing, managing and supervising a continuing financial crimes enterprise which carries a mandatory minimum sentence of 10 years in prison. He also was charged with bank bribery, which carries a maximum

sentence of 30 years in prison. CAVOUNIS and COOMA are also each charged with one count of conspiracy to commit bank fraud, five substantive counts of bank fraud, and one count of aggravated identity theft. The conspiracy and bank fraud charges each carry a maximum sentence of 30 years in prison. The aggravated identity theft charge carries a mandatory minimum sentence of two years in prison which must run consecutively to any other sentence imposed. NUCCIO was charged with one count of conspiracy to commit bank fraud and one substantive count of bank fraud.

CAVOUNIS and COOMA were previously charged in a Complaint and an Indictment, and were arrested on November 26, 2010. NUCCIO was arrested this morning in Promfret, Connecticut, and was arraigned in Manhattan Federal Court before U.S. District Judge ROBERT PATTERSON.

Mr. BHARARA praised the work of the Federal Bureau of Investigation and the Internal Revenue Service.

This case is being prosecuted by the Office's Complex Frauds Unit. Assistant U.S. Attorneys ZACHARY FEINGOLD and CHRISTOPHER D. FREY are in charge of the prosecution.

The charges contained in the Superseding Indictment are merely accusations and the defendants are presumed innocent unless and until proven guilty.

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