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FORMER EMPLOYEE OF NEW YORK CITY MEDICAL EXAMINER
PLEADS GUILTY TO CHARGES RELATING TO THEFT
OF FEDERAL 9/11 FUNDS

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that ROSA ABREU, a former employee of the Office of the Chief Medical Examiner for the City of New York ("OCME"), pleaded guilty yesterday to embezzlement, money laundering and conspiracy charges in connection with a scheme to steal millions of dollars, including funds provided to the OCME by the Federal Emergency Management Agency ("FEMA") to assist the OCME in responding to the terrorist attacks on the World Trade Center on September 11, 2001. ABREU, 40, of Queens, New York, pleaded guilty in Manhattan federal court before United States District Judge ROBERT P. PATTERSON. According to the Indictment and statements made during ABREU's guilty plea:

ABREU was the OCME's Director of Records and was the primary assistant to co-defendant NATARAJAN R. VENKATARAN -- the director of the OCME's department of Management Information Systems ("MIS") -- for approximately 13 years. ABREU was responsible for support of the OCME's computer hardware and software applications, including systems used to track and identify forensic evidence (including DNA evidence) from crime scenes. The OCME developed an acute need for computer services following the September 11th attacks, when it was assigned the task of identifying victims through the forensic analysis of body parts and other evidence collected at Ground Zero. Many of the OCME's September 11th-related expenses were reimbursed by FEMA, which provided more than \$46 million to OCME in 2002 and 2003.

Between 1999 and 2004, ABREU'S co-defendant NATARAJAN R. VENKATARAM steered more than \$13 million in OCME contracts and purchase orders to three companies run by a co-conspirator ("CC-1") by, among other things, advising CC-1 how much to bid on OCME contracts and arranging for CC-1's three companies to submit

purportedly independent "competing" bids. In the vast majority of cases, CC-1's companies did little or no work under the contracts, but would instead transfer the funds to other companies as directed by VENKATARAM, in exchange for a fee. In many cases, CC-1 simply provided VENKATARAM with signed but otherwise blank checks from the CC-1 companies to use as VENKATARAM saw fit. In other instances, CC-1 wrote the checks out according to VENKATARAM's instructions.

VENKATARAM then directed millions of dollars in funds paid by OCME to CC-1's companies for his and ABREU's personal benefit. For example, VENKATARAM directed CC-1's companies to make more than one million dollars in payments to three shell companies created by VENKATARAM and ABREU -- A & D Marketing Corp., Trade A2Z Inc., and Infodata Associates -- none of which had any employees or conducted any legitimate business. VENKATARAM and ABREU then used the funds in the shell company accounts to withdraw cash, make payments to personal accounts, and transfer money overseas. VENKATARAM also directed checks from the CC-1 companies to various companies run by his acquaintances, which, in all but one case, did no work for the CC-1 companies or OCME. The companies run by VENKATARAM's acquaintances, in turn, made cash payments to VENKATARAM or issued checks to two companies controlled by VENKATARAM.

VENKATARAM also directed more than \$6 million, paid by OCME to a CC-1 company, to a company named Visualsoft Technologies, Ltd. in Hyderabad, India. Visualsoft Technologies Ltd. provided minimal goods and services to OCME and the CC-1 company. VENKATARAM also incorporated a United States-based company called Visualsoft Corporation and arranged for OCME to pay funds to Visualsoft Corporation for work that was never done. The funds paid to VENKATARAM's Visualsoft Corporation were then transferred at VENKATARAM's direction to one of VENKATARAM's and ABREU's shell companies.

ABREU pleaded guilty to one count of conspiracy, one count of embezzlement and misapplication of funds from OCME, and three counts of money laundering. ABREU's sentencing is scheduled for January 23, 2008. She faces a maximum sentence of 75 years' imprisonment. VENKATARAM is awaiting trial scheduled for November 26, 2007. The charges and allegations against VENKATARAM are merely accusations and he is presumed innocent unless and until proven guilty.

Mr. GARCIA praised the investigative work of the New York City Department of Investigation.

Assistant United States Attorneys ANDREW DEMBER and ARLO DEVLIN-BROWN are in charge of the prosecution.