



*United States Attorney
Southern District of New York*

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**NEW JERSEY MAN PREVIOUSLY CONVICTED OF DEFRAUDING
SEPTEMBER 11TH COMPENSATION FUND FOUND LIABLE
IN MANHATTAN FEDERAL COURT FOR OVER \$3 MILLION
IN CIVIL PENALTIES**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that MARIO MASTELLONE, who was convicted in 2008 of defrauding the September 11th Victim Compensation Fund ("the Fund"), was found liable to the United States for over \$3 million in treble damages and civil penalties under the False Claims Act. The decision was issued on September 12, 2011, by U.S. District Judge DENISE L. COTE.

Manhattan U.S. Attorney PREET BHARARA said: "Mario Mastellone used the tragedy of September 11th for his own personal gain. He will now pay for his crime with a multi-

th anniversary of that unspeakable horror makes this result particularly gratifying."

The Fund was established to provide financial assistance to individuals who were physically injured or lost their lives as a result of the terrorist attacks of September 11, 2001. In 2003, MASTELLONE submitted an application to the Fund, stating that he had been permanently and totally disabled as a result of injuries sustained in connection with the attacks, and that he could no longer engage in employment as a result. MASTELLONE subsequently was awarded \$1,076,789 from the Fund.

In 2008, MASTELLONE pled guilty to fraudulently obtaining money from the Fund, admitting that he lied on the application about being permanently and totally disabled and unable to perform work. He was sentenced in Manhattan federal court on June 13, 2008 to two-and-a-half years in prison for his fraud.

Based on the false statements he made in his application to the Fund, the United States initiated a civil

fraud action against MASTELLONE under the False Claims Act in 2010. This ruling awards treble damages to the United States based on the full amount awarded to MASTELLONE from the Fund. The Court granted the Government's request that it impose the maximum civil penalty, holding that "Mastellone's deception -- defrauding a fund meant to alleviate the suffering of 9/11 victims - is sufficiently serious to warrant the maximum penalty.

The case is being handled by the Office's Civil Frauds Unit. Assistant U.S. Attorney ALICIA M. SIMMONS is in charge of the case.

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