

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

LIUDMILA UMAROV,

Defendant.

11 CRIM

035
INFORMATION

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x

11 Cr.

COUNT ONE

(Mail Fraud)

The United States Attorney charges:

1. From in or about 2008 through and including in or about August 2010, in the Southern District of New York and elsewhere, LIUDMILA UMAROV, the defendant, unlawfully, willfully, and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, for the purpose of executing such scheme and artifice and attempting so to do, did place in a post office and authorized depository for mail a matter and thing to be sent and delivered by the Postal Service, and took and received therefrom such matter and thing, and knowingly caused to be delivered by mail according to the direction thereon, and at the place at which it was directed to be delivered by the person to whom it

was addressed, such matter and thing, to wit, UMAROV caused certain documents to be sent by United States mail in the course of making corrupt payments to certain New York City employees, or directing others to do so, in exchange for those employees to engage in certain fraudulent acts, including, among other things, (1) fraudulently causing it to appear as if certain children had been enrolled in day care centers so that the day care centers would receive tuition payments for these children through a day care subsidy program funded through a combination of local, state, and federal money, when the children did not in fact attend the day care centers, and (2) fraudulently inflating the number of children who could attend certain day care centers under applicable regulations and thereby receive excessive subsidy payments to which she was not entitled.

(Title 18, United States Code, Sections 1341 and 2.)

COUNT TWO

(Mail Fraud Conspiracy)

The United States Attorney further charges:

2. From in or about 2008, through and including in or about August 2010, in the Southern District of New York and elsewhere, LIUDMILA UMAROV, the defendant, and others known and unknown, unlawfully, willfully and knowingly combined, conspired, confederated and agreed together and with each other to violate

Title 18, United States Code, Section 1341.

3. It was a part and object of the conspiracy that LIUDMILA UMAROV, the defendant, and others known and unknown, unlawfully, willfully, and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, for the purpose of executing such scheme and artifice and attempting so to do, would and did place in a post office and authorized depository for mail matter, matters and things to be sent and delivered by the Postal Service, and would and did deposit and cause to be deposited matters and things to be sent and delivered by a private and commercial interstate carrier, and would and did take and receive therefrom, such matters and things, and would and did knowingly cause to be delivered by mail and such carrier according to the direction thereon, and at the place at which it was directed to be delivered by the person to whom it was addressed, such matters and things, in violation of Title 18, United States Code, Section 1341.

Overt Act

4. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt act, among others, was committed in the Southern District of New York and elsewhere:

a. In or about 2009, LIUDMILA UMAROV, the

defendant, paid a cash bribe to a New York City Department of Health employee after the employee had inspected day care centers with which UMAROV was associated and took certain fraudulent actions favorable to UMAROV and her associates.

(Title 18, United States Code, Section 1349).

COUNT THREE

(Bribery)

The United States Attorney further charges:

5. From in or about 2008 through in or about 2010, in the Eastern District of New York and elsewhere, LIUDMILA UMAROV, the defendant, did unlawfully, wilfully, knowingly, and corruptly give, offer, and agree to give something of value to a person, with intent to influence and reward an agent of a local government and an agency thereof that received in a one-year period benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, various New York City agencies, in connection with a business, transaction, and series of transactions of such government and agency involving things of value of \$5,000 and more, to wit, UMAROV paid bribes to various employees of various New York City agencies, or directed others to do so, to provide undeserved benefits to day care

centers that UMAROV and her friends and family owned, including, among other things, 1) fraudulently causing it to appear as if certain children had been enrolled in day care centers so that the day care centers would receive tuition payments for these children through a day care subsidy program funded through a combination of local, state, and federal money, when the children did not in fact attend the day care centers, and (2) fraudulently inflating the number of children who could attend certain day care centers under applicable regulations and thereby receive excessive subsidy payments to which she was not entitled.

(Title 18, United States Code, Sections 666(a)(2) and 2.)

COUNT FOUR

(Bribery Conspiracy)

The United States Attorney further charges:

6. From in or about 2008, through and including in or about August 2010, in the Eastern District of New York and elsewhere, LIUDMILA UMAROV, the defendant, and others known and unknown, unlawfully, willfully, and knowingly did combine, conspire, confederate and agree together and with each other to commit offenses against the United States, to wit, giving bribes in violation of Title 18, United States Code, Section 666(a)(2).

7. It was a part and object of the conspiracy that LIUDMILA UMAROV, the defendant, and others known and unknown,

unlawfully, wilfully, knowingly, and corruptly would and did give, offer, and agree to give something of value to a person, with intent to influence and reward an agent of a local government and an agency thereof that received in a one-year period benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, to wit, various New York City agencies, in connection with a business, transaction, and series of transactions of such government and agency involving things of value of \$5,000 and more, in violation of Title 18, United States Code, Section 666(a)(2).

Overt Act

8. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt act, among others, was committed in the Eastern District of New York and elsewhere:

a. On or about August 6, 2010, LIUDMILA UMAROV, the defendant, caused a \$5,000 cash bribe to be delivered to an employee of the New York City Department of Health.

(Title 18, United States Code, Section 371).

FORFEITURE ALLEGATIONS

9. As a result of committing the offenses alleged in Counts One through Four of this Information, LIUDMILA UMAROV, the defendant, shall forfeit to the United States, pursuant to Title

18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses, including but not limited to a sum in United States currency representing the amount of proceeds obtained as a result of the offenses.

Substitute Assets Provision

10. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value;
- or
- (5) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C.

§ 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981 and
Title 28, United States Code, Section 2461)



PREET BHARARA

United States Attorney