

Department of Justice

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Western District of New York

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EAST AMHERST MAN INDICTED ON FRAUD AND FALSE STATEMENT CHARGES

BUFFALO, N.Y.--U.S. Attorney William J. Hochul, Jr. announced today that a federal grand jury in Buffalo has returned a five-count Indictment charging Marc Irwin Korn, 54, of East Amherst, N.Y. with wire fraud and making false statements to law enforcement. The charges carry a maximum penalty of 20 years in prison, a fine of \$250,000 or both.

Assistant U.S. Attorney Gretchen L. Wylegala, who is handling the case, stated that according to the Indictment, the defendant engaged in two different schemes to obtain money. Korn is alleged to have taken for personal use, over \$150,000 of money donated to the American Friends of Assaf Harofeh Medical Center, while serving as an officer of that charity. The charity was founded in 1975 and is designed to raise funds for a medical center located in Israel.

The Indictment further alleges that the defendant caused over \$167,000 from nursing home equipment leasing agreements to be deposited into a bank account in the name of one of his business entities, Health Care Alliance, Inc. Those funds were used for personal expenses, including salon visits, college tuition, clothing, and antiques.

Korn is also accused of making false statements to investigating agents during a June 2010 interview. According to the Indictment, Korn told agents the deposits into Health Care Alliance were commissions.

The Indictment is the culmination of an investigation on the part of Special Agents of the Federal Bureau of Investigation, under the direction of Christopher M. Piehota, Special Agent in Charge and Special Agents of the Internal Revenue Service, Criminal Investigative Division, under the direction of Special Agent in Charge Charles R. Pine.

The fact that a defendant has been charged with a crime is merely an accusation and the defendant is presumed innocent until and unless proven guilty.

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