



UNITED STATES ATTORNEY'S OFFICE
Southern District of New York

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**SENIOR MANAGER OF GLOBAL INTERNET COMPANY CHARGED IN
EMBEZZLEMENT SCHEME**

Geoffrey S. Berman, United States Attorney for the Southern District of New York announced the arrest of HICHAM KABBAJ, a former senior manager in Manhattan for a global internet company ("Company-1"), for wire fraud and transacting in criminally derived proceeds. KABBAJ was arrested today and presented before Magistrate Judge Sarah Netburn.

According to allegations in the Complaint unsealed today¹:

From at least August 2015 until at least May 2019, KABBAJ engaged in a scheme to defraud his employer into paying a vendor named Interactive Systems for various IT products and services. Pursuant to the scheme, Interactive Systems sent approximately 52 invoices to KABBAJ for payment. In reality, Interactive Systems was a shell company controlled by KABBAJ, and money Company-1 sent Interactive Systems was quickly transferred to KABBAJ's own bank accounts. From in and about December 2016 until in and about July 2019, Company-1 paid Interactive Systems more than \$4.5 million.

KABBAJ, 48, of Floral Park, New York, is charged with one count of wire fraud, which carries a maximum sentence of 20 years in prison, and one count of transacting in criminally derived property, which carries a maximum sentence of 10 years. The maximum potential sentences in this case are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendant will be determined by the judge.

This case is being investigated by Special Agents of the U.S. Attorney's Office, with the assistance of the Internal Revenue Service.

This case is being handled by the Office's General Crimes Unit. Assistant United States Attorneys Ni Qian and Andrew A. Rohrbach are in charge of the prosecution.

¹ As the introductory phrase signifies, the entirety of the text of the Complaint and the description of the Complaint set forth below constitute only allegations, and every fact described should be treated as an allegation.

The charges in the Complaint are merely accusations and the defendant is presumed innocent unless and until proven guilty.

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