



*United States Attorney
Southern District of New York*



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**UNITED STATES ATTORNEY PREET BHARARA
ANNOUNCES FORMATION OF CIVIL FRAUDS UNIT**

PREET BHARARA, the United States Attorney for the Southern District of New York, today announced the formation of a new Civil Frauds Unit. The Civil Frauds Unit will serve as the Office's Civil Division counterpart to the recently established Complex Frauds Unit in the Criminal Division. Accordingly, the Civil Frauds Unit will combat large-scale and sophisticated financial frauds, including health care fraud, mortgage fraud, pharmaceutical fraud, bank fraud, procurement fraud, grant fraud, and fraud in connection with federal monies and spending allocated under various stimulus and economic recovery legislation such as the American Recovery and Reinvestment Act and the Troubled Asset Relief Program ("TARP").

Mr. BHARARA said that civil enforcement of the federal anti-fraud laws offers a number of benefits unavailable under the criminal laws, including a less stringent standard of proof than in criminal fraud cases, the ability to freeze assets early, and broad pretrial discovery. In addition, civil enforcement litigation offers the government a broad range of remedies, such as the ability to recover statutory civil penalties and treble damages in some cases, and the availability of broad injunctive relief.

In addition to the more than 15 Assistant United States Attorneys working in the Securities and Commodities Fraud Task Force, there will be more than two dozen civil and criminal prosecutors in the Civil Frauds and Complex Frauds units dedicated to the investigation and prosecution of financial fraud.

Mr. BHARARA appointed SEAN C. CENAWOOD as Chief of the Civil Frauds Unit. Prior to being appointed Chief of the Civil Frauds Unit, Mr. CENAWOOD, 45, served as the Office's Affirmative Civil Enforcement Coordinator, the Office's Health Care Fraud Coordinator, and Chief of the Office's Immigration Unit. Mr.

CENAWOOD received the Attorney General's Award, the highest honor conferred by the Department of Justice, in August 2005, and the Federal Executive Board Award in May 2005. Prior to joining the Office in 1997, Mr. CENAWOOD was an associate at Proskauer Rose, LLP. Mr. CENAWOOD is a 1991 graduate of New York University School of Law, and a 1988 graduate of the State University of New York at Stony Brook.

Mr. BHARARA appointed REBECCA C. MARTIN and LARA K. ESHKENAZI as Deputy Chiefs of the Civil Frauds Unit. Ms. MARTIN, 47, previously served as the Office's Health Care Fraud Coordinator. Prior to joining the Office in 2001, Ms. Martin was an associate at O'Melveny & Myers, LLP. Ms. MARTIN clerked for the Honorable THEODORE McKEE of the United States Court of Appeals for the Third Circuit, and the Honorable JOHN LIFLAND of the United States District Court for the District of New Jersey. Ms. MARTIN is a 1993 graduate of Rutgers University School of Law, and a 1984 graduate of Northwestern University.

Ms. ESHKENAZI, 39, who joined the Office in 2003, previously served for more than five years as an Assistant District Attorney in the Manhattan District Attorney's Office. Ms. ESHKENAZI clerked for the Honorable NICHOLAS TSOUCALAS of the United States Court of International Trade. Ms. ESHKENAZI is a 1995 graduate of Boston University School of Law, and a 1992 graduate of Vassar College.

United States Attorney PREET BHARARA stated: "I am very pleased to announce the formation of the Southern District of New York's Civil Frauds Unit. The Assistant United States Attorneys in the Civil Frauds Unit, working side by side with the prosecutors in our Complex Frauds Unit, will be charged with using every weapon in our diverse arsenal to combat financial fraud and to vindicate its victims. Protecting the public fisc has always been a principal priority of this Office, and the formation of this new Unit underscores both that long-standing promise and our renewed commitment, in resources and vision, to fighting financial fraud. The bright and dedicated men and women of the Civil Frauds Unit are exceptional public servants deeply committed to this important mission."

As with the Complex Frauds Unit, the new Civil Frauds Unit will work in coordination with President BARACK OBAMA's Financial Fraud Enforcement Task Force, on which Mr. BHARARA serves as a Co-Chair of the Securities and Commodities Fraud Working Group. President OBAMA established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated, and proactive effort to investigate and prosecute

financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

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