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**GRAPHIC DESIGNER SENTENCED TO 6 YEARS FOR BRIBING
EMPLOYEE OF NYC HEALTH AND HOSPITALS CORPORATION IN
\$3.9 MILLION FRAUD SCHEME**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that DONALD CHABUS, 59, of Baldwin, New York, was sentenced today in White Plains federal court to 6 years in prison for his role in a scheme to defraud the New York City Health and Hospitals Corporation ("NYCHHC") of almost \$4 million.

CHABUS, a freelance graphic designer employed by NYCHHC from 1999 through 2004, pleaded guilty on March 30, 2006 to conspiring to defraud the NYCHHC, and to bribing an employee of the NYCHHC, in connection with a fraudulent invoice scheme. During his plea, CHABUS admitted that, from about September 1999 through about June 2004, he paid RONALD MAIORANA, a supervisory employee of the NYCHHC, approximately \$700,000 in bribes to obtain MAIORANA's approval of false and fraudulent invoices. CHABUS directed various printing companies to submit to NYCHHC on CHABUS' behalf.

RONALD MAIORANA pleaded guilty on July 6, 2005 to conspiracy to commit mail fraud, two substantive mail fraud counts, and theft from a program receiving federal funds. During his plea, MAIORANA admitted that he conspired with CHABUS to permit a number of printing companies to submit invoices that falsely indicated that they had performed printing services. MAIORANA admitted that he accepted in excess of \$700,000 in cash payments from CHABUS in exchange for approving the fraudulent invoices and concealing the scheme. Maiorana awaits sentencing.

In connection with the sentencing of CHABUS, the Government offered evidence that CHABUS' scheme resulted in a

loss to NYCHHC of more than \$3.9 million.

In addition to his sentence of 6 years in prison, CHABUS was ordered by United States District Judge STEPHEN C. ROBINSON to pay \$3,909,039.25 in restitution.

Mr. GARCIA praised the efforts of the Federal Bureau of Investigation for its assistance in the investigation of this case.

Assistant United States Attorneys MARCIA S. COHEN and PERRY CARBONE are in charge of the prosecution.

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