



The City of New York  
Department of Investigation  
ROSE GILL HEARN  
COMMISSIONER



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### **DOI STATEMENT ON GUILTY VERDICTS IN HISTORIC CITYTIME CASE**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation (“DOI”), issued the following statement on today’s jury verdicts finding three defendants guilty of crimes they committed in connection with the development of the City’s automated timekeeping system known as CityTime. The guilty verdicts against MARK MAZER, GERARD DENAULT, and DIMITRY ARONSHTEIN were handed down this evening in Manhattan federal court before U.S. District Judge George B. Daniels. Today’s convictions are in addition to the previous five convictions of other defendants in the case. The criminal conduct was uncovered by an investigation undertaken by DOI. The office of Preet Bharara, United States Attorney for the Southern District of New York, prosecuted the case. Sentencing is scheduled to take place on March 12, 2014.

DOI Commissioner Rose Gill Hearn said, “These defendants extracted millions of dollars from the City’s taxpayers behind a smokescreen of shell companies and sham transactions. Eight people in total stand convicted in this extraordinary case, and the City has recovered more than \$500 million, with millions more subject to forfeiture. This result is a win for the City’s taxpayers. I’m proud of DOI’s work on this investigation, in full partnership with Preet Bharara and his outstanding team of prosecutors. I thank the Assistant United States Attorneys and all the hard-working DOI investigators and auditors who toiled to ensure justice and uphold the standard of honesty that the City’s eight million residents deserve from their government and the people who do business with it.”

The results of DOI’s CityTime investigation to date include:

- \$500 million recovered by the City from the prime vendor on the project through a deferred prosecution agreement with the U.S. Attorney’s Office for the Southern District of New York;
- an additional \$40 million in cash seized or frozen from more than 130 bank accounts;
- several additional properties restrained;
- eight individuals convicted of federal crimes.

Commissioner Gill Hearn thanked U.S. Attorney for the Southern District of New York Preet Bharara and his team of diligent prosecutors, in particular Assistant United States Attorneys Howard Master and Andrew Goldstein, who prosecuted the case under the direction of Brendan McGuire, Chief of the Southern District’s Public Corruption Unit.

*DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.*

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