



EXPORT-IMPORT BANK
of the UNITED STATES

OSVALDO L. GRATACÓS
INSPECTOR GENERAL

FOR IMMEDIATE RELEASE

September 6, 2011

**MIAMI SUPPLIER SENTENCED FOR ROLE IN \$1.3 MILLION SCHEME TO
DEFRAUD THE U.S. EXPORT-IMPORT BANK**

WASHINGTON, D.C. – The Office of Inspector General (OIG) for the Export-Import Bank of the United States (Ex-Im Bank) announced that a Miami, Florida resident was sentenced on September 2, 2011 to 12 months and one day in prison for his role in a scheme to defraud Ex-Im Bank of more than \$1.3 million. The sentencing caps ongoing investigative efforts by the OIG to examine fraudulent exports into South America and elsewhere.

Mardin Varela, 54, a Canadian citizen and lawful permanent resident of the United States, was also sentenced by Judge Reginald Walton in U.S. District Court in Washington, D.C., to three years of supervised release and was ordered to pay \$1,560,186.39 in restitution and \$351,833.90 in forfeiture. Varela pleaded guilty on December 17, 2010, to a criminal information charging him with one count of conspiracy to defraud the United States and to commit mail fraud.

Pursuant to his plea, Varela admitted that he was the President and owner of Nova Medical Systems Corporation, a medical equipment supplier located in Miami, Florida. From approximately March 2006 until approximately May 2007, Varela joined others in a conspiracy to fraudulently obtain a loan intended for the purchase and shipment of medical supplies to a buyer in Colombia. Ex-Im Bank guaranteed that loan. Varela admitted that he and his co-conspirators falsified documents sent to the lending bank and to Ex-Im Bank in order to misappropriate approximately \$1,332,000 in loan proceeds. As part of the conspiracy, Varela and his co-conspirators falsified invoices and shipping records, then purchased and shipped goods that were of different type and quality than those guaranteed by Ex-Im Bank. Varela and the co-conspirators then split the balance of the loan proceeds between themselves. As a result of the fraud, the loan defaulted, and Ex-Im Bank paid the claim to the assignee of the loan, in the amount of \$1,332,081.65.

Ex-Im Bank is an independent federal agency that helps create and maintain U.S. jobs by filling gaps in private export financing at no cost to American taxpayers. Ex-Im Bank provides a variety of financing mechanisms, including working capital guarantees, export-credit insurance, and financing to help foreign buyers purchase U.S. goods and services. By charging fees and interest on all loan-related transactions, Ex-Im Bank is self-sustaining and is able to cover all operation costs and potential losses while also producing revenue. Ex-Im Bank has generated \$3.4 billion for U.S. taxpayers over the past five years.

Ex-Im Bank OIG is an independent agency within Ex-Im Bank. The OIG receives and investigates complaints and information concerning violations of law, rules or regulations, fraud against Ex-Im Bank, mismanagement, waste of funds, and abuse of authority connected with Ex-Im Bank's programs and operations.

Additional information about the OIG can be found at www.exim.gov/oig. Complaints and reports of waste, fraud, and abuse related to Ex-Im Bank programs and operations can be reported to the OIG hotline at 888-OIG-EXIM (888-644-3946) or via email at IGhotline@exim.gov.
