

PREET BHARARA
United States Attorney for the
Southern District of New York
By: PAUL M. MONTELEONI
MARGARET GRAHAM
JAIMIE L. NAWADAY
CRISTINE I. PHILLIPS
Assistant United States Attorneys
One Saint Andrew's Plaza
New York, New York 10007
Telephone: (212) 637-2219/2923/2275/2696
Facsimile: (212) 637-0084
E-mail: paul.monteleoni@usdoj.gov
margaret.graham@usdoj.gov
jaimie.nawaday@usdoj.gov
cristine.phillips@usdoj.gov

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

| | | |
|---------------------------------|--|---|
| <hr/> | | : |
| | | : |
| UNITED STATES OF AMERICA, | | : |
| | | : |
| Plaintiff, | | : |
| | | : |
| - against - | | : |
| | | : |
| PREVEZON HOLDINGS LTD., | | : |
| PREVEZON ALEXANDER, LLC, | | : |
| PREVEZON SOHO USA, LLC, | | : |
| PREVEZON SEVEN USA, LLC, | | : |
| PREVEZON PINE USA, LLC, | | : |
| PREVEZON 1711 USA, LLC, | | : |
| PREVEZON 1810, LLC, | | : |
| PREVEZON 2009 USA, LLC, | | : |
| PREVEZON 2011 USA, LLC, | | : |
| FERENCOI INVESTMENTS, LTD., | | : |
| KOLEVINS, LTD., | | : |
| | | : |
| Defendants, | | : |
| | | : |
| ALL RIGHT, TITLE AND INTEREST | | : |
| IN THE REAL PROPERTY AND | | : |
| APPURTENANCES KNOWN AS THE 20 | | : |
| PINE STREET CONDOMINIUM, 20 | | : |
| PINE STREET, NEW YORK, NEW YORK | | : |

**SECOND AMENDED VERIFIED
COMPLAINT**

No. 13 Civ. 6326 (TPG)

ECF Case

*****9128 HELD IN THE NAME :
OF PREVEZON 1810 USA, LLC (THE :
"PREVEZON 1810 ACCOUNT"), :
:

APPROXIMATELY \$1,379,518.90 :
HELD BY THE UNITED STATES AS A :
SUBSTITUTE RES FOR ALL RIGHT, :
TITLE AND INTEREST IN THE REAL :
PROPERTY AND APPURTENANCES :
KNOWN AS THE 20 PINE STREET :
CONDOMINIUM, 20 PINE STREET, :
NEW YORK, NEW YORK 10005, UNIT :
2009 (THE "20 PINE STREET, UNIT :
2009 SALE PROCEEDS"), :

APPROXIMATELY \$4,429,019.44 :
HELD BY THE UNITED STATES AS A :
SUBSTITUTE RES FOR ALL RIGHT, :
TITLE AND INTEREST IN THE REAL :
PROPERTY AND APPURTENANCES :
KNOWN AS ALEXANDER CONDOMINIUM, :
250 EAST 49th STREET, NEW YORK, :
NEW YORK 10017, UNIT COMM3 (THE :
"250 EAST 49th STREET, UNIT :
COMM3 SALE PROCEEDS"), :

APPROXIMATELY \$1,046,530.04 :
HELD BY THE UNITED STATES AS A :
SUBSTITUTE RES FOR ALL RIGHT, :
TITLE AND INTEREST IN THE REAL :
PROPERTY AND APPURTENANCES :
KNOWN AS THE 20 PINE STREET :
CONDOMINIUM, 20 PINE STREET, :
NEW YORK, NEW YORK 10005, UNIT :
2308 (THE "20 PINE STREET, UNIT :
2308 SALE PROCEEDS"), :

APPROXIMATELY \$894,026.21 HELD :
BY THE UNITED STATES AS A :
SUBSTITUTE RES FOR ALL RIGHT, :
TITLE AND INTEREST IN THE REAL :
PROPERTY AND APPURTENANCES :
KNOWN AS THE 20 PINE STREET :
CONDOMINIUM, 20 PINE STREET, :
NEW YORK, NEW YORK 10005, UNIT :
1711 (THE "20 PINE STREET, UNIT :
1711 SALE PROCEEDS"), :

A DEBT OF 3,068,946 EUROS OWED :
 BY AFI EUROPE N.V. TO PREVEZON :
 HOLDINGS RESTRAINED BY THE :
 GOVERNMENT OF THE NETHERLANDS :
 ON OR ABOUT JANUARY 22, 2014 :
 (THE "AFI EUROPE DEBT"), :
 :
 and all property traceable :
 thereto, :
 :
 Defendants in Rem. :
 :

Plaintiff the United States of America (the "Government"),
 by its attorney Preet Bharara, United States Attorney for the
 Southern District of New York, for its verified complaint (the
 "Complaint") alleges, upon information and belief, as follows:

INTRODUCTION

1. This action is brought by the Government pursuant to
 18 U.S.C. §§ 981(a)(1)(A), 985, and 1956(b)(1) seeking the
 forfeiture of certain property involved in laundering the
 proceeds of a Russian tax refund fraud scheme and the imposition
 of civil money laundering penalties.

2. The Government's claims arise out of the laundering of
 proceeds of a criminal enterprise in Russia in a complicated
 series of transactions including real estate purchases in the
 Southern District of New York. As set forth in more detail
 below, upon information and belief, a Russian criminal
 organization including corrupt Russian government officials (the
 "Organization") defrauded Russian taxpayers of approximately 5.4

billion rubles, or approximately \$230 million in United States dollars, through an elaborate tax refund fraud scheme. After perpetrating this fraud, members of the Organization have undertaken illegal actions in order to conceal this fraud and retaliate against individuals who attempted to expose it. As a result of these retaliatory actions, Sergei Magnitsky, a Russian attorney who exposed the fraud scheme, was falsely arrested and died in pretrial detention. Members of the Organization, and associates of those members, have also engaged in a broad pattern of money laundering in order to conceal the proceeds of the fraud scheme. This money laundering activity has included the purchase of pieces of Manhattan real estate with funds commingled with fraud proceeds.

3. By this Complaint, the Government seeks forfeiture of all right, title and interest in the following property:

a. ALL RIGHT, TITLE AND INTEREST IN THE REAL PROPERTY AND APPURTENANCES KNOWN AS THE 20 PINE STREET CONDOMINIUM, 20 PINE STREET, NEW YORK, NEW YORK 10005, UNIT 1816 ("20 PINE STREET, UNIT 1816"),

b. ANY AND ALL FUNDS ON DEPOSIT IN BANK OF AMERICA ACCOUNT NUMBER *****8293 HELD IN THE NAME OF PREVEZON ALEXANDER LLC (THE "PREVEZON ALEXANDER ACCOUNT"),

c. ANY AND ALL FUNDS ON DEPOSIT IN BANK OF AMERICA ACCOUNT NUMBER *****8084 HELD IN THE NAME OF PREVEZON SOHO USA LLC (THE "PREVEZON SOHO ACCOUNT"),

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.