

**Remarks by Christy Goldsmith Romero, Special Inspector General for TARP (SIGTARP)
Office of the Special Inspector General for the Troubled Asset Relief Program**

Press Statement
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Former NOVA Bank president and chief executive officer Brian Hartline sentenced to 14 months in federal prison

Today another bank CEO was sentenced to prison after being investigated by SIGTARP. This case sends a strong message that trying to defraud the U.S. government out of millions of dollars will carry serious consequences, even if you do not get the federal dollars. Pure and simple, CEO Hartline committed fraud in an attempt to get TARP. NOVA Bank was not a healthy bank when it applied for a TARP program for healthy banks. It was suffering major losses and lacked sufficient capital. So when the U.S. government made NOVA Bank's approval of TARP funds contingent upon raising \$15 million in private capital, CEO and president Brian Hartline had a simple decision to make. He could be truthful, follow the law, and – if the bank could not raise the funds – accept the consequences, or he could lie and commit a crime. Make no mistake. CEO Hartline chose to commit a crime, by lying, breaking the law, and trying to con taxpayers out of \$13 million in TARP funds, which the bank would have gotten except for sheer luck and timing.

CEO Hartline used his position of trust as the bank's most senior leader to commit a crime. He hatched a fraudulent scheme to dupe the government into believing that the bank had raised private investor money. The reality was that the bank's own money flowed out to purported "investors" and then came right back into the bank within the space of two hours. CEO Hartline hid this fact from the government, which wanted new money in the bank—not double counting of existing money.

SIGTARP was created to bring justice to bankers who commit fraud. I thank the jury for how seriously they took their duty. I am very grateful to U.S. Attorney Zane David Memeger and his excellent team of David Ignall and Jennifer Chun Barry who showed themselves to be the best of the best in prosecuting this case.
