

SETTLEMENT AGREEMENT

This Agreement is made and entered into this 15<sup>th</sup> day of September 1994, between the United States of America, through its Department of Justice and the United States Attorney for the Southern District of Ohio, and Concetta Steindler, herself and through her attorney, (collectively "the Parties").

WHEREAS this Agreement addresses the United States' claim to the property described as substitute assets in paragraph 61 of Count 89 of the Indictment returned on March 17, 1994, in United States v. Herbert B. Steindler, et al., CR 1-94-29 (S.D. Ohio) ("the Indictment");

WHEREAS paragraph 61 of the Indictment identifies the following substitute assets potentially subject to forfeiture under 18 U.S.C. § 982(b)(1)(A), incorporating 21 U.S.C. § 853(p), and references them by the following item numbers:

- (1) the funds in account number [REDACTED] in Herbert B. Steindler's name at Merrill Lynch, Pierce, Fenner & Smith, Inc.;
- (2) the funds in account number [REDACTED] in the name of Concetta S. Steindler at Merrill Lynch, Pierce, Fenner & Smith, Inc. ("the Merrill Lynch account");
- (3) the funds in account number [REDACTED] in the name of Herbert and Concetta Steindler at Merrill Lynch, Pierce, Fenner & Smith, Inc.;

(4) the property at [REDACTED], Melbourne Beach, Florida, titled in the name of Concetta Spineti Steindler ("the Florida property");

(5) the cooperative apartment at [REDACTED], [REDACTED] [REDACTED], Rome, Italy, titled in the name of Concetta Spineti Steindler;

(6) all funds in the following accounts in the name of Concetta Spineti Steindler at Banco di Sicilia, in Rome, Italy:

[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED], and [REDACTED]  
[REDACTED] ("the Banco di Sicilia accounts");

(7) all funds that are or were on deposit in account number [REDACTED] in the name of "Rome" at Banque Indosuez, Zurich, Switzerland;

(8) all funds that are or were on deposit in account number [REDACTED] in the name of "Kingstree Finance Corp." at Union Bank of Switzerland, Zurich, Switzerland; and

(10) all funds that are or were on deposit in account number [REDACTED] in the name of "Hal" at Banque Indosuez, Zurich, Switzerland;

WHEREAS on March 17, 1994, pursuant to the United States' ex parte motion, the Honorable Carl B. Rubin, United States District Judge ("the Court"), issued a Protective Order restraining the property identified in Count 89 of the Indictment ("the restraining order");

WHEREAS, on March 28, 1994, the Court issued a Supplemental Protective Order releasing from restraint the account identified in

item (3) in paragraph 61 of the Indictment, to permit Herbert B. Steindler and Concetta Steindler to use the funds in that account for ordinary and reasonable living expenses;

WHEREAS, on July 7, 1994, the Court issued an Order granting partial relief from the Protective Order, releasing from restraint \$20,000.00 from the account identified in item (2) in paragraph 61 of the Indictment, to permit Herbert B. Steindler and Concetta Steindler to use the \$20,000.00 for living expenses;

WHEREAS, on July 18, 1994, Herbert B. Steindler pleaded guilty to the following counts of the Indictment: the conspiracy charge in Count 1 (18 U.S.C. § 371); the wire fraud charge in Count 23 (18 U.S.C. § 1343); and the money laundering charge in Count 47 (18 U.S.C. § 1956(a)(1)(B)(i)). He also pleaded guilty to a separate one count Information charging him with use of the mail in aid of racketeering in connection with a violation of a commercial bribery statute (18 U.S.C. § 1952);

WHEREAS the Parties mutually desire to reach a full and final compromise of claims the United States has or may have against Concetta Steindler's interest in the property identified in paragraph 61 of the Indictment, and further wish to avoid the delay, uncertainty, and inconvenience of protracted litigation of these claims;

NOW, THEREFORE, in reliance on the representations contained herein and in consideration of the mutual promises, covenants and obligations in this Agreement, and for good and valuable

consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The Parties agree that if Herbert B. Steindler is convicted of a violation or violations of 18 U.S.C. § 1956 charged in the Indictment and the United States obtains a money judgment against Herbert B. Steindler, under 18 U.S.C. § 982(b)(1)(A), incorporating 21 U.S.C. § 853(p), in the amount of \$1,741,453 based on that conviction, upon entry of the judgment and conviction against Herbert B. Steindler containing that money judgment:

a. Concetta Steindler gives to the United States any right, title, and interest she may have in the property identified in items (1), (2), (7), (8) and (10) in paragraph 61 of the Indictment and in individual retirement account number [REDACTED] at Transamerica Life Insurance & Annuity Company, which shall be applied to the above-referenced judgment;

b. the United States gives up any claim against any right, title, and interest Concetta Steindler may have with respect to the property identified in items (4), (5), and (6) in paragraph 61 of the Indictment and in individual retirement account number [REDACTED] at Transamerica Life Insurance & Annuity Company;

c. the United States further agrees that, so long as Concetta Steindler abides by the terms of this Agreement, the United States will not seek to satisfy the forfeiture judgment

with any other right, title or interest in any lawfully obtained property belonging to Concetta Steindler; and

d. in the event the United States does not receive a judgment in an amount sufficient to support the forfeiture of the accounts in Concetta Steindler's name described above, the forfeiture of these assets pursuant to this Agreement shall be limited to the amount of the judgment.

2. Concetta Steindler agrees that, from the date of this Agreement to the date that such judgment and conviction is entered against Herbert B. Steindler, she will not seek to vacate the restraining order that has been entered against the property identified in paragraph 61 of the Indictment, and she agrees that, during that period, she will be bound by the terms of said restraining order, including any modifications of the order made by the Court.

3. After said judgment and conviction is entered against Herbert B. Steindler, the United States will request that the Court lift the restraining order with respect to the property identified in items (4), (5), and (6) in paragraph 61 of the Indictment, provided that the United States has first fully and irrevocably received all of the property identified in items (1), (2) and (7) in paragraph 61 of the Indictment.

4. Concetta Steindler agrees to give up any right, title, and interest she may have in the following accounts and any funds that have been or will be in those accounts:

- a. any accounts in the name of Engineering Support Associates, Inc. at The Chase Manhattan Bank, N.A., New York, New York; and
- b. any accounts in the names of Leonard Gappleberg, Jane Gappleberg (aka Jane Smith), or Howard Smith at Fidelity Investments.

5. As a condition of this Agreement, Concetta Steindler warrants that all assets or property interests, valued in excess of \$5,000, that are presently in her name or over which she presently has any right, title, interest or control, were disclosed to the United States before the execution of this Agreement. In the event that it shall be established that Concetta Steindler has assets which she did not disclose to the United States prior to the execution of this Agreement, Concetta Steindler waives all right, title and interest in such assets and agrees to assist the United States in the preparation and execution of any necessary waivers, releases or other documents required for the transfer of such property to the United States to satisfy any forfeiture judgment imposed by the Court in this case.

6. As a further condition of this Agreement, Concetta Steindler warrants that, to her knowledge, none of the funds withdrawn from account number █ in the name of "Rome" at Banque Indosuez, Zurich, Switzerland, or from any other account in

Switzerland controlled by Herbert B. Steindler, were deposited in any of the accounts identified in items (1), (2), (3) and (6) in paragraph 61 of the Indictment or were used to acquire the property identified in items (4) and (5) of the Indictment -- other than the use of approximately \$57,000 of these funds for remodeling and furnishings for an apartment in Rome, Italy -- or were otherwise deposited in accounts in the United States or used to acquire property in the United States.

7. As a further condition of this Agreement, Concetta Steindler will cooperate in identifying and assisting the United States in the recovery and return to the United States of any assets, either domestic or foreign, which have been acquired either directly or indirectly through the conspiracy set forth in the Indictment, including assisting the United States in the preparation and execution of any necessary waivers, releases or other documents required for such recovery and return of assets.

8. If Concetta Steindler breaches any of the terms or conditions of this Agreement, or if Concetta Steindler commences any case, proceeding, or any action under any law relating to bankruptcy, insolvency, reorganization or relief of debtors before full compliance with paragraphs 1 and 4 above, this Agreement shall be null and void at the option of the United States.

9. In the event that the United States fails to obtain a conviction of Herbert B. Steindler for a violation or violations of 18 U.S.C. § 1956 or fails to obtain a money judgment against Herbert B. Steindler under 18 U.S.C. § 982(b)(1)(A), incorporating

21 U.S.C. § 853(p), based on that conviction, upon entry of the judgment of acquittal or judgment against the United States regarding the money judgment, the United States will request the Court to lift the restraining order on the property identified in Count 89 of the Indictment.

10. Concetta Steindler acknowledges that (a) she and Herbert B. Steindler each independently initiated the discussions and negotiations that resulted in this Agreement and Herbert B. Steindler's guilty plea; and (b) she entered into this Agreement knowingly and voluntarily.

11. Concetta Steindler will not contest that the United States of America, the Department of Justice (including the United States Attorney for the Southern District of Ohio, the Federal Bureau of Investigation, and the United States Marshals Service), the Department of Defense (including the Defense Criminal Investigative Service) and the Department of the Treasury (including the Internal Revenue Service) were substantially justified in bringing the judicial forfeiture action and in restraining the property.

12. Concetta Steindler agrees to release and forever discharge the United States of America, the Department of Justice (including the United States Attorney for the Southern District of Ohio, the Federal Bureau of Investigation, and the United States Marshals Service), the Department of Defense (including the Defense Criminal Investigative Service) and the Department of the Treasury (including the Internal Revenue Service), their officers,

agents, servants, and employees, their heirs, successors, and assigns from any and all actions, causes of action, suits, proceedings, debts, dues, contracts, judgments, damages, claims, and/or demands whatsoever in law or equity in connection with the bringing of the judicial forfeiture action, the restraining of the property, and the disposition of the property, including this settlement, which Concetta Steindler, her heirs, successors, or assigns have had, now have, or may have in the future.

13. Concetta Steindler further agrees to hold the United States of America, the Department of Justice (including the United States Attorney for the Southern District of Ohio, the Federal Bureau of Investigation, and the United States Marshals Service), the Department of Defense (including the Defense Criminal Investigative Service) and the Department of the Treasury (including the Internal Revenue Service), their officers, agents, servants, and employees, their heirs, successors, and assigns harmless from any claim by herself or those acting under her direction or control or on her behalf, including the cost of and expense for or on account of any and all claims and lawsuits relating to the bringing of the judicial forfeiture action, the restraining of the property, and the disposition of the property, including this settlement.

14. Each party shall bear its own costs and attorney fees.

15. This writing contains the entire Agreement between the Parties with respect to this settlement. No additional promises, representations or inducements other than those referenced in this

Agreement have been made to Concetta Steindler or to her attorneys with regard to this Agreement, and none will be made or entered into unless in writing and signed by all Parties. Nothing herein is intended to compromise, settle or otherwise affect any claims that the United States may have under 26 U.S.C. (Internal Revenue Code).

EDMUND A. SARGUS, JR.  
United States Attorney  
Southern District of Ohio

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