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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA :

- v. -

FRANK DIPASCALI JR., :

Defendant. :

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STIPULATION AND ORDER
(PAYMENT OF \$504,459.76,
INCLUDING INTEREST, OF
FUNDS TRANSFERRED
TO A THIRD PARTY)

09 Cr. 764 (RJS)

WHEREAS, on August 11, 2009, the United States Attorney for the Southern District of New York filed Information 09 Cr. 764 (RJS) (the "Information") charging Frank DiPascali Jr., the defendant, with conspiracy, securities fraud, investment adviser fraud, falsifying records of a broker-dealer, falsifying records of an investment adviser, mail fraud, wire fraud, international money laundering, perjury, and attempting to evade federal income taxes, in connection with the defendant's employment at Bernard L. Madoff Investment Securities, Inc. ("BLMIS");

WHEREAS, the Information further seeks the imposition of criminal forfeiture money judgments upon the defendant totaling \$170.25 billion;

WHEREAS, on or about August 11, 2009, the defendant pleaded guilty to all counts in the Information pursuant to a cooperation agreement;

WHEREAS, in addition to substantial salary and bonus payments the defendant received in the course of his employment at BLMIS, the defendant received millions of dollars in funds from an account in the name of BLMIS that was used for the receipt and disbursement of client funds for the BLMIS investment advisory business (the "BLMIS IA Client Account");

WHEREAS, the funds received by the defendant from the BLMIS IA Client Account included the following sums of money that the defendant, in turn, transferred to a third party on or about the dates listed below:

Date	Amount
May 18, 2007	\$425,000
August 28, 2007	\$45,757.78
Total	\$470,757.78

WHEREAS, the Government seeks the return and forfeiture of the above-described funds, as property constituting proceeds obtained as a result of the offenses constituting specified unlawful activity as charged in Counts One, Two, Six, and Seven of the Information, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461, and property involved in money laundering transactions as charged in Count Eight of the Information, pursuant to 18 U.S.C. § 982, and property traceable to such property, and demands repayment, with interest accruing thereon from the respective dates of transfer;

WHEREAS, Joanne DiPascali, the sister of the defendant, to whom such funds were transferred, admitting no liability thereunder, agrees to repay such funds, with interest, on or before December 31, 2009;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between the Office of the United States Attorney for the Southern District of New York, Preet Bharara, United States Attorney for the Southern District of New York, Barbara A. Ward and Sharon E. Frase, Assistant United States Attorneys, of counsel (the "Office"), and Joanne DiPascali, a third party to this proceeding, and with the consent of the defendant, FRANK DIPASCALI JR., by and through his attorneys, Bracewell & Giuliani LLP, as follows:

1. On or before December 31, 2009, Joanne DiPascali shall make payment of the following, by check payable to the United States Marshals Service and mailed or delivered to the United States Attorney's Office, Southern District of New York, One Saint Andrew's Plaza, New York, New York 10007, Attn: Asset Forfeiture Unit, Barbara A. Ward, AUSA:

- (i) The sum of \$455,054.70, consisting of the principal amount of \$425,000 and interest accruing at the applicable Federal rate from May 18, 2007 through December 31, 2009 (\$30,054.70), and
- (ii) The sum of \$49,405.06, consisting of the principal amount of \$45,757.78 and interest accruing at the applicable Federal rate from August 28, 2007 through December 31, 2009 (\$3,647.28),

for a total of \$504,459.76 (the "Payment").

2. The Payment shall be held by the United Marshals Service pending entry of a Final Order of Forfeiture.

3. Following the entry of a Final Order of Forfeiture as to the Payment, the Payment will be held on deposit in the Department of Justice Assets Forfeiture Fund and will be used to compensate victims of the fraud charged in the above-captioned case and *United States v. Bernard L. Madoff*, 09 Cr. 213 (DC), consistent with applicable Department of Justice regulations, pursuant to 21 U.S.C. § 853(i)(1) and 28 C.F.R. Part 9.

4. The Payment will be applied to any forfeiture money judgment to be imposed upon the defendant herein as part of his sentence, in partial satisfaction thereof.

5. This Stipulation and Order may be executed in counterparts, each of which will be deemed an original, and all of which, when taken together, will be deemed the complete Stipulation and Order.

6. This Stipulation and Order constitutes the complete agreement between the Office and Joanne DiPascali as to the demand for and payment of the monies described herein and may not be amended except by written consent of the same.

7. The Court's endorsement of this Stipulation and Order shall constitute its retention of exclusive jurisdiction in this matter to take additional action and enter further orders as necessary to interpret, implement and enforce this Stipulation and Order.

Dated: New York, New York
December 30, 2009

PREET BHARARA
United States Attorney

By: *Bward*
BARBARA A. WARD
SHARON E. FRASE
Assistant United States Attorneys
One Saint Andrew's Plaza
New York, NY 10007
Tel. (212) 637-1048 / 2329

JOANNE DIPASCALI
Interested Party

Joanne DiPascali

Sworn to before me this
30th day of December, 2009:
M. Dasilva
Notary Public

MARCO DASILVA
Notary Public, State of New York
No. 01DA6145603
Qualified in Nassau County
My Commission Expires May 8, 2010

AGREED AND CONSENTED TO:

FRANK DIPASCALI JR.
Defendant

By: *Frank DiPascali Jr.*
BRACEWELL & GIULIANI LLP
Attorneys for Frank DiPascali Jr.
1177 Avenue of the Americas
New York, NY 10036-2714
Tel. (212) 508-6104/6150

SO ORDERED:

New York, New York
Date: 6/16/10
[Signature]
RICHARD J. SULLIVAN
UNITED STATES DISTRICT JUDGE