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CHAMBERS OF
JUDGE MARRERO

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

09 Cr. 1058

UNITED STATES OF AMERICA	:	Criminal No.:
v.	:	Filed:
RUBIN/CHAMBERS, DUNHILL INSURANCE SERVICES, INC. dba CHAMBERS, DUNHILL RUBIN & CO. and CDR FINANCIAL PRODUCTS, INC.,	:	Violations: 15 U.S.C. § 1 18 U.S.C. § 371 18 U.S.C. § 1343 18 U.S.C. § 1346
Defendant.	:	

PLEA AGREEMENT

The United States Department of Justice, Antitrust Division ("Antitrust Divison") and the defendant, RUBIN/CHAMBERS, DUNHILL INSURANCE SERVICES, INC. dba CHAMBERS, DUNHILL RUBIN & CO. and CDR FINANCIALPRODUCTS, INC. ("CDR"), a corporation organized and existing under the laws of California, hereby enter into the following Plea Agreement ("Agreement") pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure ("Fed. R. Crim. P.").

CDR'S AGREEMENT TO PLEAD GUILTY

1. CDR agrees to plead guilty to Counts One, Two and Six of the pending eight-count Superseding Indictment, *United States v. Rubin/Chambers, Dunhill Insurance Services Inc., et al.*, S1 09 Cr. 1058 (VM), in the United States District Court for the Southern District of New York. Count One charges CDR with violating 15 U.S.C. § 1, in connection with a conspiracy to allocate and rig bids for investment agreements or other municipal finance contracts, from at least as early as 1998 until at least November 2006, as described in the attached Superseding Indictment. Count Two charges CDR with violating 18 U.S.C. § 371, in

connection with a conspiracy to defraud municipal issuers, the United States and the Internal Revenue Service, from at least as early as August 2001 until at least November 2006, as described in the attached Superseding Indictment. Count Six charges CDR with violating 18 U.S.C. §§ 1343 and 1346 in connection with effecting a wire transfer in furtherance of a scheme to defraud municipal issuers, as described in the attached Superseding Indictment.

2. CDR understands and agrees that should a conviction following its pleas of guilty pursuant to this Agreement be vacated for any reason, any prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement (including any counts that the Government has agreed to dismiss at sentencing pursuant to this Agreement) may be commenced or reinstated against it, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement or reinstatement of such prosecution. It is the intent of this Agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this Agreement is signed.

GOVERNMENT'S AGREEMENT

3. Subject to CDR's full compliance with the understandings specified in this Agreement, and upon the Court's acceptance of the guilty pleas called for by this Plea Agreement, the Antitrust Division agrees to move to dismiss Counts Three, Four, Five and Eight of the Superseding Indictment upon imposition of sentence. In addition, the Antitrust Division will not bring further criminal charges against CDR with respect to any crime charged in the Superseding Indictment. This Agreement does not provide any protection against prosecution for any crimes arising from the activity except as set forth above. The non-prosecution terms of this paragraph do not apply to civil or tax matters of any kind or crimes of violence.

4. It is understood that this Agreement does not bind any other federal agency or local prosecuting authority or administrative agency other than the Antitrust Division.

POSSIBLE MAXIMUM PENALTIES

5. CDR understands that the statutory maximum penalty which may be imposed against it upon conviction for a violation of Title 15, United States Code, Section 1 as charged in Count One is: a fine in an amount equal to the greatest of:

(a) $100,000,000;

(b) twice the gross pecuniary gain to any person derived from the offense; or

(c) twice the gross pecuniary loss caused to a person other than CDR from the offense. 15 U.S.C. § 1, 18 U.S.C. § 3571(c) and (d).

6. In addition, CDR understands that:

(a) the Court may impose a term of probation of at least one year, but not more than five years pursuant to 18 U.S.C. § 3561(c)(1);

(b) the Court may order it to pay restitution to the victim(s) of the offense pursuant to United States Sentencing Guidelines ("U.S.S.G") § 8B1.1, and 18 U.S.C. § 3563(b)(2) or § 3663A; and

(c) the Court is required to order CDR to pay a $400 special assessment upon conviction for the charged crime pursuant to 18 U.S.C. § 3013(a)(2)(B),

7. CDR understands that the statutory maximum penalty which may be imposed against it upon conviction for a violation of Title 18, United States Code, Section 371 as charged in Count Two is a fine in an amount equal to the greatest of:

(a) $500,000 (18 U.S.C. § 3571(c)(3)); or

(b) twice the gross pecuniary gain to any person derived from the offense, or;

(c) twice the gross pecuniary loss caused to a person other than CDR from the offense (18 U.S.C. § 3571(c) and (d)).

8. In addition, CDR also understands that:

(a) the Court may impose a term of probation of at least one year, but not more than five years pursuant to 18 U.S.C. § 3561(c)(1);

(b) the Court shall order it to pay restitution to the victim(s) of the offense pursuant to U.S.S.G. § 8B1.1, 18 U.S.C. § 3563(b)(2) or § 3663A,; and

(c) the Court is required to order CDR to pay a $400 special assessment upon conviction for the charged crime pursuant to 18 U.S.C. § 3013(a)(2)(B),.

9. CDR understands that the statutory maximum penalty which may be imposed against it upon conviction for a violation of Title 18, United States Code, Sections 1343 and 1346 as charged in Count Six is a fine in an amount equal to the greatest of:

(a) $500,000;

(b) twice the gross pecuniary gain to any person derived from the offense, or;

(c) twice the gross pecuniary loss caused to a person other than CDR from the offense (18 U.S.C. § 3571(c) and (d)).

10. In addition, CDR understands that:

(a) the Court may impose a term of probation of at least one year, but not more than five years pursuant to 18 U.S.C. § 3561(c)(1),;

(b) the Court shall impose an order of restitution to the victim(s) of the offense pursuant to 18 U.S.C. §§ 3663, 3663A and 3664; and

(c) the Court is required to order CDR to pay a $400 special assessment upon conviction for the charged crime pursuant to 18 U.S.C. § 3013(a)(2)(B).

SENTENCING GUIDELINES

11. CDR understands that the United States Sentencing Guidelines ("Sentencing Guidelines") are advisory, not mandatory, but that the Court must consider the Sentencing Guidelines in effect on the day of sentencing, along with the other factors set forth in 18 U.S.C. § 3553(a), in determining and imposing a sentence. CDR understands that determinations about a Sentencing Guidelines calculation will be made by the Court by a preponderance of the evidence standard. CDR understands that although the Court is not ultimately bound to impose a sentence within the applicable Sentencing Guidelines range, CDR's sentence must be reasonably based upon consideration of all relevant sentencing factors set forth in 18 U.S.C. § 3553(a).

SENTENCING AGREEMENT

12. CDR understands that the sentence to be imposed on it is within the sole discretion of the Sentencing Judge. It is understood that the Sentencing Guidelines are not binding on the Court. CDR acknowledges that its entry of guilty pleas to Counts One, Two and Six of the Superseding Indictment authorizes the Sentencing Court to impose any sentence, up to and including the statutory maximum sentence. The Antitrust Division cannot and does not make any promises or representations as to what sentence CDR will receive.

13. The Antitrust Division reserves the right to make any statement to the Court or the Probation Office concerning the nature of the offenses charged in the attached Superseding Indictment, the participation of CDR therein, and any other facts or circumstances that it deems relevant. The Antitrust Division also reserves the right to comment on or to correct any representation made by or on behalf of CDR, and to supply any other information that the Court may require. In so doing, the Antitrust Division may use any information it deems relevant,

including information provided by CDR both prior and subsequent to the signing of this Agreement.

REPRESENTATION BY COUNSEL

14. CDR has reviewed all legal and factual aspects of this case with its attorney and is fully satisfied with its attorney's legal representation. CDR has thoroughly reviewed this Agreement with its attorney, and has received satisfactory explanations from its attorney concerning each paragraph of this Agreement and alternatives available to CDR other than entering into this Agreement. After conferring with its attorney and considering all available alternatives, CDR has made a knowing and voluntary decision to enter into this Agreement.

VOLUNTARY PLEA

15. CDR hereby acknowledges that it has accepted this Agreement and decided to plead guilty because it is in fact guilty. By entering these pleas of guilty, CDR waives any and all rights to withdraw its pleas or to attack its convictions, either on direct appeal or collaterally, on the ground that the Antitrust Division has failed to produce any discovery material, Jencks Act material, exculpatory material pursuant to *Brady v. Maryland*, 373 U.S. 83 (1963), other than information establishing the factual innocence of CDR, and impeachment material pursuant to *Giglio v. United States*, 405 U.S. 150 (1972), that have not already been produced as of the date of the signing of this Agreement.

16. CDR's decision to enter into this Agreement and to tender pleas of guilty is freely and voluntarily made and is not the result of force, threats, assurances, promises, or representations other than the representations contained in this Agreement.

ENTIRETY OF AGREEMENT

17. This Agreement constitutes the entire agreement between the Antitrust Division and CDR concerning the disposition of the charges contained in the attached Superseding Information. The Antitrust Division has made no other promises to or agreements with CDR. This Agreement cannot be modified except in writing, signed by the Antitrust Division and CDR.

18. The undersigned attorneys for the Antitrust Division have been authorized by the Attorney General of the United States to enter this Agreement on behalf of the Antitrust Division.

Dated: 12/30/11

DAVID RUBIN
President, Chief Executive Officer,
RUBIN/CHAMBERS,
DUNHILL INSURANCE SERVICES,
INC. dba CHAMBERS, DUNHILL
RUBIN & CO. and CDR FINANCIAL
PRODUCTS, INC.

RICHARD BECKLER, ESQ.

Counsel for RUBIN/CHAMBERS,
DUNHILL INSURANCE SERVICES,
INC. dba CHAMBERS, DUNHILL
RUBIN & CO. and CDR FINANCIAL
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