

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 10-60126-CR-ZLOCH

UNITED STATES OF AMERICA,

Plaintiff,

v.

DEBRA VILLEGAS,

Defendant.

_____ /

STATEMENT OF FACTS

The United States of America and DEBRA VILLEGAS enter into the following stipulated statement of facts in support of the defendant's plea of guilty:

Had this case proceeded to trial, the government would have presented evidence which would have established beyond a reasonable doubt that from in or about 2007, through in or about November 2009, in violation of Title 18, United States Code, Section 1956(h), Defendant VILLEGAS conspired with persons known and unknown to the United States Attorney, to engage in monetary transactions in criminally derived property OF A VALUE GREATER THAN \$10,000.00 which was derived from mail and wire fraud activity.

The government would have presented evidence at trial which would have involved witness testimony and documentary and electronic evidence, including that seized pursuant to a search warrant. The government's trial evidence would have established, among other facts, the following:

Defendant VILLEGAS was the Chief Operating Officer of the law firm, Rothstein, Rosenfeldt and Adler P.A. (hereinafter RRA). In or about late 2007, defendant VILLEGAS and other co-conspirators participated in a scheme to generate criminal proceeds through fraudulent acts.

Co-conspirators solicited investors to purchase purported confidential settlement agreements. Such settlement agreements were falsely presented as having been reached between putative plaintiffs and defendants based upon claims of sexual harassment and/or whistle-blower actions. The investors were falsely informed that such settlement agreements were pre-litigation and therefore there was no pending litigation or court oversight. Co-conspirators relied upon the purported success of RRA, the existence of actual RRA civil matters and the reputation of the law firm in the community to lure potential investors in order to convince them to make such investments. The investors were falsely informed that the confidential settlement agreements were available for purchase. The purported settlements were allegedly available in amounts ranging from hundreds of thousands of dollars to millions of dollars and could be purchased at a discount and repaid to the investors at face value over time. In order to facilitate the scheme, the investors received a fraudulent settlement agreement which set forth the terms of the civil settlement, but the names of the purported plaintiff and defendant were excised due to the alleged confidentiality of the settlement.

The government would further establish that in order to facilitate and perpetrate the scheme, co-conspirators created false and fraudulent settlement agreements, bank statements, assignments of settlement agreements, sale and transfer agreements and personal guarantees, among other documents.

Defendant VILLEGAS, upon instructions from a co-conspirator, agreed to assist in the preparation of the fraudulent settlement agreements. She knowingly assisted in fabricating the names of plaintiffs and defendant corporations that she knew to be false, forging the names of purported plaintiffs on the fraudulent settlement agreements.

As part of the conspiracy, co-conspirators falsely informed investors that the purported confidential settlements were either negotiated on behalf of clients of RRA or had been referred by other law firms. The investors were falsely informed that the purported settlements that VILLEGAS

had assisted in drafting were based upon sexual harassment and/or whistle-blower (qui-tam) actions against corporate defendants.

Co-conspirators established and maintained trust accounts at several financial institutions in order to receive the investor funds and to give the appearance of legitimacy and security. False and fictitious trust account bank balance statements were created along with purported "lock letters." Such letters allegedly reflected that the funds in the trust accounts would be disbursed only to specific investors. Instead funds were disbursed by co-conspirators among and between the various trust accounts and elsewhere by interstate wire transfers and other means in order to enrich the co-conspirators.

Defendant VILLEGAS knew that a co-conspirator distributed lavish gifts, including exotic cars, jewelry, boats, loans, cash and bonuses, to individuals and to members of RRA in order to engender goodwill and loyalty and to create the appearance of a successful law firm. Defendant VILLEGAS received an annual salary of \$250,000 per year commencing in May 2008, and gifts, including a residence and a Maserati automobile from that co-conspirator.

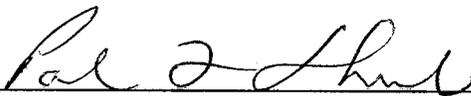
RRA maintained offices in Broward County, Florida, and elsewhere. Investors were solicited through wire and mail transmissions throughout the United States and elsewhere. Criminally derived proceeds from the "Ponzi" scheme in excess of \$10,000 were transferred between accounts maintained at TD Bank, Gibraltar Private Bank and Trust and other financial institutions in order to convert the investors' money to the use and benefit of the co-conspirators. Specifically, co-conspirators caused to be transmitted wire communications, in interstate and foreign commerce, including interstate wire transfers of criminally derived funds in the amount of \$2,250,000.00 sent from TD Bank to CitiBank, N.A., on or about March 24, 2009 and in the amount of \$282,000.00 from Commerce Bank to Bank of America, N.A., on or about April 25, 2008.

Had the forfeiture portion of the case proceeded to trial, the government would have established, at least by a preponderance of the evidence, the standard of proof required for forfeiture, that the properties listed for forfeiture in the forfeiture allegations of the Information are properly forfeited because they were involved in and/or were traceable to the money laundering conspiracy described above.

The undersigned hereby stipulate and agree that the aforesaid facts are true and correct and that they encompass all of the necessary elements to establish the guilt of the defendant to the charge of Conspiracy to Commit Money Laundering, in violation of Title 18, United States Code, Section 1956(h).

WIFREDO A. FERRER
UNITED STATES ATTORNEY

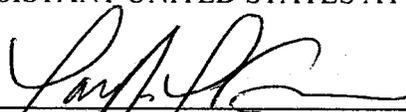
Date: 6/11/10


PAUL F. SCHWARTZ
ASSISTANT UNITED STATES ATTORNEY

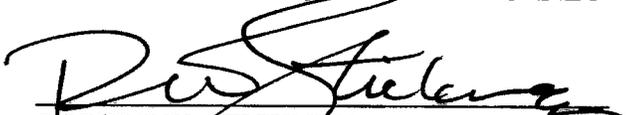
Date: 6/11/10


JEFFREY N. KAPLAN
ASSISTANT UNITED STATES ATTORNEY

Date: 6/11/10


LAWRENCE D. LAVECCHIO
ASSISTANT UNITED STATES ATTORNEY

Date: 6/11/10


ROBERT W. STICKNEY
ATTORNEY FOR DEFENDANT

Date: 6/11/10


DEBRA VILLEGAS
DEFENDANT