

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
----- X

UNITED STATES OF AMERICA

- against -

ALL ASSETS LISTED ON
SCHEDULE I ATTACHED
HERETO AND ALL PROCEEDS
TRACEABLE THERETO,

CONSENT FINAL DECREE
OF FORFEITURE AND
ORDER FOR DELIVERY

Civil Action No. 10-4750
(Seybert, J.)
(Tomlinson, M.J.)

Defendants *in rem*.

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WHEREAS, on or about October 15, 2010, the United States of America (“United States” or “Plaintiff”) filed a Verified Complaint *In Rem* (the “Verified Complaint”) seeking to forfeit one hundred and seventeen (117) assets (the “Defendant Assets”) listed on “Schedule I” attached to the Verified Complaint, which assets the United States also previously sought to forfeit in the related criminal action (the “Criminal Action”), *United States v. Brooks*, 06-CR-0550, against defendants David H. Brooks, Sandra Hatfield, and other defendants;

WHEREAS, in the Verified Complaint, the United States alleged that the Defendant Assets are subject to forfeiture pursuant to: (a) 18 U.S.C. § 981(a)(1)(C), as proceeds of mail, wire, securities fraud and/or a conspiracy to commit mail, wire, and securities fraud; (b) 18 U.S.C. § 981(a)(1)(A), as property involved in financial transactions that were designed to conceal or disguise the nature, the location, the source, the ownership, or the control of criminal proceeds, in violation of 18 U.S.C. § 1956(a)(1)(B)(i); and (c) 18 U.S.C. § 981(a)(1)(A), as property involved in financial transactions with intent to engage in

Consent Final Decree of Forfeiture and Order for Delivery
United States v. All Assets Listed on Schedule I, 10-CV-4750 (JS)(AKT)

conduct constituting a violation of sections 7201 or 7206 of the Internal Revenue Code, in violation of 18 U.S.C. § 1956(a)(1)(A)(ii);

WHEREAS, on or about November 9, 2010, the Court issued a Warrant for Arrest of Articles *In Rem* (the “Warrant”), pursuant to Rule G(3) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions (the “Supplemental Rules”), authorizing the United States to seize the Defendant Assets;

WHEREAS, pursuant to Rule G(4)(b)(i) of the Supplemental Rules, Plaintiff executed process and served copies of the Verified Complaint and the Warrant on all known potential claimants to the Defendant Assets;

WHEREAS, consistent with the custom and practice in this district, the United States published notice of this action on an official government website, www.forfeiture.gov, for at least (30) consecutive days, beginning on November 11, 2010 and ending on December 10, 2010;

WHEREAS, in March 2011, Warren Hatfield, Randall Keith Hatfield, and Sandra Hatfield filed claims to various Defendant Assets, listed as Defendant Assets Nos. 114 through and including 117 on Schedule I (the “Hatfield Assets”);

WHEREAS, in April 2011, the following persons and entities (the “Claimants”) filed claims to various Defendant Assets, listed as Defendant Assets Nos. 1 through 113 on Schedule I: Point Blank Solutions, Inc. n/k/a SS Body Armor I, Inc. (“Point Blank”); David H. Brooks; David Brooks International, Inc.; Jeffrey Brooks; Jeffrey Brooks IRA; Pathfinder Trust; Like a Prayer Trust; Private Time Trust; Gear to Gear Trust; Perfect World Partners, LLC; True Grit Holdings, LLC; Wildfire Holdings LLC; Terry S. Brooks;

Brooks Industries of Long Island, Inc.; Brooks Industries of Long Island – Profit Sharing Plan and Trust; Victoria Brooks; Victoria Brooks Industries, Inc.; Magic Moments Trust; VRB Inc.; Andrew Brooks; Andrew Brooks Industries, Inc.; Saving Lives Trust; ASB Inc.; Elizabeth Brooks; Elizabeth Brooks Industries, Inc.; Show Time Trust; EJB Inc.; Vianel Industries, Inc.; and VAE Enterprises, LLC;

WHEREAS, following a lengthy stay of the proceedings herein pending appeals in the Criminal Action, and the death of David Brooks on or about October 30, 2016, the Court lifted the stay in November 2016, and the Estate of David H. Brooks was substituted for David H. Brooks as a Claimant in February 2017;

WHEREAS, pursuant to a Final Order of Forfeiture entered against Sandra Hatfield in the Criminal Action on or about May 18, 2017, the Hatfield Assets were forfeited or ordered to be applied to satisfy Sandra Hatfield's restitution obligations imposed as part of her sentence in the Criminal Action;

WHEREAS, pursuant to a Consent Partial Decree of Forfeiture and Order for Delivery entered by the Court on or about June 30, 2017, Defendant Assets Nos. 16 through 82, and 84, and all proceeds traceable thereto (the "Point Blank Assets"), were forfeited to the United States, and the related claims asserted by Point Blank, as the only claimant to such Defendant Assets, were withdrawn;

WHEREAS, on September 8, 2017, the United States filed an Amended Verified Complaint In Rem (the "Amended Complaint") seeking to forfeit the following remaining Defendant Assets (the "Remaining Defendant Assets") -- *i.e.* all Defendant Assets other than the Hatfield Assets and the Point Blank Assets that were previously forfeited or otherwise disposed of pursuant to prior orders of the Court -- as listed on "Schedule I"

attached to the Amended Complaint (a copy of which is also attached hereto), and all proceeds traceable thereto: Defendant Assets Nos. 1 through and including 15, 83, and 85 through and including 113;

WHEREAS, in the Amended Complaint, the United States alleges that the Remaining Defendant Assets are subject to forfeiture as pursuant to: (a) 18 U.S.C. § 981(a)(1)(C), as constituting or derived from the proceeds of mail, wire, and securities fraud and a conspiracy to commit mail, wire, and securities fraud; (b) 18 U.S.C. § 981(a)(1)(A), as having been involved in financial transactions that were designed to conceal or disguise the nature, the location, the source, the ownership, or the control of these criminal proceeds, in violation of 18 U.S.C. § 1956(a)(1)(B)(i); (c) 18 U.S.C. § 981(a)(1)(A), as having been involved in monetary transactions in criminally derived property of a value greater than \$10,000 and which was derived from mail, wire, and securities fraud and a conspiracy to commit mail, wire, and securities fraud, in violation of 18 U.S.C. § 1957(a); and (d) 18 U.S.C. § 981(a)(1)(A), as having been involved in financial transactions with intent to engage in conduct constituting a violation of section 7201 or 7206 of the Internal Revenue Code, in violation of 18 U.S.C. § 1956(a)(1)(A)(ii);

WHEREAS, in response to the Amended Complaint, the following Claimants filed claims to the Remaining Defendant Assets, as indicated below:

Claimant	Defendant Assets No(s). Claimed
Point Blank	1-15, 83 and 85
David H. Brooks (Estate of)	1-4, 6-8, 14-15, 83, 85, 89-92, 106 and 112-13
David Brooks International, Inc.	86-89, 92, 98, 107 and 113
Victoria Brooks	87, 89, 96, 99, 101-02, 106, 110 and 113
VRB Inc.	89, 96 and 99
Victoria Brooks Industries Inc.	87, 89, 106, 110 and 113
Magic Moments Trust (2 claims filed)	87, 89, 106, 108-11, 113
Andrew Brooks	5, 9, 12-13, 87, 89, 96, 99-100, 103, 106, 110 and 113
ASB Inc.	89, 96 and 99
Andrew Brooks Industries, Inc.	87, 89, 106, 110 and 113
Saving Lives Trust (2 claims filed)	87, 89, 106, 108-11 and 113
Elizabeth Brooks	10-11, 87, 89, 96, 99, 106, 110 and 113
EJB Inc.	89, 96 and 99
Elizabeth Brooks Industries, Inc.	87, 89, 106, 110 and 113
Show Time Trust (2 claims filed)	87, 89, 106, 108-11 and 113
Like a Prayer Trust	87, 89, 106, 108-11 and 113
Pathfinder Trust	87-89, 106, 108-11 and 113
VAE Enterprises, LLC	89, 96 and 99
Vianel Industries, Inc.	89 and 96

Claimant	Defendant Assets No(s). Claimed
True Grit Holdings LLC	87, 89, 106, 108-11 and 113
Perfect World Partners LLC	89
Wildfire Holdings, LLC	90
Jeffrey Brooks	89
Jeffrey Brooks IRA	89
Terry Brooks Brooks Industries of Long Island, Inc. Brooks Industries of Long Island – Profit Sharing Plan and Trust Gear to Gear Trust (joint claim filed)	89-90, 93-95, 97, 104-05, 108-09 and 111
Gear to Gear Trust Private Time Trust (joint claim filed)	90

WHEREAS, pursuant to a settlement agreement (the “Global Settlement Agreement”) entered into by and among the United States, each of the Claimants, the Recovery Trust (as such term is defined in the Global Settlement Agreement), the Class Plaintiffs (as such term is defined in the Global Settlement Agreement), and other parties and dated as of October 25, 2018, the United States and each of the Claimants have agreed, among other things, to:

(a) disbursement to Judd Burstein, Esq., as Escrow Agent for Terry, Victoria, Andrew and Elizabeth Brooks (the “Brooks Family”), of the following Remaining Defendant Assets (the “Returned Non-Cash Assets”), as specified in and subject to the terms of the Global Settlement Agreement and upon the United States’s request to the Federal

Bureau of Investigation ("FBI"), which request shall be made in accordance with the terms of the Global Settlement Agreement: Defendant Assets Nos. 6, 10, 11, 14, 15, 107 and 109;

(b) remittance by the U.S. Marshals Service of a portion of Defendant Asset No. 87 in the amount of \$24,837,525 minus half of the Interest Remainder Payment, as defined in the Global Settlement Agreement, (the "Returned Cash") to an attorney escrow account to be designated in a digitally and fully completed ACH form submitted by the Brooks Family to the United States (the "Brooks Family Attorney Escrow Account") which account shall be maintained by Richard C. Klugh as Escrow Agent, and as specified in and subject to the terms of the Global Settlement Agreement;

(c) forfeiture of the following Remaining Defendant Assets, as well as all proceeds traceable thereto (the "Forfeited Assets"): Defendant Asset Nos. 1 through and including 5, 7 through and including 9, 12, 13, 83, 85, 86, the balance of Defendant Asset No. 87 after deduction of the Returned Cash, 88 through and including 106, 108, 110 through and including 113; and

(d) withdrawal of the Claimants' claims to the Remaining Defendant Assets;

WHEREAS, the Court finds that the Claims by the Brooks Family would most likely have resulted in additional years of litigation;

WHEREAS, had the Brooks Family prevailed on their Claims they may have secured tens of millions more than they are receiving under Global Settlement Agreement;

WHEREAS, the Court has concluded that the distributions to the Brooks Family provided for in the Global Settlement are a fair and just compromise of their claims;

UPON the application of the United States and the Claimants, and upon all papers filed and proceedings had herein, and pursuant to 18 U.S.C. §§ 981(a)(1)(C) and 981(a)(1)(A), it is hereby

ORDERED, ADJUDGED AND DECREED that:

1. The Returned Non-Cash Assets shall be disbursed to Judd Burstein, Esq., as Escrow Agent on behalf of the Brooks Family, as specified in and subject to the terms of the Global Settlement Agreement and upon the United States's request to the FBI, which request shall be made in accordance with the terms of the Global Settlement Agreement.
2. The Returned Cash shall be remitted first to the U.S. Marshals Service. The U.S. Marshals Service shall then remit the Returned Cash to Richard C. Klugh, as Escrow Agent for the Brooks Family Attorney Escrow Account, as specified in and subject to the terms of the Global Settlement Agreement.
3. The Forfeited Assets are hereby forfeited to the United States, pursuant to 18 U.S.C. §§ 981(a)(1)(C) and 981(a)(1)(A).
4. The Claims filed by each of the Claimants are hereby dismissed with prejudice, subject to the terms of the Global Settlement Agreement.
5. The U.S. Marshals Service and its agents and/or duly authorized contractors are directed to pay the United States's costs incurred incident to this proceeding and the Criminal Action as specified in and subject to the terms of the Global Settlement Agreement, and are directed to seize and dispose of the Forfeited Assets in accordance with all applicable laws and regulations.

6. As the Hatfield Assets and Point Blank Assets were disposed of pursuant to prior Orders of the Court, and all pending claims as to the Remaining Defendant Assets are resolved herein in accordance with and subject to the terms of the Global Settlement Agreement, and the time to file any additional claims to any of the Defendant Assets has long since expired, this action is hereby dismissed, subject to the terms of the Global Settlement Agreement.

7. The District Court shall retain jurisdiction to enforce this Consent Final Decree of Forfeiture and Order for Delivery.

8. The Clerk of the Court shall forward four (4) certified copies of this Consent Final Decree of Forfeiture and Order for Delivery to the United States Attorney's

Office, Eastern District of New York, 271-A Cadman Plaza East, Brooklyn, New York, Attn:
Assistant U.S. Attorney Laura D. Mantell.

Dated: Brooklyn, New York
October 29, 2018

RICHARD P. DONOGHUE
United States Attorney
Eastern District of New York
271 Cadman Plaza East, 7th Fl.
Brooklyn, New York 11201

By: _____

Laura D. Mantell
Karin Orenstein
Assistant United States Attorneys

Dated: New York, New York
October 29, 2018

SHER TREMONTE LLP
90 Broad Street, 23rd Floor, New
York, NY 10004

By: _____

Justine A. Harris, Esq.
*Counsel for Terry S. Brooks, Brooks
Industries of Long Island, Inc., Brooks
Industries of Long Island – Profit Sharing
Plan and Trust, and Gear to Gear Trust*

Dated: New York, New York
October 19, 2018

JUDD BURSTEIN, P.C.
1790 Broadway, Suite 1501
New York, New York 10019

By: _____

~~Judd Burstein, Esq.~~
*As Escrow Agent for the Brooks Family for
the Returned Non-Cash Assets, and as
Counsel for Victoria Brooks, VRB Inc.,
Victoria Brooks Industries, Inc. and Magic
Moments Trust, Andrew Brooks, ASB, Inc.,
Andrew Brooks Industries, Inc. and Saving
Lives Trust, Elizabeth Brooks, EJB, Inc.,
Elizabeth Brooks Industries, Inc. and
ShowTime Trust, VAE Enterprises, LLC
(now VAE LLC), Vianel Industries, Inc.*

Dated: Philadelphia, Pennsylvania
October ____, 2018

FOX ROTHSCHILD LLP
2000 Market Street, 20th Floor
Philadelphia, PA 19103

By: _____

Ian M. Comisky
Matthew Lee
*Counsel for Claimants True Grit Holdings
LLC; Wildfire Holdings, LLC; and Perfect
World Partners, LLC*

Dated: New York, New York
October ____, 2018

JUDD BURSTEIN, P.C.
1790 Broadway, Suite 1501
New York, New York 10019

By: _____

Judd Burstein, Esq.
*As Escrow Agent for the Brooks Family for
the Returned Non-Cash Assets, and as
Counsel for Victoria Brooks, VRB Inc.,
Victoria Brooks Industries, Inc. and Magic
Moments Trust, Andrew Brooks, ASB, Inc.,
Andrew Brooks Industries, Inc. and Saving
Lives Trust, Elizabeth Brooks, EJB, Inc.,
Elizabeth Brooks Industries, Inc. and
ShowTime Trust, VAE Enterprises, LLC
(now VAE LLC), Vianel Industries, Inc.*

Dated: Philadelphia, Pennsylvania
October 19, 2018

FOX ROTHSCHILD LLP
2000 Market Street, 20th Floor
Philadelphia, PA 19103

By: _____

Ian M. Comisky
Matthew Lee
*Counsel for Claimants True Grit Holdings
LLC; Wildfire Holdings, LLC; and Perfect
World Partners, LLC*

Dated: Miami, Florida
October 27, 2018

RICHARD C. KLUGH, P.C.
25 SE Second Avenue, Suite 1100
Miami, Florida 33131

By:

Richard Klugh, Esq.
*As Escrow Agent for the Brooks Family
Attorney Escrow Account and as Counsel
for the Estate of David H. Brooks; David
Brooks International, Inc.; Jeffrey
Brooks; Jeffrey Brooks IRA; Pathfinder
Trust; Like a Prayer Trust; Magic
Moments Trust; Private Time Trust;
Saving Lives Trust; Show Time Trust;
and Gear to Gear Trust*

Dated: Los Angeles, California
October ____, 2018

PACHULSKI STANG ZIEHL &
JONES LLP
10100 Santa Monica Blvd., 13th Floor
Los Angeles, California 90067

By:

Alan J. Kornfeld
*Counsel for Claimant SS Body Armor I,
Inc.*

Dated: Central Islip, New York
October ____, 2018

SO ORDERED:

HONORABLE JOANNA SEYBERT
UNITED STATES DISTRICT JUDGE
EASTERN DISTRICT OF NEW YORK

Dated: Miami, Florida
October ____, 2018

RICHARD C. KLUGH, P.C.
25 SE Second Avenue, Suite 1100
Miami, Florida 33131

By: _____

Richard Klugh, Esq.
*As Escrow Agent for the Brooks Family
Attorney Escrow Account and as Counsel
for the Estate of David H. Brooks; David
Brooks International, Inc.; Jeffrey
Brooks; Jeffrey Brooks IRA; Pathfinder
Trust; Like a Prayer Trust; Magic
Moments Trust; Private Time Trust;
Saving Lives Trust; Show Time Trust;
and Gear to Gear Trust*

Dated: Los Angeles, California
October 26, 2018

PACHULSKI STANG ZIEHL &
JONES LLP
10100 Santa Monica Blvd., 13th Floor
Los Angeles, California 90067

By: _____

Alan J. Kornfeld
*Counsel for Claimant SS Body Armor I,
Inc.*

Dated: Central Islip, New York
October ____, 2018

SO ORDERED:

HONORABLE JOANNA SEYBERT
UNITED STATES DISTRICT JUDGE
EASTERN DISTRICT OF NEW YORK

Dated: Miami, Florida
October ____, 2018

RICHARD C. KLUGH, P.C.
25 SE Second Avenue, Suite 1100
Miami, Florida 33131

By: _____

Richard Klugh, Esq.
*As Escrow Agent for the Brooks Family
Attorney Escrow Account and as Counsel
for the Estate of David H. Brooks; David
Brooks International, Inc.; Jeffrey
Brooks; Jeffrey Brooks IRA; Pathfinder
Trust; Like a Prayer Trust; Magic
Moments Trust; Private Time Trust;
Saving Lives Trust; Show Time Trust;
and Gear to Gear Trust*

Dated: Los Angeles, California
October ____, 2018

PACHULSKI STANG ZIEHL &
JONES LLP
10100 Santa Monica Blvd., 13th Floor
Los Angeles, California 90067

By: _____

Alan J. Kornfeld
*Counsel for Claimant SS Body Armor I,
Inc.*

Dated: Central Islip, New York
~~Nov.~~ ~~October~~ 5, 2018

SO ORDERED:

HONORABLE JOANNA SEYBERT
UNITED STATES DISTRICT JUDGE
EASTERN DISTRICT OF NEW YORK

SCHEDULE I

I. The Looted Assets

1. One flag bracelet with rubies, diamonds, and sapphires, reference # 101620-MX.
2. One necklace, #1 starball with star pendant, reference #100540-20X.
3. One ring, floral cross pave diamonds, reference #104010-080DP.
4. One 22 karat gold ring, dagger with diamonds, reference #1G4000-085D.
5. One 22 karat gold bracelet - dagger ID with diamonds, reference #1G1500-MD.
6. One belt buckle studded with diamonds, rubies and sapphires, reference # 323003.
7. One 22 karat gold men's watch band fancy star motif, reference # 1G6510-MA7C9999.
8. One 22 karat gold watchband dagger with diamonds, reference #1G6560-MADC9999.
9. One 22 karat gold ring keeper diamond special stone, reference #1G4020-090DC98.
10. One necklace - tiny E Ch plus 15" w heart charm with pink sapphires, reference #100910-15PIIOS.
11. One LT charm lips & tongue w pave ruby/diamond 20" gold, reference #LT80002-RPDP.
12. One LT keyring LG lips & tongue, reference #LT80700.
13. One LT pendant 22 karat gold lips & tongue with braided leather tips, reference #LT8G000-1.
14. One 22 karat gold bracelet - 5 char. BXPRSNL ID David/PV DM S:M, reference #1G1699-MDPC999.
15. One 22 karat gold roller chain 2 clips, 22 karat dagger with pave diamonds, and dagger with pave diamonds large pendant (no reference # on invoice).
- * * *
83. Replica statue of the Wall Street Bull
- * * *
85. 2006 Bentley Continental Flying Spur, VIN #SCBBR53W06C034834.

II. The Laundered Insider Trading Proceeds

86. Goldman Sachs account 040-94665-9 in the name of David Brooks International, Inc. (excluding 171,732 shares of DHB stock on deposit in the account).
87. Goldman Sachs account 001-92471-1 in the name of True Grit Holdings LLC.
88. Goldman Sachs account 001-88875-9 in the name of Pathfinder Trust.
89. \$9,740,625.02 previously on deposit at Jefferies & Company account 605-00046 in the name of Perfect World Partners, and presently held in account PJV001063 at Pershing LLC, A Bank of Mellon Company.
90. \$4,345,000.00 on deposit at Jefferies & Company account 620-00057 in the name of Wildfire Holdings.
91. Scott Trade Inc. account 18824110 in the name of David Brooks.
92. Laidlaw Company account 70974099 in the name of David Brooks International.
93. Laidlaw Company account 74895065 in the name of David Brooks IRA.
94. Laidlaw Company account 65078716 in the name of Brooks Industries of Long Island – Profit Sharing.
95. \$9,314,854.00 on deposit at Laidlaw Company account 23992092 in the name of Brooks Industries of Long Island, Inc.
96. Washington Mutual account 0356-612551-0 in the name of Vianel Industries, Inc.
97. Washington Mutual account 0444-213248-9 in the name of Terry Brooks.
98. Washington Mutual account 0369-603518-4 in the name of David Brooks International, Inc.
99. Washington Mutual account 0356-612557-8 in the name of VAE Enterprises, LLC.
100. Lantern Investments account 557-98262-14 in the name of Andrew Brooks IRA.
101. Lantern Investments account 557-95004-13 in the name of Victoria Brooks IRA.
102. Lantern Investments account 557-21378 in the name of Victoria Brooks.
103. Lantern Investments account 557-21644 in the name of Andrew Brooks.
104. 6,757,099 shares of DHB stock.

105. 3,500 Kruggerands;
106. One Breitling Men's All Diamond Flying B Watch, Automatic Date GT's, Reference J2836263/A636.
107. One Patek Phillippe Men's Watch 18kt Manual Wind Date GT's, Reference 6000/W.
108. One Fred Ladies 18kwg necklace.
109. One Patek Phillipe Ladies Watch 18 kwg Quartz Plain GT's
110. One splash diamond black dial, diamonds on the lugs, diamond bezel #2, diamond buckle, 2 movement timepiece for \$21,500.00.
111. One splash diamond pink dial, plain case, bezel #1, diamond buckle, 2 movement timepiece.
112. One 18 karat rose gold manual wind day/date GT's watch, perpetual calendar chrono, tachometer, silver dial, with brown cocoa strap, reference Patek #5970/R.
113. One 2005 Ferrari 612 Scaglietti VIN ZFFAA54A95014689.