

AV:JSS:jss  
F. #1998R01996  
SATERCOO.AGR

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

- - - - -X

UNITED STATES OF AMERICA

COOPERATION AGREEMENT

- against -

98 CR 1101 (ILG)

FELIX SATER,

Defendant.

- - - - -X

Pursuant to Rule 11 of the Federal Rules of Criminal Procedure, the United States Attorney's Office for the Eastern District of New York (the "Office") and FELIX SATER (the "defendant") agree to the following:

1. The defendant will waive indictment and plead guilty to an information to be filed in this district charging violation of 18 U.S.C. § 1962(c). The count carries the following statutory penalties:

- a. Maximum term of imprisonment: 20 years (18 U.S.C. § 1963(a)).
- b. Minimum term of imprisonment: 0 years (18 U.S.C. § 1963(a)).
- c. Maximum supervised release term: 3 years, to follow any term of imprisonment; if a condition of release is violated, the defendant may be sentenced to up to 2 years without credit for pre-release imprisonment or time previously served on post-release supervision (18 U.S.C. §§ 3583 (b), (e)).

- d. Maximum fine: 2 times the gross gain or gross loss, or \$250,000, whichever is greater (18 U.S.C. § 3571(b) and (d)).
- e. Restitution: \$60 million approx. (18 U.S.C. § 3663).
- f. \$100 special assessment (18 U.S.C. § 3013).
- g. Other penalties: N/A.

2. The defendant's sentence is governed by the United States Sentencing Guidelines. The Office will advise the Court and the Probation Department of information relevant to sentencing, including all criminal activity engaged in by the defendant, and such information will be used to calculate the Sentencing Guidelines range. Based on information known to it now, the Office will not oppose a downward adjustment of three levels for acceptance of responsibility under U.S.S.G. § 3E1.1.

3. The defendant will provide truthful, complete and accurate information and will cooperate fully with the Office. This cooperation will include, but is not limited to, the following:

- a. The defendant agrees to be fully debriefed and to attend all meetings at which his presence is requested, concerning his participation in and knowledge of all criminal activities.
- b. The defendant agrees to furnish to the Office all documents and other material that may be relevant to the investigation and that are in the defendant's possession or control and to participate in undercover activities pursuant

to the specific instructions of law enforcement agents or this Office.

- c. The defendant agrees not to reveal his cooperation, or any information derived therefrom, to any third party without prior consent of the Office.
- d. The defendant agrees to testify at any proceeding in the Eastern District of New York or elsewhere as requested by the Office.
- e. The defendant consents to adjournments of his sentence as requested by the Office.
- f. The defendant agrees to provide the Office with a financial statement making truthful and complete disclosure under oath concerning his financial worth, including all of his assets and income in his own name and in the name of other persons and entities. The defendant further agrees that, upon request of the Office, he will provide truthful and complete information and assistance with respect to the identification and recovery of assets, including but not limited to real property located at 27 Real Nautic Court, Hampton Bays, New York, held in the name of Avanpark Corp. N.V. All of the defendant's assets may be applied to pay any fine and restitution to victims of the defendant's criminal activities, as ordered by the Court.

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4. The Office agrees that:

- a. Except as provided in paragraphs 1, 8, and 9, no criminal charges will be brought against the defendant for his heretofore disclosed participation in criminal activity involving fraudulent securities transactions, and the unlawful laundering and structuring of proceeds therefrom, from approximately February 1993 through October 5, 1998; false tax reporting and filings for the years 1993 through 1997 as a result of the aforementioned criminal activity; threats of violence in connection with securities transactions from approximately October 1993

through September 1996; and unlawful possession of firearms from approximately March 1996 through January 1998.

- b. No statements made by the defendant during the course of this cooperation will be used against him except as provided in paragraphs 2, 8, and 9.

5. The defendant agrees that the Office may meet with and debrief him without the presence of counsel, unless the defendant specifically requests counsel's presence at such debriefings and meetings. Upon request of the defendant, the Office will endeavor to provide advance notice to counsel of the place and time of meetings and debriefings, it being understood that the Office's ability to provide such notice will vary according to time constraints and other circumstances. The Office may accommodate requests to alter the time and place of such debriefings. It is understood, however, that any cancellations or reschedulings of debriefings or meetings requested by the defendant that hinder the Office's ability to prepare adequately for trials, hearings or other proceedings may adversely affect the defendant's ability to provide substantial assistance. Matters occurring at any meeting or debriefing may be considered by the Office in determining whether the defendant has provided substantial assistance or otherwise complied with this agreement and may be considered by the Court in imposing sentence regardless of whether counsel was present at the meeting or debriefing.

6. If the Office determines that the defendant has cooperated fully, provided substantial assistance to law enforcement authorities and otherwise complied with the terms of this agreement, the Office will file a motion pursuant to U.S.S.G. § 5K1.1 with the sentencing Court setting forth the nature and extent of his cooperation. Such a motion will permit the Court, in its discretion, to impose a sentence below the applicable Sentencing Guidelines range. In this connection, it is understood that a good faith determination by the Office as to whether the defendant has cooperated fully and provided substantial assistance and has otherwise complied with the terms of this agreement, and the Office's good faith assessment of the value, truthfulness, completeness and accuracy of the cooperation, shall be binding upon him. The defendant agrees that, in making this determination, the Office may consider facts known to it at this time. The Office will not recommend to the Court a specific sentence to be imposed. Further, the Office cannot and does not make a promise or representation as to what sentence will be imposed by the Court.

7. The defendant agrees that with respect to all charges referred to in paragraphs 1 and 4(a) he is not a "prevailing party" within the meaning of the "Hyde Amendment," Section 617, P.L. 105-119 (Nov. 26, 1997), and will not file any claim under that law. The defendant waives any right to

additional disclosure from the government in connection with the guilty plea.

8. The defendant must at all times give complete, truthful, and accurate information and testimony, and must not commit, or attempt to commit, any further crimes. Should it be judged by the Office that the defendant has failed to cooperate fully, has intentionally given false, misleading or incomplete information or testimony, has committed or attempted to commit any further crimes, or has otherwise violated any provision of this agreement, the defendant will not be released from his plea of guilty but this Office will be released from its obligations under this agreement, including (a) not to oppose a downward adjustment of three levels for acceptance of responsibility described in paragraph 2 above, and (b) to file the motion described in paragraph 6 above. The defendant will also be subject to prosecution for any federal criminal violation of which the Office has knowledge, including, but not limited to, the criminal activity described in paragraph 4 above, perjury and obstruction of justice.

9. Any prosecution resulting from the defendant's failure to comply with the terms of this agreement may be premised upon: (a) any statements made by the defendant to the Office or to other law enforcement agents on or after October 8, 1998; (b) any testimony given by him before any grand jury or

other tribunal, whether before or after the date this agreement is signed by the defendant; and (c) any leads derived from such statements or testimony. Prosecutions that are not time-barred by the applicable statutes of limitation on the date this agreement is signed may be commenced against the defendant in accordance with this paragraph, notwithstanding the expiration of the statutes of limitation between the signing of this agreement and the commencement of any such prosecutions. Furthermore, the defendant waives all claims under the United States Constitution, Rule 11(e)(6) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal statute or rule, that statements made by him on or after October 8, 1998, or any leads derived therefrom, should be suppressed.

10. If the defendant requests, and in the Office's judgment the request is reasonable, the Office will make application and recommend that the defendant and, if appropriate, other individuals be placed in the Witness Security Program, it being understood that the Office has authority only to recommend and that the final decision to place an applicant in the Witness Security Program rests with the Department of Justice, which will make its decision in accordance with applicable Departmental regulations.

11. This agreement does not bind any federal, state, or local prosecuting authority other than the Office, and does

not prohibit the Office from initiating or prosecuting any civil or administrative proceedings directly or indirectly involving the defendant.

12. No promises, agreements or conditions have been entered into other than those set forth in this agreement, and none will be entered into unless memorialized in writing and signed by all parties. This agreement supersedes any prior promises, agreements or conditions between the parties. To



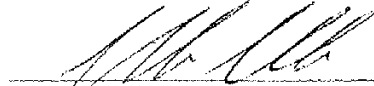
become effective, this agreement must be signed by all signatories listed below.

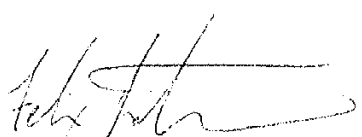
Dated: Brooklyn, New York  
December 10, 1998

ZACHARY W. CARTER  
United States Attorney  
Eastern District of New York

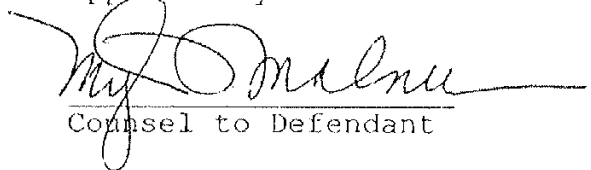
Agreed and consented to:

By:

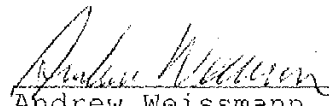
  
Jonathan S. Sack  
Assistant United States Attorney

  
Defendant

Approved by:

  
Counsel to Defendant

Approved by:

  
Andrew Weissmann  
Supervising Assistant U.S. Attorney