

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

THE PEOPLE OF THE STATE OF NEW YORK

-against-

STEVEN DAVIS,
STEPHEN DICARMINE,
JOEL SANDERS,
ZACHARY WARREN,

Defendants.

COUNT ONE:

THE GRAND JURY OF THE COUNTY OF NEW YORK, by this indictment, accuses defendants STEVEN DAVIS, STEPHEN DICARMINE, JOEL SANDERS, and ZACHARY WARREN of the crime of **SCHEME TO DEFRAUD IN THE FIRST DEGREE**, in violation of Penal Law §190.65(1)(b), committed as follows:

The defendants, STEVEN DAVIS, STEPHEN DICARMINE, JOEL SANDERS, and ZACHARY WARREN, in the County of New York and elsewhere, from on or about November 3, 2008, to on or about March 7, 2012, both dates being approximate and inclusive, engaged in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person and to obtain property from more than one person by false and fraudulent pretenses, representations and promises, and so obtained property with a value in excess of one thousand dollars from one and more such persons.

Background

Dewey & LeBoeuf LLP (the “Firm”) was an international law firm headquartered in New York County. It was formed on or about October 1, 2007, through the combination of two existing law firms, Dewey Ballantine LLP and LeBoeuf, Lamb, Greene & MacRae LLP. At its height, approximately 1,300 partners and employees worked in the Firm’s Manhattan office and approximately 3,000 partners and employees worked for the Firm worldwide. The partners at the Firm were primarily equity partners, with a few non-equity partners. The Firm also employed salaried lawyers who were deemed to be “Of Counsel.” In 2012, the Firm collapsed and declared bankruptcy.

During the period of the scheme, defendant DAVIS was the Firm’s Chairman, and later, member of the Office of the Chair; defendant SANDERS was the Firm’s Chief Financial Officer; defendant DICARMINE was the Firm’s Executive Director. Defendant WARREN was the Firm’s Client Relations Manager in 2008 and 2009, when he left the Firm.

Defendants DAVIS, DICARMINE, and SANDERS were in regular communication and controlled the operations of the Firm. They also tightly controlled information concerning the firm’s financial condition.

The Scheme

The Firm’s first full year of operations was 2008. The merger, coming just before the financial crisis, was troubled from the start and the Firm’s first year financial performance was severely below expectations. By the end of that year, the Firm had more than \$100 million in term debt outstanding and available lines of credit of more than \$130 million with four banks (the “Banks”). The Firm’s credit agreements with the Banks contained several covenants, including a cash flow covenant (the “Cash Flow Covenant”) requiring the Firm to maintain a

minimum defined year-end cash flow. Because of its poor financial performance, the Firm was unable to meet this covenant in 2008.

The defendants and others at the Firm were aware that the failure to meet the Cash Flow Covenant during the 2008 credit crisis could have disastrous effects on the Firm. To avoid this, the defendants and others at the Firm (individually and collectively, the “Schemers”) engaged in a scheme (the “Scheme”) to defraud the Firm’s lenders and others by, among other things, misrepresenting the Firm’s financial performance and compliance with the Cash Flow Covenant. In later years, among other things, the Schemers continued to misrepresent the Firm’s financial performance and condition and that the Firm was in compliance with the Cash Flow Covenant and other covenants and defrauded additional lenders and investors using similar misstatements.

As part of the efforts to ensure the success of the Scheme, the Schemers lied to and otherwise misled the Firm’s partners and auditors, as well as others. The Schemers, themselves or working through others, withheld information and affirmatively concealed the Scheme when they were questioned by partners, including members of the Firm’s Executive Committee, auditors, or others.

The Fraudulent Methods

By or about the end of 2008, the Schemers had created a document they called the “Master Plan” that described certain fraudulent accounting adjustments that the Schemers decided to pursue as part of the Scheme. From in or about the end of 2008 until the Firm’s bankruptcy in 2012, the Schemers input numerous of these and other fraudulent adjustments, and engaged in other fraudulent conduct, most of which made it appear that the Firm had either increased revenue, decreased expenses, or limited distributions to partners. Some of these

fraudulent adjustments and acts were:

a. *Reversing disbursement write-offs* – From 2008 through 2011, the Schemers improperly reversed millions of dollars of write-offs of client disbursements that the Firm had no intention or reasonable expectation of collecting.

b. *Reclassifying disbursement payments* – From 2008 through 2011, the Schemers improperly reclassified millions of dollars of payments that had been applied to client disbursements during the year and applied the payments instead to outstanding fee amounts.

c. *Reclassifying Of Counsel payments* – From 2008 through 2011, the Schemers reclassified millions of dollars of compensation to Of Counsel lawyers as equity partner compensation. Historically, Of Counsel compensation had been treated as an expense in the Firm's financial statements.

d. *Reversing credit card write-offs* – In 2008 the Firm initially properly wrote off more than \$2.4 million in charges from an American Express card associated with defendant SANDERS that had not previously been expensed and were not chargeable to clients. For year-end 2008, the Schemers fraudulently reversed this write-off and hid the amount in the Firm's books as an unbilled client disbursement receivable. Each subsequent year, the Schemers initially wrote this amount off, but then reversed the write-off at year-end. The amount remained on the Firm's books as an unbilled client disbursement receivable at the time of the bankruptcy.

e. *Reclassifying salaried partner expenses* – In 2008, the Schemers improperly reclassified as equity partner compensation millions of dollars in compensation paid to, and amortization of benefits related to, two salaried, non-equity partners. Similar amounts had previously been treated as expenses on the Firm's financial statements, so the reclassification had the effect of reducing Firm expenses. This change in treatment was neither disclosed to the Firm's auditors nor disclosed on the Firm's

audited financial statements. In later years, the compensation paid to these two salaried partners was classified as equity partner compensation.

f. *Seeking backdated checks* – During at least two year-ends from 2008 through 2011, the Schemers sought backdated checks from clients to post to the prior year. At the end of each of the Scheme years the Schemers engaged in efforts to hide the date on which checks were received by the Firm. These efforts minimized the risk that the Firm’s auditors would discover that December checks received in January, including backdated checks, were being posted to the prior year.

g. *Applying partner capital as fee revenue* – For year-end 2009, more than \$1 million that had been contributed by a partner to satisfy his capital requirement was applied as a fee payment for the client of a different partner. This amount was backed out of fees and applied to the partner’s capital account during 2010, but for year-end 2010 it was again applied as a fee payment for the same client.

h. *Applying loan repayments as revenue* – In 2008, pursuant to defendant DAVIS’s authorization, the Firm took on \$2.4 million in bank loans that benefitted defendants DICARMINE and SANDERS. In early 2012, defendants DICARMINE and SANDERS repaid the Firm the final \$1.2 million owed under the loans but structured the transaction so the loan repayment would increase the Firm’s revenue for 2011.

Covenant Misstatements

In February 2009, the Firm reported to its lenders that it had satisfied the Cash Flow Covenant at year-end 2008 by a little more than \$4 million. In fact, the Firm was able to achieve this result only by making millions of dollars of fraudulent accounting entries, including, among others, those described above.

The Firm’s fortunes did not improve in future years. To misrepresent compliance with

the Cash Flow Covenant and other covenants, the Schemers continued to make fraudulent accounting entries like those listed on the Master Plan, as well as other fraudulent entries, throughout the Firm's existence.

In fact, the Firm's financial condition was so poor in 2009 that defendants DAVIS, SANDERS, and DICARMINE realized that, despite planning millions of dollars in fraudulent adjustments for that year, they would be unable to come up with enough fraudulent adjustments by year-end to show compliance with the Cash Flow Covenant. As a result, defendant SANDERS sought a waiver of the covenant from the Banks. The Cash Flow Covenant floor was reduced from \$290 million to \$246 million, but the Banks placed burdensome conditions on the Firm, which caused additional financial pressure.

The Firm was unable to meet even the reduced Cash Flow Covenant level, and the Schemers made fraudulent adjustments to the Firm's accounting records falsely to show compliance with the Firm's covenants in 2009. In 2010 and 2011, the Schemers continued making additional fraudulent adjustments falsely to show compliance with covenants, or to reduce the impact of a covenant breach.

These and other fraudulent activities were engaged in, among other things, to conceal the Firm's breach of several of its covenants, and otherwise to hide the true financial condition of the firm.

The Private Placement and the Revolving Line of Credit

In April 2010, the firm refinanced its debt with a \$150 million private placement of securities with 13 insurance companies and a \$100 million revolving line of credit with a syndicate of banks. To obtain this financing, the Schemers, among other things, misrepresented the Firm's financial condition and practices to potential investors and lenders. For example, the Schemers provided potential

investors and lenders with financial statements that falsely represented, among other things, that the Firm had complied with its covenants.

As another example, as part of the private placement process the Schemers provided potential investors with an offering memorandum that contained numerous misstatements. Some of the misstatements contained in the offering memorandum are as follows:

- a. The offering memorandum purported to disclose all the Firm's debt. It did not.
- b. The offering memorandum stated, in substance, that departing partners received their capital during the three years following their departure from the Firm. But in fact, the Schemers fraudulently reclassified draws and distributions paid to departing partners during their final year of employment as returns of capital, in order to enable the Firm to appear to meet another of its covenants.
- c. The offering memorandum stated, in substance, that "[c]lient disbursement receivables are written-off when deemed uncollectible. . . ." In fact, as described above, millions of dollars in client disbursement receivables that had been deemed uncollectible and written-off during 2008 were fraudulently reversed and put back on the Firm's balance sheet in order to reduce 2008 expenses. These amounts had been budgeted to be written off in 2009 instead. Millions of dollars worth of client disbursement receivable write-offs were reversed for year-end 2009.

The Bankruptcy

By in or about March 2012, the Scheme had collapsed in on itself. For years, the Schemers had been fraudulently claiming revenue that the Firm did not have and pushing expenses and financial obligations off into the future. The Firm could no longer pay partners enough to prevent their departure, and the Schemers could no longer fool the Firm's lenders,

investors, and others. The Firm declared bankruptcy; thousands lost their jobs; and the Firm's creditors were left owed hundreds of millions of dollars.

COUNT TWO:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Hartford Life Insurance Company, and the value of the property exceeded one million dollars.

COUNT THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Pacific Insurance Company, Ltd., and the value of the property exceeded one million dollars.

COUNT FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Twin City Fire Insurance Company, and the value of the property exceeded one million dollars.

COUNT FIVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Hartford Underwriters Insurance Company, and the value of the property exceeded one million dollars.

COUNT SIX:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42,

committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Aviva Life and Annuity Company, and the value of the property exceeded one million dollars.

COUNT SEVEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42,

committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Aviva Life and Annuity Company of New York, and the value of the property exceeded one million dollars.

COUNT EIGHT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42,

committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about

April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Monumental Life Insurance Company, and the value of the property exceeded one million dollars.

COUNT NINE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Transamerica Life Insurance Company, and the value of the property exceeded one million dollars.

COUNT TEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Transamerica Life (Bermuda) Ltd, and the value of the property exceeded one million dollars.

COUNT ELEVEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, AXA Equitable Life Insurance Company, and the value of the property exceeded one million dollars.

COUNT TWELVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, CUNA Mutual Insurance Society, and the value of the property exceeded one million dollars.

COUNT THIRTEEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of

GRAND LARCENY IN THE FIRST DEGREE, in violation of Penal Law §155.42,
committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Life Insurance Company of the Southwest, and the value of the property exceeded one million dollars.

COUNT FOURTEEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about April 16, 2010, stole property from an entity known to the Grand Jury, to wit, Pan-American Life Insurance Company, and the value of the property exceeded one million dollars.

COUNT FIFTEEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December 2009, to on or about

March 7, 2012, stole property from a financial institution known to the Grand Jury, to wit, Bank of America, N.A., and the value of the property exceeded one million dollars.

COUNT SIXTEEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about June 2010, to on or about March 7, 2012, stole property from a financial institution known to the Grand Jury, to wit, HSBC Bank USA, National Association, and the value of the property exceeded one million dollars.

COUNT SEVENTEEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 8, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT EIGHTEEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 5, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT NINETEEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 2, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law

§175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 12, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY-ONE :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 9, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY-TWO:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 5, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in

the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY-THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 5, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY-FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 4, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY-FIVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the

defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 13, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY-SIX:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 13, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY-SEVEN :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in

the County of New York, on or about January 13, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY-EIGHT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 13, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT TWENTY-NINE :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 7, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about December 2009, to in or about January 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY-ONE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about December 2009, to in or about January 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY-TWO:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about December 2009, to in or about January 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY-THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 11, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY-FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of

FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 13, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY-FIVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about December 2010, to in or about January 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY-SIX:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 11, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY-SEVEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY-EIGHT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT THIRTY-NINE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY-ONE :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of

FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY-TWO:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY-THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2011, with intent to defraud and to commit

another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY-FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY-FIVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY-SIX :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about December 30, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY-SEVEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about February 2, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY-EIGHT :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law

§175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about February 10, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FORTY-NINE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about November 15, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 11, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in

the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY-ONE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY-TWO :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY-THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY-FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY-FIVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY-SIX:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY-SEVEN :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY-EIGHT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit

another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT FIFTY-NINE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY-ONE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE**

FIRST DEGREE, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, during the period from on or about March 31, 2011, to on or about April 5, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY-TWO:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about November 8, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY-THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2012, with intent to defraud and to commit

another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY-FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY-FIVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY-SIX:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY-SEVEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 10, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY-EIGHT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law

§175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about December 28, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SIXTY-NINE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 5, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SEVENTY:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, on or about January 17, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in

the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SEVENTY-ONE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about December 2011, to in or about January 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SEVENTY-TWO:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS and JOEL SANDERS, in the County of New York, on or about June 25, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Ernst & Young LLP.

COUNT SEVENTY-THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS and JOEL SANDERS, in the County of New York, on or about June 18, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Ernst & Young LLP.

COUNT SEVENTY-FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS and JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants STEVEN DAVIS and JOEL SANDERS, in the County of New York, on or about June 28, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Ernst & Young LLP.

COUNT SEVENTY-FIVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about June 25, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SEVENTY-SIX:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about June 18, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SEVENTY-SEVEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about June 28, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Dewey & LeBoeuf LLP.

COUNT SEVENTY-EIGHT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 17, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, JPMorgan Chase Bank, N.A.

COUNT SEVENTY-NINE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 19, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, JPMorgan Chase Bank, N.A.

COUNT EIGHTY:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the

commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, JPMorgan Chase Bank, N.A.

COUNT EIGHTY-ONE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, JPMorgan Chase Bank, N.A.

COUNT EIGHTY-TWO:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 17, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Citibank, N.A.

COUNT EIGHTY-THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE**

FIRST DEGREE, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 19, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Citibank, N.A.

COUNT EIGHTY-FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Citibank, N.A.

COUNT EIGHTY-FIVE :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Citibank, N.A.

COUNT EIGHTY-SIX :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 17, 2009, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Barclays Bank PLC.

COUNT EIGHTY-SEVEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 19, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Barclays Bank PLC.

COUNT EIGHTY-EIGHT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 17, 2009, with intent to defraud and to commit another crime and to aid and conceal the

commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Wells Fargo Bank, N.A.

COUNT EIGHTY-NINE :

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 19, 2010, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Wells Fargo Bank, N.A.

COUNT NINETY:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Bank of America, N.A.

COUNT NINETY-ONE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE**

FIRST DEGREE, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Bank of America, N.A.

COUNT NINETY-TWO:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, HSBC Bank USA, National Association.

COUNT NINETY-THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, AllianceBernstein LP.

COUNT NINETY-FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, AllianceBernstein LP.

COUNT NINETY-FIVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Hartford Investment Management Company.

COUNT NINETY-SIX:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the

commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Hartford Investment Management Company.

COUNT NINETY-SEVEN:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Aegon USA Investment Management, LLC.

COUNT NINETY-EIGHT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Aegon USA Investment Management, LLC.

COUNT NINETY-NINE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE**

FIRST DEGREE, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Members Capital Advisors, Inc.

COUNT ONE HUNDRED:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Members Capital Advisors, Inc.

COUNT ONE HUNDRED AND ONE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Aviva Investors North America, Inc.

COUNT ONE HUNDRED AND TWO:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Aviva Investors North America, Inc.

COUNT ONE HUNDRED AND THREE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2012, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Pan-American Life Insurance Company.

COUNT ONE HUNDRED AND FOUR:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendant JOEL SANDERS of the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendant JOEL SANDERS, in the County of New York, on or about February 14, 2011, with intent to defraud and to commit another crime and to aid and conceal the

commission thereof, made and caused a false entry in the business records of an enterprise known to the Grand Jury, to wit, Sentinel Asset Management, Inc.

COUNT ONE HUNDRED AND FIVE:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS of the crime of a violation of General Business Law §352(c)(5) (“MARTIN ACT”), committed as follows:

The defendants, STEVEN DAVIS, STEPHEN DICARMINE, and JOEL SANDERS, in the County of New York, during the period from in or about late December, 2009, to on or about April 16, 2010, intentionally engaged in a scheme constituting an ongoing course of conduct with intent to defraud ten and more persons and to obtain property from ten and more persons by false and fraudulent pretenses, representations and promises, and so obtained property from one and more of such persons while engaged in inducing and promoting the issuance, distribution, exchange, sale, negotiation and purchase of a security.

COUNT ONE HUNDRED AND SIX:

AND THE GRAND JURY AFORESAID, by this indictment, further accuses the defendants STEVEN DAVIS, STEPHEN DICARMINE, JOEL SANDERS, and ZACHARY WARREN of the crime of **CONSPIRACY IN THE FIFTH DEGREE**, in violation of Penal Law §105.05(1), committed as follows:

The defendants, STEVEN DAVIS, STEPHEN DICARMINE, JOEL SANDERS, and ZACHARY WARREN, in the County of New York and elsewhere, during the period from on or about November 3, 2008, to on or about March 7, 2012, with intent that conduct constituting the crime of SCHEME TO DEFRAUD IN THE FIRST DEGREE be performed, such crime

being a felony, agreed with one and more persons to engage in and cause the performance of such conduct.

The Conspiracy

At all times relevant to the conspiracy, defendant DAVIS was the Firm's Chairman, and later, member of the Office of the Chair; defendant SANDERS was the Firm's Chief Financial Officer; defendant DICARMINE was the Firm's Executive Director. Defendant WARREN was the Firm's Client Relations Manager in 2008 and 2009, when he left the Firm. The objects of the conspiracy were to ensure that the Firm maintained and was able to draw on its financing facilities and was able to obtain and draw on a \$100 million revolving credit facility and obtain a \$150 million private placement in 2010. In order to effectuate the object of the conspiracy, the defendants: (i) made and caused others to make fraudulent accounting entries in the firm's accounting system; and (ii) made intentional misrepresentations to investors, financial institutions and others regarding the financial condition and practices of the Firm.

Overt Acts

In furtherance of said conspiracy, and to effect the objectives thereof, from on or about November 3, 2008, to on or about March 7, 2012, the following overt acts, among others, were committed in New York County:

1. On or about December 29, 2008, in New York County, defendant SANDERS, writing about a fraudulent adjustment, stated in substance in an email to defendant DICARMINE: "We came up with a big one. Reclass the disbursements."
2. On or about December 29, 2008, in New York County, defendant DICARMINE responded to defendant SANDERS's email, stating in substance, "You always do in the

last hours. That's why we get the extra 10 or 20% bonus. Tell [your wife], stick with me! We'll buy a ski house next. Just need to keep the ship a float [sic]”

3. On or about December 30, 2008, in New York County, defendant SANDERS and Employee C, an individual known to the Grand Jury, discussed new fraudulent entries that could be made to the Firm’s accounting records and how much closer these entries would get the Firm to meeting its cash flow covenant.
4. On or about December 30, 2008, in New York County, defendant SANDERS told defendant WARREN, in substance, that defendant WARREN would receive his full bonus if the Firm satisfied its bank covenants.
5. On or about December 30, 2008, at or about 9:18 PM, in New York County, defendant SANDERS sent an email to defendants DICARMINE and DAVIS that read, in substance, “We need \$50M tomorrow to meet our covenant.”
6. On or about December 30, 2008, at or about 11:42 PM, in New York County, defendant DAVIS replied, in substance, “Ugh.”
7. On or about December 31, 2008, in New York County, Employee C documented the fraudulent adjustments he and defendant SANDERS decided to employ in the presence of defendant WARREN on or about December 30, 2008 in a document Employee C named the “Master Plan.”
8. On or about December 31, 2008, in New York County, after creating the “Master Plan,” Employee C wrote an email, at or about 7:24 PM, to defendant WARREN, which stated in substance, “Great job dude. We kicked ass! Time to get paid.”
9. On or about December 31, 2008, in New York County, at or about 7:36 PM, defendant WARREN responded in substance to Employee C, “Hey man, I don't know where you

come up with some of this stuff, but you saved the day. It's been a rough year but it's been damn good. Nice work dude. Let's get paid!"

10. On or about January 3, 2009, in New York County and elsewhere, defendant Davis wrote by email to a Firm client, regarding a request for a backdated check, in substance, "[Partner F] and I have been discussing the payment situation and wanted to solicit your continued help. I understand tomorrow will see people back to work and your assistance in connections [sic] with this matter is greatly appreciated."
11. On or about Monday, January 5, 2009, in New York County, at or about 8:39 AM, Employee C wrote in an email to Employee D, an individual known to the Grand Jury, in substance, "We are short on the covenant. I really need your help with some ideas. We need to hit it. Start thinking and let's talk sometime this morning."
12. On or about Monday, January 5, 2009, in New York County, at or about 1:01 PM, Employee D wrote in an email to Employee E, an individual known to the Grand Jury, in substance, "The covenant we're in breach of is the annual cash flow. It is equal to net income plus depr/amort and it must be at least \$290M."
13. On or about Monday, January 5, 2009, in New York County, at or about 1:45 PM, Employee E asked, in sum and in substance, "Is this why [Employee C] is trying to get to a certain net income number?"
14. On or about Monday, January 5, 2009, in New York County, at or about 1:46 PM Employee D responded, in substance, "Yes."
15. On or about Monday, January 5, 2009, in New York County at or about 1:46 PM, Employee E asked, in substance, "How much net income do we need?"
16. On or about Monday, January 5, 2009, in New York County, at or about 2:18 PM, Employee D replied, in substance, "About \$25 M but [Employee C] says there are more receipts to book."

17. On or about January 7, 2009, in New York County, in discussing the reversal of a write-off of charges from an American Express card associated with defendant SANDERS, Employee C stated, in substance, to Employee D in an email, "Maybe we should [post it] to a pending billable matter."
18. On or about January 7, 2009, in New York County, Employee D responded, in substance, "That would be less visible."
19. On or about February 24, 2009, in New York County, Employee F forwarded a voicemail requesting information about an inappropriate adjustment, by email, to defendant WARREN, asking, in substance, "What should we say????"
20. On or about February 24, 2009, in New York County, Defendant WARREN responded, in substance, "That we are examining all of the disbursement write offs we did in 2008 to determine how to recover some of those costs and minimize our write offs in 2009. We're in the process of hiring someone to lead this effort, so please ignore the non-billable disbursement for now. It's [Partner B] and [Partner C], I think they will be satisfied if you just ask them not to worry about it."
21. On or about February 24, 2009, Employee F repeated this false explanation to Employee A.
22. On or about June 2, 2009, in New York County, the Firm drew \$7 million on its line of credit.
23. On or about June 27, 2009, in New York County, defendant SANDERS forwarded an email to Employee C regarding the departure of the audit partner from Accounting Firm A who was engaged on the 2008 year-end audit of Dewey and LeBoeuf, and wrote, in substance, "I assume you new [sic] this but just in case. Can you find another clueless auditor for next year?"
24. On or about June 27, 2009, in New York County, Employee C responded, in substance, "That's the plan. Worked perfect this year."

25. On or about October 6, 2009, in New York County and elsewhere, defendant SANDERS wrote in an email to defendants DAVIS and DICARMINE, in substance, “When you’re back in NY we should discuss the ramifications of our revenue coming in at \$810M. . . . The two most obvious ramifications will be the bank covenants and missing target.”
26. On or about November 10, 2009, in New York County, defendant SANDERS wrote in an email to defendants DAVIS and DICARMINE, and Employee B, an individual known to the Grand Jury, and C, in substance, regarding the Firm’s targets, “I said at the Exec Committee meeting that if we can really collect (with no adjustments) between \$850k and \$875k then we will do between \$14k and \$15k per point. If we bring \$850M in the door (real collections - no accounting adjustments including constructive receipt or reclassing disbursements) we can get really aggressive and push the envelope to \$14k per point. . . . Keep in mind though that at these levels we will not have the cash to pay the partners by Jan 31 since \$25M is fake income.”
27. On or about December 9, 2009, in New York County and elsewhere, defendant SANDERS wrote in an email with the subject line, “Reality Check,” to defendants DAVIS and DICARMINE, in substance, “I’m really sorry to be the bearer of bad news but I had a collections meeting today and we can’t make our target. The reality is we will miss our net income covenant by \$100M and come in at about \$7k per point. . . . I can probably come through with enough ‘adjustments’ to get us to miss the covenant by \$50M-\$60M and get the points to \$10k but that pretty much wipes out any possible cushion we may have had for next year which was slim at best. The banks are going to require a plan which is not going to be pretty”

28. On or about December 9, 2009, in New York County, defendant DICARMINE wrote in an email to defendant SANDERS, in substance, "Should we bring [Employee C] to lunch today? He might need some reassuring."
29. On or about December 9, 2009, in New York County, defendant SANDERS responded, in substance, "I don't know. He's starting to wig a little. Maybe he's hearing and seeing too much. He needs [a letter of credit]. Your call."
30. On or about December 31, 2009, in New York County, defendant SANDERS instructed Employee C to improperly post a capital contribution to fee payment for a client.
31. On or around December 31, 2009, in New York County, defendant SANDERS and Employee C dictated a form email to Employee N seeking backdated checks.
32. On or around December 31, 2009, in New York County, Employee N typed , as dictated above, an email to defendant SANDERS and Employee C, which read, in substance, "Dear PARTNER, Thursday's collections were disappointing. We left \$40M of confirmed receipts on the table. We did not receive payments on 12/31 from the following clients It is imperative that you contact every one of these clients first thing Monday morning and ask them to send us a check dated 12/31 for the amount listed above. Sincerely, Joel."
33. On or about January 1, 2010, in New York County, defendant SANDERS forwarded the email to defendants DAVIS and DICARMINE, writing in substance, "Any comments? I'd like to send this to each partner that has a balance that we think we might be able to get. I'd like to get these out tomorrow."
34. On or about the January 1, 2010, in New York County, defendant DAVIS responded, in substance, "Good idea but let me come back with a change in wording."
35. On or about January 1, 2010, defendant DICARMINE responded, in substance, "No reason not to send it. It doesn't disclose the final #, just what was left on the table. I'd go with it."

36. On or about January 2, 2010, in New York County, defendant DAVIS again responded to defendant SANDERS's email, writing in substance, "I would change the wording of the last sentence slightly to say 'It is imperative that you contact each of these clients on Monday morning. All payments through checks dated December 31 will be included in revenues for 2009.'"
37. On or about January 5, 2010, in New York County, defendant SANDERS wrote in an email to defendant DICARMINE regarding Employee C, in substance, "We should give him his \$200k bonus. I'm pushing him to go way out on a limb right behind me if you know what I mean."
38. On or about January 5, 2010, in New York County, defendant DICARMINE responded, in substance, "that's fine, do it."
39. On or about February 3, 2010, in New York County, defendant SANDERS authorized a \$20 million draw on the Firm's line of credit.
40. On or about February 3, 2010, in New York County, the Firm drew \$20 million on its line of credit.
41. On or about February 25, 2010, in New York County, defendant SANDERS authorized a \$15 million draw on the Firm's line of credit.
42. On or about February 25, 2010, in New York County, the Firm drew \$15 million on its line of credit.
43. On or around March 2, 2010, in New York County, DAVIS approved the offering memorandum for the private placement.
44. On or about March 18, 2010, in New York County, when Dewey & LeBoeuf was in the process of negotiating a private placement with 13 insurance companies, defendant DAVIS authorized an increase to the amount of the private placement to \$150 million.

45. On or about January 28, 2011, in New York County, defendant SANDERS authorized a \$17.5 million draw on the Firm's line of credit.
46. On or about January 28, 2011, in New York County, the Firm drew \$17.5 million on its line of credit.
47. On or about December 22, 2011, in New York County, defendant SANDERS, in an email to Employee C, copying defendant DAVIS, wrote in substance, "Can you also bring the list of 'accounting adjustments' you've come up with so far for the 2:30."
48. On or about February 1, 2012, in New York County, defendant SANDERS authorized a \$25 million draw on the Firm's line of credit.
49. On or about February 1, 2012, in New York County, the Firm drew \$25 million on its line of credit.
50. On or about February 9, 2012, in New York County and elsewhere, after a meeting with defendant SANDERS, Employee G wrote in an email to Employee C, in substance, "We are taking the following reductions in the budget for presentation tomorrow and want to run them by you to ensure they are not 'not-doable.'"
51. On or about February 10, 2012, in New York County and elsewhere, Employee C responded to Employee G, copying defendant SANDERS, stating in substance, "Each of these present audit risk."
52. On or about February 10, 2012, in New York County and elsewhere, Employee G responded to Employee C, in substance, "Thanks. Plus, I told Joel that these changes take things out of your 'toolbox' to deliver \$15-\$20M reductions at year-end so he has it in the back of his mind that he can still rely on you to make the \$20M."
53. On or about March 7, 2012, in New York County, defendant SANDERS authorized a \$10 million draw on the Firm's line of credit.

54. On or about March 7, 2012, in New York County, the Firm drew \$10 million on its line of credit.

GJ #- 9

Filed:

NA

No.
-

THE PEOPLE OF THE STATE OF NEW YORK

-against-

STEVEN DAVIS,
STEPHEN DICARMINE,
JOEL SANDERS,
ZACHARY WARREN,

Defendants.

INDICTMENT

SCHEME TO DEFRAUD IN THE FIRST DEGREE, P.L. §190.65(1)(b)
 GRAND LARCENY IN THE FIRST DEGREE, P.L. §155.42 - DEF. S. DAVIS, S. DICARMINE, J. SANDERS, 15 Cts
 FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, P.L. §175.10 - DEF. S. DAVIS, S. DICARMINE, J. SANDERS, ~~46 Cts~~ 44 Cts
 FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, P.L. §175.10 - DEF. J. SANDERS, ~~42 Cts~~ 41 Cts
 FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE, P.L. §175.10 - DEF. S. DAVIS, J. SANDERS, 3 Cts
 GENERAL BUSINESS LAW §352(c)(5) (MARTIN ACT) - DEF. S. DAVIS, S. DICARMINE, J. SANDERS
 CONSPIRACY IN THE FIFTH DEGREE, P.L. §105.05(1)

CYRUS R. VANCE, JR., District Attorney

A True Bill

Peirce R. Moser
Steve Pilnyak
Major Economic Crimes

Foreman

ADJOURNED TO PART 72 ON March 6, 2014