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8 Attorneys for the United States

9 UNITED STATES DISTRICT COURT
10 NORTHERN DISTRICT OF CALIFORNIA
11 SAN FRANCISCO DIVISION

12 UNITED STATES OF AMERICA,)
13 Plaintiff,)

No. C 05-0946 CRB (EDL)

14 v.)

15 \$1,379,879.09 SEIZED FROM BANK OF)
16 AMERICA ACCOUNT NUMBER W71)
FEDERAL CREDIT BANK. ET AL.,)
17 Defendants.)

SETTLEMENT AGREEMENT
AND ORDER

18 EUROPEAN FEDERAL CREDIT BANK)
19 AND ITS RECEIVERS, ETC., ET AL.,)
20 Claimant.)

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1 The parties stipulate and agree as follows:

2 1. Plaintiff is the United States of America ("United States"). The only remaining
3 claimant is the Liquidators of the European Federal Credit Bank (Eurofed") appointed by the
4 High Court in Antigua. Plaintiff and claimant are referred to as the "parties" in this document
5 which is referred to as the "Settlement Agreement" or "Agreement."

6 2. The parties agree that the only remaining issue in the instant case is the claimant's
7 claim for attorneys' fees for services rendered on its behalf by McDermott Will & Emery in
8 connection with this case in the district court and in the Ninth Circuit, No. 08-16935. After full
9 and open discussion, the parties agree to resolve any and all outstanding claims for attorneys'
10 fees which claimant Eurofed made, or could have made, in connection with the instant case in
11 district court and in the Ninth Circuit.

12 3. The parties agree that the resolution of the lawsuit is based solely on the terms
13 stated in this Settlement Agreement. It is expressly understood that this Agreement has been
14 freely and voluntarily entered into by the parties. The parties further agree that there are no
15 express or implied terms or conditions of settlement, whether oral or written, other than those
16 set forth in this Agreement. This Agreement shall not be modified or supplemented. The parties
17 have entered into this Agreement in lieu of continued, protracted litigation in the district court
18 and in the Ninth Circuit.

19 4. This Settlement Agreement is expressly understood by the parties not to be an
20 adjudication of the merits of any factual or legal issue involving claims for attorneys' fees which
21 were brought, or could have been brought, as described in paragraph 2 above. As such, the
22 parties agree that the Settlement Agreement does not constitute an admission that the United
23 States, or any past or present official, employee or agent of the United States, including the
24 United States Department of Justice, has in any way violated any law, including any statute or
25 regulation.

26 5. The parties further agree that this Settlement Agreement does not constitute
27 precedent on any legal issue for any purpose whatsoever, including all administrative
28 proceedings and any lawsuits.

1 6. In full and final settlement of claimant's attorneys' fees claims, the parties agree
2 that the United States of America will pay claimant three hundred and twenty five thousand
3 dollars (\$325,000) ("Settlement Amount"), plus accrued interest from the date that the magistrate
4 judge enters this Settlement Agreement as an order. McDermott, Will & Emery agrees to
5 provide the undersigned Assistant United States Attorney its Taxpayer Identification Number
6 as well as the Taxpayer Identification Number of claimant Eurofed, if any. Thereafter, the
7 Settlement Amount will be paid by a check made out to The Liquidators of Eurofed appointed
8 by the High Court of Antigua and to McDermott, Will & Emery, and the check will be sent to
9 Matthew J. Jacobs at McDermott, Will & Emery, 275 Middlefield Road, Suite 100, Menlo Park,
10 California 94025-4004. Claimant Eurofed understands that the United States will report this
11 payment to the Internal Revenue Service ("IRS"), and that questions as to tax liability, if any, as
12 a result of this payment is a matter solely between claimant Eurofed and the IRS. Claimant and
13 its attorneys have been informed that payment of the Settlement Amount may take up to sixty
14 (60) days to process.

15 7. Payment of the Settlement Amount shall be in full settlement and satisfaction of
16 any and all claims for attorneys' fees which claimant Eurofed, its heirs, representatives and
17 assignees made, or could have made, in this case in district court and in No. 08-16935 in the
18 Ninth Circuit. Further, claimant Eurofed releases and discharges the United States, as well as
19 any past and present officials, employees, agents, attorneys, their successors and assigns, from
20 any and all claims for attorneys' fees which were made, or could have been made, in this case
21 in district court and in No. 08-16935 in the Ninth Circuit. To the extent that any other party
22 seeks attorneys' fees against the United States in connection with this case in district court and
23 in No. 08-16935 in the Ninth Circuit, Claimant Eurofed, its heirs, representatives and assignees,
24 also agrees to reimburse, indemnify, and hold harmless the United States of America, as well as
25 any past and present officials, employees, agents, attorneys, their successors and assigns, from
26 and against any and all claims, demands, rights, and causes of actions for attorneys' fees, whether
27 known or unknown, including without limitation claims for subrogation, indemnity, contribution,
28 or lien of any kind.

1 8. Each party agrees to bear its or their own costs and attorneys' fees in connection
2 with the June 25, 2010 mediation, including time spent and expenses incurred in preparing for
3 that mediation.

4 9. The parties agree that should any dispute arise with respect to the implementation
5 of the terms of this Settlement Agreement that the parties shall not seek to rescind the agreement,
6 but can apply to the district court, if necessary, for enforcement. The parties agree that the
7 district court retains jurisdiction for the purpose of enforcing this Settlement Agreement. In any
8 such enforcement proceeding, each party agrees to bear its or their own attorneys' fees and costs.

9 10. Based on the foregoing, the parties agree that this district court action be
10 dismissed and that the claimant's motion for attorneys' fees in the Ninth Circuit is moot. The
11 United States shall prepare a stipulation and order to be signed by the parties and filed in the
12 district staying this action until claimant Eurofed has received payment of the Settlement
13 Amount. The United States shall prepare a joint motion to be signed by the parties and filed in
14 the Ninth Circuit asking the Ninth Circuit to stay any action on claimant's application for

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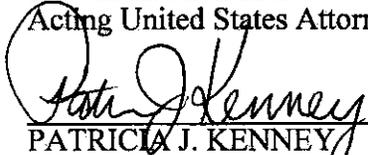
1 attorneys' fees, filed on or about May 14, 2010, in No. 08-16935, until claimant Eurofed has
2 received the Settlement Amount.

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IT IS SO STIPULATED:

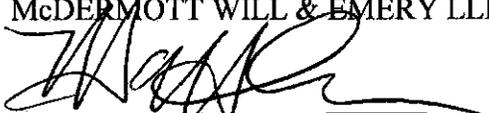
DAVID L. ANDERSON
Acting United States Attorney

Dated: June 25, 2010


PATRICIA J. KENNEY
Assistant United States Attorney

McDERMOTT WILL & EMERY LLP

Dated: June 25, 2010


GORDON A. GREENBERG
MATTHEW J. JACOBS
PETER DROBAC
Attorneys for the Liquidators of Eurofed

PURSUANT TO THE FOREGOING STIPULATION, IT IS SO ORDERED ON THIS
14 ^{July} DAY OF JUNE, 2010.


HONORABLE ELIZABETH D. LAPORTE
United States Magistrate Judge