Unites States v. Pokerstars, et al

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UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA, :

Plaintiff,

FINAL ORDER OF FORFEITURE

- v - : 11 Civ. 2564 (KMW)

\$50 MILLION IN UNITED STATES CURRENCY,

:

Defendant-in-rem. :

WHEREAS, on or about September 20, 2011, a verified first amended complaint, 11 Civ. 2564 (KMW) (the "Complaint") was filed in the United States District Court for the Southern District of New York seeking the forfeiture of, among other things, all assets of PokerStars, the Oldford Group Ltd., Rational Entertainment Enterprises Ltd., PYR Software Ltd., Stelekram Ltd., and Sphene International Ltd. (collectively the "PokerStars Companies"; their assets collectively the "PokerStars Defendant Property"), pursuant to Title 18, United States Code, Section 1955(d), 981(a)(1)(A), and 981(a)(1)(C), and the imposition of civil penalties, pursuant to Title 18, United States Code, Section 1956(b), against the PokerStars Companies;

WHEREAS, on or about July 31, 2012, the Court entered a Stipulated Order of Settlement between the United States and the PokerStars Companies (the "PokerStars Settlement"), in which the PokerStars Companies denied all wrongdoing and pursuant to which the civil penalty and forfeiture claims alleged in the Complaint against the PokerStars Companies and the PokerStars Defendant Property, respectively, were fully and finally resolved;

WHEREAS, at all relevant times Mark Scheinberg was and remains a legal and/or beneficial shareholder of the PokerStars Companies and received, directly and/or indirectly, distributions from the PokerStars Companies during the time frames alleged in the Complaint (together with Mark Scheinberg's legal and/or beneficial holdings in the PokerStars Companies, the "PokerStars Distributions," which does not include money that the PokerStars Companies paid to any person, other than Mark Scheinberg, in his or her capacity as a shareholder or otherwise);

WHEREAS, on or about June 11, 2013 a Consent Order of Forfeiture was entered to between the Government and Mark Scheinberg forfeiting his interest in \$50 Million in United States Currency (the "Defendant Currency");

WHEREAS, on or about June 17, 2013, Mark Scheinberg made a payment in the amount of \$50 Million via wire transfer to the United States Marshals Service pursuant to the Consent Order of Forfeiture;

WHEREAS, Mark Scheinberg is the only person known by the Government to have a potential interest in the Defendant Currency;

WHEREAS, notice of the verified complaint against the Defendant Currency was published on the government internet site www.forfeiture.gov, for thirty consecutive days, from July 19, 2013 through August 17, 2013. Proof of such publication was filed with the Clerk of this Court on September 24, 2013;

WHEREAS, no other claims or answers have been filed or made in this action, no other parties have appeared to contest the action to date, and the requisite time periods have expired;

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

- 1. Pursuant to 21 U.S.C. § 853(n)(7), the United States of America shall and is hereby deemed to have clear title to the Defendant Currency (the "Forfeited Property"), and the same is hereby forfeited to the United States for disposition according to law.
- 2. The United States Marshals Service shall take possession of the Forfeited Property and dispose of the same according to law, in accordance with 21 U.S.C. § 853(h).
- 3. The Court retains jurisdiction over the interpretation and enforcement of this Final Order of Forfeiture.

4. The Clerk of the Court shall forward four certified copies of this Final Order of Forfeiture to Assistant United States Sharon Cohen Levin, Chief of Asset Forfeiture, One St. Andrew's Plaza, New York, New York, 10007.

Dated: New York, New York September 30, 2013

HONORABLE KIMBA M. WOOD
UNITED STATES DISTRICT JUDGE
SOUTHERN DISTRICT OF NEW YORK