

UNITED STATES DISTRICT COURT  
DISTRICT OF RHODE ISLAND

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TRANSAMERICA LIFE INSURANCE )  
COMPANY, )  
) )  
Plaintiff, )  
) )  
v. ) C.A. No. 09-471 S  
) )  
JOSEPH CARAMADRE, RAYMOUR )  
RADHAKRISHNAN, ESTATE PLANNING )  
RESOURCES, INC., ESTELLA RODRIGUES, )  
EDWARD MAGGIACOMO, JR., LIFEMARK )  
SECURITIES CORP., and )  
PATRICK GARVEY, )  
) )  
Defendants; )  


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) )  
WESTERN RESERVE LIFE ASSURANCE )  
CO. OF OHIO, )  
) )  
Plaintiff, )  
) )  
v. ) C.A. No. 09-472 S  
) )  
JOSEPH CARAMADRE, RAYMOUR )  
RADHAKRISHNAN, ESTATE PLANNING )  
RESOURCES, INC., ADM ASSOCIATES, )  
LLC, EDWARD HANRAHAN, THE LEADERS )  
GROUP, INC., and CHARLES BUCKMAN, )  
) )  
Defendants; )  


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WESTERN RESERVE LIFE ASSURANCE	)
CO. OF OHIO,	)
	)
Plaintiff,	)
	)
v.	) C.A. No. 09-473 S
	)
JOSEPH CARAMADRE, RAYMOUR	)
RADHAKRISHNAN, ESTATE PLANNING	)
RESOURCES, INC., DK LLC, EDWARD	)
HANRAHAN, THE LEADERS GROUP, INC.,	)
and JASON VEVEIROS,	)
	)
Defendants.	)
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**STATEMENT OF REASONS**

WILLIAM E. SMITH, United States District Judge.

The First Circuit Court of Appeals has requested a Statement of Reasons for this Court's grant of judgment pursuant to Rule 54(b) of the Federal Rules of Civil Procedure in the above-captioned cases. The following recitation of the record should suffice. Plaintiffs Transamerica Life Insurance Company ("Transamerica") and Western Reserve Life Assurance Co. of Ohio ("Western Reserve") filed seven related suits against various defendants alleging that the defendants improperly engaged in "stranger-initiated annuity transactions." In thorough opinions dated June 2, 2010, (Opinion and Order, C.A. No. 09-470, ECF No.

46),<sup>1</sup> and February 7, 2012, (Opinion and Order, C.A. No. 09-470, ECF No. 132), this Court dismissed all claims against Defendant Estella Rodrigues (with respect to case 09-471), Defendant ADM Associates, LLC ("ADM") (09-472) and Defendant DK LLC ("DK" and, together with Rodrigues and ADM, the "Dismissed Defendants") (09-473), while retaining the claims against all other defendants.

All seven of these suits were subsequently stayed by the Court on March 2, 2012 (Stay Order, C.A. No. 09-470, ECF No. 134), pending resolution of criminal proceedings against Defendants Caramadre and Radhakrishnan. This stay was expected to be in effect for at least a year, given the long preparation time and expected lengthy trial.<sup>2</sup>

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<sup>1</sup> On February 18, 2011, the Court "linked" all seven civil cases for purposes of pretrial electronic filing only. (See Consolidation Order, C.A. No. 09-470, ECF No. 86.) As a result, all filings made after February 18, 2011 in each of the seven cases, with the exception of amended complaints, can be found on the electronic docket of case 09-470. Therefore, all references to the docket are to case 09-470, unless otherwise noted.

<sup>2</sup> On November 19, 2012, during the preparation of this response to the First Circuit's request for additional explanation, and following a lengthy jury selection process and one week of trial, Defendants Caramadre and Radhakrishnan unexpectedly changed their pleas to guilty on one count of wire fraud and one count of conspiracy, with an agreement that all remaining counts would be dismissed after sentencing. (Plea Agreements as to Joseph Caramadre and Raymour Radhakrishnan, Cr. No. 11-186, ECF Nos. 105 and 106, respectively). To the extent the Court's sentence in the criminal case includes restitution, which it no doubt will, many of the remaining claims in these

Because the Court did not want to force the Dismissed Defendants to wait such a long period of time for final resolution when no valid claims were asserted against them, the Court granted the motions to enter judgment pursuant to Rule 54(b) in favor of each of the Dismissed Defendants. (Judgment in favor of Estella Rodrigues against Transamerica, C.A. No. 09-471, ECF No. 149; Judgment in favor of ADM against Western Reserve, C.A. No. 09-472, ECF No. 151; Judgment in favor of DK against Western Reserve, C.A. No. 09-473, ECF No. 177.)

Rule 54(b) permits the Court to "direct entry of a final judgment as to one or more, but fewer than all, claims or parties . . . if the court expressly determines that there is no just reason for delay." Fed. R. Civ. P. 54(b). Courts consider the appropriateness of an entry under Rule 54(b) in two parts - first, whether the proceedings against the moving party has the "requisite aspects of finality," and second, whether there is

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civil cases may be voluntarily dismissed by Transamerica and Western Reserve.

Also on November 19, 2012, Plaintiffs filed motions under Rule 41(a) of the Federal Rules of Civil Procedure to dismiss claims against Defendants Edward Hanrahan and The Leaders Group, Inc. ("Leaders") in all applicable civil cases, including cases 09-472 and 09-473 of the above-captioned cases. Plaintiffs report that they have reached agreements with Hanrahan and Leaders settling all claims involving these Defendants.

The Court plans to meet with all the remaining parties to the civil suits in the coming weeks to discuss the status of each case before lifting the stays.

any just reason for delay in dismissing the case. Spiegel v. Trs. of Tufts Coll., 843 F.2d 38, 43 (1st Cir. 1988).

The dismissal of the claims against the Dismissed Defendants is plainly a "final" action for Rule 54(b) purposes. A final action "must dispose of all the rights and liabilities of at least one party as to at least one claim." State St. Bank & Trust Co. v. Brockrim, Inc., 87 F.3d 1487, 1489 (1st Cir. 1996). All claims against the Dismissed Defendants were dismissed in the June 2, 2010 Opinion and Order and/or the February 7, 2012 Opinion and Order.<sup>3</sup>

Because no just reason remained for delaying the entry of judgment and relieving the Dismissed Defendants of the burden of being named in a suit that included no claims against them, the Court entered judgment pursuant to Rule 54(b). In determining whether justice requires a final judgment, courts assess 1) "any interrelationship or overlap among the various legal and factual issues involved" in the claims for which judgment is entered and

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<sup>3</sup> The June 2, 2012 Opinion and Order dismissed the only two claims against Rodrigues (Count I (Rescission) and Count II (Declaratory Judgment)), the five claims against ADM (Count I (Rescission), Count II (Declaratory Judgment), Count III (Fraud), Count VII (Civil Liability for Crimes and Offenses) and Count VIII (Civil Conspiracy)), and the five claims against DK (Count I (Rescission), Count II (Declaratory Judgment), Count III (Fraudulent Inducement), Count VII (Civil Liability for Crimes and Offenses) and Count VIII (Civil Conspiracy)). These dismissals were reaffirmed in the February 7, 2012 Opinion and Order. The Amended Complaint that was the subject of the February 7, 2012 Opinion and Order added a claim against DK (Fraud in the Factum), which was also dismissed.

the remaining claims, and 2) "any equities and efficiencies implicated by the requested piecemeal [appellate] review." Brockrim, 87 F.3d at 1489. Litigation of the remaining claims in this case does not implicate any Dismissed Defendant in any way and a final judgment on the claims against the Dismissed Defendants does not result in a judgment on any other claims. There is no overlap of issues, so the appellate court will not face issues a second time during the appeal of the remaining claims. Moreover, as discussed above, the anticipated long delay in the resolution of the remaining claims was likely to cause significant hardship to the Dismissed Defendants. Failure to enter judgment with respect to the Dismissed Defendants would have required them to remain involved with this litigation for over a year with no valid claims pending against them.

/s/ William E. Smith

William E. Smith  
United States District Judge  
Date: November 27, 2012