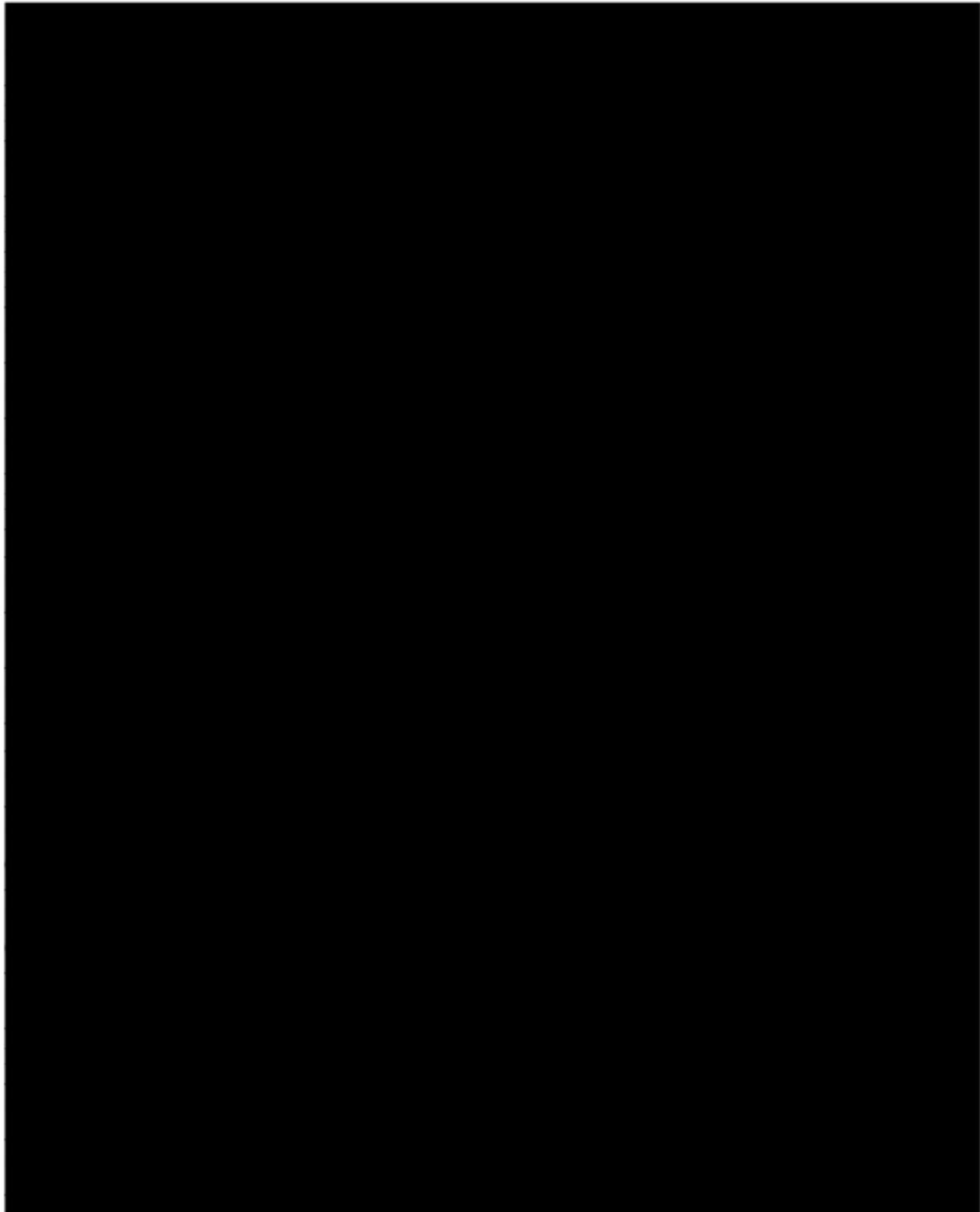


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[SDNY News Clips](#)

Thursday, February 13, 2020

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Contents

[Public Corruption](#)

[Epstein](#)

[Avenatti](#)

[Violent and Organized Crime](#)

[Ray](#)

[Complex Frauds and Cybercrime](#)

[Blicht](#)

[Rowe](#)

[Securities and Commodities Fraud](#)

[Orlean](#)

[Money Laundering and Transnational Criminal Enterprises](#)

[Haney](#)

[General Crimes](#)

[Myrie](#)

[White Plains](#)

[Klein](#)

[Matters of Interest](#)

[Stone](#)

[Weinstein](#)

[New York Times](#)

Public Corruption

Epstein

Barclays C.E.O. Faces U.K. Inquiry on Jeffrey Epstein Ties

NYT

By Carlos Tejada and Amie Tsang

2/13/2020

British banking regulators want to know if the chief executive of Barclays has been honest about his relationship with Jeffrey Epstein.

Barclays said on Thursday that regulators were investigating how its chief executive, James E. Staley, described to bank officials his ties with Mr. Epstein, the financier who killed himself in August after facing new allegations of sex trafficking of underage girls.

Mr. Staley, one of a handful of prominent Wall Street financiers who has been linked to Mr. Epstein, said he had been fully forthcoming about their relationship, which he said ended before he arrived at the bank five years ago.

"I feel very comfortable, going back to 2015, I have been transparent and open with the bank," he said on a conference call with analysts on Thursday. Mr. Staley did not respond to messages seeking comment.

The bank's announcement of an investigation by regulators including the Financial Conduct Authority, the main overseer of banks in Britain, was another black eye for Mr. Staley, who is the latest Barclays chief to have regulatory troubles. John

S. Varley faced regulatory and legal charges over capital infusions from the Persian Gulf nation of Qatar and Robert E. Diamond Jr. was caught up in the Libor-rigging scandal.

Even as Mr. Staley has cut costs and bolstered the company's commitment to investment banking, his tenure has been marked by a series of questions over his judgment. The bank and Mr. Staley were both fined by regulators over a whistleblower scandal, and other stumbles have prompted some shareholders to demand his resignation.

In a statement, Barclays said it believed that "Mr. Staley has been sufficiently transparent with the company as regards the nature and extent of his relationship with Mr. Epstein." Mr. Staley, the bank said, retained the full confidence of its board.

The inquiry began some time last year, when the Financial Conduct Authority contacted Barclays with questions about Mr. Staley's relationship with Mr. Epstein, according to the bank's annual report, which was published Thursday.

Barclays responded to the regulator's questions, but some element of that response raised questions within the agency, according to a bank official who spoke on the condition of anonymity. A more formal investigation then began in December.

Thursday's announcement undercut a positive earnings report from the bank. Total income for 2019 rose 2 percent, and profit after taxes rose 30 percent for the year. Barclay's shares ended the day down 1.7 percent.

Mr. Epstein portrayed himself as indispensable to corporate executives and built up a small but powerful finance network, which Mr. Staley remained a part of even after Mr. Epstein's 2008 conviction on a charge of soliciting prostitution from a teenage girl. The men had known each other since at least 1999, when the future Barclays chief was running the private banking business of JPMorgan and using Mr. Epstein to connect with potential clients.

The relationship was close enough that Mr. Staley visited Mr. Epstein about 10 years ago, while he was serving time in Florida for soliciting prostitution from a minor. The visit occurred at Mr. Epstein's Palm Beach office, where he was allowed to serve part of his 13-month sentence.

Among others, Mr. Epstein connected Mr. Staley with [REDACTED] v [REDACTED] [REDACTED] The deal elevated the asset management division that Mr. Staley ran at JPMorgan into a major player in [REDACTED] world. (Mr. [REDACTED] who married a former girlfriend of Mr. Epstein,

Mr. Epstein invoked his relationship with Mr. Staley as part of his own business maneuvers. He listed Mr. Staley and JPMorgan as references when he applied for a license to set up a bank, Southern Country International, in the Virgin Islands in 2013. Mr. Staley's spokesman said he was unaware of this at the time.

Until Thursday, Mr. Staley's history with Mr. Epstein had not appeared to pose a serious threat to his leadership. (Indeed, their ties were known as of the middle of 2015, when Mr. Staley was merely a contender for the Barclays position.)

But Mr. Staley's tenure has faced other bouts of turmoil.

In 2016, he tried to unmask a whistle-blower who had criticized one of his senior hires. That led to a fine of \$15 million for Barclays from New York's banking regulator, which said that it had uncovered "shortcomings in governance, controls and corporate culture" at the bank. British bank regulators also fined Mr. Staley about \$1.5 million and required the bank to submit reports on parts of its whistle-blowing program.

Mr. Staley also upset a big client, Kohlberg Kravis Roberts, in 2016 after trying to help his brother-in-law's business interests.

His conduct is now under scrutiny by the Financial Conduct Authority, whose responsibilities include assessing the "fitness and propriety" of senior executives at financial institutions. Among the qualities the regulator looks at, according to its

website, is honesty, “including openness with self-disclosures, integrity and reputation.”

In August, Mr. Epstein killed himself while in a Manhattan jail, where he was being held awaiting trial on federal sex trafficking and conspiracy charges. He had been charged by Manhattan prosecutors in July with sexually exploiting dozens of women and girls in New York and Florida.

Those accusations involved actions up to 2005. A lawsuit filed last month by Denise N. George, the attorney general of the Virgin Islands, cited further evidence that Mr. Epstein had sexually abused and trafficked hundreds of young women and girls on his private Caribbean island, some as recently as 2018.

A judge in the Virgin Islands who is overseeing the administration of Mr. Epstein’s \$635 million estate is considering a proposal to establish a compensation fund for his accusers. Ms. George is seeking to block that effort, contending the executors of the estate are conflicted because they were longtime business advisers to Mr. Epstein.

[Avenatti](#)

Michael Avenatti’s extortion trial held up for juror’s job interview

NY Post

By Gabrielle Fonrouge and Lee Brown

2/13/2020

A decision in Michael Avenatti’s extortion trial was unexpectedly held up Thursday morning — so a juror could go on a job interview in the middle of deliberations.

“I’m really speechless,” Judge Paul Gardephe complained at being forced to approve the last-minute hold-up to the high-profile case in Manhattan federal court.

Juror No. 9 had previously requested permission to head to the interview late Thursday afternoon, with deliberations due to be paused briefly if a decision had yet to be reached by then.

However, she sent a note to the judge early Thursday saying she now had to show up at 11:30 a.m. because one of the interviewers was heading out of town.

Despite his frustrations, Gardephe approved the halt to deliberations after the juror insisted she “will be passed up for the position” if she does not show, the court heard.

Avenatti has pleaded not guilty to charges alleging that he tried to extort up to \$25 million from Nike by threatening to publicly expose corruption unless he was allowed to conduct an internal probe of the company.

Prosecutors say he had more than \$11 million in debts at the time.

Avenatti’s lawyers have argued that he was doing an honest and legal negotiation with the shoemaker on behalf of an amateur basketball coach who wanted Nike to clean up its act.

[Violent and Organized Crime](#)

[Ray](#)

The Bizarre Life of the Man Accused in the Sarah Lawrence Sex Case

NYT

By Sharon Otterman

2/12/2020



Lawrence V. Ray was charged with conspiracy, extortion, sex trafficking, forced labor and related charges. Credit...Jefferson Siegel for The New York Times

He has known mobsters and politicians and high-ranking American military officers. He has portrayed himself as an international man of mystery who played a role in helping to end the war in Kosovo in the late 1990s.

He had contacts with foreign leaders and arranged Mikhail Gorbachev's visit to City Hall in 1997 to meet with the then-mayor, Rudolph W. Giuliani. For the last 19 years, he has been in and out of legal trouble for everything from involvement in a mob stock pump-and-dump scheme to custody issues involving his children.

For decades, Lawrence V. Ray, 60, who was charged by federal law enforcement on Tuesday in a bizarre scheme that included extortion, forced prostitution and forced labor involving a group of students he met while he was living with his daughter at Sarah Lawrence College, has been described by some as a master manipulator.

Burly and intense, Mr. Ray has put himself at the center of local politics. In 1998, he was the best man at the wedding of a former New York police commissioner, Bernard B. Kerik.

But he's also turned on those who have trusted him — first as an F.B.I. informant against the mob, and then as a cooperating witness in an investigation that would ultimately land Mr. Kerik in prison.

In 2010, apparently down and out, Mr. Ray, who had recently been released from prison on a custody charge, moved into his daughter's dorm room at Sarah Lawrence College in Yonkers, N.Y., federal investigators said.

He is now facing decades in prison, accused of manipulating students from the school to the point that they were willing to falsely confess to crimes. He is charged with coercing one woman into prostitution, and with stealing \$1 million from his victims, according to the indictment unsealed on Tuesday.

"Larry Ray is a psychotic con man who has victimized every friend he's ever had," Mr. Kerik, who has said he cut ties with Mr. Ray in 2000, was quoted as saying in the 2019 New York magazine article that prompted the government's investigation. "It's been close to 20 years since I last heard from him, yet his reign of terror continues."

The following portrait of Mr. Ray was put together from interviews, court documents and news coverage by The Times over the years.

Here's what we know about him:

Ties to reputed mobsters, fears of a hit man

Mr. Ray, who is also known as Lawrence Grecco, grew up in Brooklyn and New Jersey. In the 1980s, he became a partner in a bar in Scotch Plains, N.J., called Club Malibu and JJ Rockers. At the bar, he began meeting people from all walks of life, including politicians from New York and New Jersey.

In the early 1990s, he formed a commercial insurance brokerage firm, helping insure people for projects such as construction.

In this role, he met a reputed mobster who owned a company called U.S. Bridge of New York, according to federal investigators. Mr. Ray agreed to help the company get insurance for a major project.

At some point in the mid-1990s, Mr. Ray began to believe that someone from the mob attached to the company was trying to kill him. Mr. Kerik helped him contact the F.B.I., according to emails between the two men. Mr. Ray began serving as an informant in a federal investigation related to a wide-ranging security fraud scheme involving the pumping and dumping of stocks. He ended up being indicted himself, along with 18 others, for a role in the scheme.

In 2000, federal investigators charged Mr. Ray with agreeing to pay a \$100,000 bribe to a bond brokerage firm executive, according to a 2004 federal court filing. He pleaded guilty to conspiracy to commit security fraud and was sentenced to five years probation.

Friendship with Mayor Giuliani's police commissioner

Appointed New York City police commissioner in 2000, Mr. Kerik became a national figure after the Sept. 11 terror attacks. In 2004, President George W. Bush nominated Mr. Kerik to lead the Department of Homeland Security. But a series of scandals, some of which involved Mr. Ray, destroyed that chance.

Mr. Kerik and Mr. Ray had become friends in the mid-1990s. The two men worked out together and rode motorcycles. At the time, Mr. Kerik was a rising star in the New York City Department of Correction. He became the commissioner of the department early in 1998.

In November 1998, Mr. Kerik got married in New Jersey, and Mr. Ray served as best man. Mr. Ray and another friend, also a partner in Club Malibu, wrote checks to cover parts of Mr. Kerik's wedding and reception.

In 1999, Mr. Kerik wanted to renovate his new apartment in Riverdale, in the Bronx, according to emails between Mr. Ray and Mr. Kerik. The scandal over who paid for his renovation ended up engulfing Mr. Kerik.

Through Mr. Ray, Mr. Kerik befriended a man named Frank DiTommaso, who ran a construction company, the Interstate Industrial Corporation, with his brother. The company hired Mr. Ray as its security director, according The Times's coverage of a resulting case that accused the former city police commissioner of, among other things, accepting illegal renovations on his Bronx apartment.

The company had performed more than \$200,000 in renovations on the apartment for almost no cost. State and federal investigators discovered the arrangement after Mr. Kerik withdrew from consideration for Homeland Security secretary.

Mr. Ray agreed to cooperate with investigators looking into Mr. Kerik. In 2006, Mr. Kerik pleaded guilty to misdemeanor charges related to \$165,000 in gifts received from the construction company. He was jailed three years later after pleading to eight federal felony charges.

Arranging a visit by Mikhail Gorbachev

Mr. Ray had contacts with at least one American general and Russian officials. He liked to talk about how he helped broker a deal to end bombing in Kosovo in the late 1990s, a claim at least partly backed up by a letter from NATO in court records, The Washington Post reported in 2007.

Somehow, he also formed a connection with someone who worked for Mr. Gorbachev, the former leader of the Soviet Union. In 1997, Mr. Ray helped to arrange for Mr. Gorbachev to visit New York, where he met with Mr. Giuliani at City Hall. He later said he arranged the visit, on Dec. 18, 1997, at Mr. Kerik's request.

A photograph from the time shows Mr. Ray outside City Hall that day, standing behind Mr. Gorbachev, with Mr. Kerik in the foreground. Mr. Kerik and Mr. Gorbachev are both gesturing with their hands in opposite directions.

Beaten up in a lobby

Mr. Ray would end up cooperating with authorities in cases against not only Mr. Kerik but also Mr. DiTommaso. Mr. Ray testified against Mr. DiTommaso in a 2012 perjury trial related to the renovation scandal.

Years later, the slight was not forgotten. Mr. Ray popped up in the news in 2017, when a video from two years earlier of his being pummeled in the lobby of the Hudson Hotel by Mr. DiTommaso was obtained by the Daily News.

The video shows Mr. DiTommaso walking past Mr. Ray, and then back toward him after apparently recognizing him. Mr. DiTommaso then attacked Mr. Ray. Two people nearby in the lobby rushed over and tried to stop the attack.

The beating left Mr. Ray with a skull fracture as well as permanent speech and other neurological problems, Mr. Ray's lawyer, Edward Hayes, said at the time. Federal investigators now charge that by that point Mr. Ray was already years into his extortion schemes involving the students from Sarah Lawrence College.

Complex Frauds and Cybercrime

Blicht

Crooked International Longshoremen's Association honcho sentenced to two years for taking \$150,000 in bribes

NY Daily News

By Stephen Rex Brown

2/12/2020

The ex-president of a local Longshoremen's union was sentenced to two years in prison Wednesday for taking \$150,000 in bribes.

Glenn Blicht, 57, was convicted of using his powerful post as president of the International Longshoremen's Association Local 1964 to shake down the owner of a dry cleaning and laundry business.

He spent the dirty money — which he referred to as "tickets" — on designer watches, custom clothing, sports tickets, meals at pricey restaurants, and cigars, the feds said.

"As the president of a labor union, Glenn Blicht's duty was to fight for his union members. Instead, he repeatedly sold them out in exchange for cash bribes, which he spent on luxury items. For this betrayal, he has been sentenced to federal prison," Manhattan U.S. Attorney Geoffrey Berman said.

Blicht's downfall came was due to the president of a laundry business becoming a cooperating witness.

The ILA repped workers of the business, many of whom contributed \$25 monthly dues while earning minimum wage, prosecutors said. The bribery scheme began as early as 2009, when Blicht was an officer of the union.

Around that time, Blicht crossed paths with the laundry owner and his wife in a restaurant, according to court papers. Blicht noted a ring the owner's wife was wearing.

"I could own that ring if your husband doesn't do the right thing," Blicht allegedly said.

"If you want to have a good union, you want to have peace, you'll take care of me," he said on a different occasion, prosecutors said.

Blicht got impatient ahead of a meeting with the laundry owner at a restaurant last July.

"Don't screw me on this. Cause if you do — this is not a threat, it's a promise — you're gonna regret it," he said in a call recorded by prosecutors. He was arrested after that meeting carrying a \$10,000 bribe, prosecutors said.

Blicht had argued he was a tireless advocate for workers and noted that an independent monitor determined the bribery did not affect his union's representation of its members.

Rowe

Deranged cyberstalker harassed Bronx student for nearly six years, cops say

NY Post

By Gabrielle Fonrouge

2/13/2020

A deranged cyber-stalker who harassed a Bronx high school student he met on a gaming platform has been arrested, federal prosecutors announced Wednesday.

The suspect hacked into the girl's online accounts, sent SWAT teams to her house and even broke into her school's grading system, authorities said.

Back in 2014, Tristan Rowe, who refers to himself as Angus, first met the victim while they were playing an online video game. But after about four months, the victim stopped playing and told Rowe she didn't want to speak to him anymore, a criminal complaint alleges.

That's when Rowe — of Smyrna, Tennessee — began a campaign of cyber harassment that lasted nearly six years and included the victim, her dad, her sister, her ex-boyfriend, her ex's sister and her mom's boyfriend, court papers say.

Angus started calling the victim persistently and receiving text messages that were "obsessive," "lewd" and "threatening," investigators allege.

"When I get u im putting u in the back of the trunk bitch ass n—a ill cut u from f—king ear to ear and ill pull ur tongue through the slit Columbian style bitch," one text, allegedly sent by Rowe, reads.

He also allegedly texted her a large kitchen knife, a text asking if he should sign the victim up for "an escorts website," and a message depicting a detailed map showing the route from Tennessee to the victim's Bronx home, prosecutors allege.

He allegedly sent a picture of an adult penis to the sister of the victim's ex-partner, prosecutors said.

Rowe appeared to get a sick pleasure from the harassment and even admitted he was the victim's cyberstalker in a text he sent her, the papers say.

"Angus(noun): [Victim-2]'s cyberstalker," one text read as if Rowe's code name was a definition from a dictionary.

Simultaneously, Rowe was hacking into the victim's Facebook, email and Snapchat accounts and would send messages to the victim's friends with demands that they put Rowe in touch with her.

Rowe also allegedly sent emails to the victim's professors once she was in college that offered to sell nude photos of the victim and her mom's boyfriend, the complaint states.

He also allegedly called in over 100 fake 911 calls to the victim's address and subjected them to "multiple 'swatting' incidents" — a harassment tactic abusers use to send SWAT teams or emergency units to a person's home based on a fake threat — court papers say.

"On multiple occasions, police officers responded to her home in the Bronx, New York — often with guns drawn," the complaint reads.

"She was once awoken by police officers outside her bedroom door, and found the 'swatting' incidents to be extremely frightening and upsetting."

The victim and her dad received texts from Rowe that said "if you do not speak up you will be shot and killed by a swat team," "I do not play games with swatting," "next swatting victim will be courtesy of me" and "they killed a man in Witchita [sic] Kansas over some swatting."

Rowe was seemingly referring to an Ohio gamer, Tyler R. Barriss, who staged a swatting incident that left a 28-year-old innocent man named Andrew Finch dead.

The stalker then targeted the victim's high school by calling in "multiple threats," including a bomb threat and an active shooter threat from a person who identified themselves as "Angus" and demanded they be put in contact with the victim, the complaint states.

Rowe also allegedly breached the high school's grading system and was caught with homework assignments on his computer that had the victim's name on it, prosecutors allege.

Investigators tracked Rowe down using IP addresses from his hacks and found him in Smyrna where he admitted to much of the harassment and was subsequently arrested.

While reviewing computers seized from his home, police determined he'd also hacked into a police department website, the website for a Bronx hospital and a state law enforcement website.

Prosecutors didn't immediately return a request for comment seeking Rowe's age, which was left out their release and their criminal complaint.

Securities and Commodities Fraud

Orlean

Ex-CEO From Long Island Sentenced For Scheme To Defraud Victims In Sale Of Worthless Stock

Daily Voice
By Zak Failla
2/13/2020

Hauppauge resident Keith Orlean - also known as "Jack Allen" - was sentenced to 32 months in prison after pleading guilty in Manhattan federal court.

Orlean admitted to participating in a scheme targeting elderly persons to solicit purchases of stock using a series of valueless companies through a variety of lies and misrepresentations.

For several years, Orlean and his co-conspirators operated a fraudulent scheme in which a salesman named "Mike Palmer" would call elderly people, U.S. Attorney for the Southern District of New York, Geoffrey Berman said.

The callers offered the victims a "time-sensitive opportunity to buy stock in certain companies," Berman said.

Berman said that there was no "Mike Palmer," and the salesman was one of Orlean's two co-conspirators, who took turns using the faux alias.

The alleged time-sensitive investments were also fabricated by the three men, and the money went to companies they controlled.

"In one intercepted phone conversation, a co-conspirator described to Orlean his strategy for a successful investor sales pitch as: 'You ram it down their (expletive deleted) throat,' " Berman said.

"In another intercepted call," Berman added, "upon learning that a particular victim investor died, the co-conspirator remarked: 'I knew I should have pulled the last \$10,000 out of him.' "

According to the FBI, since April 2014, Orlean and his conspirators convinced more than 50 elderly people to purchase stock in companies based on false representations. In total, they solicited more than \$2 million.

Orlean, 62, pleaded guilty to one count of conspiracy to commit securities fraud and one count of securities fraud.

In addition to his prison term, Orlean was ordered to pay restitution of \$2,080,771 and will forfeit \$883,700. He will also serve three years of supervised probation following his release.

Berman said, "Keith Orlean and his co-conspirators obtained more than \$2 million by taking advantage of innocent investors – many of them elderly – through blatant lies.

As this prosecution and today's sentence reflect, this kind of predatory fraud will not be tolerated."

Money Laundering and Transnational Criminal Enterprises

Haney

Silk Road Dealer Busted In \$19M Bitcoin Haul Gets 3½ Years

Law360

By Pete Brush

2/12/2020

Law360, New York (February 12, 2020, 7:09 PM EST) -- A Manhattan federal judge sentenced a 61-year-old Ohio businessman who sold oxycodone on the Silk Road online drug bazaar to 3½ years in prison Wednesday after the feds caught him lying about where he had gotten bitcoins that had surged in value to \$19 million.

U.S. District Judge Jed S. Rakoff also hit Hugh Brian Haney, who has forfeited his bitcoin haul, with a \$10,000 fine.

Once a successful Westerville, Ohio, toy merchant, Haney, who has already served time for a drug offense, sold oxycodone on Silk Road's "Pharmville" section in 2011 and 2012. He stopped in 2012 and was not apprehended.

It was not until July when Haney was caught lying to the Coinbase exchange about the provenance of his bitcoins, which had sharply appreciated in value from about \$8,600, as he tried to cash out. Haney was arrested and jailed in July and pled guilty in November to charges of money laundering and selling property obtained through criminal means.

Judge Rakoff's sentence came in far below the punishment contemplated by official sentencing guidelines, which the judge called "absurd" and "totally nuts" on Wednesday. The guidelines called for a prison term of about 17 years.

"This case amply demonstrates how ridiculous they are," Judge Rakoff said.

Haney's lawyer, Martin Cohen, had asked for a prison term of 18 months, citing mitigating conduct including the defendant's charitable giving and his quick acceptance of responsibility.

Haney told the court that he started selling on Silk Road in the midst of his own opioid addiction, which he said he has now escaped. He called Silk Road "wrong" and "evil," saying he initially thought he was helping other addicts but quickly realized he was making a mistake when the now-shuttered site began to "explode" in popularity.

"I do deeply regret what I did," he said. "I just lost all sense of reality."

Haney is at least the fifth person to be sentenced in the United States in connection with the takedown of Silk Road, a bust that made international headlines in 2013.

The site's founder, Ross Ulbricht, is serving life in prison. Two site operators, Gary Davis and Andrew M. Jones, have been sentenced to 6½ years and 5½ years in prison, respectively. Both remain incarcerated. Peter P. Nash, a Silk Road site moderator, got a sentence of time served in 2015.

Another Silk Road defendant, Roger Thomas Clark, awaits sentencing after entering a guilty plea earlier this year. Prosecutors have characterized Clark as a central figure who worked closely with Ulbricht. He is scheduled to be sentenced in May by U.S. District Judge William H. Pauley III.

Counsel for Haney declined comment after Wednesday's hearing.

Haney is represented by Martin Cohen of the Federal Defenders of New York Inc.

The government is represented by Samuel Raymond and Tara La Morte of the U.S. Attorney's Office for the Southern District of New York.

The case is USA v. Haney, case number 1:19-cr-00541, in the U.S. District Court for the Southern District of New York.

General Crimes

Myrie

Man Accused Of Sex Trafficking Minor Sentenced

Patch

By Michael Woyton

2/13/2020

WESTCHESTER COUNTY, NY — A New York man will be spending more than a decade behind bars for sex trafficking a minor girl. Geoffrey S. Berman, the U.S. Attorney for the Southern District of New York, said Jermaine Myrie, 35, was sentenced Thursday by U.S. District Judge Kimba M. Wood to 135 months in prison.

Myrie had previously pleaded guilty to one count of conspiracy to engage in sex trafficking of a minor.

Berman said Myrie previously admitted to unconscionable conduct involving the exploitation of a minor girl who lived in the state's social services system.

"Today's lengthy prison term exemplifies the seriousness of Myrie's crimes against his vulnerable minor victim," he said.

Berman said his office will continue to advocate for the victims of these crimes and urges anyone who might have information that may be relevant to this investigation to contact the FBI at 1-212-384-1000 or <https://tips.fbi.gov>.

According to prosecutors and court documents, from January 2016 to April 2016, Myrie, who is also known as "Rapp," participated in a conspiracy to engage in sex trafficking and sexual exploitation of a minor victim.

Authorities said he recruited, enticed, harbored, transported, provided, obtained and maintained the victim for the purpose of commercial sex.

Prior to being trafficked by Myrie, the girl lived at a residential treatment facility located in Westchester County, which provided housing for at-risk troubled children on behalf of social services for certain counties in the state.

Prosecutors said Myrie recruited the victim by saying he was romantically interested in her. He used Backpage.com, an online classifieds website, to post ads of the girl for commercial sex.

Myrie sent the child to engage in commercial sex in locations in the Bronx.

He also used physical violence with the girl to discourage her from working for any other pimps, prosecutors said.

In addition to his prison sentence of 11.25 years, Myrie was sentenced to five years of supervised release.

He is the second defendant to be sentenced in this case by Wood for his participation in sex trafficking of minors.

Reuben Sands, who pleaded guilty to conspiracy to violate the Travel Act, was sentenced Dec. 18 to a term of 60 months in prison.

Berman said this case is part of an ongoing prosecution of 19 defendants accused of sex trafficking at least 20 minor girls and young adults in the state's social services systems. All 19 have been convicted, either via guilty plea or following trial.

White Plains

Klein

Plea Deals For Rockland Schemers In \$14M Yeshiva E-Rate Fraud

Patch

By Lanning Taliaferro

2/13/2020

ROCKLAND COUNTY, NY — Seven people accused of stealing \$14 million from the federal E-Rate program using yeshivas in Rockland County pleaded guilty Thursday. Under a plea deal, they pleaded guilty each to one count of conspiring against the United States, prosecutors announced.

They must also make restitution totaling \$3.3 million.

The Monsey and Spring Valley residents billed the government for telecommunications equipment and services that were not actually provided to Jewish religious schools and used the money for themselves.

Simon Goldbrener, Ben Klein, Peretz Klein, Susan Klein, Aron Melber, Moshe Schwartz and Sholem Steinberg were vendors, consultants and yeshiva school officials involved in the fraud. Prosecutors had alleged that between 2009 and

2016, the schemers applied for \$35 million in E-rate funding and received \$14 million.

"Each of these defendants has now admitted his or her role in a massive scheme that stole millions of dollars from the E-Rate program," said Geoffrey S. Berman, United States Attorney for the Southern District of New York. "That money should have been spent to help educate underprivileged children. Instead, it went to line the defendants' pockets. Now they will answer for their crimes."

In some cases, the ultra-Orthodox school listed on the application would not have allowed its students to use modern classroom technology. In other cases, the school did receive technology, but the program was over-billed and the conspirators pocketed the difference.

In one particularly egregious example, the school for which the application was made was a day care center serving 2-4-year-olds. The school received almost \$500,000 for technology including video-conferencing, distance learning and high-speed internet.

In return for their participation in the scheme, prosecutors allege school officials took freebies including cellphones for staffers' personal use and security and alarm systems (which are not covered under the program).

The E-Rate program distributes funds to schools and libraries mostly serving economically disadvantaged children, so that those institutions can afford needed telecommunication services, internet access, and related equipment. More than 30,000 applications from schools and libraries seeking funds to serve economically disadvantaged children were received each year during the relevant time period; every year, requests for E-Rate funds exceeded funds available.

The Rockland schools never received millions of dollars' worth of the items and services for which the conspirators billed the E-Rate program. The conspirators who held themselves out as independent consultants working for the schools actually worked for and were paid by others who controlled vendor companies.

Corporations controlled by the Kleins and Steinberg masqueraded as vendors and requested over \$35 million in E-Rate funds, and received over \$14 million in E-Rate funds, from in or about 2010 to in or about 2016. Each has now admitted that the companies they controlled did not in fact provide much of the equipment for which they billed the federal government, prosecutors said.

Goldbrener and Schwartz held themselves out as consultants who worked for educational institutions, supposedly helping schools to participate in the E-Rate program by, among other things, holding a fair and open bidding process to select cost-effective vendors. They have now admitted that they were in fact paid hundreds of thousands of dollars by the vendors to complete and file false E-Rate documents that circumvented the bidding process and resulted in the payment of millions of dollars to the vendors.

Aron Melber was an official at a private religious school in Rockland County, New York, that participated in the E-Rate program with some of the other conspirators. Melber has now admitted that he filed false certifications with the E-Rate program, falsely claiming to have obtained authorized E-Rate funded equipment and services from vendors selected through a fair and open bidding process.

One count of a conspiracy to commit wire fraud carries a maximum sentence of five years in prison and a \$250,000 fine.

PERETZ KLEIN, 66, of Spring Valley, New York, pled guilty before United States Magistrate Judge Judith McCarthy. He was charged initially with Conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349 (one count), which carries a sentence of up to 20 years in prison, and Wire fraud, in violation of 18 U.S.C. §§ 1343 and 2 (one count): 20 years in prison. As part of his plea agreement, Peretz Klein also agreed to forfeit \$1,144,288.37, and to pay restitution of the same amount. Peretz Klein is scheduled to be sentenced by Judge Karas on June 17.

SUSAN KLEIN, 59, of Spring Valley, New York. She was charged initially with Conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349 (one count): 20 years in prison; and Wire fraud, in violation of 18 U.S.C. §§ 1343 and

2 (one count): 20 years in prison. As part of her plea agreement, Susan Klein also agreed to forfeit \$1,144,288.37, and to pay restitution of the same amount. Susan Klein is scheduled to be sentenced by Judge Karas on June 17.

SIMON GOLDBRENER, 57, of Monsey, New York, pled guilty on Feb. 3, before United States Magistrate Judge Paul E. Davison. He had been charged initially with Conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349 (one count): 20 years in prison; and Wire fraud, in violation of 18 U.S.C. §§ 1343 and 2 (three counts): 20 years in prison per count. As part of his plea agreement, Goldbrener also agreed to forfeit \$479,357.18, and to pay restitution of the same amount. Goldbrener is scheduled to be sentenced by Judge Karas on June 8.

MOSHE SCHWARTZ, 46, of Monsey, New York, pled guilty on February 6, 2020, before Judge Davison. He was charged initially with Conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349 (one count): 20 years in prison; and Wire fraud, in violation of 18 U.S.C. §§ 1343 and 2 (one count): 20 years in prison. As part of his plea agreement, Schwartz also agreed to forfeit \$275,160.00, and to pay restitution of the same amount. Schwartz is scheduled to be sentenced by Judge Karas on June 8, 2020.

BEN KLEIN, 41, of Monsey, New York, pled guilty on Jan. 24, before United States Magistrate Judge Lisa Margaret Smith. He was sentenced initially to Conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349 (one count): 20 years in prison; and to Wire fraud, in violation of 18 U.S.C. §§ 1343 and 2 (one count): 20 years in prison. As part of his plea agreement, Ben Klein also agreed to forfeit \$412,586.37, and to pay restitution of the same amount. Ben Klein is scheduled to be sentenced by Judge Karas on May 22.

SHOLEM STEINBERG, 41, of Monsey, New York, pled guilty on Jan. 30, before Judge McCarthy. He was charged initially with Conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349 (one count): 20 years in prison; and Wire fraud, in violation of 18 U.S.C. §§ 1343 and 2 (two counts): 20 years in prison per count. As part of his plea agreement, Steinberg also agreed to forfeit \$191,423.50, and to pay restitution of the same amount. Steinberg is scheduled to be sentenced by Judge Karas on May 12.

ARON MELBER, 44, of Monsey, New York, pled guilty on Jan. 30, before Judge McCarthy. He was charged initially with Conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349 (one count): 20 years in prison; and Wire fraud, in violation of 18 U.S.C. §§ 1343 and 2 (one count): 20 years in prison. As part of his plea agreement, Melber also agreed to forfeit \$127,654.55, and to pay restitution of the same amount. Melber is scheduled to be sentenced by Judge Karas on May 8.

The Journal News, the Rockland County Times and Jewish news organizations had reported in 2013 on the amount of money from the E-rate program going to ultra-Orthodox Jewish communities, which usually forbid their students to access the internet.

Berman thanked the Federal Bureau of Investigation, the Federal Communications Commission - Office of the Inspector General, and the Rockland County District Attorney's Office for their outstanding work on the investigation. This case is being handled by the Office's White Plains Division. Assistant United States Attorneys Michael D. Maimin, Hagan Scotten, and Vladislav Vainberg are in charge of the prosecution.

Matters of Interest

Stone

This is a revolting assault on the fragile rule of law

The Washington Post

By Chuck Rosenberg

2/12/2020

Something extraordinary and deeply troubling happened at — and to — the Justice Department this week. Four federal prosecutors properly, and as a matter of conscience, withdrew from the Roger Stone case. They had shepherded that case through the criminal-justice system but in an alarming development were ordered to disavow a sentencing recommendation they filed with the federal judge overseeing the matter.

Their original recommendation — asking the judge to sentence Stone within the range set by the U.S. Federal Sentencing Guidelines for the offenses for which Stone was convicted at trial — was a perfectly ordinary filing. It is the type of pleading filed in federal courts by federal prosecutors every day. Certainly, when a defendant is convicted at trial, it is routine for prosecutors to suggest to the judge that he be sentenced within a prescribed range — the result of a cumbersome sentencing guidelines calculation that is often debated between the parties and adjudicated by the court.

Of course, the filing was just a recommendation to the judge, who has ample authority to sentence Stone within that range — or above it or below it — as she determines. Prosecutors do not sentence defendants; judges do. So how did something so ordinary become so extraordinary?

First, some background. The Justice Department that I know and love — and in which I worked for two decades in many roles — must always be two things to the public it serves: fair and perceived as fair. These are related but distinct concepts. Our work must be fair — that is, we must have fair outcomes as a matter of practice and principle. Anything less is unacceptable, which is one reason, for instance, we turned over exculpatory evidence (a constitutional obligation) and why we publicly fronted our mistakes when we made them.

But our work must also be perceived as fair. Fair outcomes are not worth much if the public does not perceive those outcomes as fair. One way, among many, we ensure that is to assiduously avoid politics in our work. When I was a career federal prosecutor in Virginia, my colleagues and I simply did not talk about politics. I did not know then, and I largely do not know now, how my colleagues (including the federal agents with whom we worked) voted or even if they voted. It simply did not matter to our work. Folks did not talk about it. It was irrelevant to our work. We knew that unwritten rule. Whatever our view, we kept it to ourselves, because it had no place in our world and because letting it seep in would corrode our work. We worked free of political interference or influence. Always.

Until now, apparently. What happened? Following the routine filing by the career prosecutors — in line with the sentencing guidelines applicable to the Stone case — the president inexplicably tweeted that the sentence Stone faced was a “miscarriage” of justice, calling it a “horrible and very unfair situation.”

And then — and this is the part that is so disturbing — the prosecutors were ordered, either because of the president’s tweet or irrespective of it (and both scenarios are awful), to rescind their original recommendation and to ask the judge that Stone receive more lenient treatment at his sentencing. What the prosecutors were ordered to do was dangerous and unsettling and undermined everything they — and we — stood for as Justice Department professionals. They properly refused.

We all understand that the leadership at the top of the department is politically appointed, and we make peace with that (in addition to my work as a career federal prosecutor, I served in political positions under Presidents George W. Bush and Barack Obama in the Justice Department and worked for thoughtful appointed leaders of both parties), but being asked by that leadership to allow politics to corrode our work is not remotely normal or permissible. And it is treacherous.

The rule of law is a construct. It was made by people — and is nurtured and preserved by people. It can also be destroyed by people. And unlike the law of gravity, which works everywhere and all the time (at least on this planet), the rule of law is precious and fragile. As citizens and prosecutors, we either safeguard it or we surrender it. That’s the choice. What political leadership did here — mandating a favor for a friend of the president in line with the president’s publicly expressed desire in the case — significantly damages the rule of law and the perception of Justice Department fairness.

Principled resignations by career federal prosecutors highlighted this dangerous stunt. I am proud of them for that.

But I find it revolting that they were pushed into that corner (one resigned his job; three others resigned from the case) and saddened by their sacrifice. This is not normal and it is not right, and it is dangerous territory for the rule of law.

Safeguard or surrender. You choose.

Barr pushes back against Trump's criticism of Justice Dept., says tweets 'make it impossible for me to do my job'

The Washington Post

By Devlin Barrett and Matt Zapposky

2/13/2020

Attorney General William P. Barr pushed back hard Thursday against President Trump's criticism of the Justice Department, saying, "I'm not going to be bullied or influenced by anybody."

In an interview with ABC News, Barr said the president's highly critical tweets aimed at the department "make it impossible for me to do my job."

Barr said he was prepared to accept the consequences of speaking out against the president.

"I cannot do my job here at the department with a constant background commentary that undercuts me," the attorney general said.

Barr has faced growing scrutiny since Tuesday, when four prosecutors handling the case of President Trump's longtime friend Roger Stone withdrew from the proceedings amid a dispute over how long he should spend in prison.

In a Monday court filing, the four prosecutors had recommended a prison sentence of seven to nine years, following extensive debate beforehand with their supervisors in the D.C. U.S. Attorney's Office.

Trump reacted angrily, tweeting Tuesday: "This is a horrible and very unfair situation. The real crimes were on the other side, as nothing happens to them. Cannot allow this miscarriage of justice!"

A senior Justice Department official claimed department leadership was "shocked" at the first recommendation and felt a need to correct it. Later Tuesday, more senior Justice Department officials called the recommendation of seven to nine years excessive, and a new filing was made to the court suggesting it would be more fair to give Stone three to four years in prison.

The new sentencing recommendation — signed by the interim U.S. attorney for D.C., Timothy Shea, and a different career prosecutor — said the previous guidance "could be considered excessive and unwarranted under the circumstances." Shea, a former close adviser to Barr at Justice Department headquarters, was installed at the U.S. Attorney's Office last month.

Stone was convicted by a jury in November of obstructing Congress and witness intimidation, and prosecutors said he lied to protect Trump.

Prosecutors and defense lawyers can only make recommendations about prison sentences; Stone is scheduled to be sentenced Feb. 20 by U.S. District Court Judge Amy Berman Jackson.

Kerri Kupec, a Justice Department spokeswoman, has said the agency decided before Trump's Tuesday tweet to revise the sentencing recommendation, and that there were no discussions between the White House and Justice Department about Stone's case in the days leading up to the prosecutors' guidance.

Current and former Justice Department officials have expressed alarm about the sequence of events, questioning whether the department under Barr has bent to the president's whim on a high-profile case filed by former special counsel Robert S. Mueller III as part of his investigation of Russian interference in the 2016 presidential election.

On Wednesday, Trump praised the department's change of course and singled out Barr specifically.

"Congratulations to Attorney General Bill Barr for taking charge of a case that was totally out of control and perhaps should not have even been brought," Trump wrote on Twitter. "Evidence now clearly shows that the Mueller Scam was improperly brought & tainted."

Democrats called earlier this week for the inspector general to investigate the dispute surrounding Stone's sentence recommendation.

Democrat won't rule out new Trump impeachment over Roger Stone case

Fox

By Brooke Singman and Marisa Schultz

2/13/2020

Democratic Rep. Eric Swalwell, in an interview Wednesday, would not rule out a new impeachment effort against President Trump over his alleged interference in the criminal case of his former associate Roger Stone.

Federal prosecutors on Monday had recommended a sentence of between 87 and 108 months in prison for Stone's conviction on seven counts of obstruction, witness tampering and making false statements to Congress on charges that stemmed from former Special Counsel Robert Mueller's investigation.

But in a stunning reversal, as Fox News first reported, leadership at the Justice Department overruled the prosecutors on the case, scaling back the proposed sentence for Stone, which immediately led Democrats to accuse Trump of interfering in the process by tweeting about his displeasure with the DOJ. Trump denies it, and the case lately has been complicated further by questions over possible juror bias.

During an interview with CNN on Wednesday, Swalwell, D-Calif., was asked whether Democrats would look to launch a new impeachment inquiry on the new controversy.

"You know, we're not going to take our options off the table," Swalwell, a member of the House Judiciary and Intelligence Committees, told CNN. "We don't wake up in the morning wanting to impeach him."

He added: "We want to work with him on prescription drugs, background checks, and infrastructure, but we're not going to let him just torch this democracy because he thinks that he's been let off once and we're not going to do something about it."

Swalwell's comments come as several Democrats on Capitol Hill have demanded investigations -- and even the resignation of Attorney General Bill Barr -- after the move to scale back the Stone sentence.

"Congress must act immediately to rein in our lawless Attorney General," Sen. Elizabeth Warren, D-Mass., tweeted Wednesday. "Barr should resign or face impeachment."

Sen. Richard Blumenthal, D-Conn., also slammed Barr, saying he "ought to be ashamed and embarrassed and resign as a result of this action directly interfering in the independent prosecution of Roger Stone." He also said the controversy was yet another example of "political interference by the president to alter the independent decisions of the Department of Justice."

House Judiciary Committee Chairman Rep. Jerry Nadler, D-N.Y., didn't answer a question on whether Barr should resign but said: "I think the behavior is extremely egregious."

The latest Democratic fervor comes after four career prosecutors withdrew from the Stone case, including one quitting outright, after leadership at the Justice Department (DOJ) overruled them.

Senate Democratic Leader Chuck Schumer, D-N.Y.; Sen. Dianne Feinstein, D-Calif., and Sen. Kamala Harris, D-Calif., immediately called for an investigation into Trump's alleged political intervention into Stone's sentencing.

Schumer also took to the Senate floor and torched Senate Republicans who acquitted Trump on two articles of impeachment for enabling Trump's conduct.

"Republicans thought the president would learn his lesson," Schumer said in a veiled jab at Sen. Susan Collins, R-Maine. "It turned out that the lesson he learned was not that he went too far -- not that he needed to rein it in. The lesson the president learned was that the Republican Party will not hold him accountable no matter how egregious his behavior. Not now, not ever."

But Senate Judiciary Committee Chairman Sen. Lindsey Graham wasn't too keen on Schumer's demand for an emergency hearing.

"Like I take everything with him [with] a grain of salt," said Graham, R-S.C.

Fresh off of weeks of impeachment, Democrats raised similar alarm bells and phrases as during the Ukraine saga, saying the Stone matter is another example of political interference, abuse of power and President Trump thinking he's above the law.

Lead impeachment manager Rep. Adam Schiff ripped Trump for trying to influence the judicial system.

"It's a shocking undermining of the rule of law in this country," Schiff said, adding it's "an abuse of the powers of his office."

Another impeachment manager, lawyer and former judge, Rep. Sylvia Garcia, D-Texas, told Fox News: "This president's behavior is just totally out of control. This is one of the most egregious things that I've ever seen."

She stopped short of calling for Barr's resignation but said: "We can't sit back and not do something. The question is what."

She ticked off the oversight tools House Democrats still have.

"It's hearings. It's investigation. It's litigation. It's subpoenas. It's contempt. It's all the same ones we've always had, but it's a question of making sure that we're strategic in what we do," she said.

However, Trump on Wednesday denied interfering in Stone's criminal case, while declining to say whether he'd consider a pardon for the GOP political operative.

"The fact is that Roger Stone was treated horribly and so were many other people," Trump said. "Their lives were destroyed."

"I want to thank the Justice Department -- and I didn't speak to them, by the way -- they saw a nine-year sentence... nine years for something nobody can even define what he did," Trump continued. "They put a man in jail, destroy his life, his family, his wife."

He added: "Roger Stone -- nobody even knows what he did... Frankly, they ought to apologize to a lot of people whose lives they've ruined."

Stone is scheduled to be sentenced by Judge Amy Berman Jackson on Feb. 20.

Earlier this month, after a weeks-long Senate trial, the president was acquitted on charges of abuse of power and obstruction of Congress in connection to his pressure campaign on Ukraine to investigate Democrats.

Trump Escalates Crisis With Attack On Roger Stone Jury Foreman

TPM

By Josh Kovensky

2/13/2020

President Trump adopted as his own attacks on the foreperson of the jury in the prosecution of GOP provocateur Roger Stone on Thursday, bringing his interference in the case of a former campaign adviser to a new level.

Trump appears to have been triggered by attacks in the right-wing press that began to percolate Wednesday night, attempting to discredit Stone's guilty verdict on charges of obstruction, witness tampering, and lying to Congress as the product of "bias" on the part of the jury foreperson.

"The President oughta just butt out of it and let the process work its course," Mark W. Bennett, a former Iowa federal judge, told TPM. "There are going to be jurors that are Democrats, Republicans, Independents; just because somebody is registered as a Democrat or active in the Democratic party doesn't mean that they couldn't be fair in the case."

The President's involvement in the case marks a new high water mark in his interference in the criminal justice system to help a longtime ally and associate, in a week already marred by the Justice Department rescinding a sentencing recommendation of 7–9 years for Stone after the President expressed displeasure.

"The President is totally out of control," William Yeomans, a former deputy assistant attorney general, told TPM, adding that Trump was trying to "rewrite history" and "delegitimize" the convictions that came out of the Mueller investigation.

The current spate of attacks on the jury foreperson come one day after an unsealed order in Stone's case showed that the GOP operative's defense team had pushed for a retrial, alleging that another juror in the case was tainted.

The judge quickly denied that request, noting that Stone's legal team was afforded the chance at the start of the trial to select jurors and remove potential members of the jury.

"When jurors come to court, they don't have to be totally ignorant, they can be aware of public affairs, they can have lives outside the jury," Yeomans said. "The only question is whether they are capable of putting aside preconceived beliefs, and coming to an honest conclusion based on the facts and the law," he added.

Under the federal criminal justice system, Stone's defense had the same right to do that as prosecutors, all under the supervision of an impartial judge — in this case District Judge Amy Berman Jackson.

The current batch of allegations began to appear late Wednesday evening. The jury foreperson made a Facebook post expressing support for the professionalism of the four prosecutors who resigned in protest from the case this week, thereby revealing her identity.

Right-wing operatives and media organizations immediately jumped on the juror's background, accusing the person of being an operative of the Democratic Party.

Neither the articles nor President Trump have mentioned that Stone's attorneys were afforded the opportunity at the start of his November 2019 trial to examine each potential juror in depth, and request that potential jury members that they found unsuitable be removed from the case.

Trump's decision to sign onto the attack marks not only an escalation in his meddling in the Stone case, but a change in direction; while the President's actions this week have gone towards preventing federal prosecutors from demanding a tough sentence for Stone, in this case, Trump is directing his attack at the judiciary, a separate branch of government meant to remain impartial.

"In this new Wild West in which we're living, everybody is open to attack," Yeomans added. "So jurors may be game, and that's disturbing, but I hope that the jurors will continue to understand that they are protected, there are safeguards, and they have to decide cases based on the facts and the law."

Harvey Weinstein Wanted to Testify. His Lawyers Stopped Him.

NYT

By Jan Ransom

2/11/2020

For a moment on Tuesday, it appeared that Harvey Weinstein might take the stand in his own defense at his rape trial in Manhattan.

For 30 minutes, Mr. Weinstein and his lawyers met in a private room; he expressed a desire to tell his side of the story while they advised him not to risk it, according to his spokesman.

But ultimately, Mr. Weinstein and his lawyers returned to the courtroom and told the judge that the defense was resting its case, setting the stage for closing arguments on Thursday. Later, as he left court, Mr. Weinstein was asked if he had considered taking the stand. "I wanted to," he said.

The producer's decision means the jury of seven men and five women will make its decision based on the accounts of his accusers and the testimony of several defense witnesses who attempted to cast doubt on their credibility.

As testimony ended, it became public that the head of the sex crimes unit in the Manhattan district attorney's office had given notice that she would resign in a few weeks.

The veteran prosecutor, Martha Bashford, had been criticized for declining to prosecute Mr. Weinstein in 2015, and the timing of her announcement, coming just before the case goes to a jury, prompted speculation that her decision was linked to the trial. In her resignation letter, she said only that she was stepping down because "40 years is a long time to stay in one place."

Allowing a defendant to testify can be tricky for defense lawyers. Having Mr. Weinstein, the once powerful Hollywood producer, testify would have exposed him to a grueling cross-examination by prosecutors. His statements would have also opened the door for prosecutors to call more witnesses to testify against him as part of a rebuttal case.

His lawyers have argued that Mr. Weinstein's accusers used him and engaged in consensual sexual encounters to advance their careers.

But if Mr. Weinstein were to take the stand, prosecutors would quite likely have tried to elicit testimony that would have portrayed him as a bullish, overbearing figure who had used his influence in the industry to coerce women into unwanted sexual encounters.

Mr. Weinstein, who produced movies such as "Shakespeare in Love" and "Pulp Fiction," has pleaded not guilty in State Supreme Court to five felony charges, including rape, criminal sexual assault and predatory sexual assault. If convicted on the predatory assault charge, he could be sentenced to up to life in prison.

Over three weeks, six women told the jury of seven men and five women that Mr. Weinstein attacked them, though he faces charges based on the allegations of only two of them: Jessica Mann, a former actress who said the producer raped her in 2013, and Miriam Haley, a former production assistant who said he forced oral sex on her in 2006.

The judge, Justice James M. Burke, allowed the other women to testify to allow prosecutors to establish a pattern of behavior, even though their allegations are too old to qualify as crimes under New York State law. The actress Annabella Sciorra, for instance, took the stand under the legal theory that her testimony would support the charges of predatory sexual assault.

He maintains that all the sexual encounters he had with his accusers were consensual.

The New York Post had first reported that Ms. Bashford, of the sex crimes unit, had announced her retirement on Friday, saying that after four decades in the district attorney's office — including nine heading the unit — she was “moving on.” She did not provide further details or respond to requests for comment.

In 2015, Ambra Battilana Gutierrez, a Filipina-Italian model, had accused Mr. Weinstein of groping her breasts and trying to slide his hand up her skirt. Ms. Bashford decided not to prosecute Mr. Weinstein because she did not believe she could prove any charges against him, and because the district attorney's office was concerned about the inconsistent accounts that Ms. Battilana Gutierrez had provided in a sexual assault case in Italy.

Cyrus R. Vance Jr., the Manhattan district attorney, was harshly criticized for the decision.

In a recent memo to his staff, Mr. Vance described Ms. Bashford as “a great leader, mentor and a pioneer in the use of DNA to prosecute cold cases and sex crimes cases.”

Back in the courtroom, after the jurors were excused for the day, defense lawyers asked the judge to prohibit prosecutors from mentioning Mr. Weinstein's walker in their closing arguments. The producer has used a walker after having back surgery in December, and the prosecution has been trying to counter the image of a frail man, incapable of committing the crimes of which he is accused.

“At times, Mr. Weinstein walked up this aisle without the walker,” said the lead prosecutor, Joan Illuzzi, after the jury was excused for the day. “The walker has been there as a prop.”

Justice Burke warned prosecutors to “leave the walker out of it.”

[New York Times](#)

The New York Times scoops its own collaboration effort, then apologizes for the ‘oversight’

The Washington Post

By Erik Wemple

2/12/2020

The International Consortium of Investigative Journalists (ICIJ) last year received very newsworthy documents relating to China's treatment of Uighurs and other Muslim minorities in the Xinjiang region of northwestern China. The papers were sensitive and required a lot of followup, so ICIJ did what it does best: It convened an international partnership of news organizations to vet, confirm and report on them.

Interest was high: More than 75 journalists from 17 outlets ended up participating in the effort. Among them: the New York Times, NBC News, the Associated Press, the Guardian, El País and Irish Times.

As the consortium was steaming toward publication in November, something weird happened: The New York Times, a partner in the Xinjiang effort, preempted the 17-outlet partnership with a separate investigation on the very same topic. “‘Absolutely No Mercy’: Leaked Files Expose How China Organized Mass Detentions of Muslims,” read the headline on the Nov. 16, 2019, story by New York Times reporters Austin Ramzy and Chris Buckley. The piece drew from 400-plus pages of Chinese documents that “offer a striking picture of how the hidden machinery of the Chinese state carried out the country's most far-reaching internment campaign since the Mao era,” they wrote.

“Striking” is about right. “Round up everyone who should be rounded up,” exhorted a Chinese official regarding the internment goals, according to the story. The internment operation has targeted Muslim Uighurs, who speak a Central Asian Turkic language and number about 10 million in Xinjiang. As the story notes, the Chinese government has long sought to respond to the Uighur opposition to central rule: “The current crackdown began after a surge of anti-government and anti-Chinese violence, including ethnic riots in 2009 in Urumqi, the regional capital, and a May 2014

attack on an outdoor market that killed 39 people just days before Mr. Xi convened a leadership conference in Beijing to set a new policy course for Xinjiang.”

A week later, the consortium published its series — “China Cables” — on the Xinjiang internment camps, also based on Chinese documents. The leaked papers, noted the ICIJ series, “uncovered the operations manual for running the mass detention camps in Xinjiang and exposed the mechanics of the region’s Orwellian system of mass surveillance and ‘predictive policing.’ ” The Chinese government has disputed the existence of these camps, insisting, instead, that they are “vocational education and training centres” where “trainees could go home regularly and ask for leave to take care of their children. If a couple are both trainees, their minor children are usually cared for by their relatives, and the local government helps take good care of the children.”

Yeah, right. A manual revealed by ICIJ helps color in the truth about these facilities:

The manual emphasizes that personnel must “prevent escapes” and mandates the use of guard posts, patrols, video surveillance, alarms and other security measures typical of prisons. Dormitory doors must be double-locked to “strictly manage and control student activities to prevent escapes during class, eating periods, toilet breaks, bath time, medical treatment, family visits, etc.,” the manual says.

“Students” are permitted to leave the camps only for reasons of “illness and other special circumstances,” it says, and camp personnel are required to “accompany, monitor, and control them” while away.

The memo also includes the provision — not always enforced, according to some former inmates — that detainees must remain in the camps for at least a year.

The ICIJ report links to the New York Times report from the previous week: “A recent New York Times article shed light on the historical lead-up to the camps.”

That the New York Times was working on its own Xinjiang-Uighur story while also working in a partnership on a Xinjiang-Uighur story generated enough displeasure among the ICIJ partners that top NYT editors were forced to explain themselves. “While our report was based on internal documents provided directly to us by a member of the Chinese political establishment [in early 2019], the subject was similar to our joint project with the ICIJ,” reads a late 2019 memo from Executive Editor Dean Baquet, Managing Editor Joe Kahn and Deputy Managing Editor Matthew Purdy. “We should have alerted the group to our ongoing efforts on Xinjiang prior to joining the collaborative effort in September. We also should have consulted with the group on the timing of the story we published, especially given the proximity to the target date of publication for the ICIJ work.”

“We apologize for that oversight. We are committed to working together constructively with the group and will take steps to ensure that kind of miscommunication is not repeated,” notes the memo, which goes on to say that the newspaper’s reporters were working on their Xinjiang exclusive “many months” before the collaboration with the consortium began. “The documents were in our possession, we had verified their authenticity through painstaking reporting and the correspondents had already filed drafts of articles before the ICIJ invited us in September into the current collaboration,” the Times editors write.

The Times had expected to publish its own Xinjiang story long before the ICIJ collaboration, but chalked up a delay to a number of factors — including a “multimedia production” that took “longer than anticipated”; what other sort of “multimedia production” is there? “The editors who initially discussed collaborating on Xinjiang with the ICIJ were not among those overseeing our other project on Xinjiang, and no one flagged the potential conflict to us,” reads the memo.

One reporter at the Times worked on both the paper’s exclusive and on the ICIJ partnership — with instructions to “keep the two projects separate.” That mandate — not to mix these two pieces in any way — may have “contributed to a misimpression that The Times was trying to keep its work secret from the ICIJ, or, worse, to use the ICIJ documents to advance the story we were doing on our own,” says the memo.

New York Times Managing Editor Joe Kahn tells the Erik Wemple Blog that the low levels of communication within the newspaper were no accident. Information on the pending Xinjiang project within the New York Times was “compartmentalized” to protect the safety of journalists working a story of high sensitivity to the Chinese government. “The caution with which we treated the materials and reporters and sources for the story is what accounts for the lack of communication,” says Kahn, who also points out that the Times had previously published deeply reported pieces on the topic.

Asked to comment on the situation, ICIJ Director Gerard Ryle told the Erik Wemple Blog via email, “Honestly, we don’t know what happened at the NYT. We weren’t there and we were focused on our own project,” said Ryle. “What we do know is the NYT ran a competing story a week ahead of our project while they were a member of our project and had access to our production schedule and shared reporting and other material.” Bolding added to highlight a key question: Did the New York Times use that access to beat out the ICIJ investigation? Nope, says Kahn: “Our story was in no way timed to be published just before the ICIJ story was intended to be published,” he says.

The ICIJ collaboration itself, says Ryle, was delayed on account of “safety concerns of partner colleagues in China.”

“In a note to us and our partners, Dean Baquet and his deputies describe their failure as a communications problem and offered an apology. We acknowledge the apology,” wrote Ryle.

ICIJ has scored some high-profile successes in rounding up media organizations to produce world-changing journalism. In 2016, it worked with more than 100 news organizations around the world on the Panama Papers, which exposed the self-dealing ways of global financial and political elites. A team of 250 journalists in 36 countries mounted a wide-ranging investigation of the medical-device industry — the “Implant Files” — resulting, among other things, in a helpful database for consumers. A recent collaboration, which included the New York Times, exposed the wealth and “unscrupulous deals” activities of Isabel dos Santos, Africa’s wealthiest woman.

Citing collaborative projects with WikiLeaks and ICIJ, Kahn says the Times has a well-established record of respecting these arrangements. “We would never take steps that intentionally front-run our partners in a collaboration,” says Kahn.

“This model requires a special kind of trust — that’s really what holds all of us together,” says Ryle.

That’s an understatement. Journalists are greedy monsters. They want this investigative bombshell, that collaboration; this embargoed press release, that exclusive interview. Too bad the Times didn’t properly assess its own appetites — and its own pipeline — when it forged the ICIJ collaboration on Xinjiang.

[REDACTED]
United States Department of Justice
U.S. Attorney’s Office | Southern District of New York
[REDACTED]