

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,      :
                                :      15-CR-252 (RJD)
                                :
                                :      May 29, 2015
                                :
AARON DAVIDSON,                :
                                :      Brooklyn, New York
                                :
                                :      Defendant.
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TRANSCRIPT OF CRIMINAL CAUSE FOR ARRAIGNMENT
BEFORE THE HONORABLE CHERYL L. POLLAK
UNITED STATES MAGISTRATE JUDGE

APPEARANCES:

For the Government: LORETTA LYNCH, ESQ.
 UNITED STATES ATTORNEY
 BY: DARREN LaVERNE, ESQ.
 ASSISTANT U.S. ATTORNEY
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 Brooklyn, New York 11201

For the Defendant: MICHAEL HANTMAN, ESQ.
 KATHERINE SKEELE, ESQ.

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1 THE CLERK: Civil cause for arraignment on
2 an indictment, 15-CR-252, United States v. Aaron
3 Davidson.

4 Please state your appearances for the
5 record.

6 MR. LaVERNE: Good afternoon, Judge. Darren
7 LaVerne, Evan Norris and Keith Edelman for the United
8 States.

9 THE COURT: Good afternoon.

10 MR. HANTMAN: Good afternoon, your Honor.
11 Michael Hantman and Katherine Skeelee of Holland &
12 Knight representing Aaron Davidson.

13 THE COURT: Good afternoon.

14 Mr. Davidson, I take it that you understand
15 English.

16 THE DEFENDANT: Yes.

17 THE COURT: If at any point something is
18 said that you don't understand, please tell me, all
19 right? Okay.

20 Counsel, I understand that you're admitted
21 to this Court but you are not yet, sir?

22 MR. HANTMAN: That's correct. We have the
23 pro hac vice application all prepared and I have the
24 certificate of good standing from the Florida Bar in my
25 e-mail and it's been e-mailed to your court. I

1 understand an original copy needs to be submitted,
2 which will be done as soon as possible, certainly by
3 early next week.

4 THE COURT: Okay.

5 Any objection from the government to him
6 appearing today and arguing before the Court pro hac
7 vice?

8 MR. LaVERNE: No, your Honor. I'd also just
9 mention that it's my understanding that Mr. Davidson is
10 also represented by another partner at the same firm
11 who works here in New York but who couldn't be here
12 today because of a scheduling conflict.

13 THE COURT: Okay.

14 Mr. Davidson, you're here today because a
15 grand jury has returned an indictment. I believe I've
16 got all the counts but correct me if I'm wrong --
17 charging you in Count 1, 25, 29, 37, 38, 39, 40 and 47.

18 Is that correct?

19 MR. LaVERNE: 33, 34 to 36.

20 THE COURT: 34 to 36. I did miss some,
21 okay.

22 MR. LaVERNE: 37, 38.

23 THE COURT: I got those.

24 MR. LaVERNE: 39, 40 and 47.

25 THE COURT: Count 1 charges you with,

1 together with others, engaging in a pattern of
2 racketeering activity, including multiple acts of wire
3 fraud, money laundering, money laundering conspiracy,
4 interstate and foreign travel in aid of racketeering,
5 obstruction of justice and bribery.

6 Count 25 charges you with conspiring to
7 devise a scheme and artifice to defraud among others,
8 FIFA, (ui) and CFU and their constituent organizations,
9 and through bribes and to obtain money and property
10 through materially false and fraudulent pretenses,
11 representations and promises, and for the purpose of
12 executing this scheme, transmitting and causing to be
13 transmitted by means of wire communication writings,
14 signs, signals, pictures and sounds, specifically wire
15 transfers, in violation of United States law.

16 Count 29 charges you with a money laundering
17 conspiracy.

18 Count 33 charges you with a wire fraud
19 conspiracy.

20 34 through 36 is substantive charges of wire
21 fraud.

22 37 is a money laundering conspiracy.

23 38 is a substantive money laundering charge.

24 39 is another wire fraud conspiracy.

25 40 is a money laundering conspiracy.

1 And 47 is a charge that you knowingly and
2 intentionally corruptly obstructed, influenced and
3 impeded and attempted to obstruct, influence and impede
4 an official proceeding, specifically a federal grand
5 jury investigation in the Eastern District of New York.

6 Did I get them all?

7 MR. LaVERNE: Yes.

8 THE COURT: Have you had an opportunity to
9 review the indictment with your counsel?

10 THE DEFENDANT: Yes.

11 THE COURT: Counsel, have you reviewed the
12 indictment with your client and advised him of his
13 rights?

14 MR. HANTMAN: Yes. My partner who was just
15 mentioned has, Lee Barton (ph).

16 THE COURT: Okay. Do you have any concern
17 about whether or not Mr. Davidson understands the
18 charges against him?

19 MR. HANTMAN: (Ui).

20 THE COURT: You don't wish me to read the
21 indictment aloud at this time, I hope?

22 MR. HANTMAN: No, we do not, your Honor.

23 THE COURT: Is he prepared to enter a plea
24 at this time?

25 MR. HANTMAN: He is.

1 THE COURT: What is that plea?

2 MR. HANTMAN: Not guilty.

3 THE COURT: To all of the counts that I just
4 reviewed.

5 MR. HANTMAN: To all of the counts, your
6 Honor.

7 THE COURT: Do we have a date for Mr.
8 Davidson to appear before Judge Dearie in this case?

9 MR. LaVERNE: We do, your Honor. The date
10 is July 17th at 10:00 a.m.

11 THE COURT: What are we going to do with
12 respect to the question of bail at this time?

13 MR. LaVERNE: Your Honor, the parties have
14 conferred and we have a bail package to present
15 together.

16 THE COURT: Okay. Do you want to tell me
17 what it is?

18 MR. HANTMAN: Your Honor, I discussed this
19 with Mr. LaVerne and with my client, and everybody I
20 think understands and is fine with it. I just wanted
21 to put on the record that our firm is making a
22 temporary, limited appearance. Things happened quickly
23 and furiously this week and we are finalizing our
24 engagement with Mr. Davidson. We expect and hope that
25 everything will go well but we wanted to make it clear

1 that it's 100% finalized at this moment.

2 THE COURT: If it isn't finalized by the
3 time you have to appear before the judge, you need to
4 let the judge know and make alternative plans for Mr.
5 Davidson, because he needs to be represented by
6 counsel.

7 You understand, sir, that you have the right
8 to be represented by an attorney from this point
9 forward in connection with these charges. If for some
10 reason you cannot afford to retain counsel, whether it
11 be these attorneys or anyone else, you can apply to the
12 Court and someone will be appointed to represent you.

13 Do you understand that?

14 THE DEFENDANT: Yes, I do, thank you.

15 MR. LaVERNE: Your Honor, I should say my
16 understanding is that the firm -- defense counsel is
17 representing him obviously for present purposes today.
18 There's no question about that, obviously. I do know,
19 and defense counsel will correct me if I'm wrong, that
20 they've spent substantial with Mr. Davidson prior to
21 the appearance today going over the case (ui).

22 THE COURT: I don't have any concern about
23 that. I do want to make sure that he's represented by
24 counsel at every stage of this case. These are very
25 serious charges.

1 MR. HANTMAN: Yes, your Honor.

2 THE COURT: We were talking about bail. You
3 said that the government had agreed with defense on a
4 proposal. I don't have it so maybe you could tell me
5 what it is.

6 MR. LaVERNE: I will, your Honor. And with
7 your Honor's permission, I'd like to just put a few
8 things on the record. The first is that the defendant,
9 Mr. Davidson, was in fact arrested on Wednesday in
10 Florida. At that point, he agreed to waive speedy
11 arraignment and to travel in the custody of the FBI up
12 to New York, which brings us here today.

13 The second thing is, with respect to bail.
14 I'll go through the proposal in a moment but I just
15 want to put on the record some of the representations
16 that have been made to us which inform our agreement to
17 this particular bail package.

18 THE COURT: Okay.

19 MR. LaVERNE: One of which is that Mr.
20 Davidson is a U.S. citizen. He has no citizenship
21 elsewhere. He only has a U.S. passport and no other
22 passport. His wife is a Mexican citizen but is a
23 permanent resident here in the United States, has been
24 here for some ten years, has a Mexican passport but no
25 other passport.

1 Mr. Davidson and his wife do not own any
2 property outside of the United States. They don't have
3 bank accounts outside of the United States. Mr.
4 Davidson and his wife have a net worth of approximately
5 1.3 million dollars, give or take, which includes his
6 ownership in his apartment. He's got about \$400,000 of
7 equity in his current home as well as about \$250,000 in
8 a 401(k) plan. The rest, as I understand it, is in
9 various investments and bank accounts.

10 THE COURT: The apartment is located in
11 Florida?

12 MR. LaVERNE: The apartment is in Miami,
13 Florida.

14 THE COURT: Okay.

15 MR. LaVERNE: With respect to the package
16 itself, your Honor, what we're proposing to you today
17 is a secured bond. The bond amount is five million
18 dollars. The conditions of the bond, which were set
19 out -- we put them in an attachment so it doesn't get
20 too messy on the cover -- are as follows:

21 The defendant must remain in and cannot
22 leave without permission of the Court Miami, Florida.
23 The defendant may travel to the Southern District of
24 New York and the Eastern District of New York for court
25 appearances or visits with counsel, with the prior

1 consent of the FBI and Pretrial Services.

2 Second, the defendant shall avoid all
3 contact and not associate with any of the following
4 persons or entities: All codefendants and
5 coconspirator as well as any employee or executive of
6 the following entities:

7 1) Traffic U.S.A. and any Traffic
8 affiliate.

9 2) Torneos Incompetenceos S.A. (Ph) and any
10 affiliated entity.

11 3) Full Play S.A. and any affiliated
12 entity.

13 4) Conficath (ph) and any affiliated
14 entity.

15 5) Conniball (ph) and any affiliated
16 entity.

17 6) FIFA and any affiliated entity.

18 THE COURT: Can I just ask you a question,
19 counsel? You indicated he's not to have any contact
20 with coconspirators. There are a number of
21 coconspirators listed by number in the indictment but
22 not by name. Does he know or does counsel know who
23 those coconspirators are?

24 MR. LaVERNE: I don't know exactly what he
25 knows or counsel knows, but our position is that to the

1 extent that Mr. Davidson is aware of someone else who
2 is a coconspirator in the crimes that are charged here,
3 he can't interact with that person.

4 THE COURT: I understand that but my concern
5 is, let's assume for a minute he doesn't know who
6 coconspirator number 14 is. He doesn't know who you
7 think coconspirator 14 is and he's not one of the
8 individuals that you've just identified as being
9 associated with any of these organizations. He could
10 be in violation of the bond, so I'm a little concerned
11 about how that's going to work.

12 MR. LaVERNE: I guess our position is,
13 that's an issue that we would address in any sort of
14 bond violation hearing, as to whether he had knowledge
15 of a particular coconspirator and that person's
16 involvement in the conspiracy.

17 THE COURT: If counsel is okay with it,
18 then --

19 MR. HANTMAN: If I could have a moment with
20 my client.

21 THE COURT: Yes.

22 (Mr. Hantman is conferring with the
23 defendant.)

24 MR. HANTMAN: As I suspected, Mr. Davidson
25 thinks he might be confident when it comes to some but

1 certainly not all. Will there be a mechanism where we
2 could have just a little bit more information so that
3 there's no ambiguity in this process?

4 MR. LaVERNE: This is the agreed package. I
5 guess what we would propose -- I don't think it's an
6 unworkable proposal -- is that if we do have an issue
7 down the road, we'll hash it out at a hearing (ui).

8 THE COURT: Okay. It seems to put him in
9 jeopardy, honestly. I've never seen it like this,
10 where there hasn't been some other way to identify who
11 the coconspirators are. It may be that he knows who
12 most if not all of them are but maybe he doesn't. And
13 hashing it out at a bond violation hearing is sort of
14 risky.

15 MR. LaVERNE: I think what we would propose,
16 if counsel agrees to this, is for now, we'll leave it
17 as codefendants, with the understanding that between
18 now and next week, we'll work out a list of agreed
19 coconspirators and we'll submit that under seal to the
20 Court.

21 THE COURT: Okay. Certainly if the
22 individuals who are named as coconspirators are in fact
23 officials of the organizations that you just listed,
24 then they would fall within that category, and he's not
25 to have any contact with them as well, correct?

1 MR. LaVERNE: Yes, correct, certainly.
2 That's covered by that provision, clearly.

3 THE COURT: Exactly. That's why I'm saying,
4 maybe it's not as dire a situation as (ui).

5 MR. LaVERNE: Okay.

6 MR. HANTMAN: We're fine with the
7 representation asserted by Mr. LaVerne.

8 THE COURT: Okay. So we avoid contact with
9 the people with the people that we just identified.
10 What other conditions?

11 MR. LaVERNE: Number three: The defendant
12 shall not go to any of the following locations: The
13 offices of Traffic U.S.A. or any Traffic affiliate, as
14 well as the offices of any other entity named in
15 paragraph 2 above, which are those various entities
16 named with respect to who he cannot associate with.

17 THE COURT: You understand, Mr. Davidson,
18 what that means?

19 THE DEFENDANT: Yes.

20 THE COURT: Okay

21 MR. LaVERNE: Number four: The defendant
22 and his wife shall surrender any and all passports to
23 the Pretrial Services Agency or the FBI.

24 THE COURT: Do we have them here today?

25 MR. HANTMAN: We have Mr. Davidson's. I

1 believe Mrs. Davidson has agreed to do so as well but
2 it will be sent from Florida and the prosecutor will
3 have it early next week.

4 MR. LaVERNE: I think actually, what we'd
5 like to do -- we have Mr. Davidson's passport so that's
6 not an issue. With respect to his wife's passport, my
7 understanding is they're planning to fly back to
8 Florida tomorrow. That Mr. Davidson's wife turn the
9 passport over to counsel by the end of the day
10 tomorrow.

11 MR. HANTMAN: No problem, your Honor.

12 MR. LaVERNE: Counsel can then forward it on
13 to Pretrial.

14 THE COURT: Sure.

15 MR. LaVERNE: Five: The defendant is placed
16 under express supervision of Pretrial Services subject
17 to special conditions on the reverse, which are usual
18 conditions that are listed. We've checked off "subject
19 to random visits by Pretrial, must report as directed
20 by Pretrial and subject to home detention with
21 electronic monitoring with the following conditions."

22 THE COURT: Will he be monitored out of the
23 office in Florida?

24 MR. LaVERNE: Yes. What we've arranged with
25 Pretrial is that before he leaves today, he will

1 receive a monitoring device. I think it's a GPS
2 device. Then when he gets down to Florida, they will
3 make supplementary or different arrangements with
4 respect to his monitoring.

5 THE COURT: Okay.

6 MR. LaVERNE: With respect to home detention
7 and electronic monitoring, we've provided for
8 exceptions upon prior approval by Pretrial Services and
9 the FBI for court appearances, religious services,
10 medical appointments, visits with counsel and
11 employment interviews.

12 THE COURT: I'm sorry, what was the last
13 one?

14 MR. LaVERNE: Employment interviews.

15 THE COURT: Okay.

16 MR. HANTMAN: May I raise one issue
17 concerning home detention? I don't recall dealing with
18 it in the context of somebody who lives in a
19 condominium building. Would he be permitted, for
20 example, to use the small gym in his building?

21 MR. LaVERNE: I think that's something he
22 would have to work out with Pretrial down in Miami.

23 THE COURT: I don't know how exactly how the
24 monitoring unit works that he's going to be getting.
25 It generally confines him to a certain specific area.

1 Oh, here's our guy.

2 UNIDENTIFIED SPEAKER: I would just quickly
3 interject that that would probably be a no. An officer
4 would have to go to where he lives to do an assessment,
5 to see where his range of movement would be and then
6 they could make a determination there. But if it's
7 downstairs from where he actually lives, that's not
8 going to be an arrangement that they can do.

9 THE COURT: There's your answer. I guess
10 we'll have to see what the setup is like.

11 UNIDENTIFIED SPEAKER: If I could just add
12 one more thing. With the technology, we like to be
13 flexible in the technology that we choose to use for
14 him, whether it's GPS or some other form. We are going
15 to be sharing this case with another district and I've
16 already had some contact with them to make them aware
17 of what's going to be happening. So we would kindly
18 ask that we have the flexibility to control what type
19 of monitoring we use.

20 THE COURT: Is he going to get a unit here
21 and keep it down in Florida?

22 UNIDENTIFIED SPEAKER: My plan was, I'm
23 going to put a tracker on him now. I'm going to
24 communicate with the officer. Once he gets down there
25 and I know he's there, I'm going to transfer the case

1 over to that officer, who does use the same technology.
2 They use the same company, too, which is good news.

3 THE COURT: We'll leave it up to Pretrial.
4 They're pretty good at figuring out the best way to do
5 this.

6 MR. HANTMAN: That's fine.

7 MR. LaVERNE: Six, other conditions: The
8 defendant may not work for Traffic U.S.A. or any
9 Traffic affiliate in any capacity. The defendant must
10 perfect security of the pledged assets, which we'll get
11 to in a moment, by June 2nd, 2015, which is Tuesday,
12 subject to agreement of the U.S. attorney's office in
13 writing to extend that time.

14 In addition, the defendant has agreed to
15 preserve and not dissipate or hypothecate at least
16 \$125,000 of funds held in an account with the American
17 funds.

18 With respect to the security on the
19 appearance bond, set forth in attachment B are three
20 properties that the defendant is pledging, one of which
21 is owned by the defendant and his wife, the second of
22 which is owned by the defendant's parents, and the
23 third of which is also jointly owned by the defendant's
24 parents.

25 THE COURT: Where are his parents?

1 MR. HANTMAN: They're in court today.

2 THE COURT: They're going to sign the bond
3 as well.

4 MR. HANTMAN: Correct.

5 THE COURT: Okay. Do you want to identify
6 which of the three properties are --

7 MR. LaVERNE: Sure. I can do it on the
8 record. It's on the --

9 THE COURT: Let's do it for the record, just
10 so there's no confusion.

11 MR. LaVERNE: The first is 808 Rickel Key
12 (ph) Drive, apartment -- I don't think you need the
13 apartment necessarily -- Miami, Florida. The second is
14 6804 Harvest Glen, Dallas, Texas, and the third is 6801
15 Collins Avenue, Miami, Florida.

16 THE COURT: I'm sorry, where, Miami?

17 MR. LaVERNE: The third one, yes.

18 THE COURT: Okay. Do you have the suretors
19 in the courtroom? Can you ask them to step up?

20 (Suretors are sworn.)

21 THE COURT: You guys are going to have to
22 speak up so I can hear you. My understanding is that
23 you are here to sign a bond on behalf of Aaron
24 Davidson. As you probably heard, I hope, from the back
25 of the courtroom, the bond is in the amount of five

1 million dollars. If Mr. Davidson should fail to come
2 to court at any point in the future when he's required
3 to be here, or if he violates the conditions of
4 electronic monitoring, that means if he leaves the
5 apartment when he's not supposed to, the bond will be
6 revoked and the government can come after the three of
7 you for the amount of the bond, the five million
8 dollars.

9 My understanding is that, Mr. and Mrs.
10 Davidson, you own two properties, one at 6804 Harvest
11 Glen and the other one at 6801 Collins Avenue in Miami.
12 Is that correct?

13 MR. DAVIDSON: Yes.

14 THE COURT: And you two are the only owners
15 on the deed. Is that also correct?

16 MR. DAVIDSON: Yes.

17 THE COURT: So if he should not come back to
18 court, the government will take your homes, both of
19 them, to the extent that they are worth less than five
20 million dollars. Do you know approximately how much
21 equity there is in each one?

22 MR. DAVIDSON: For 6804 Harvest Glen, about
23 650, and then the one in Collins Avenue in Miami is
24 about 600.

25 THE COURT: Okay. So to the extent that

1 that doesn't add up to five million, which it doesn't
2 obviously, the government can take any other assets
3 that you might have. So if you own any other homes or
4 you have a car, you have a bank account, you have
5 stocks, bonds, anything like that, the government can
6 seize your assets until that five-million-dollar limit
7 is reached. I don't know if you're both working or if
8 either of you were are working, but if you were
9 employed, the government could also garnish your wages.
10 So every time you get your paycheck or if you're
11 getting a pension, the government could take a certain
12 amount out until that five million amount is reached.

13 Do you understand that, Mrs. Davidson?

14 MRS. DAVIDSON: Yes.

15 THE COURT: Mr. Davidson, do you understand
16 that as well?

17 MR. DAVIDSON: Yes.

18 THE COURT: Ma'am, I didn't hear your name.

19 MS. DRYJENSKI: Michelle Dryjenski (ph).

20 THE COURT: You are Mr. Davidson's wife?

21 MS. DRYJENSKI: Yes.

22 THE COURT: I understand that you own a home
23 or an apartment with Mr. Davidson at 808 Rickel --

24 MS. DRYJENSKI: Yes.

25 THE COURT: In Florida as well?

1 MS. DRYJENSKI: Yes.

2 THE COURT: Do you know how much that is
3 worth, approximately?

4 MS. DRYJENSKI: (Ui).

5 THE COURT: Okay. You understand that if he
6 doesn't come back to court or, as I said before, he
7 leaves the apartment when he's not allowed to, you
8 could lose your apartment and any other additional
9 funds until, between the three of you, that five-
10 million-dollar amount is reached.

11 Do you understand that as well?

12 MS. DRYJENSKI: Yes.

13 THE COURT: So basically, by signing this
14 bond, the three of you are willing to take
15 responsibility for Mr. Davidson to make sure that he
16 makes all of his court appearances here in New York and
17 that he does not violate the conditions of electronic
18 monitoring. In other words, he's not allowed to leave
19 the home except for coming to court, going for doctor's
20 appointments, visiting Pretrial Services if he's
21 required to do that, religious services. All of these
22 things he must first get permission from Pretrial and
23 from the FBI.

24 Do you understand that?

25 MR. DAVIDSON: Yes.

1 MRS. DAVIDSON: Yes.

2 MS. DRYJENSKI: Yes.

3 THE COURT: Knowing this, are you, Mrs.
4 Davidson, willing to sign this bond?

5 MRS. DAVIDSON: Yes.

6 THE COURT: Mr. Davidson, are you willing to
7 sign the bond?

8 MR. DAVIDSON: Yes.

9 THE COURT: Ms. Dryjenski, are you willing
10 to sign the bond?

11 MS. DRYJENSKI: Yes.

12 THE COURT: Mr. Davidson, you've heard what
13 will happen to your family if you do not come back to
14 court or you violate the other conditions of this bond.
15 They could lose their homes and any additional assets
16 and money up to five million dollars.

17 Do you understand that?

18 THE DEFENDANT: Yes, I do.

19 THE COURT: What will happen to you if you
20 don't come back to court or you don't follow the
21 conditions of the monitoring is that you will be re-
22 arrested, you will at that point be held in jail
23 without bond until these charges are resolved.

24 Do you understand that?

25 THE DEFENDANT: Yes, I do.

1 THE COURT: You also should understand that
2 the government can bring new charges against you if you
3 don't come back to court or you violate the conditions
4 of the bond, and they can charge you with bail jumping.
5 That's a separate felony offense. It carries its own
6 separate term of imprisonment. What that means is, you
7 could be acquitted of all of the counts in the
8 indictment and yet end up going to jail for a
9 significant period of time simply because you didn't
10 abide by the conditions of the bond.

11 Do you understand that?

12 THE DEFENDANT: Yes, I do.

13 THE COURT: Also as a condition of the bond,
14 in addition to the ones that the Assistant U.S.
15 Attorney just put on the record, you are not to commit
16 any other crimes while on the bond. If you commit a
17 crime while on bond, that's grounds for revoking your
18 bond, increasing your punishment under the existing
19 charges and bringing new charges against you for
20 whatever crime you are alleged to have committed.

21 Do you understand that?

22 THE DEFENDANT: Yes, I do.

23 THE COURT: Finally and perhaps most
24 importantly, you are not to threaten or attempt to
25 influence the testimony of any person who you think

1 might be a witness against you in this case. That's
2 why I was trying to be as specific as possible with the
3 government so that you don't make a mistake. But if
4 you do that, if you try to influence anyone's
5 testimony, that's grounds for revoking your bond,
6 increasing your punishment under these charges and
7 bringing charges of witness tampering or obstruction of
8 justice against you in addition to the charges that are
9 already pending.

10 Do you understand that?

11 THE DEFENDANT: Yes, I do.

12 THE COURT: Do you have any questions about
13 the conditions that counsel just put on the record a
14 few minutes ago, where you are not allowed to go, who
15 you are not allowed to see, any of the other directions
16 that you're going to be given by the Pretrial Services
17 officer who is going to be monitoring you when you go
18 back to Florida? Any questions whatsoever because now
19 is the time to ask them of your attorney.

20 MR. HANTMAN: I just want to make clear, and
21 I spoke to the prosecution about this, we decided on
22 American funds and we believe there is sufficient money
23 in the mutual fund. We can't, without having access to
24 those accounts, be 100% certain, but we know that the
25 financial advisor that the family uses certainly has

1 more than enough (ui).

2 MR. LaVERNE: Why don't we just say by the
3 end of the day Tuesday, counsel and his client will
4 check the account. If it turns out that the money is
5 in some other account, we'll amend the bond.

6 THE COURT: Okay. We also need to have the
7 properties posted by Tuesday. Is that the idea?

8 MR. LaVERNE: Right.

9 THE COURT: That can be done, counsel?

10 MR. HANTMAN: In terms of (ui) and things of
11 that nature.

12 MR. LaVERNE: I talked to -- Mr. Bartman, is
13 that your partner?

14 MR. HANTMAN: Barton.

15 MR. LaVERNE: Barton. We've spoken about
16 this and he understands that he needs to do whatever
17 process is needed in Texas and Miami. It varies from
18 state to state.

19 THE COURT: Right.

20 MR. LaVERNE: To perfect the bond and assure
21 that that asset can be attached to the extent the bond
22 is violated. We'll have further conversations. As I
23 think noted in the bond, the time can be extended with
24 our consent. If there's a big issue with that,
25 obviously, we'll (ui).

1 THE COURT: Finally, you understand you're
2 not to have any contact with all of the organizations
3 and people who work for those organizations that
4 counsel read on the record.

5 Do you understand that?

6 THE DEFENDANT: Yes, I do.

7 THE COURT: Would you take the signatures of
8 the suretors, please?

9 Counsel, is there any reason that I should
10 not impose the cost of monitoring on the defendant?

11 MR. HANTMAN: Well, he can't work and
12 finding a job in these circumstances is going to be
13 next to impossible. He has a young family, two young
14 kids at home, and Ms. Dryjenski does not work. I would
15 say that his financial -- good financial days are
16 probably in the past, your Honor.

17 THE COURT: I have no idea what his assets
18 are like. The government probably has a better sense
19 of this than I do. Normally, we don't impose the cost
20 of monitoring with indigent clients.

21 MR. LaVERNE: We usually defer to the Court
22 in these matters but I believe that the defendant has
23 something in the order of \$700,000 (ui). As I
24 understand it, it costs about \$100 a month.

25 THE COURT: It's not expensive, so I'm going

1 to impose the cost of monitoring. We also have an
2 application for excludable delay.

3 MR. LaVERNE: Yes, your Honor, on the basis
4 of ongoing plea negotiations. I've spoken to Judge
5 Dearie's chambers and he's concurred that it's
6 appropriate in this case.

7 THE COURT: Okay. From today's date until
8 the 17th of July? Is that the idea?

9 MR. LaVERNE: Correct.

10 THE COURT: Mr. Davidson, I want to make
11 sure you understand what we're talking about now.
12 Under the Constitution and the laws of the United
13 States, you're entitled to a speedy and public trial by
14 jury commencing within 70 days of the filing of the
15 indictment, which is what I read to you a few minutes
16 ago. If the government fails to bring you to trial
17 within that 70-day time period, that can later be the
18 basis for your to move to dismiss the charges against
19 you.

20 What the government has indicated to me is
21 that they have reached an agreement with your attorney
22 and they want me to exclude or not count the time from
23 today until July 17th.

24 Is that when he's going to be appearing
25 before the judge?

1 MR. LaVERNE: Yes.

2 THE COURT: Because during that period of
3 time, your attorney and the government are going to be
4 having a conversation to see if they can resolve the
5 case without the need for a trial. It's difficult to
6 both prepare for trial and also engage in plea
7 negotiations at the same time.

8 Do you understand that?

9 THE DEFENDANT: Yes, I do.

10 THE COURT: Have you discussed this with
11 your attorneys?

12 THE DEFENDANT: Yes, I have.

13 THE COURT: Do you wish me to enter this
14 order of excludable delay so that these plea
15 discussions can continue?

16 THE DEFENDANT: Yes, I do.

17 THE COURT: I don't know if you can see
18 that, sir, but is that your signature?

19 THE DEFENDANT: Yes.

20 THE COURT: I'll approve the order of
21 excludable delay, finding that it is in the best
22 interests of both the public and the defendant, while
23 plea negotiations proceed.

24 Anything else?

25 MR. LaVERNE: Thank you, your Honor.

1 Nothing else from the government.

2 THE COURT: Thank you.

3 MR. HANTMAN: Thank you, your Honor.

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I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.



ELIZABETH BARRON

June 16, 2015