

USDS SDNY DOCUMENT ELECTRONICALLY FILED DOC #: DATE FILED: 12/18/12

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

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 UNITED STATES OF AMERICA, :

 Plaintiff, :
 - v. - :
 POKERSTARS, et al., :
 Defendants; :

 ALL RIGHT, TITLE AND INTEREST :
 IN THE ASSETS OF POKERSTARS, et al., :
 Defendants-in-rem. :
 ----- X

STIPULATION AND ORDER OF
 SETTLEMENT IN REGARD
TO ULTRA SAFE PAY, LLC

11 Civ. 2564 (KMW)

WHEREAS, on or about December 1, 2010, pursuant to a seizure warrant issued by the United States District Court for the Southern District of New York, the United States seized all funds on deposit at Umpqua Bank, Roseburg, Oregon, in account number 972402309, held in the name of Ultra Safe Pay, LLC (the “Defendant Property”);

WHEREAS, on or about April 14, 2011, a verified complaint, 11 Civ. 2564 (LBS) was filed under seal in the United States District Court for the Southern District of New York seeking the forfeiture of, inter alia, the Defendant Property, pursuant to Title 18, United States Code, Sections 1955(d), 981(a)(1)(A), and 981(a)(1)(C);

WHEREAS, on or about May 12, 2011, the United States provided notice of the filing of the Complaint to Ultra Safe Pay, Inc. (the “Claimant”);

WHEREAS, beginning on May 17, 2011, and for thirty consecutive days thereafter, pursuant to Rule G(4)(a) of the Supplemental Rules for Certain Admiralty and Maritime Claims and Asset Forfeiture Actions, plaintiff United States of America posted notice

of the verified complaint against the defendants-in-rem, on www.forfeiture.gov, the government internet site, and proof of publication was filed with the Clerk of the Court on November 22, 2011;

WHEREAS, on or about June 21, 2011, the Claimant filed a verified claim regarding the Defendant Property asserting a right, title and interest in said property;

WHEREAS, on or about September 21, 2011, a verified amended complaint in this action was filed seeking the forfeiture of, inter alia, the Defendant Property;

WHEREAS, on or about November 30, 2011, Claimant filed an Answer;

WHEREAS, on or about September 11, 2012, a verified second amended complaint in this action was filed seeking the forfeiture of, inter alia, the Defendant Property;

WHEREAS, the Claimant, admitting no wrongdoing in connection herewith, and the United States have agreed to settle this matter; therefore

IT IS HEREBY STIPULATED, ORDERED AND AGREED, by and between Plaintiff United States of America, by its attorney Preet Bharara, United States Attorney, Assistant United States Attorneys, Sharon Cohen Levin, Michael D. Lockard, and Jason H. Cowley, of counsel, and the Claimant, by its counsel, Jeremy Frey, Esq., that:

1. The Claimant, without admitting any liability, agrees that the Defendant Property shall be forfeited to the United States (“the Forfeited Funds”), for disposition according to law, pursuant to Title 18, United States Code, Section 981.

2. Without admitting any wrongdoing or liability, the Claimant and Manuel Sanchez (“Sanchez”), an authorized representative of Claimant, each further agrees not to provide, either directly or indirectly, payment processing services for internet gambling in the United States, including internet poker, until if and when a change in applicable law takes place

making such gambling lawful in the United States and Claimant and/or its internet gambling customer obtains appropriate authorization from all relevant governmental regulatory authorities.

3. The Claimant is hereby barred from asserting any claim against the United States or any of its agents and employees (including, without limitation, the Federal Bureau of Investigation (“FBI”) and the United States Attorney's Office for the Southern District of New York (“USAO-SDNY”)) in connection with or arising out of the United States' seizure, restraint, and/or constructive possession of the Defendant Property, including, without limitation, any claim that the United States did not have probable cause to seize and/or forfeit the Defendant Property, that the Claimant is a prevailing party or that the Claimant is entitled to attorneys' fees or any award of interest.

4. The Claimant represents that as the account holder for the account from which the Defendant Property was seized, it has a legal ownership interest in the Defendant Property, and agrees to hold harmless the United States and any and all of its agents and employees (including, without limitation, the FBI and the USAO-SDNY) from any and all third-party claims by persons or entities who have not presently filed a claim to the Defendant Property in this action in connection with or arising out of the United States' seizure, restraint, and/or constructive possession of the Defendant Property.

5. The Claimant hereby withdraws its claim to the Defendant Property, withdraws all pending motions in this action, and agrees that it shall not file any claim or petition for restoration or remission relative to the Defendant Property, or any action or motion seeking to collaterally attack the seizure, restraint, or forfeiture of the Defendant Property. Furthermore, the parties hereby waive all rights to appeal or to otherwise challenge or contest the validity of this Stipulation and Order of Settlement.

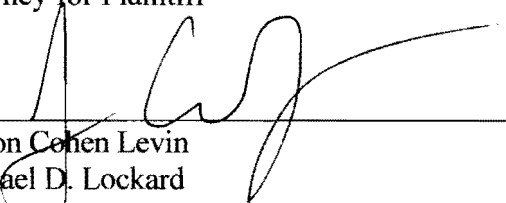
6 This Stipulation and Order of Settlement shall in no way be deemed an admission of culpability, liability, or guilt on behalf of Sanchez, the Claimant, or the Claimant's agents, officers or employees, past and present. Further, this Stipulation and Order of Settlement shall in no way constitute any reflection upon the merits of the claims and defenses asserted respectively by the United States and the Claimant.

7. Upon the entry of this Stipulation and Order of Settlement and the forfeiture of the Defendant Property, this action will be fully and finally concluded in regard to the Defendant Property. Each party will bear its own costs and attorneys' fees.

8 The signature pages of this Stipulation and Order may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. Signature pages may be by fax or pdf and such signatures shall be deemed as valid originals.

AGREED AND CONSENTED TO:

PREET BHARARA
United States Attorney for the
Southern District of New York
Attorney for Plaintiff

By: 
Sharon Cohen Levin
Michael D. Lockard
Jason H. Cowley
Assistant United States Attorneys
One St. Andrew's Plaza
New York, New York 10007
(212) 637-1060/2193/2479

12/13/12
DATE

[Additional Signatures on Next Page]

Ultra Safe Pay, LLC

By: Manuel Sanchez
Manuel Sanchez
Authorized Representative of
Ultra Safe Pay, LLC

12/6/12
DATE

By: Jeremy D. Frey
Jeremy D. Frey
Pepper Hamilton LLP
3000 Two Logan Square
Eighteenth and Arch Streets
Philadelphia, PA 19103-2799
(215) 981-4445
Attorney for Claimant

12/12/12
DATE

SO ORDERED:

Kimba M. Wood
HONORABLE KIMBA M. WOOD
UNITED STATES DISTRICT JUDGE

12-17-12
DATE