

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
Civil No. 15-1518(DSD/HB)

U.S. DEPARTMENT OF THE TREASURY,

Plaintiff,

v.

THOMAS E. HAIDER,

Defendant.

STIPULATION AND ORDER OF SETTLEMENT AND DISMISSAL

WHEREAS, this Stipulation and Order of Settlement and Dismissal (“Stipulation”) is entered into by and among plaintiff the U.S. Department of the Treasury (“Treasury Department” or “Government”), by its attorney, Gregory G. Brooker, Acting United States Attorney for the District of Minnesota; and defendant Thomas E. Haider (“Haider” and together with the Treasury Department, “Parties”), by his authorized representatives;

WHEREAS, from approximately 2003 through May 23, 2008 (“Covered Period”), Haider was the Chief Compliance Officer of MoneyGram International Inc. (“MoneyGram”), a global money transmitter. During the Covered Period, MoneyGram operated a money transfer service that enabled its customers to transfer money to and from various locations in the United States and abroad through MoneyGram’s network of agents and outlets. MoneyGram outlets were independently-owned entities that MoneyGram authorized to transfer money through its money transfer system, while MoneyGram agents were the owners and/or operators of such outlets;

WHEREAS, as a money transmitter, MoneyGram was subject to, and had to comply with, various requirements set forth in the Currency and Foreign Transactions Reporting Act of 1970, as amended, 31 U.S.C. § 5311 *et seq.* (“Bank Secrecy Act” or “BSA”), and its implementing regulations. Such requirements included: (1) implementing and maintaining an effective anti-money laundering (“AML”) program that was reasonably designed to prevent MoneyGram from being used to facilitate, *inter alia*, money laundering, *see* 31 U.S.C. § 5318(h); 31 C.F.R. § 1022.210; and (2) filing suspicious activity reports (“SARs”) with the Financial Crimes Enforcement Network (“FinCEN”) — a component of the Treasury Department — on transactions that, *inter alia*, were conducted using MoneyGram’s money transfer system, involved funds totaling at least \$2,000, and which MoneyGram knew, suspected, or had reason to suspect involved the use of MoneyGram’s money transfer system to facilitate criminal activity, *see* 31 U.S.C. § 5318(g); 31 C.F.R. § 1022.320;

WHEREAS, on November 9, 2012, MoneyGram entered into a Deferred Prosecution Agreement (“DPA”) with the Department of Justice on charges that, from as early as 2003 and continuing into 2009, it willfully failed to implement an effective anti-money laundering (“AML”) program, in violation of 31 U.S.C. § 5318(h). As part of the DPA, MoneyGram agreed to forfeit \$100 million and admitted that it had “willfully failed to maintain an effective [AML] program that was reasonably designed to prevent it from being used to facilitate money laundering.” The specific programmatic failures to which MoneyGram admitted in the DPA included: (1) “MoneyGram failed to implement policies or procedures governing the termination of Agents involved in fraud and money laundering”; (2) “MoneyGram failed to implement policies or procedures to file the required SARs when victims reported fraud to MoneyGram on transactions over \$2,000[.]” and [i]nstead . . . structured its AML program so

that individuals responsible for filing SARs did not have access to [MoneyGram's] Fraud Department's Consumer Fraud Report database"; and (3) "MoneyGram filed [SARs], in which [it] incorrectly listed the victim of the fraud as the individual who was the likely wrongdoer[, and] . . . failed to file SARs on their Agents who MoneyGram knew were involved in the fraud";

WHEREAS, on December 18, 2014, FinCEN issued an administrative assessment against Haider for \$1 million ("Assessment"), based on conduct in which Haider had allegedly engaged during the Covered Period while he was MoneyGram's Chief Compliance Officer. The Assessment alleges that Haider is liable under the BSA, 31 U.S.C. § 5321, for willfully participating in MoneyGram's failure to implement and maintain an effective AML program and to file timely SARs;

WHEREAS, FinCEN identified in the Assessment a number of alleged acts and omissions on the part of Haider to support the Assessment, including that (1) Haider failed to ensure that MoneyGram implemented a policy for terminating or otherwise disciplining agents and outlets that presented an unreasonable risk of fraud and/or money laundering, notwithstanding that, *inter alia*, Haider's subordinates (a) recognized the need for such a policy, (b) recommended to Haider that MoneyGram implement such a policy, and (c) presented him with at least one version of a proposed policy; (2) Haider failed to ensure that MoneyGram terminated agents and outlets that, based on objective evidence, Haider's subordinates understood were involved in fraud and/or money laundering, including agents and outlets as to which Haider had been presented with evidence indicating that they were complicit in consumer fraud schemes; (3) Haider failed to ensure that MoneyGram fulfilled its obligation to file timely SARs, including because Haider maintained MoneyGram's AML program so that the individuals responsible for filing SARs were not provided with information possessed by MoneyGram's

Fraud Department that should have resulted in the filing of SARs on specific agents or outlets, such as information reflecting that certain, specific outlets were repeatedly identified by MoneyGram's customers as the recipients of fraud-induced money transfers; (4) Haider failed to ensure that MoneyGram conducted effective audits on agents and outlets, including outlets that were repeatedly identified by MoneyGram's customers as the recipients of fraud-induced money transfers; (5) Haider failed to ensure that MoneyGram conducted adequate due diligence on prospective agents, or existing agents seeking to open additional outlets, which resulted in, among other things, MoneyGram granting additional outlets to agents who Haider was on notice presented an unreasonable risk of fraud and/or money laundering. The alleged acts and omissions on the part of Haider identified in this paragraph, in the Assessment, and in the Government's complaint in the above-captioned action, *The United States Department of the Treasury v. Thomas E. Haider*, No. 15-cv-1518 (the "Action"), constitute the "Covered Conduct" for purposes of this Stipulation:

WHEREAS, on December 18, 2014, after it issued the Assessment, the Treasury Department filed its complaint in this Action (the "Complaint") in the U.S. District Court for the Southern District of New York. The Complaint alleges that, as a result of the same purported failures identified in the Assessment — including Haider's alleged failure to ensure that MoneyGram terminated and filed timely SARs on agents and outlets that, based on objective evidence that had been provided to him, presented an unreasonable risk of fraud and/or money laundering — Haider is liable under the BSA for willfully failing to ensure that MoneyGram implemented and maintained an effective AML program and filed timely SARs. The Complaint seeks an order (1) reducing the \$1 million assessment to judgment, and (2) enjoining Haider

from participating in the conduct of the affairs of any financial institution for a term of years.

The Action was subsequently transferred to the U.S. District Court for the District of Minnesota; WHEREAS, on February 19, 2016, Haider filed an answer to the Complaint, in which he asserted a counterclaim against the Treasury Department (“Counterclaim”) for alleged violations of his rights under the Privacy Act of 1974, 5 U.S.C. § 552a, that purportedly occurred during the investigation underlying the Assessment;

WHEREAS, on October 31, 2016, Haider filed a Standard Form 95 with the Treasury Department, seeking money damages for alleged improper disclosures of information about Haider to the media that purportedly occurred during the investigation underlying the Assessment (“Administrative Claim”);

WHEREAS, the Parties have, through this Stipulation, reached a mutually-agreeable resolution addressing the claims asserted against Haider in the Assessment and the Complaint, arising out of the Covered Conduct, as well as the claims asserted against the Treasury Department in the Counterclaim and the Administrative Claim;

NOW, THEREFORE, upon the Parties’ agreement, IT IS HEREBY ORDERED that:

TERMS AND CONDITIONS

1. The Parties agree that this Court has subject matter jurisdiction over this action and consent to this Court’s exercise of personal jurisdiction over each of them.
2. Haider admits, acknowledges, and accepts responsibility for the following conduct, which occurred during the Covered Period:

- a. MoneyGram operated a money transfer service that enabled its customers to transfer money to and from various locations in the United States and abroad through MoneyGram’s global network of agents and outlets. MoneyGram outlets were independently-owned entities that MoneyGram authorized to transfer money through its money transfer system, while MoneyGram agents were the owners and/or operators of such outlets.

- b. With respect to its internal organizational structure, MoneyGram had a number of departments, including a Fraud Department and an AML Compliance Department. MoneyGram also had a call center that, among other things, fielded complaints from MoneyGram customers who called MoneyGram to report that they had been the victims of fraud (*i.e.*, that they had been induced by fraud schemes to send money using MoneyGram's money transfer system). Such complaints were memorialized in Consumer Fraud Reports, each of which included, among other information, the name of the MoneyGram outlet that had received the fraudulent transfer.
- c. Haider was MoneyGram's Chief Compliance Officer, with direct supervisory authority over MoneyGram's Fraud and AML Compliance Departments. Haider was the most senior MoneyGram employee with direct oversight over these two Departments. Beginning in 2006, Haider was a member of MoneyGram's Senior Leadership Team, an executive management group whose members reported directly to MoneyGram's Chief Executive Officer.
- d. Under Haider, the primary functions of the Fraud Department were to try to prevent fraud from occurring against MoneyGram, its agents or outlets, or its customers, and to respond to specific incidents involving fraud. The AML Compliance Department was responsible for ensuring that MoneyGram had adequate practices and procedures in place to guard against the use of MoneyGram's money transfer system for illegal purposes. This responsibility included conducting audits of MoneyGram outlets and, where appropriate, filing suspicious activity reports ("SARs") with FinCEN.
- e. As MoneyGram's Chief Compliance Officer and the head of its Fraud and AML Compliance Departments, Haider had the authority to implement a policy for terminating or otherwise disciplining MoneyGram agents and outlets. Haider also had ultimate authority to terminate agents and outlets because of fraud or AML compliance concerns.
- f. In 2006 and 2007, members of MoneyGram's Fraud Department proposed that MoneyGram implement a policy for terminating or otherwise disciplining agents and outlets that presented a high risk of fraud, including outlets that were listed as the receiving outlet on a disproportionate number of Consumer Fraud Reports. A draft policy was provided to Haider no later than March 2007, and in April 2007, MoneyGram's outside counsel sent a letter to the Federal Trade Commission (one of MoneyGram's principal regulators) stating that MoneyGram "plan[ne]d to institute a new policy to review fraud activity at the individual agent level," and that the policy would "include criteria

for the trigger points for sending warning letters to agents, agent suspensions, and agent terminations.” This policy was not approved by MoneyGram’s Sales Department and therefore was not implemented.

- g. In August 2007, MoneyGram’s Director of Fraud created a presentation for use within MoneyGram, titled “High Fraud Agents,” in which, among other things, he: (1) observed that MoneyGram “does not have a consistent repeatable process to restrict agents that receive a disproportionate amount of fraudulent wire transfers (high fraud agents)”;
- (2) stated that “[w]e need to implement an on-going plan to address High Fraud Agents”; and (3) “[r]ecommend[ed] implement[ing] [a] Fraud Agent Closure Policy.” The presentation concluded by identifying several “next steps,” including “Review Recommendations w/ Tom H. (8/21)” and “Implement Policy 9/17/07.” MoneyGram’s Sales Department again objected to a discipline/termination policy for high fraud agents and outlets and therefore no such policy was implemented.

- h. In the face of the Sales Department’s objection to a discipline/termination policy, during his employment at MoneyGram Haider did not implement a policy for terminating or otherwise disciplining agents or outlets that had accumulated a disproportionate share of Consumer Fraud Reports or had otherwise been identified by Fraud Department personnel as high risk.

- i. In addition to proposing a termination/discipline policy, in April 2007 MoneyGram’s Fraud Department recommended terminating a number of specific MoneyGram outlets that were located in Canada. To support this recommendation, the Director of Fraud provided Haider and other senior managers with specific information on 49 Canadian outlets, which included spreadsheets (the “April 2007 spreadsheets”) analyzing the 49 outlets’ money transfer activity during the six-month period from September 2006 through February 2007 (the “six-month period”). The spreadsheets revealed that the 49 outlets accounted for approximately 58% of all reported fraud involving money sent through MoneyGram’s money transfer system to Canada during the six-month period. The spreadsheets also reflected, among other things, that each of the 49 outlets had one or more of the following characteristics (and that many of the outlets had several of the characteristics):

- they had been identified as the receiving outlets on a disproportionate share of Consumer Fraud Reports;
- they had received more money transfers than they had sent;
- they had received most of their total number of received money transfers from the United States; and

- the average dollar value for their received money transfers exceeded \$1,000 and in some cases \$2,000.

Haider and the other members of the Fraud and AML Compliance Departments who reported to him viewed the above characteristics as strong indicators that an outlet was complicit in consumer fraud schemes.

- a. Among the 49 outlets included in the April 2007 spreadsheets were four outlets that were owned and/or operated by the same individual, James Ugoh — “Money Spot,” “Money Spot 2,” “Money Spot 5,” and “N&E Associates” (the “Ugoh outlets”). With respect to the four Ugoh outlets, the April 2007 spreadsheets revealed that, during the six-month period, they alone had collectively accumulated 150 Consumer Fraud Reports, totaling more than \$300,000 in consumer losses. The spreadsheets also revealed that, during the six-month period, those four outlets had accounted for 5.9% of all reported fraud involving money sent through MoneyGram’s money transfer system to Canada. Moreover, from May 2007 through May 2008, those four outlets collectively accumulated an additional 450 Consumer Fraud Reports, totaling more than \$790,000 in consumer losses. Furthermore, MoneyGram’s Director of Fraud had previously recommended to Haider that Money Spot be terminated. In August 2004, the Director of Fraud sent Haider an email, stating in relevant part: “Hi Tom, I wondered if you had a chance to look over the report I gave you on Canada agents that we’d like to close due to high incidents of consumer fraud. . . . We have had three more reports of cashiers check/internet fraud at Money Spot in Toronto. Toronto PD also called me — they think this agent is dirty.”

- b. Ugoh has since been charged with, and plead guilty to, various crimes relating to consumer fraud, and he has admitted that almost all of the money his outlets received constituted fraud proceeds.

- c. Haider had ultimate authority to terminate agents and outlets because of fraud or AML compliance concerns, but in the face of pushback from the Sales Department did not exercise that authority with respect to the vast majority of the 49 outlets identified in the April 2007 spreadsheets.

- d. By April 2007, Haider was aware that MoneyGram’s Fraud Department had the ability to aggregate — and had been aggregating — information relating to MoneyGram’s agents and outlets, including the number of Consumer Fraud Reports that particular outlets had accumulated over specific time periods. However, Haider structured MoneyGram’s AML program such that this information was not generally provided to the MoneyGram analysts who were responsible for filing SARs. Nor was the information provided to the members of the AML Compliance Department who were responsible for (1) determining which

agents/outlets to audit, or (2) performing due diligence on existing agents who were seeking to open additional outlets.

e. During the Covered Period, there were numerous outlets that the Fraud Department identified as having accumulated a disproportionate number of Consumer Fraud Reports, but for which MoneyGram did not file SARs. In addition, MoneyGram's AML Compliance Department failed to conduct adequate audits of many of those agents/outlets, and certain of the agents were permitted to open additional outlets. For example, although the April 2007 spreadsheets identified Money Spot, Money Spot 2, Money Spot 5, and N&E Associates as having collectively accumulated 150 Consumer Fraud Reports during the above-referenced six-month period — and although the April 2007 spreadsheets also indicated that MoneyGram had received law enforcement subpoenas directed at each of those outlets — no SARs were filed on those outlets (or their owner/operator, James Ugoñ) during the Covered Period. Nor were any audits conducted of Ugoñ's outlets during the Covered Period, and by the end of the Covered Period, Ugoñ had been allowed to open and operate 12 outlets.

2. Haider shall pay the Government \$250,000 (two hundred and fifty thousand dollars) within thirty (30) business days of the Effective Date, which is defined below in Paragraph 25 (“Settlement Amount”).

3. The payment required by Paragraph 3 above shall be made in accordance with instructions to be provided by the Financial Litigation Unit of the United States Attorney's Office for the Southern District of New York.

4. Haider shall be enjoined from performing a compliance function for any “money transmitter” (as that term is used in the BSA and its implementing regulations) that is located in the United States or conducts business within the United States, for a period of three years from the Effective Date (“Injunction”).

5. Subject to the exceptions in Paragraph 7 below (concerning excluded claims) and Paragraph 13 below (concerning bankruptcy proceedings), and conditioned on Haider's full payment of the Settlement Amount as set forth in Paragraph 3 above and his full compliance with the Injunction in Paragraph 5 above, the Government releases Haider from any civil or

administrative claim for monetary or injunctive relief that the Government has for the Covered Conduct under the BSA, 31 U.S.C. §§ 5320, 5321, and its implementing regulations.

6. Notwithstanding the release given in Paragraph 6 above, or any other term of this Stipulation, the following claims of the Government are specifically reserved and are not released by this Stipulation:

a. any liability arising under Title 26, United States Code (Internal Revenue Code);

b. any criminal liability;

c. except as explicitly stated in this Stipulation, any civil or administrative liability;

d. any liability to the Government for any conduct other than the Covered Conduct; and

e. any liability based upon obligations created by this Stipulation.

1. Haider shall be in default of this Stipulation if he fails to make the required payment set forth in Paragraph 3 above or fails to comply with the Injunction in Paragraph 5 above (“Default”). The Government shall provide written notice of any Default in the manner set forth in Paragraph 23 below. Haider shall then have an opportunity to cure the Default within ten (10) calendar days from the date of delivery of the notice of Default. In the event that a Default is not fully cured within ten (10) calendar days of the delivery of the notice of Default (“Uncured Default”), interest shall accrue at the rate of 12% per annum compounded daily on any remaining unpaid principal balance of the Settlement Amount, beginning seven (7) business days after mailing of the notice of Default. In the event of an Uncured Default relating to the Settlement Amount, Haider agrees to the entry of the consent judgment attached hereto as

Exhibit A and that the Government may take action to collect on the consent judgment. In the event of an Unincurred Default relating to the Settlement Amount or the Injunction, Haider further agrees that the Government, at its option, may (a) rescind this Stipulation and reinstate the Complaint, as well as any claims that could be asserted for the Covered Conduct; (b) seek specific performance of this Stipulation; (c) offset the remaining unpaid balance of the Settlement Amount (including interest) from any amounts due and owing to Haider by any department, agency, or agent of the United States; or (d) exercise any other rights granted by law, or under the terms of this Stipulation, or recognizable at common law or in equity. Haider shall not contest any offset imposed or any collection undertaken by the Government pursuant to this Paragraph, either administratively or in any Federal or State court. In addition, Haider shall pay the Government all reasonable costs of collection and enforcement under this Paragraph, including attorneys' fees and expenses. In the event that the Government opts to rescind this Stipulation pursuant to this Paragraph, Haider shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that relate to the Covered Conduct.

2. Haider waives and shall not assert any defenses Haider may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Stipulation bars a remedy sought in such criminal prosecution or administrative action. Nothing in this Paragraph or any other provision of this Stipulation constitutes an agreement by the Government concerning the characterization of the Settlement Amount for purposes of the Internal Revenue laws, Title 26 of the United States Code.

3. Haider fully and finally releases the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Haider has asserted, could have asserted, or may assert in the future against the Government, its agencies, officers, agents, employees, or servants, related to (1) the Covered Conduct and the Government's investigation, prosecution and settlement of the Covered Conduct, and (2) the Counterclaim or Administrative Claim.

4. This Stipulation is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity except as otherwise provided herein.

5. Haider represents and warrants that he has reviewed his financial situation, that he is currently solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(i)(I), and that he reasonably believes as of the date hereof that he shall remain solvent following compliance with his obligations under this Stipulation. Further, the Parties warrant that, in evaluating whether to execute this Stipulation, they (a) have intended that the mutual promises, covenants, and obligations set forth constitute a contemporaneous exchange for new value given to Haider within the meaning of 11 U.S.C. § 547(c)(1); and (b) have concluded that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange. Further, the Parties warrant that the mutual promises, covenants, and obligations set forth herein are intended to and do, in fact, represent a reasonably equivalent exchange of value that is not intended to hinder, delay, or defraud any entity to which Haider was or became indebted to on or after the date of this Stipulation, within the meaning of 11 U.S.C. § 548(a)(1).

6. If Haider commences, or a third party commences, any case, action, or other proceeding under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors (a) seeking an order for relief of Haider's debts, or seeking to adjudicate Haider as bankrupt or

insolvent; or (b) seeking appointment of a trustee, custodian, or other similar official for Haider or for all or any substantial part of Haider's assets, Haider agrees as follows:

a. Haider's obligations under this Stipulation may not be avoided pursuant to 11 U.S.C. § 547, and Haider shall not argue or otherwise take the position in any such case, action, or proceeding that (i) Haider's obligations under this Stipulation may be avoided under 11 U.S.C. § 547; (ii) Haider was insolvent at the time this Stipulation was entered into; or (iii) the mutual promises, covenants, and obligations set forth in this Stipulation do not constitute a contemporaneous exchange for new value given to Haider.

b. If Haider's obligations under this Stipulation are avoided for any reason, including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code, the Government, at its sole option, may rescind the release in this Agreement and pursue any civil and/or administrative claim, action, or proceeding against Haider that would otherwise be covered by the release in Paragraph 6 above. Haider agrees that (i) any such claim, action, or proceeding brought by the Government would not be subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) as a result of the case, action, or proceeding described in the first clause of this Paragraph, and Haider shall not argue or otherwise contend that the claim, action, or proceeding is subject to an automatic stay; (ii) Haider shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any claim, action, or proceeding that is brought by the Government within 60 calendar days of written notification that the releases in the Stipulation have been rescinded pursuant to this Paragraph, except to the extent such defenses were available on the date the Complaint was originally filed; and (iii) the Government has a valid claim against Haider for the full Settlement Amount, and the Government may pursue the claim in the case, action, or

proceeding described in the first clause of this Paragraph, as well as in any other case, action, or proceeding.

c. Haider acknowledges that the agreements in this Paragraph are provided in exchange for valuable consideration provided in this Stipulation.

1. Haider agrees to the following:

a. Unallowable Costs Defined: All costs (as defined in the Federal

Acquisition Regulation, 48 C.F.R. § 31.205-47) incurred by or on behalf of Haider in connection with:

(1) the matters covered by this Stipulation;

(2) any audit(s) and civil and/or criminal investigation(s) by the

United States of America (“United States”) of matters covered by this Stipulation;

(3) Haider’s investigation, defense, and corrective actions undertaken

in response to the United States’ audit(s) and civil and/or criminal investigation(s) in connection with matters covered by this Stipulation (including attorneys’ fees);

(4) the negotiation and performance of this Stipulation; and

(5) any payments Haider makes to the Government pursuant to this

Stipulation,

are unallowable costs for government contracting purposes (hereinafter referred to as “Unallowable Costs”).

b. Future Treatment of Unallowable Costs: Unallowable Costs shall be separately determined and accounted for by Haider, and Haider shall not charge such

Unallowable Costs directly or indirectly to any contracts with the United States.

c. Treatment of Unallowable Costs Previously Submitted for Payment:

Within 90 days of the Effective Date of this Stipulation, Haider shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by Haider from the United States. Haider agrees that the United States, at a minimum, shall be entitled to recoup from Haider any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted requests for payment. The United States, including the Treasury Department and the Department of Justice and/or the affected agencies, reserves its rights to audit, examine, or re-examine Haider's books and records and to disagree with any calculations submitted by Haider regarding any Unallowable Costs included in payments previously sought by Haider, or the effect of any such Unallowable Costs on the amount of such payments.

2. Upon receipt of the payment described in Paragraph 3 above, the Government shall file pursuant to Rule 41(a)(1) a Notice of Dismissal of the Complaint with prejudice. Upon the Government's filing of such Notice of Dismissal, Haider shall file pursuant to Rule 41(a)(1) a Notice of Dismissal of his Counterclaim with prejudice and withdraw his Administrative Claim with prejudice.

3. Each Party shall bear its own legal and other costs incurred in connection with this matter.

4. Any failure by the Government to insist upon the full or material performance of any of the provisions of this Stipulation shall not be deemed a waiver of any of the provisions hereof, and the Government, notwithstanding that failure, shall have the right thereafter to insist upon the full or material performance of any and all of the provisions of this Stipulation.

5. This Stipulation is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Stipulation is the United States District Court for the District of Minnesota. For purposes of construing this Stipulation, this Stipulation shall be deemed to have been drafted by all Parties to this Stipulation and shall not, therefore, be construed against any Party in any subsequent dispute.

6. This Stipulation constitutes the complete agreement between the Parties with respect to the subject matter hereof. This Stipulation may not be amended except by written consent of the Parties.

7. The undersigned counsel and any other signatories represent and warrant that they are fully authorized to execute this Stipulation on behalf of persons and the entities indicated below.

8. This Stipulation is binding on Haider's successors, transferees, heirs, and assigns.

9. This Stipulation may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Stipulation. E-mails that attach signatures in PDF form or facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Stipulation.

10. Any notices or requests pursuant to this Stipulation shall be in writing and shall be delivered by hand, express courier, or email transmission followed by postage-prepaid mail, and shall be addressed as follows:

IF TO THE GOVERNMENT:

Christopher B. Harwood

Jessica Jean Hu

Caleb Hayes-Deats

Elizabeth M. Tulis

Assistant United States Attorneys

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11. Haider, having truthfully admitted the facts set forth in Paragraph 2 above (the “Admissions”), agrees that he shall not take any action or make any public statements contradicting or denying, directly or indirectly, the Admissions.

12. The Effective Date of this Stipulation is the date upon which the Stipulation is approved and entered by the Court.

Agreed to by:

U.S. DEPARTMENT OF THE TREASURY

Dated: New York, New York
May 3, 2017

GREGORY G. BROOKER
Acting United States Attorney for the
District of Minnesota

By: /s/Christopher B. Harwood
CHRISTOPHER B. HARWOOD
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Attorney for the U.S. Department of the Treasury

THOMAS E. HAIDER

Dated: May 3, 2017

By: /s/Ion M. Hopeman

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Attorneys for Thomas E. Haider

Dated: May 3, 2017

By: /s/Thomas E. Haider
THOMAS E. HAIDER

SO ORDERED:


/s/David S. Doty

DAVID S. DOTY, JUDGE
UNITED STATES DISTRICT JUDGE

Dated: May 3, 2017