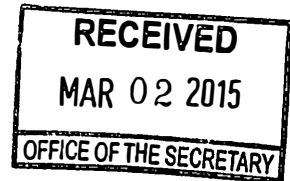


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**UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING
File No. 3-16274**



**In the Matter of

Gregory Viola,

Respondent.**

**DECLARATION OF ELLEN BOBER MOYNIHAN IN SUPPORT OF DIVISION OF
ENFORCEMENT'S MOTION FOR SUMMARY DISPOSITION**

1. I am a Senior Investigations Counsel in the Division of Enforcement ("Division") of the Securities and Exchange Commission's Boston Regional Office and have been a member of the Division staff since 2000. I am one of the Division attorneys in the above-captioned proceeding against Gregory Viola ("Viola"). I make this declaration based upon my personal knowledge and in support of the Division's Motion for Summary Disposition.

2. On February 1, 2012, Viola was charged by Criminal Information by the United States Attorney's Office for the District of Connecticut with two counts of mail fraud in violation of Title 18 United States Code, Section 1341 in *United States v. Viola*, Case No. 3:12-cr-25 (D. Conn.), *aff'd*, 555 Fed. Appx. 57 (2d Cir. 2014), *cert. denied*, 190 L. Ed. 2d 389 (2014) before the United States District Court for the District of Connecticut. Attached hereto as Exhibit A is a true and accurate copy of the Criminal Information in that matter.

3. On February 1, 2012, Viola pleaded guilty to two counts of mail fraud in violation of Title 18 United States Code, Section 1341 in *United States v. Viola*. Attached hereto as Exhibit

B is a true and accurate copy of the transcript of the February 1, 2012 Waiver of Indictment/Guilty Plea proceedings before the Honorable Vanessa L. Bryant, United States District Judge in the criminal case against Viola.

4. Attached hereto as Exhibit C is a true and accurate copy of the October 5, 2012 “Judgment in a Criminal Case” issued by the Honorable Vanessa L. Bryant against Viola in *United States v. Viola*.

5. On February 3, 2015, Viola filed a “Motion for New Trial” in connection with *United States v. Viola*. Attached hereto as Exhibit D is a true and accurate copy of the February 3, 2015 Motion for New Trial.

Respectfully submitted,

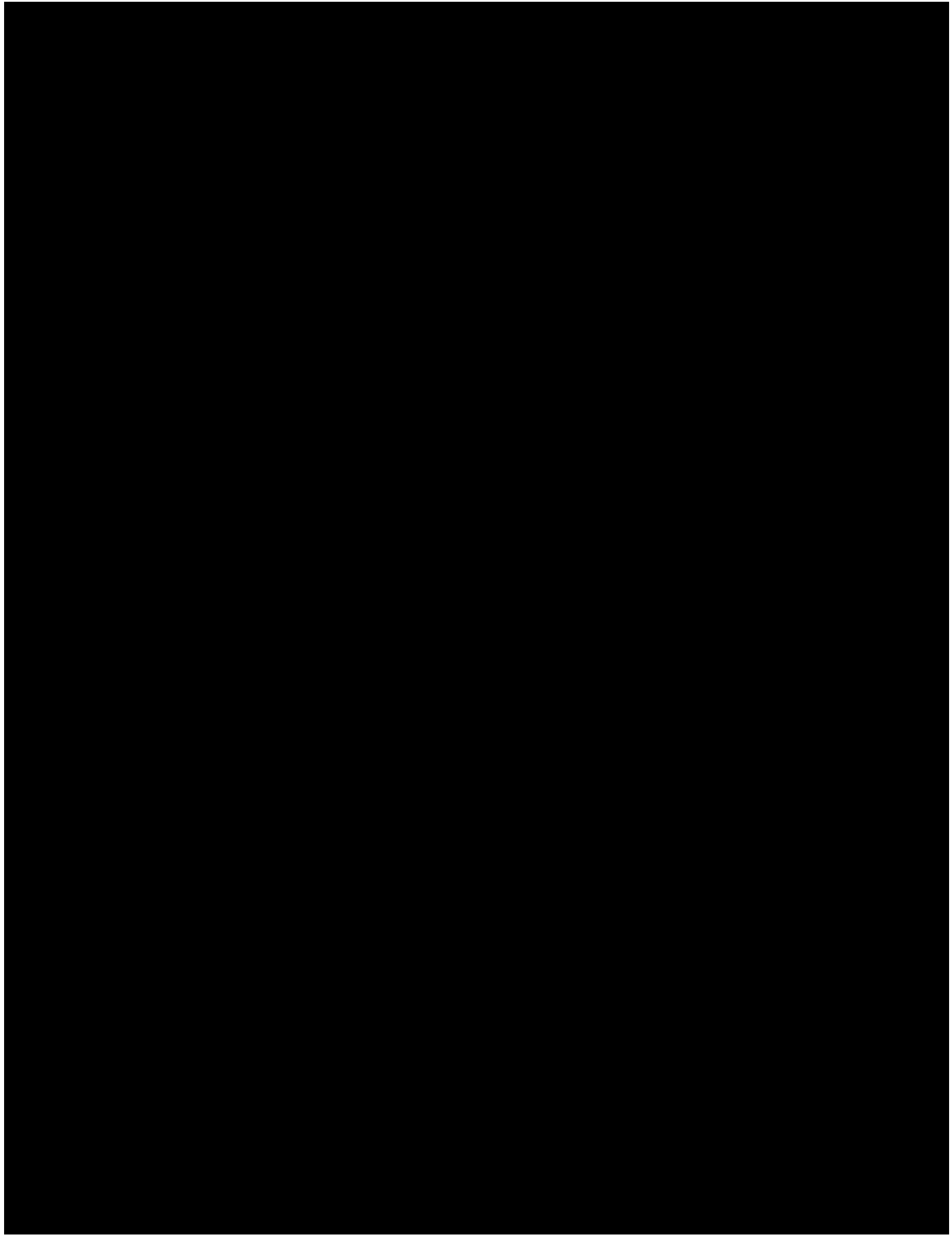
DIVISION OF ENFORCEMENT

By its attorneys,

/s/ Ellen Bober Moynihan

Ellen Bober Moynihan, Senior Investigations
Counsel
U.S. Securities and Exchange Commission
Boston Regional Office
33 Arch Street, 23d Floor
Boston, MA 02110
Tel: (617) 573-8913
Fax: (617) 573-4590
Email: [REDACTED]

Date: February 27, 2015



UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

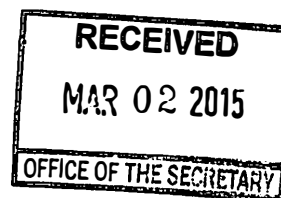
HARD COPY

ADMINISTRATIVE PROCEEDING
File No. 3-16274

In the Matter of

Gregory Viola,

Respondent.



EXHIBITS TO THE DECLARATION OF
ELLEN BOBER MOYNIHAN IN SUPPORT OF DIVISION OF ENFORCEMENT'S
MOTION FOR SUMMARY DISPOSITION

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

2/1/12
L. Labaree
Deputy Clerk

UNITED STATES OF AMERICA

CRIMINAL NO. 3:12cr25 VLB

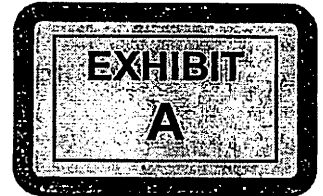
v.

Violation:
18 U.S.C. § 1341 [Mail Fraud]

GREGORY VIOLA

INFORMATION

The United States Attorney charges:



COUNTS ONE AND TWO
(Mail Fraud)

The Defendant

1. At all times relevant to this Information, the defendant GREGORY VIOLA ("VIOLA") resided in Orange, Connecticut. VIOLA used his Orange home to conduct an investment business although he did not possess a license or any registration to conduct such a business. VIOLA also provided tax preparation services.

2. At all times relevant to this Information, VIOLA solicited prospective investments by representing to his tax preparation clients and other persons that he could invest and maintain their funds in a separate account and that he could generate a significant return on the investments. VIOLA represented to some investors that he would provide them with dividends of at least 8% to 10% per year. VIOLA began accepting funds from investors as early as 1999.

The Scheme to Defraud Investors

3. From in or about 2007 to in or about July 2011, VIOLA did knowingly and willfully devise a scheme and artifice to defraud investors who entrusted funds to

him, to obtain money from these investors, by means of materially false and fraudulent pretenses, representations and promises, and to routinely use the United States mails for the purpose of executing that scheme and artifice, all as more fully set forth below.

4. In an effort to solicit investors to provide funds to him, VIOLA made false representations that each investor's funds would be maintained in a separate account, whereas VIOLA commingled investors' funds with other investors' funds and funds in his own bank accounts.

5. In an effort to provide a false sense of security to his investors, VIOLA provided some of his investors with materials he signed on the letterhead of a financial institution to create the false impression that VIOLA was soliciting investments on behalf of the institution and that the investments were insured by the institution. In fact, VIOLA knew that he was not accepting funds on behalf of the institution and the institution was not insuring the investments.

6. In an effort to keep the fraudulent scheme going, VIOLA routinely used new investors' funds to pay dividends and redemptions to earlier investors.

7. As of May 2011, VIOLA had falsely represented that he had more than \$10 million in total invested in separate accounts on behalf of more than 50 investors. While VIOLA represented to his investors that their funds were invested, VIOLA did not invest or maintain the funds as he represented.

8. In an effort to lull investors and to convince them that their investments had generated a significant return, VIOLA generated fraudulent monthly statements that purported to show that investors' funds were currently invested and had significantly appreciated in value, whereas the funds were not currently invested and no such appreciation had occurred.

9. In furtherance of his scheme to defraud investors, VIOLA mailed the fraudulent monthly statements to his investors. These fraudulent statements falsely represented in some cases that investors had separate accounts at E-TRADE, whereas no such separate accounts existed.

10. VIOLA billed some investors for the investment services he purportedly rendered by requiring investors to pay a percentage of the principal that each investor purportedly had under VIOLA's management. In fact, the percentage VIOLA charged some investors was much greater than the percentage represented since the represented principal was fraudulently inflated.

11. From in or about 2007 to in or about July 2011, VIOLA used investors' funds to pay his own personal expenses, including the mortgage on his Orange home, and to pay promised dividends to other investors.

12. As a result of the fraudulent conduct set forth in paragraphs 4 through 11 above, VIOLA defrauded investors of at least \$2.5 million.

13. On or about the dates set forth below, each date constituting a separate count of the Information, VIOLA, for the purpose of executing the aforementioned scheme and artifice and attempting to do so, did knowingly and willfully cause to be delivered by mail according to the direction thereon an envelope addressed to an investor containing a statement that falsely represented the amount of money that the investor had on account as set forth below:

Count	Approximate Date of Mailing	Nature of Fraudulent Statement
Count One	May 7, 2011	Represented that an investor had \$143,483.19 on account, whereas Viola did not maintain these funds for the investor
Count Two	May 13, 2011	Represented that an investor had \$301,725.86 on account, whereas Viola did not maintain these funds for the investor

All in violation of Title 18, United States Code, Section 1341.

FORFEITURE ALLEGATION

14. Upon conviction of the offenses in Counts One and Two of this Information, VIOLA shall forfeit to the United States of America pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), all right, title, and interest in any and all property, real or personal, which constitutes or is derived from proceeds traceable to the violation of Title 18, United States Code, Section 1341, including but not limited to a sum of money equal to the total amount of any property, real or personal, which constitutes or is derived from proceeds traceable to the violations of Title 18, United States Code, Section 1341, including:

Real Property:

An interest in certain real property located at 64 Hampton Close, Orange, Connecticut, up to the amount of all proceeds of the violations alleged in Counts One and Two that are traceable into the said real property.

An interest in certain real property located at 185 Mulberry Lane, Orange, Connecticut, up to the amount of all proceeds of the violations alleged in Counts One and Two that are traceable into the said real property.

Money Judgment

A sum of money equal to the total amount of any property, real or personal, which constitutes or is derived from proceeds traceable to the violations alleged in Counts One and Two, that is, at least \$2,500,000.

15. If any of the above-described forfeitable property, as a result of any act or omission of VIOLA, cannot be located upon the exercise of due diligence, has been transferred, sold to, or deposited with a third party, has been placed beyond the jurisdiction of the court, has been substantially diminished in value, or has been commingled with other property which cannot be divided without difficulty, it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), to seek forfeiture of

any other property of defendant up to the value of the forfeitable property described above.

All in accordance with Title 18, United States Code, Section 981(a)(1), as incorporated by Title 28, United States Code, Section 2461(c), and Rule 32.2(a), Federal Rules of Criminal Procedure.

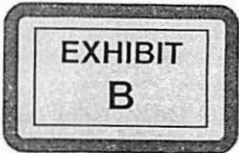
UNITED STATES OF AMERICA



DAVID B. FEIN
UNITED STATES ATTORNEY



RICHARD J. SCHECHTER
SENIOR LITIGATION COUNSEL



UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

UNITED STATES OF AMERICA,	.	Case No. 3:12-CR-00025
	.	(VLB)
Plaintiff,	.	
	.	Hartford, Connecticut
v.	.	February 1, 2012
	.	
GREGORY VIOLA,	.	
	.	
Defendant.	.	
.....	.	

WAIVER OF INDICTMENT/GUILTY PLEA
BEFORE THE HONORABLE VANESSA L. BRYANT
UNITED STATES DISTRICT JUDGE

APPEARANCES:

For the Plaintiff:	Office of the U.S. Attorney
	By: RICHARD SCHECHTER, AUSA
	[REDACTED]
	[REDACTED]
	[REDACTED]
For the Defendant:	McElroy, Deutsch, Mulvaney
	& Carpenter/PH, LLP
	By: CALVIN K. WOO, ESQ.
	JAMES H. PICKERSTEIN, ESQ.
	30 Jelliff Lane
	Southport, CT 06890-1436
Recorder Operator:	MS. DEATRICE D. SMITH

Proceedings recorded by electronic sound recording.
Transcript prepared by transcription service.

BOWLES REPORTING SERVICE
P.O. BOX 607
GALES FERRY, CONNECTICUT 06335
(860) 464-1083

1 (Proceedings commenced at 1:06 p.m.)

2 THE COURT: Good afternoon.

3 COUNSEL: Good afternoon, Your Honor.

4 THE COURT: Please be seated.

5 Court is convened this afternoon in the
6 matter of The United States of America v. Viola.

7 May we have the appearances of counsel for
8 the record, beginning with the Government, then the
9 Defendant. And please identify anyone sitting with you
10 at counsel table.

11 MR. SCHECHTER: Good afternoon, Your Honor.

12 On behalf of the United States, Senior
13 Litigation Counsel Richard Schechter.

14 With me at counsel table, Your Honor, is FBI
15 Special Agent Wendy Bowersox.

16 THE COURT: Could you spell her name please?

17 MR. SCHECHTER: Certainly. It's B-O-W-E-R-S-
18 O-X.

19 THE COURT: Thank you and welcome.

20 AGENT BOWERSOX: Thank you, Your Honor.

21 MR. PICKERSTEIN: On behalf of the Defendant,
22 Viola, Your Honor, Harold James Pickerstein.

23 With me as my partner, Calvin Woo.

24 Mr. Viola is present in court this afternoon.

25 THE COURT: Thank you.

1 I know that the Plea Agreement is addressed
2 to Attorney Woo.

3 Mr. Pickerstein, will you be addressing the
4 Court today, or will it be Mr. Woo?

5 MR. PICKERSTEIN: Mr. Woo will be doing the
6 heavy lifting, Your Honor.

7 THE COURT: All right. Thank you.

8 MR. WOO: Thank you, Your Honor.

9 THE COURT: Mr. Woo, --

10 MR. WOO: Yes?

11 THE COURT: -- it's my understanding that
12 your client intends to enter a plea today, to a two-
13 count Information charging him with two counts of mail
14 fraud in violation of 18 United States Code, Section
15 1341.

16 Is that correct, sir?

17 MR. WOO: That's correct, Your Honor.

18 THE COURT: Mr. Woo, have you provided your
19 client with a copy of the Information and the Plea
20 Agreement?

21 MR. WOO: I have, Your Honor.

22 THE COURT: Have you afforded him an
23 opportunity to review them?

24 MR. WOO: I have, Your Honor.

25 THE COURT: Have you afforded him an

1 opportunity to ask you questions concerning them?

2 MR. WOO: Yes, Your Honor.

3 THE COURT: Have you provided your client
4 with legal advice and counsel concerning them?

5 MR. WOO: Yes, Your Honor.

6 THE COURT: And have you also provided him
7 legal advice and counsel concerning the consequences of
8 pleading guilty, including the collateral consequences?

9 MR. WOO: Yes, Your Honor.

10 THE COURT: And have you advised him of his
11 right to be indicted by a grand jury, and the
12 consequence of his waiver of that right to indictment,
13 and other matters which you deemed appropriate?

14 MR. WOO: Yes, Your Honor.

15 THE COURT: Did he seem to understand your
16 answers and your legal advice?

17 MR. WOO: He did, Your Honor.

18 THE COURT: If he were to enter a guilty plea
19 today, would it be your belief, based upon your
20 interaction with him and the statements he's made to
21 you, that his plea when he knowingly, voluntarily and
22 intelligently given, with the effective assistance of
23 counsel?

24 MR. WOO: Yes, Your Honor.

25 THE COURT: Thank you, Mr. Woo.

1 MR. WOO: Thank you, Your Honor.

2 THE COURT: Mr. Viola, during the course of
3 these proceedings I will be asking you questions and
4 providing you with information. At times I will repeat
5 myself, not inadvertently, but to emphasize certain
6 points and to make sure that you understand what's
7 transpiring here today.

8 Do you understand?

9 THE DEFENDANT: Yes.

10 THE COURT: In order to ensure that your
11 answers are truthful and complete, I'm going to ask my
12 Courtroom Deputy, Mrs. LaLone, at this time, to place
13 you under oath.

14 (The Defendant is Sworn.)

15 THE COURT: I would first like to advise you
16 of your legal and constitutional rights.

17 THE DEFENDANT: Yes.

18 THE COURT: You have the right to remain
19 silent.

20 Do you understand?

21 THE DEFENDANT: Yes.

22 THE COURT: That means you have the right not
23 to say anything whatsoever concerning the charges
24 against you.

25 Do you understand?

1 THE DEFENDANT: Yes.

2 THE COURT: If you have pled not guilty in
3 the past, you have the right to persist in that plea,
4 and you may not be compelled to plead guilty.

5 Do you understand, sir?

6 THE DEFENDANT: Yes.

7 THE COURT: If you speak today, if you've
8 spoken in the past, or if you speak at any time in the
9 future, you may stop speaking. You simply must make it
10 clear that you intend to stop speaking.

11 Do you understand?

12 THE DEFENDANT: Yes.

13 THE COURT: Anything you say can and likely
14 will be used against you.

15 Do you understand?

16 THE DEFENDANT: Yes.

17 THE COURT: You have the right to be
18 represented by counsel at every stage of the
19 proceedings.

20 You are currently represented by Attorney Woo
21 and Attorney Pickering ---

22 MR. WOO: Pickerstein, Your Honor.

23 THE COURT: Pickerstein, excuse me.

24 -- and you're entitled to be represented by
25 counsel at every stage of the proceedings, whether in

1 court or not.

2 Do you understand?

3 THE DEFENDANT: Yes.

4 THE COURT: If, at any time in the future,
5 you are no longer represented by both of these able
6 gentlemen, you have the right to have counsel appointed
7 to represent you at public expense if you are unable to
8 afford an attorney to represent you.

9 Do you understand?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you understand that by
12 pleading to an Information you're giving up; that is,
13 you're waiving your right to be charged by an
14 Indictment?

15 THE DEFENDANT: Yes.

16 THE COURT: Do you understand that an
17 Indictment would be returned by a grand jury because
18 this is a felony offense and the Government would be
19 obligated to present evidence to a grand jury, and that
20 if a grand jury did not find that there was probable
21 cause; that is, a reasonable basis to believe that you
22 committed the offenses for which you stand charged
23 under this Information, you could not be legally
24 charged with these offenses?

25 THE DEFENDANT: Yes.

1 THE COURT: Do you understand that by
2 pleading guilty to an information, you're waiving your
3 right to be charged by an Indictment; that is, you're
4 waiving your right to have the Government present its
5 evidence to a grand jury, and to have the grand jury
6 find that there's probable cause that you committed
7 these offenses, and enter an Indictment against you?

8 THE DEFENDANT: Yes.

9 THE COURT: Mr. Viola, you, like every
10 individual charged with the commission of a criminal
11 offense, are presumed to be innocent and remain cloaked
12 with the presumption of innocence unless and until you
13 are proven guilty.

14 Do you understand?

15 THE DEFENDANT: Yes.

16 THE COURT: Because you have the right to
17 remain silent and you have the presumption of
18 innocence, it naturally follows that the Government is
19 obligated to prove you guilty.

20 Do you understand?

21 THE DEFENDANT: Yes.

22 THE COURT: The Government is obligated to
23 prove you guilty at a speedy and public trial, where
24 you have the right to be represented by counsel, and
25 with the assistance of that counsel, to present a

1 defense by cross-examining and confronting the
2 witnesses against you, and to present evidence in your
3 defense.

4 Do you understand, sir?

5 THE DEFENDANT: Yes.

6 THE COURT: Do you understand that because
7 you have the right against self-incrimination, you
8 cannot be compelled to testify at trial and, if you
9 chose not to testify, the Court would instruct the jury
10 that they may not hold that against you and find you
11 guilty solely on the basis of the fact that you
12 exercised your constitutional right against self-
13 incrimination?

14 THE DEFENDANT: Yes.

15 THE COURT: You understand that you would
16 have the right to present a defense at that trial, but
17 you have no obligation to do so because it is the
18 Government's obligation to prove you guilty beyond a
19 reasonable doubt.

20 Do you understand?

21 THE DEFENDANT: Yes.

22 THE COURT: Do you understand that you could
23 present a defense by cross-examining the Government's
24 witnesses against you, and challenging the Government's
25 other evidence -- physical evidence against you.

1 Do you understand?

2 THE DEFENDANT: Yes.

3 THE COURT: Do you understand that you would
4 also have the ability to present evidence in your
5 defense, and to compel individuals to appear in court
6 to testify in your defense, and to produce physical
7 evidence for you to introduce in your defense at trial?

8 THE DEFENDANT: Yes.

9 THE COURT: Do you understand that if the
10 Government did not prove you guilty beyond a reasonable
11 doubt to a unanimous jury at your speedy and public
12 trial, where you would have the right to be assisted by
13 counsel, you could not be convicted of these offenses?

14 THE DEFENDANT: Yes.

15 THE COURT: Do you understand that the Court
16 would determine any sentence you received, and that the
17 determination of the appropriate sentence is within the
18 sole discretion of the Court?

19 THE DEFENDANT: Yes.

20 THE COURT: Do you understand that in
21 determining the appropriate sentence, the Court is
22 obligated to calculate the United States Sentencing
23 Guideline recommended sentencing range?

24 THE DEFENDANT: Yes.

25 THE COURT: And do you understand that the

1 Court is also obligated to consider the recommended
2 range and any departures, either upward or downward,
3 under the Guidelines?

4 THE DEFENDANT: Yes.

5 THE COURT: Do you understand that the Court
6 must also consider the other factors set forth in 18
7 United States Code, Section 3553?

8 THE DEFENDANT: Yes.

9 THE COURT: Do you understand that those
10 factors are the nature and circumstances of the
11 offense, and your history and characteristics?

12 THE DEFENDANT: Yes.

13 THE COURT: Do you also understand that
14 further factors are the need to reflect the seriousness
15 of the offense, to promote respect for the law, and to
16 provide you with just punishment for the offense?

17 THE DEFENDANT: Yes.

18 THE COURT: Do you also understand that those
19 factors include the imposition of a sentence that
20 affords an adequate deterrence to criminal conduct?

21 THE DEFENDANT: Yes.

22 THE COURT: Do you understand that the public
23 (phonetic) must protect the public from other crimes
24 which you might commit in the future, and to provide
25 you with needed educational and vocational training,

1 medical care, and corrective treatment in the most
2 effective manner?

3 THE DEFENDANT: Yes.

4 THE COURT: Do you also understand that the
5 Court must consider all kinds of sentences available?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you understand that the Court
8 must consider, as well, the need to avoid unwarranted
9 sentencing disparities, such that individuals with
10 similar backgrounds, who have committed similar crimes,
11 receive similar sentences, regardless of race, creed,
12 religion or other factors?

13 THE DEFENDANT: Yes.

14 THE COURT: Do you understand that the Court
15 must consider the need to provide restitution to the
16 victims of your offense?

17 THE DEFENDANT: Yes.

18 THE COURT: Has your attorney provided you a
19 copy of the Information and the Plea Agreement?

20 THE DEFENDANT: Yes.

21 THE COURT: Have you read them?

22 THE DEFENDANT: Yes.

23 THE COURT: Have you had an adequate
24 opportunity to consider them?

25 THE DEFENDANT: Yes.

1 THE COURT: Have you had an adequate
2 opportunity to ask questions concerning them, and to
3 receive answers to your questions, and legal advice and
4 counsel concerning them?

5 THE DEFENDANT: Yes.

6 THE COURT: Do you still wish to proceed?

7 (Defense Counsel and the Defendant confer.)

8 THE COURT: Do you still --

9 THE DEFENDANT: Yes.

10 THE COURT: -- wish to proceed?

11 THE DEFENDANT: Yes.

12 THE COURT: And do you waive your right to an
13 indictment?

14 THE DEFENDANT: Yes.

15 THE COURT: You've indicated that you've read
16 the Plea Agreement. I'd like to take a moment to go
17 over those terms and make sure that you understand
18 them.

19 Do you understand, first, that in order to be
20 convicted of these offenses, there must have been a
21 scheme or artifice to defraud or to obtain money or
22 property by means of materially false and fraudulent
23 pretenses, representations or promises?

24 THE DEFENDANT: Yes.

25 THE COURT: Do you further understand that in

1 order to be guilty of these offenses, you must have
2 knowingly and voluntarily participated in the scheme or
3 artifice to defraud, with knowledge of its fraudulent
4 nature and with the intent to defraud?

5 THE DEFENDANT: Yes.

6 THE COURT: And finally, sir, do you
7 understand that the third element is that in execution
8 or in furtherance of the scheme, you must have used or
9 caused the use of the mails?

10 THE DEFENDANT: Yes.

11 THE COURT: And, sir, are each of those
12 elements true? Did you do those three things with
13 respect to each of the counts --

14 THE DEFENDANT: Yes.

15 THE COURT: -- contained in the Information?

16 THE DEFENDANT: Yes.

17 THE COURT: Please speak into the mic.

18 MR. WOO: He has a hearing --

19 (Mr. Woo and the Defendant confer.)

20 THE COURT: Have you heard everything I said
21 to you, sir?

22 (Mr. Woo and the Defendant confer.)

23 THE COURT: Please speak into the mic. You
24 can adjust that.

25 (Mr. Woo and the Defendant confer.)

1 THE DEFENDANT: Yes, I have heard everything
2 that you have said to me, Your Honor.

3 THE COURT: And did you commit acts
4 constituting each of the three elements of the
5 offenses, as I've just outlined, and that you have just
6 acknowledged?

7 THE DEFENDANT: Yes, Your Honor.

8 THE COURT: Can you hear me, sir?

9 THE DEFENDANT: I do, but certain things I'm
10 not hearing, Your Honor.

11 THE COURT: As I said, if at any time I say
12 anything you do not understand, and you would like to
13 consult with your attorney, please state that you would
14 like a moment to confer with your attorney or ask me
15 any question that you may have.

16 Do you understand?

17 THE DEFENDANT: Yes.

18 THE COURT: There is a Stipulation of Offense
19 Conduct incorporated by reference in your Plea
20 Agreement; is that correct?

21 THE DEFENDANT: Yes.

22 THE COURT: And it is attached to the Plea
23 Agreement, correct?

24 THE DEFENDANT: Yes.

25 THE COURT: Do you acknowledge that all of

1 the facts contained in the Stipulation of Offense
2 Conduct are true?

3 THE DEFENDANT: Yes.

4 THE COURT: Do you understand the statutory
5 penalties for each offense?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you understand that each
8 offense carries a maximum period of -- in prison of 20
9 years, and a \$250,000 fine?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you also understand that you
12 will be subject to a three-year period of supervised
13 release, during which you would be subject to certain
14 conditions?

15 THE DEFENDANT: Yes.

16 THE COURT: Do you also understand that if
17 you violated any of those conditions, you would be
18 subject to an additional two-year period of supervised
19 -- of imprisonment for a violation of supervised
20 release conditions?

21 THE DEFENDANT: Yes.

22 THE COURT: Mr. Viola, do you understand that
23 because you are being charged with two counts, the
24 Court may impose the sentence consecutively; that is,
25 one sentence for Count One and a second sentence for

1 Count Two, to be served one after the other?

2 THE DEFENDANT: Yes.

3 THE COURT: Do you understand that that would
4 double the total criminal exposure to 40 years in
5 prison?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you also understand that
8 you're subject to the alternative minimum fine, which
9 is twice the gross gain to you for your criminal
10 conduct, twice the gross loss to any victims of your
11 offense due to your criminal conduct, or \$250,000,
12 whichever is greatest?

13 THE DEFENDANT: Yes.

14 THE COURT: Do you also understand that you
15 must pay a \$100 special assessment for each offense of
16 conviction, resulting in a assessment of \$200?

17 THE DEFENDANT: Yes.

18 THE COURT: And you also understand that you
19 are going to be ordered to pay restitution consistent
20 with the restitution rider attached to your Plea
21 Agreement and incorporated by reference into your Plea
22 Agreement?

23 THE DEFENDANT: Yes.

24 THE COURT: Do you understand that if
25 restitution and/or a fine is imposed in an amount

1 greater than \$2,500, and you fail to make those
2 payments in full within 15 days of the date of
3 judgment, those amounts will accrue interest and
4 penalties, thereby increasing the total amount you will
5 pay?

6 THE DEFENDANT: Yes.

7 THE COURT: And there is also a restitution
8 section in your Plea Agreement; is there not?

9 THE DEFENDANT: Yes, there is.

10 THE COURT: And do you acknowledge and agree
11 that under that provision, you agree to make
12 restitution to the victims of your offenses?

13 THE DEFENDANT: Yes.

14 THE COURT: And do you understand that it
15 provides that restitution shall be payable immediately?

16 THE DEFENDANT: Yes.

17 THE COURT: Do you further understand that
18 you agree to forfeit all right, title and interest in
19 any and all property --

20 THE DEFENDANT: Yes.

21 THE COURT: -- in an amount determined by the
22 Court, up to the amount of proceeds traceable to, and
23 derived from, your criminal conduct?

24 THE DEFENDANT: Yes.

25 THE COURT: Do you also understand that as

1 stated in the Plea Agreement, you agree to take all
2 steps requested by the United States, to transfer
3 custody and clear title of the forfeitable property to
4 the United States, and to facilitate any forfeiture
5 proceedings?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you also understand and agree
8 that you agree to waive all right, title and interest
9 in and to all of the forfeitable assets, in an amount
10 to be determined by the Court, which constitute or
11 which were derived or traceable to your criminal
12 scheme?

13 THE DEFENDANT: Yes.

14 THE COURT: And that you further agree to
15 consent to the entry of a forfeiture order of the
16 Court, for each of the forfeitable assets?

17 THE DEFENDANT: Yes.

18 THE COURT: Do you understand that the
19 forfeiture order is part of the sentence imposed by the
20 Court, and will also be a condition of supervised
21 release?

22 THE DEFENDANT: Yes.

23 THE COURT: Do you further agree that you
24 will not directly or indirectly sell, assign, transfer,
25 convey, donate, convert, pledge, encumber,

1 collateralize, liquidate, fail to conduct ordinary
2 maintenance upon, diminish the value of, or otherwise
3 dispose of or reduce the value of the forfeitable
4 property?

5 THE DEFENDANT: Yes.

6 THE COURT: Do you understand that to the
7 extent you seek to do so, you must seek leave of the
8 Court, and that the Government will have an opportunity
9 to be heard?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you further agree that the
12 United States is authorized to take any action which it
13 deems necessary to assure the availability of the
14 forfeitable assets?

15 THE DEFENDANT: Yes.

16 THE COURT: And do you agree and consent to
17 the same including, without limited (phonetic), giving
18 the United States authority to obtain restraining
19 orders and seizure warrants for the forfeitable assets?

20 THE DEFENDANT: Yes.

21 THE COURT: And do you consent to the United
22 States seizure of the forfeitable assets?

23 THE DEFENDANT: Yes.

24 THE COURT: Do you understand further, that
25 if any of the forfeitable assets, as a result of any

1 act or omission by you, cannot be located upon the
2 exercise of due diligence, has been transferred, sold
3 or deposited with third persons, including a family
4 member --

5 THE DEFENDANT: Yes.

6 THE COURT: I haven't asked the question yet.

7 (Mr. Woo and the Defendant confer.)

8 THE COURT: Are you hearing what I'm saying,
9 sir? Do you need a moment to collect yourself?

10 THE DEFENDANT: Yes.

11 THE COURT: You'd like a moment to collect
12 yourself?

13 (Mr. Woo and the Defendant confer.)

14 THE DEFENDANT: I heard what you said, Your
15 Honor. I'm sorry.

16 THE COURT: If such assets cannot be located
17 upon the exercise of due diligence, if such assets have
18 been transferred, sold or deposited with a third
19 person, including a spouse or other family member, has
20 been placed beyond the jurisdiction of the Court, has
21 been substantially diminished or commingled with other
22 property, and therefore cannot be divided without
23 difficulty, it is the intent of the United States,
24 pursuant to law, to seek forfeiture of any other
25 property you may own, up to the value of such

1 forfeitable property.

2 Do you understand?

3 THE DEFENDANT: Yes, Your Honor.

4 THE COURT: Sir, in the event that any of the
5 aforementioned conditions occur, you agree in the Plea
6 Agreement not to oppose or object to the United States
7 efforts to recover substitute assets.

8 Do you understand?

9 THE DEFENDANT: Yes.

10 THE COURT: Do you further understand that if
11 you fail to preserve any and all forfeitable assets,
12 this Court will be disinclined to conclude that you
13 have accepted affirmative responsibility for this
14 offense, and would not be inclined to accept a
15 recommendation, if made by the Government, to reduce
16 your offense level by two levels for your affirmative
17 acceptance of personal responsibility.

18 Do you understand?

19 THE DEFENDANT: Yes.

20 THE COURT: Further, sir, in your Plea
21 Agreement, you agree with the Government to identify
22 all assets over which you exercised or exercise
23 control, directly or indirectly, within the time frame
24 beginning with the mail fraud scheme, to the date of
25 sentencing, or in which you have or had a financial

1 interest during such time.

2 Do you understand?

3 THE DEFENDANT: Yes.

4 THE COURT: Do you further understand that in
5 the Plea Agreement you also agree to take all steps
6 requested by the United States, to obtain from other
7 parties, any and all records of assets owned at any
8 time by you?

9 THE DEFENDANT: Yes.

10 THE COURT: And do you understand that you
11 agree to hold the United States and its agents harmless
12 against any and all claims that may arise out of your
13 efforts to obtain forfeitable assets?

14 THE DEFENDANT: Yes.

15 THE COURT: Do you understand that pursuant
16 to your Plea Agreement, you waive any rights or causes
17 of action to claim that you are a substantially
18 prevailing party, and that you waive any and all rights
19 to seek recovery of any expenses you incurred in
20 connection with your prosecution for, or your
21 conviction of, these offenses?

22 THE DEFENDANT: Yes.

23 THE COURT: Has your attorney explained to
24 you, the United States Sentencing Guidelines and their
25 operations?

1 THE DEFENDANT: Yes.

2 THE COURT: And do you understand, once
3 again, that the ultimate determination of the
4 appropriate sentence rests with the Court?

5 THE DEFENDANT: Yes.

6 THE COURT: Do you understand that the
7 calculation of your United States Sentencing Guideline
8 range is a function of your criminal history category
9 and your total offense category?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you understand that at this
12 time the Government intends to recommend to the Court,
13 that it reduce your total offense level by three
14 levels: two for your affirmative acceptance of personal
15 responsibility for the offense, and one for your prompt
16 notification to the Government of your intent to plead
17 guilty?

18 THE DEFENDANT: Yes.

19 THE COURT: Once again, Mr. Viola, do you
20 understand that this is a recommendation which the
21 Government intends to make, but that the Government's
22 intent to do so, it's a promise to do so in the Plea
23 Agreement, is conditional?

24 THE DEFENDANT: Yes.

25 THE COURT: And do you understand that the

1 Government will not make this recommendation if you
2 engage in any conduct that would suggest that you have
3 not terminated from criminal association or conduct?

4 THE DEFENDANT: Yes.

5 THE COURT: Do you understand that the
6 Government will not make this recommendation if you do
7 not thoroughly and completely disclose to the Probation
8 Office, all relevant information concerning your
9 commission of these offenses, and of your financial
10 position, including the submission of complete and
11 accurate financial statements, including any supporting
12 documentation referenced therein?

13 THE DEFENDANT: Yes.

14 THE COURT: And that you must file with the
15 Probation Office, this financial information in a
16 timely manner; that is, in a prompt manner sufficient
17 to afford the Probation Office and the Court the
18 ability to give them due consideration?

19 THE DEFENDANT: Yes.

20 THE COURT: You understand that this is a
21 particular concern in this case, because this is a
22 financial crime with a substantial restitution
23 obligation?

24 THE DEFENDANT: Yes.

25 THE COURT: Do you understand that the

1 Government will not make this obligation (phonetic) if
2 you violate any condition of release, or if you take
3 any position at any time prior to sentencing, which is
4 inconsistent with your affirmative acceptance of
5 personal responsibility for these offenses?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you understand that the
8 Government may make the recommendation but the Court
9 may not accept the recommendation, and that the Court
10 will decide whether or not to accept the
11 recommendation?

12 THE DEFENDANT: Yes.

13 THE COURT: And do you understand that the
14 Court would be disinclined to accept that
15 recommendation if you fail to disclose all assets owned
16 by you --

17 THE DEFENDANT: Yes.

18 THE COURT: -- during the relevant time
19 period?

20 THE DEFENDANT: Yes.

21 THE COURT: And do you understand that the
22 Court would be disinclined, if you did anything
23 inconsistent with the ability to satisfy the judgment
24 against you, including the restitution order?

25 THE DEFENDANT: Yes.

1 THE COURT: Do you understand that you and
2 the Government have no agreement regarding the
3 recommended guidelines sentence and that you have not
4 stipulated to the United States Sentencing Guideline
5 recommended range?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you understand that you and
8 the Government have agreed that the Guideline manual in
9 effect at the time of sentencing will be the manual
10 used to calculate the sentence?

11 THE DEFENDANT: Yes.

12 THE COURT: Okay.

13 Sir, you and the Government agree that based
14 upon a Base Offense Level of 7, the Base Offense Level
15 is increased by 18 because of the amount of loss
16 involved.

17 It's increased by four additional points
18 based upon the fact that the scheme involved 50 or more
19 victims.

20 Two more levels are added because you abused
21 a position of trust in a manner that significantly
22 facilitated the commission of, or the concealment of
23 the offense.

24 Four additional levels may be added if the
25 Court determines that you are an investment adviser

1 because the investment -- I'm sorry, the offenses
2 involved a violation of the securities laws, which
3 would result in a net increase of two, because Section
4 3B1.3 would not be applicable because that is
5 duplicative, as it involves a violation of a position
6 of trust.

7 And finally, sir, assuming you qualify and the
8 Court accepts the Government's recommendation for a
9 three-level reduction, your total offense level would
10 be, according to your agreement with the Government, 28
11 or 30.

12 Do you understand, sir?

13 THE DEFENDANT: Yes.

14 THE COURT: Do you further understand that
15 you and the Government agree that at this time, based
16 upon an initial assessment, it is believed that you are
17 in Criminal History Category I?

18 THE DEFENDANT: Yes.

19 THE COURT: Do you understand that between
20 today and the date of sentencing, your background will
21 be more thoroughly investigated, and that if you are in
22 a higher criminal history category, the United States
23 Sentencing Guidelines would recommend a higher
24 sentence?

25 THE DEFENDANT: Yes.

1 THE COURT: Okay.

2 Sir, assuming a Total Offense Level of 28 and
3 a Criminal History Category of I, the United States
4 Sentencing Guidelines recommend a sentence of 78 to 87
5 months in prison, and a fine of 12,500 to \$125,000.

6 Do you understand?

7 THE DEFENDANT: Yes.

8 THE COURT: And you also understand that
9 you're subject to the special assessment of \$100 for
10 each offense.

11 Yes, Counsel?

12 MR. SCHECHTER: Excuse me, Your Honor. I
13 thought I heard you say "78 to 87 months." I believe
14 that --

15 THE COURT: It's 90 --

16 MR. SCHECHTER: -- the applicable guideline
17 would be 78 to 97 months.

18 THE COURT: That's correct. If I misspoke,
19 that's 78 to 97 months in prison.

20 THE DEFENDANT: Yes.

21 THE COURT: Do you understand? Okay.

22 Alternatively, sir, if you are -- In
23 addition, sir, you understand that you're subject to
24 the alternative minimum fine, which is twice the gross
25 gain to you, twice the gross loss to all of your

1 victims or \$250,000, whichever is greatest.

2 Do you understand?

3 THE DEFENDANT: Yes.

4 THE COURT: Do you further understand that if
5 you have a Total Offense Level of 30, the Guidelines
6 recommend a sentence of 97 to 121 months in prison, and
7 a fine range of 15,000 to \$115,000 plus, again, the
8 alternative minimum fine would apply.

9 Do you understand?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you understand that in the
12 Plea Agreement you and the Government reserve the right
13 to address the Court as to the appropriate sentence to
14 impose, and that if the Court and/or the Probation
15 Office contemplate any alternate sentencing
16 calculation, you and the Government would have the
17 right to argue against that?

18 THE DEFENDANT: Yes.

19 THE COURT: And you understand that you would
20 be notified of that fact?

21 THE DEFENDANT: Yes.

22 THE COURT: And you understand that the
23 United States Sentencing Guidelines are not binding
24 upon the Court, and that the sole determinant of the
25 appropriate sentence to impose is the Court?

1 THE DEFENDANT: Yes.

2 THE COURT: Therefore, sir, you understand
3 that no assurance can be given to you today, of what
4 sentence would ultimately be imposed by the Court?

5 THE DEFENDANT: Yes.

6 THE COURT: Do you acknowledge that under
7 certain circumstances an individual is entitled to
8 appeal or collaterally attack a sentence, but in your
9 Plea Agreement you waive your right to do so if the
10 Court does not impose a sentence that does not exceed
11 97 months in prison, a three-year period of supervised
12 release, and a fine of \$150,000?

13 THE DEFENDANT: Yes.

14 THE COURT: Do you further understand that
15 you may only appeal or collaterally attack such portion
16 of the sentence that exceeds the amount of your
17 stipulation? Do you understand, sir?

18 THE DEFENDANT: Yes.

19 THE COURT: So that means that if the
20 sentence of imprisonment and the period of supervised
21 release do not exceed the amount set forth in your
22 stipulation with the Government, but that the fine
23 does, you may only appeal the fine portion of the
24 sentence?

25 THE DEFENDANT: Yes.

1 THE COURT: You understand that the
2 Government is obligated to share with the Probation
3 Office and with the Court, any relevant information
4 that it has concerning your background and your
5 commission of the offense, other than -- Well, there is
6 no grand jury material because there was no grand jury
7 here, and that you consent to such disclosure?

8 THE DEFENDANT: Yes.

9 THE COURT: Once again, sir, you understand
10 that by pleading guilty to an Information, you're
11 waiving your right to indictment by a grand jury
12 consisting of 16 to 23 individuals, at least 12 of whom
13 would have to find probable cause to believe that you
14 committed this offense, as set forth in your Plea
15 Agreement?

16 THE DEFENDANT: Yes.

17 THE COURT: Once again, I'd like to go over
18 your constitutional rights to a trial.

19 Do you understand that you have the right to
20 plead guilty, to persist in such a plea if you've
21 already done so?

22 THE DEFENDANT: Yes.

23 THE COURT: Do you understand that you have
24 the right to a speedy and public trial?

25 THE DEFENDANT: Yes.

1 THE COURT: Do you understand that you have a
2 right to a trial by a jury, with the assistance of
3 counsel?

4 THE DEFENDANT: Yes.

5 THE COURT: You understand that you have the
6 right to confront and cross-examine witnesses against
7 you, and that you cannot be compelled to testify
8 against yourself?

9 THE DEFENDANT: Yes.

10 THE COURT: Do you also understand that you
11 have the right to compulsory process to force the
12 attendance of individuals to appear and testify in your
13 defense, and to produce physical evidence to introduce
14 in your defense?

15 THE DEFENDANT: Yes.

16 THE COURT: Do you understand that by
17 pleading guilty you're waiving; that is, giving up all
18 of the legal and constitutional rights we have just
19 gone over, and that if you plead guilty there will be
20 no trial of any kind, and the Court may find you guilty
21 simply on the basis of your guilty plea?

22 THE DEFENDANT: Yes.

23 THE COURT: Do you understand that by
24 pleading guilty, the Court may ask you questions, and
25 that if you fail to answer those questions truthfully

1 and completely under oath and in the presence of
2 counsel, you may be prosecuted for such criminal
3 offenses as perjury and obstruction of justice?

4 THE DEFENDANT: Yes.

5 THE COURT: Do you understand that in your
6 Plea Agreement you waived the statute of limitations?

7 THE DEFENDANT: Yes.

8 THE COURT: Do you understand that a statute
9 of limitation is a law that requires that the
10 Government prosecute you within a certain period of
11 time?

12 THE DEFENDANT: Yes.

13 THE COURT: Do you understand that by waiving
14 the statute of limitations, if your conviction or your
15 sentence are vacated at anytime in the future, the
16 Government may prosecute you for any and all offenses
17 for which it could have prosecuted you today, and you
18 would not be able to raise as a defense, the fact that
19 the Government did not prosecute you sooner?

20 THE DEFENDANT: Yes.

21 THE COURT: Sir, do you acknowledge that
22 you're entering into the Plea Agreement and pleading
23 guilty voluntarily, without any pressure, threats or
24 coercion of any kind whatsoever, from any source
25 whatsoever, because you are, in fact, guilty?

1 THE DEFENDANT: Yes.

2 THE COURT: Okay.

3 Do you acknowledge that you're entering into
4 the Plea Agreement without any promise or benefit of
5 any kind whatsoever, other than the concessions
6 contained in the Plea Agreement, which we have
7 expressly gone over?

8 THE DEFENDANT: Yes.

9 THE COURT: Do you acknowledge your
10 understanding of the nature of the offense to which
11 you're pleading guilty, the elements of the offense,
12 the penalties for the offense, the provisions of your
13 Plea Agreement, and the consequences of pleading
14 guilty?

15 THE DEFENDANT: Yes.

16 THE COURT: Are you totally and completely
17 satisfied with the legal representation and advice you
18 have received?

19 THE DEFENDANT: Yes.

20 THE COURT: Do you acknowledge that you're
21 not a prevailing party, and that you may not recover
22 any expenses you may have incurred in connection with,
23 or as a consequence of your prosecution and/or
24 conviction for these offenses?

25 THE DEFENDANT: Yes.

1 THE COURT: Do you understand the collateral
2 consequences of these convictions if you were to enter
3 a guilty plea and the Court would accept it?

4 THE DEFENDANT: Yes.

5 THE COURT: To be certain, do you understand
6 and agree that you would be adjudicated a convicted
7 felon, and that by virtue of that adjudication, you
8 would forfeit certain rights?

9 THE DEFENDANT: Yes.

10 THE COURT: Do you understand that those
11 rights include the right to vote, the right to hold
12 public office and the right to serve on a jury?

13 THE DEFENDANT: Yes.

14 THE COURT: Do you understand that as a
15 convicted felon you may not possess a firearm,
16 dangerous weapon or ammunition?

17 THE DEFENDANT: Yes.

18 THE COURT: Do you understand that your
19 possession of such items constitute a criminal offense
20 punishable by imprisonment?

21 THE DEFENDANT: Yes.

22 THE COURT: Do you also understand that the
23 Probation Office will collect your DNA sample, and that
24 your sample will be analyzed and maintained in the
25 public index?

1 THE DEFENDANT: Yes.

2 THE COURT: Do you understand that the
3 Government reserves the right to notify any state,
4 federal or local agency by which you are licensed, any
5 business with which you do business, and any current or
6 future employer of the fact of your conviction?

7 THE DEFENDANT: Yes.

8 THE COURT: Do you understand that if you're
9 not a citizen of the United States, your conviction of
10 this offense may result in your deportation, denial of
11 citizenship in, and/or your denial of re-admission to
12 the United States?

13 THE DEFENDANT: Yes.

14 THE COURT: Do you understand that once I
15 accept your plea, you may not take it back, and that
16 the Court will find you guilty on the basis of that
17 plea?

18 THE DEFENDANT: Yes.

19 THE COURT: Do you understand and acknowledge
20 that the Plea Agreement is limited to the parties who
21 signed it, and that it cannot bind any other federal,
22 state, or local agency or authority?

23 THE DEFENDANT: Yes.

24 THE COURT: Do you acknowledge that no
25 representations have been made to you regarding any

1 administrative or civil consequences of your Plea
2 Agreement, including any tax consequences?

3 THE DEFENDANT: Yes.

4 THE COURT: And do you agree that you're
5 entering into this Plea Agreement in recognition of the
6 fact that there may be tax consequences?

7 THE DEFENDANT: Yes.

8 THE COURT: Do you understand your guilty
9 plea, if accepted by the Court, will satisfy your
10 criminal liability here in the District of Connecticut,
11 under federal jurisdiction for your participation in
12 the scheme to defraud victims through an investment
13 mail fraud scheme which forms the basis of the
14 Information in this case, and which is set forth with
15 more particularity in the Stipulation of Offense
16 Conduct which is attached to, and incorporated by
17 reference in the Plea Agreement?

18 THE DEFENDANT: Yes.

19 THE COURT: Do you understand that if, before
20 sentencing, you violate any condition of the Plea
21 Agreement, you engage in any criminal conduct or you
22 appear for sentencing (phonetic), the Government may
23 void all or a part of the Plea Agreement, and you may
24 not withdraw your plea if the Government chose to do
25 so?

1 THE DEFENDANT: Yes.

2 THE COURT: Do you understand and acknowledge
3 that no promises or agreements or conditions have been
4 entered into, other than those set forth in the Plea
5 Agreement, which we have expressly gone over here
6 today, and that none will be unless signed by you, one
7 of your attorneys and that Government?

8 THE DEFENDANT: Yes.

9 THE COURT: Do you acknowledge that you have
10 read and/or translated to you (phonetic), the Plea
11 Agreement, and that you understand its terms and that
12 you accept its terms?

13 THE DEFENDANT: Yes.

14 THE COURT: Okay.

15 THE COURT: Attorney Woo, do you acknowledge
16 that you have thoroughly reviewed and explained the
17 Plea Agreement and its attachments to your client, and
18 that he has advised you that he understands and accepts
19 its terms?

20 MR. WOO: Yes, Your Honor.

21 THE COURT: Mr. Woo, Mr. Viola, do either of
22 you know if there is -- are either of you aware that
23 there is any conflict of interest in the representation
24 of either counsel of Mr. Viola?

25 MR. WOO: No, Your Honor.

1 THE COURT: Okay.

2 Would the Government please state the facts
3 that it would offer in evidence had Mr. Viola persisted
4 in his not guilty plea?

5 MR. SCHECHTER: Yes, Your Honor, thank you.

6 If this matter were to proceed to trial the
7 Government would prove that Gregory Viola engaged in an
8 investment mail fraud scheme from as early as 2007
9 through 2011.

10 The Government would call victims to the
11 stand, some of whom are in court today, some of whom
12 are not in court today, and these victims, the
13 Government believes, would testify that they gave Mr.
14 Viola certain funds with the understanding from Mr.
15 Viola, that those funds would be invested on behalf of
16 the investor -- on behalf of the victim.

17 THE COURT: And who would make the investment
18 determination?

19 MR. SCHECHTER: Mr. Viola would make the
20 investment determination. He represented to these
21 victims -- these investors that their funds would be
22 maintained in a separate account, and that he, Mr.
23 Viola, would pay them a dividend, in some cases, on
24 their investments, and that their investments could
25 then rise -- appreciate in value over time.

1 The Government would prove that Mr. Viola
2 would send these investors a statement representing in
3 that statement, how much money the investors had on
4 account with Mr. Viola.

5 THE COURT: Did Mr. Viola have any other
6 communication with the investors, other than the
7 periodic statements?

8 MR. SCHECHTER: He would certainly talk to
9 investors. He would represent to investors, when he
10 first met them, what he would do. When investors would
11 contact him, Mr. Viola would communicate, but certainly
12 during the course of the trial the Government would
13 prove that Mr. Viola used the mails to communicate with
14 investors on a monthly basis, by sending them monthly
15 statements. Those statements represented to the
16 investors, that they had separate accounts on file with
17 Mr. Viola or, in some cases, had separate accounts at
18 E*Trade, but the evidence would show that those
19 accounts did not exist.

20 Rather, the (unintelligible) would show
21 through evidence, that Mr. Viola commingled the funds,
22 didn't keep them in separate accounts, but used the
23 funds to deposit in his own bank accounts, commingled
24 one investor funds with other investor funds, along
25 with his own funds, and that there came a point when

1 Mr. Viola stopped investing on behalf of the investors,
2 but began to use new investor money to pay off old
3 investors, by giving them dividends or by giving them
4 redemptions.

5 So, in essence, the Government would prove
6 that Mr. Viola was running what historically had been
7 called a "Ponzi Scheme", whereby he would take
8 investor's money with the representation that it would
9 be invested, and that they could earn appreciation
10 when, in fact, what he was doing was taking new
11 investor money and returning it to old investors as
12 their dividends, or when old investors wanted a
13 redemption.

14 So what we have, Your Honor, is a number of
15 victims who believe they had a large amount of money on
16 account with Mr. Viola when, in reality, those accounts
17 did not exist, and as a result, the Government would
18 prove that these victims have suffered losses, and that
19 Mr. Viola engaged in this scheme to obtain their money
20 by making materially false statements to them, which
21 induced them to invest to their detriment.

22 THE COURT: And were they induced by these
23 statements, to continue to invest; that is, that they
24 have the right to redeem their funds at any time?

25 MR. SCHECHTER: They certainly were told that

1 they could redeem their investments, but the Government
2 would prove Mr. Viola would seek to prevent them from
3 redeeming their investments by sending them statements
4 which made it appear that their investments were
5 growing when, in reality, those investments were not
6 growing because they were not either invested or they
7 were not being maintained in separate accounts.

8 So investors were induced to leave their
9 money with Mr. Viola to the point when Mr. Viola was no
10 longer able to pay back any redemptions or any
11 dividends and, in fact, the Government would establish
12 that Mr. Viola came forward in July of 2011, to the
13 United States and to the FBI, in essence to voluntarily
14 surrender, or disclose, or to confess what, in fact,
15 had occurred.

16 THE COURT: Does the Government have a sample
17 of a statement?

18 MR. SCHECHTER: The Government certainly
19 does, Your Honor.

20 Would the Court like to see one?

21 THE COURT: I would, yes.

22 (Pause.)

23 THE COURT: And would you please show it to
24 Mr. Woo and Mr. Pickerstein to ensure that they have no
25 objection.

1 MR. SCHECHTER: Certainly.

2 For the record, Your Honor, the statement I'm
3 going to show to counsel is a statement I previously
4 provided to them. The information in this case, in
5 Count Two, charges that on or about May 13, 2011, Mr.
6 Viola mailed to an investor, a account statement
7 representing that there was \$301,725.86 on account.

8 I can certainly hand up to Your Honor, a copy
9 of this particular page which, if you like, Your Honor,
10 we can place an exhibit sticker on.

11 THE COURT: Yes.

12 Is that the entire statement, or just a
13 portion of the statement?

14 MR. SCHECHTER: That was a portion of what
15 was sent to the investor, but it's a one-page document
16 which tells the investor that there is on account,
17 \$301,000, when, in fact, that's a false statement
18 because there was not 301,000 on account for that
19 investor.

20 THE COURT: I would like to see the entire
21 statement -- a copy of the entire statement, if that's
22 possible.

23 MR. SCHECHTER: Certainly, Your Honor.

24 (Pause.)

25 MR. WOO: The Defense doesn't have objection,

1 Your Honor.

2 THE COURT: Pardon?

3 MR. WOO: The Defense does not have any
4 objection to that exhibit, Your Honor.

5 THE COURT: Thank you.

6 MR. SCHECHTER: For the record, Your Honor,
7 what I'll do then, is I'll hand up what is four pages.
8 I will represent to Your Honor that these four pages
9 were provided by Mr. Viola to the victim, by the United
10 States Mail, on or about May 13th, and in these four
11 pages, Your Honor, there is a one-page statement which
12 references the 301,000, as well as a document that
13 purports to be an E*Trade account statement, also
14 showing 301,000, leading the investor to believe that
15 that investor had \$301,000 on account at E*Trade.

16 The Government would prove that at trial by
17 calling a representative of E*Trade to establish that
18 there was not this \$301,000 account in this investor's
19 name at E*Trade.

20 THE COURT: Was there an E*Trade account with
21 that number in anyone's name?

22 MR. SCHECHTER: The Government's evidence,
23 Your Honor, would show that while Mr. Viola did use
24 E*Trade to some extent to make transactions, Mr. Viola
25 did not create separate E*Trade accounts for each of

1 the investors with an account number.

2 So, in other words, at the end the month,
3 when Mr. Viola would send to all the investors, a
4 statement representing that there was a particular
5 E*Trade account for each of those investors, the
6 Government would prove that that was not accurate, that
7 E*Trade did not have separate investments or separate
8 accounts for all of these investors, but rather, there
9 was perhaps one or, we believe, two accounts at E*Trade
10 that Mr. Viola would use, where he would commingle
11 funds to make purchases on behalf of all the investors,
12 but he led the investors to believe that each had a
13 separate account when that was not, in fact, the case.

14 (Pause.)

15 THE COURT: So the monies weren't invested
16 in, or represented as having been invested in
17 individual stocks which the customer could track
18 themselves?

19 MR. SCHECHTER: Exactly, Your Honor.

20 What the statement would show is it would
21 tell the investor that there were separate stocks being
22 held in their account at E*Trade when, in fact, that
23 was not the case, that was not a E*Trade statement, but
24 rather a statement the Government believes Mr. Viola
25 created, as you can create your own E*Trade statement

1 by putting what's known as a "Watch List." You put
2 down certain stocks and the statement would show what
3 the value of those stocks would be if you own them, but
4 when Mr. Viola sent it to the investor, he gave the
5 investor the appearance that that investor did own
6 those stocks, and that they were worth 301,000 when, in
7 fact, that was not the case, these stocks were not on
8 account at E*Trade in that investor's name, but Mr.
9 Viola created a piece of paper to show the investor
10 that there was that much money, when there was not.

11 THE COURT: Thank you.

12 MR. SCHECHTER: And the Government's
13 confident, Your Honor, that if this case proceeded to
14 trial, all of that evidence would establish the three
15 elements of mail fraud, and that the Government's
16 confident that a jury would find beyond a reasonable
17 doubt, each of those elements.

18 THE COURT: Thank you.

19 Mr. Viola, the facts, as stated by the
20 Government, do you acknowledged that they are true?

21 THE DEFENDANT: Yes.

22 THE COURT: And had you issued statements to
23 your customers --

24 THE DEFENDANT: Yes.

25 THE COURT: -- indicating the true value of

1 their holdings, would they have -- Well, that's a
2 hypothetical question.

3 Did you issue statements to your customers
4 not reflecting the true value of the funds you were
5 holding on their behalf at that time, in order to
6 prevent them --

7 THE DEFENDANT: Yes.

8 THE COURT: -- from redeeming their money,
9 and encouraging them to continue their investment with
10 you?

11 THE DEFENDANT: Yes.

12 THE COURT: Okay.

13 Do you still wish to -- Pardon?

14 MR. WOO: It wasn't Mr. Viola, Your Honor.

15 THE COURT: Do you still wish to plead
16 guilty?

17 THE DEFENDANT: Yes.

18 THE COURT: Okay.

19 And do you wish to enter into the Plea
20 Agreement?

21 THE DEFENDANT: Yes.

22 THE COURT: You may sign the Plea Agreement.

23 And, Mr. Woo, when it is fully executed,
24 would you please bring it, together with the Waiver of
25 Indictment, to Ms. LaLone.

1 (Pause.)

2 MR. WOO: May I approach, Your Honor?

3 THE COURT: Yes, you may, please.

4 Madam Deputy, is the Plea Agreement fully
5 executed?

6 THE CLERK. Yes, Your Honor.

7 THE COURT: May the record reflect the fact
8 that the Waiver of Indictment is also fully executed.

9 Please put him to plea.

10 THE CLERK: Does your client waive reading of
11 the Information?

12 MR. WOO: Yes, Your Honor.

13 THE CLERK: In the matter of The United
14 States of America v. Gregory Viola, Criminal Number
15 3:12-CR-25 (VLB), as to Count (inaudible) of the
16 Information, charging you all in violation of Title 18,
17 United States Code, Section 1341, how do you plead?

18 THE DEFENDANT: Guilty.

19 THE CLERK: Your Honor, the Defendant has
20 pled guilty to Counts One and Two of the Information.

21 THE COURT: Okay.

22 Mr. Viola, are you currently under the
23 influence of any drugs, alcohol, or other substances
24 that might impair your ability to understand the
25 proceedings here today?

1 THE DEFENDANT: No.

2 THE COURT: Has anyone promised you anything
3 or threatened you in any way in order to induce you to
4 plead guilty?

5 THE DEFENDANT: No.

6 THE COURT: Is your guilty plea your free and
7 voluntary act?

8 THE DEFENDANT: Yes.

9 THE COURT: Are you totally and completely
10 satisfied with the legal advice and counsel you have
11 received?

12 MR. WOO: Yes.

13 THE COURT: And once again, do you
14 acknowledge the truth of the statements contained in
15 the Stipulation of Offense Conduct attached to, and
16 incorporated by reference in your Plea Agreement?

17 THE DEFENDANT: Yes.

18 THE COURT: Do you wish me to accept your
19 plea with the understanding that you may not withdraw
20 it once I accept it?

21 THE DEFENDANT: Yes.

22 THE COURT: The Court finds that your pleas
23 are knowingly, voluntarily and intelligently given with
24 the effective assistance of counsel.

25 The Court finds that there is a factual basis

1 for your plea.

2 The Court accepts your pleas and adjudicates
3 you guilty of both counts charged in the Information.

4 You may be seated.

5 Mr. Viola, during the course of the colloquy
6 I indicated that the Probation Office assists the
7 Court, and one of the functions of the Probation
8 Office is to prepare a presentence investigation.

9 I also advised you of the fact that you have
10 a right to be represented by counsel at every stage of
11 the proceedings.

12 The Court will order the Probation Office to
13 conduct a presentence investigation and, as part of
14 that investigation, the Probation Office will be asking
15 you information regarding your background and your
16 commission of this offense.

17 You're reminded that in order to get the two-
18 level reduction for a permanent acceptance of
19 responsibility, you must fully and truthfully disclose
20 to the Probation Office, the facts and circumstances
21 surrounding your commission of these offenses.

22 Do you understand, sir?

23 MR. WOO: Yes.

24 THE COURT: And you're encouraged to have
25 your counsel present with you during that interview.

1 All right.

2 It's the Court's understanding that there are
3 individuals -- victims who would like to be heard?

4 MR. SCHECHTER: That is correct, Your Honor.

5 For the record, the United States, through
6 the auspices of our Victim/Witness Coordinator and the
7 FBI's Victim/Witness Coordinator made an attempt to
8 contact everyone the Government believed potentially
9 could be a victim of Mr. Viola's offense.

10 Pursuant to that letter, victims were invited
11 to come to the court, as is their right, and the
12 statute, as Your Honor well knows, permits them to
13 request to be heard if they wish, at any public
14 proceeding.

15 While the Government certainly will invite
16 them to appear at the sentencing so they can make
17 whatever statement they wish or, as Your Honor well
18 knows, they can submit letters to you, --

19 THE COURT: Yes.

20 MR. SCHECHTER: -- I do believe there are a
21 number of the victims in court today, who have notified
22 our Victim Coordinator that they would like to make a
23 statement to the Court.

24 Now, they certainly don't have to make that
25 statement, and they may have changed their mind during

1 the proceedings today, but if it's okay with Your
2 Honor, I will simply ask if the individuals who have
3 previously identified themselves as wanting to make a
4 statement would still like to make that statement, if
5 Your Honor would permit.

6 THE COURT: Please do.

7 MR. SCHECHTER: Okay.

8 Would any of the victims who have notified
9 our Victim Coordinator, Linda Ferraro (phonetic), wish
10 to make a statement? If you do, please --

11 THE COURT: Please come forward to the podium
12 here. There's a mic. I just ask that you speak into
13 it, as we are recording the proceeding.

14 MR. SCHECHTER: And if you have not
15 previously requested an opportunity with Ms. Ferraro,
16 you can certainly request that opportunity as we go
17 through this.

18 THE COURT: Yes.

19 MR. SCHECHTER: We're going ask that you
20 speak into the microphone up here, and identify
21 yourself for the record.

22 THE COURT: Okay.

23 MR. VADAS: Good afternoon.

24 My name is Gerald Vadas (phonetic) and I am a
25 victim amongst many, and I hope that the Court, on

1 today's hearing, is going to follow through with
2 further investigations, and that if there is additional
3 crime that is been found, that he gets the fullest
4 because as a victim, even though he may not be "a
5 threat", he is because he threatened the many lives
6 here behind me, including myself, and I want justice to
7 be served and not to be taken lenience, and this is now
8 becoming par for the course. There's a many people
9 like this gentleman right here, Viola.

10 So, I hope that this Court will show
11 precedents that you don't tolerate this action and that
12 he does get served because from what I hear right now,
13 this plea bargain, everyone did a good job, but he's
14 really getting off scot-free, and I'm looking that he
15 does make restitutions to myself in many ways, and I
16 hope to everybody else here.

17 THE COURT: Thank you, sir. Thank you.

18 And the sentencing will be on the 25th of
19 April, here in this courtroom at 2:00 o'clock, and any
20 victims are welcome to be present, and if they would
21 like to be heard at that time, they may be.

22 Attorney Pickerstein?

23 MR. PICKERSTEIN: I just wanted to talk to
24 Mr. Schechter for one moment, Your Honor.

25 THE COURT: Yes.

1 (Pause.)

2 THE COURT: Are there any other victims that
3 would like to be heard at this time? If so, please
4 come forward.

5 THE COURT: Please come forward.

6 MR. PICKERSTEIN: I'm sorry, Your Honor, I --

7 THE COURT: The individual in the back, you
8 may come forward, as well.

9 Yes, Attorney Pickerstein?

10 MR. PICKERSTEIN: Your Honor, I just -- I
11 thank Your Honor for giving me leave to talk to Mr.
12 Schechter, that's all.

13 THE COURT: All right.

14 Yes ma'am, your name, please?

15 MS. O'PARRILL: My name is Fran O'Parrill
16 (phonetic). I'll speak on behalf of my mother,
17 Patricia Bellantonio (phonetic), who has trusted Greg
18 with her so-called "investments", and we're very
19 saddened about what happened, and now my mother is 82
20 years old and she has no money to take care of her for
21 her next -- her quality of life, and we would like to
22 see, again, as the gentleman said, justice to be
23 served.

24 THE COURT: How much money did your mother
25 invest with him?

1 MS. O'PARRILL: Well, his -- According to her
2 statements, there was \$125,000 that supposedly she had
3 to all the -- statements that were sent to the house.

4 THE COURT: And what was your mother's
5 relationship with Mr. Viola?

6 MS. O'PARRILL: At -- Well, he was actually
7 a friend of ours, my husband and mine, and he would
8 come over and do our income taxes, and we trusted him,
9 and we respected him, and we welcomed him into our
10 home, and he would do our taxes all the time, and then
11 he had my father invest money into --

12 THE COURT: Were you present when he
13 discussed with your father, investing money with him?

14 MS. O'PARRILL: I think I was at the table
15 but -- you know, getting up at the table and going to
16 the kitchen, but I -- you know, he was there at the
17 house with my father.

18 THE COURT: Thank you.

19 MS. O'PARRILL: So I just wanted to make sure
20 that, you know, he gets what he deserves.

21 THE COURT: Thank you.

22 MS. O'PARRILL: Thank you.

23 THE COURT: You're welcome.

24 Is there anyone else who would like to be
25 heard? Please, come forward. There's someone in the

1 corner there. Just come forward, please, to the
2 podium.

3 Anyone else who's interested in speaking,
4 please, come forward. Please, state your name.

5 MS. HARBISON: Georgia Harbison.

6 THE COURT: Yes, Mrs. Harbison?

7 MS. HARBISON: I invested \$135,000 from 2008
8 to 2011. Greg Viola lied to me from the beginning.

9 When I started to want to take some money out
10 to pay down credit cards, I had very -- I had
11 difficulty, and I basically couldn't get the money.
12 This was in 2010 and 2011. He kept urging me keep my
13 money there --

14 THE COURT: And what was the --

15 MS. HARBISON: -- in the account.

16 THE COURT: What was he telling you in order
17 to urge you to keep your money there?

18 MS. HARBISON: That the more that was there,
19 the bigger the dividend I would get. So in the end, at
20 my highest, it got to be \$250,000 and knowing that I
21 had that money, or thinking that I did, I lived
22 accordingly, and ran up credit bills and -- credit card
23 bills and so forth, and when I went to pay them back, I
24 couldn't get my money, and so now I'm in a bind, but
25 the point is that he lied from the very, very

1 beginning.

2 THE COURT: Lied only in the sense of telling
3 you that he was devoting your money to a specific
4 account, or were there other lies?

5 MS. HARBISON: No, to the account.

6 THE COURT: Just to the account.

7 MS. HARBISON: I mean -- Yes.

8 THE COURT: And what did he tell you? I
9 mean, why did you trust your money with him?

10 MS. HARBISON: I had a friend that had been
11 with him for many years and had done extremely well,
12 and I heard about other people that had been with him
13 who had bought houses, boats, gone on long vacations,
14 were able to retire early. So it's -- It sounded too
15 good to be true, I'm afraid.

16 THE COURT: Did he represent to you, that he
17 could do the same for you?

18 MS. HARBISON: Oh, yes, that he could make me
19 a lot of money. Oh, yes.

20 THE COURT: So he made that representation to
21 you at the onset.

22 Did he continue making that representation to
23 you?

24 MS. HARBISON: Yes.

25 THE COURT: And did the statements reinforce

1 those representations he made to you?

2 MS. HARBISON: They kept growing, and as they
3 kept growing, and they grew -- they grew very nicely,
4 so I put more money in so that I could get more of a
5 dividend.

6 THE COURT: And when you say --

7 MS. HARBISON: I was not encouraged to take
8 money out.

9 THE COURT: And when you sought to take money
10 out, did he tell you that you should not do so because
11 you would make more money if you left it in?

12 MS. HARBISON: He advised that it would be
13 better not to, yes.

14 THE COURT: And the reason it would be better
15 was what? What did he tell you?

16 MS. HARBISON: So that the dividends -- So
17 that the amount could grow and I would have a bigger
18 dividend, and it would then -- basically, "Don't take
19 the dividend out. Let the amount keep growing and
20 growing and growing."

21 THE COURT: Thank you.

22 MS. HARBISON: Okay.

23 THE COURT: Thank you.

24 Good afternoon.

25 MS. PERRI: Good afternoon, Your Honor. My

1 name is Donna Perri and I, along with 35 of my family
2 members, are victims of Mr. Viola.

3 My parents are -- and four of my aunts and
4 uncles are probably in the worst position.

5 My mother met Gregg in 1999, and from that
6 point on transferred every penny she had to him:
7 retirement accounts, IRAs. Any penny they had, my
8 father's retirement, every single penny went to him.
9 They trusted him. He ate dinner at their house and
10 they considered him a friend.

11 I suspected that things didn't seem right and
12 met with him and he encouraged probably 20 people in my
13 family to take mortgages, and now they're left with
14 mortgages without the dividends that he supposedly was
15 making to pay those mortgages.

16 He's -- There's a -- My mother had an account
17 that appeared like she had \$3 million, and today they
18 don't know how they're going to -- you know, they're
19 going to have to figure out how they're going to live.
20 He --

21 THE COURT: Did you personally hear him
22 advise people to mortgage their property and to take --

23 MS. PERRI: Absolutely. I --

24 THE COURT: -- the money from the mortgage
25 and give it to him to invest --

1 MS. PERRI: Absolutely.

2 THE COURT: -- because he could --

3 MS. PERRI: He -- I met with --

4 THE COURT: -- generate a return higher than
5 the --

6 MS. PERRI: Absolutely.

7 THE COURT: -- the interest on the mortgage?

8 MS. PERRI: Absolutely.

9 I met with him myself, in December, to speak
10 about my mother's account because here they are with \$3
11 million supposedly, and they're living like they're
12 poor, you know, and I wanted them to have a better
13 quality of their life and, you know, don't worry about
14 cutting your grass at 80 years old, and he -- his exact
15 words to me were, I refuse to pay off of hundred
16 thousand -- "I refuse to pay off a two percent
17 mortgage." That's just, you know, just bad -- He just
18 refused to give them the money to pay the mortgage off.

19 THE COURT: Because it was bad what?

20 MS. PERRI: Because it was just -- It was a,
21 you know, like as an advisor, it was a bad decision so,
22 you know, this has crippled so many people that --
23 That's all I wanted to really let you know.

24 THE COURT: Thank you. Thank you.

25 Good afternoon.

1 MS. CHINCHULA-BUCCIARELLI: Good afternoon,
2 Your Honor. I'm so sorry. I just get emotional, not
3 only for myself and my husband, but my parents. They
4 came from -- and they --

5 THE COURT: Please state your name.

6 MS. CHINCHULA-BUCCIARELLI: Oh, I'm sorry,
7 it's Constance Chinchula-Bucciarelli.

8 My parents came from Italy in 1957, so
9 everything that they've ever had in life -- they just
10 saved everything because just proud Italians.

11 So my parents -- my dad got very sick and now
12 he's in a nursing home right now because been in and
13 out of the hospital. So my parents had to sell their
14 home so they had to come and live with me because their
15 house was not efficient for my dad because he -- it was
16 up and down the stairs and he couldn't do that.

17 So they sold their house. They handed over
18 the escrow check that the lawyer had the day of the
19 closing, we handed over to Greg. It was like \$440,000.

20 They also had savings that they took out
21 because through friends, and we had invested with him
22 before my parents sold their house, so I told my mom.
23 I feel so bad about this because now they lost
24 everything because of me. So I just feel really guilty
25 about this, and now my dad's in a nursing home. We

1 don't know how we're gonna pay for his stay there
2 because we can't take him home, he's just too sick.

3 They just have all my parents' money that we
4 -- My husband cashed in his IRA and had to pay penalty
5 on it so that he could invest it with Greg, because
6 Greg says, you know, "Try to put everything in here",
7 and he was trying to convince me to take -- I worked
8 for the phone company for 24 years so I have an
9 investment with them, and he was trying -- Gregory was
10 trying to convince me to take that money out of my
11 credit union and to put it with him, but I don't know
12 what happened, God must've been with me because he
13 didn't make me do it, but we -- my husband and I did
14 lose money with Greg.

15 But I just feel bad for my parents because
16 they literally have no bank account whatsoever.
17 Everything they had, they gave it to him. So they're
18 just living on my dad's social security, and my mom.
19 That's it.

20 So, Your Honor, I'm begging you, please do
21 whatever you have to do because I -- not that I want to
22 make Greg re-suffer, but I just feel for myself and my
23 parents, and all the people that were affected by this,
24 because how could he -- he always says to us that he
25 was a churchgoing man. How could somebody say right to

1 your face that, I'm a churchgoing man" and does this to
2 people? How could he face this? How can he face God
3 one day, knowing that he did this intentionally? How
4 does he go to bed at night? And then every time that
5 we would try to ask him questions about it, these
6 things, because I really didn't understand them that
7 well, and every time I try to ask him a question about
8 that, he would get mad, like, "How dare me ask him a
9 question?", and then I try to get my brother involved
10 because he has his own business, so I figured that he
11 knows more stuff than I do.

12 He wouldn't even talk to my brother. He was
13 just -- I don't know, he was just very evasive about a
14 lot of things, and they said that, you know, "You're
15 going to" --

16 Plus he used to charge us for our -- for him
17 keeping our money. My mom got a bill for \$2,000 that
18 he charged, he took out of the account, and then he
19 took money from us for his services that he would do,
20 give us the money, and he was -- always tell us, like
21 we want -- what -- how we found out that this happened
22 because we were buying a home last year, so we called
23 him and we needed \$20,000, so I called him up and I
24 said, "Listen Greg, we need some money, okay, because
25 we're going to buy a house, we need a down payment."

1 So he said, "Okay."

2 Well, he would send me checks, like \$10,000.
3 I would go to the bank and there was insufficient --
4 they said that I couldn't cash it. So he kept, you
5 know, sending -- He said, "Listen, that check was no
6 good. I closed the bank accounts off at Webster Bank.
7 Now we got to go to People's", back and forth.

8 I have all records that I just gave to Wendy
9 Bowersox this morning, a whole thing of it, of all the
10 copies and stuff.

11 So when I go -- When I went to ask him, you
12 know, "We need \$20,000", (unintelligible) "Okay, you
13 gonna get it next week." Well, it costs us money to
14 get the inspection. The well -- you know, it cost me
15 like almost \$2,000, money that I really didn't have,
16 but I thought that we were going to get this house,
17 we're going to get -- pay less than what we were
18 selling our house for, then we're gonna be pretty good,
19 but it didn't happen, and that's how we found out that
20 there was a problem with our money, because we didn't
21 know before that.

22 So I just wanted to say thank you so much,
23 Your Honor, and I just hope that he gets a fair trial
24 and just think about the people that are really, really
25 suffering, what he caused was.

1 Thank you, Your Honor.

2 THE COURT: You're welcome. Thank you.

3 MR. SCHECHTER: Is there anybody else that
4 requests to address the Court?

5 (No audible response.)

6 MR. SCHECHTER: Well, Your Honor, if I may,
7 just one housekeeping detail.

8 THE COURT: Yes.

9 MR. SCHECHTER: We've already provided the
10 Court with a copy of the Information that was signed by
11 the United States attorney and by myself. If I could
12 now just hand up the original to the clerk --

13 THE COURT: Thank you.

14 MR. SCHECHTER: -- for filing so that it
15 would be part of the public record. For the record,
16 Your Honor, it is a five-page document.

17 THE COURT: Thank you very much. All right.

18 MR. SCHECHTER: The other thing is, Your
19 Honor, I understand Your Honor has set the sentencing
20 date for April 25th and we appreciate that. It may be
21 necessary, with the parties, we will approach the Court
22 at a later time, if that date needs to be modified.

23 The reason that date might need to be
24 modified, Your Honor, as you well know, the
25 investigation is continuing and we're trying to

1 determine a precise loss for each of the victims so
2 that we may provide that to the Court at the time of
3 sentencing, so that the Court can fashion that
4 restitution order.

5 THE COURT: Okay.

6 MR. SCHECHTER: We hope to have that done by
7 that April 25th day but, if not, Counsel and I, the
8 Government, we will consent to a new date with Your
9 Honor's permission, approach the Court and get that
10 date set for another day.

11 The reason this would become important, Your
12 Honor, is we have approximately 70 victims who --

13 THE COURT: Yes.

14 MR. SCHECHTER: -- our office, as you well
15 know, notifies each and every time we set the date so
16 that they all can be present.

17 THE COURT: Yes.

18 MR. SCHECHTER: So while April 25th is a date
19 that we can certainly set for now, it may be that the
20 Government will approach, with counsel, to modify that
21 date.

22 THE COURT: Would be preferable to simply not
23 impose a sentencing date and await the development of
24 the investigation, set a scheduling order after you've
25 reached some critical juncture in this investigation?

1 MR. SCHECHTER: That would be a wonderful
2 idea, Your Honor, if you can do that. The parties will
3 get together very -- in the near future, and let the
4 Court know when we envision that date can be, so that
5 everybody can be notified and that the Court will have
6 as much opportunity to review the materials.

7 THE COURT: Okay. That would be --

8 MR. PICKERSTEIN: That's agreeable to the
9 Defense, Your Honor, and to the extent that we have
10 rights accruing under the Speedy Trial Act with respect
11 to the sentencing date, we are prepared to waive those
12 rights.

13 THE COURT: Thank you.

14 MR. PICKERSTEIN: Thank you, Your Honor.

15 THE COURT: Thank you very much, Attorney
16 Pickerstein.

17 In that case, the Court will not impose a
18 scheduling order. It's the Court's understanding that
19 Mr. Viola has been in compliance with the conditions of
20 release to date. The Probation Office recommends that
21 he remain at liberty under the same conditions.

22 It's also my understanding that his liberty
23 will facilitate the investigation, as well as his
24 complete and timely disclosure of information
25 concerning his commission of the offense and his

1 financial position.

2 The Court would, however, request that
3 Defense Counsel contact the Probation Office and obtain
4 the financial forms which the Probation Office will ask
5 the Defendant to complete, and that he begin the
6 process of amassing the information, completing those
7 forms and submitting the forms with the supporting
8 documentation at the earliest possible date.

9 MR. PICKERSTEIN: We would be happy to
10 undertake that, Your Honor.

11 THE COURT: Thank you.

12 MR. PICKERSTEIN: And if I may make just one
13 additional request. I don't see a Probation Officer in
14 the Court this afternoon.

15 THE COURT: Right.

16 MR. PICKERSTEIN: May the record reflect that
17 we exercise our right to be present at any contact with
18 Mr. -- between Mr. Viola and the Probation Office.

19 THE COURT: Certainly. And the way to
20 facilitate that would be when you contact the Probation
21 Office regarding the financial forms and the financial
22 disclosure, you select a mutually convenient date for
23 that interview to take place.

24 MR. PICKERSTEIN: Thank you, Your Honor.

25 THE COURT: You're welcome.

1 MR. SCHECHTER: And there was just one -- As
2 Your Honor noted, there are a current conditions that
3 govern Mr. Viola's bail. One of those conditions is
4 that Mr. Viola not have any contact, directly or
5 indirectly, with any of the victims of this offense, so
6 while it may be frustrating that some of the victims
7 would like to address Mr. Viola, I think it's important
8 to note that Mr. Viola is prohibited by the Court from
9 having any contact with these victims.

10 While these victims certainly can contact
11 counsel for Mr. Viola or they can contact the witness
12 coordinator for the Government and can prepare
13 statements to submit to the Court, we're going to ask
14 that Mr. Viola and the victims not have any interaction
15 as the result of the order on Mr. Viola not to confer
16 with victims.

17 MR. PICKERSTEIN: And we have specifically
18 instructed Mr. Viola, if the Court please, not to have
19 any contact with the victims or to indeed tell them,
20 should they contact him, that he cannot speak with them
21 by order of the Court by reason of his release order.

22 THE COURT: All right.

23 So the victims who are present, I hope,
24 understand that since Mr. Viola's initial appearance
25 before the Court, and the setting of his bond

1 conditions, he was instructed by the Court not to
2 communicate with the victims. This is to protect you,
3 the victims, against tampering or feeling in any way
4 further victimized.

5 So if you would avoid having any contact with
6 Mr. Viola, and certainly not attempt to contact him,
7 that would be appreciated by the Court.

8 I am not going to set a sentencing date
9 today, however, the sentencing will occur in an
10 expeditious fashion. You can communicate through the
11 Victim Coordinator at your leisure. You may submit
12 letters to the Probation Office through the Victim
13 Coordinator, which will be given to me to read prior to
14 sentencing, and any and all victims are welcome to be
15 present for, and will have an opportunity to speak at
16 sentencing.

17 Seeing the number of people here today, the
18 -- I normally schedule sentencings for an afternoon at
19 2:00 o'clock. I will schedule the sentencing for the
20 morning and devote the entire day so that victims who
21 wish to be present and heard will have that
22 opportunity. So that would be your opportunity to
23 express any concerns that you may have to the Court and
24 to Mr. Viola, so please refrain from contacting him
25 between now and the day of sentencing.

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Is there anything further?

MR. SCHECHTER: Not from the Government.

Thank you very much, Your Honor.

MR. WOO: Not from the Defense, Your Honor.

THE COURT: Okay. Thank you. Thank you all.

(Proceedings concluded at 2:28 p.m.)

C E R T I F I C A T E

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

/s/ _____

March 7, 2012

STEPHEN C. BOWLES

AO245b (USDC-CT Rev. 9/07)



UNITED STATES DISTRICT COURT
District of Connecticut

Page 1

UNITED STATES OF AMERICA

JUDGMENT IN A CRIMINAL CASE

v.

CASE NO. 3:12CR25(VLB)
USM NO: 20582-014

GREGORY VIOLA

Richard J. Schechter
Assistant United States Attorney

Calvin K. Woo
Defendant's Attorney

THE DEFENDANT: pled guilty to Counts One and Two of an Information.

Accordingly the defendant is adjudicated guilty of the following offense(s):

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Offense Concluded</u>	<u>Count(s)</u>
18 U.S.C. § 1341	Mail Fraud	August 2011	One
18 U.S.C. § 1341	Mail Fraud	August 2011	Two

The following sentence is imposed pursuant to the Sentencing Reform Act of 1984.

IMPRISONMENT

The defendant is hereby committed to the custody of the Federal Bureau of Prisons on Count One for 100 months and on Count Two for 100 months concurrent to the sentence imposed for Count One.

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a total term of 36 months on Counts One and Two to be served concurrently. The Mandatory and Standard Conditions of Supervised Release as attached, are imposed. In addition, the following Special Conditions are imposed:

1. The defendant shall participate in a treatment program for compulsive gambling approved by the Probation Office. The defendant shall refrain from gambling and will not enter any establishment known to promote gambling.

AO245b (USDC-CT Rev. 9/07)

Page 2

2. The defendant shall pay any (fine/restitution) that is imposed by this judgment, payable immediately, and that remains unpaid at the commencement of the term of supervised release at a rate of no less than \$500 per month. The monthly payment schedule may be adjusted based on the defendant's ability to pay as determined by the probation officer and approved by the Court.
3. The defendant shall not incur new credit card charges or open additional lines of credit without the permission of the probation officer until the defendant's criminal debt obligation is paid.
4. The defendant shall provide the probation officer with access to requested financial information.
5. The defendant shall not possess a firearm or other dangerous weapon.
6. As directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments as follows:

Special Assessment:	\$200.00	
Fine:	\$0.00	
Restitution:	\$6,872,633.97	Due immediately; if not paid it shall be paid during the period of supervised release.

It is further ordered that the defendant will notify the United States Attorney for this district within 30 days of any change of name, residence or mailing address until all fines, restitution, costs and special assessments imposed by this judgment, are paid.

The defendant shall self surrender to the facility designated by the Bureau of Prisons no later than 12:00pm on 12/3/12, or, in the absence of a designation, as directed by the United States Marshal for the District of Connecticut.

Page 3

FORFEITURE

The defendant shall forfeit all of his right, title and interest in the following: (1) a Compaq Presario S1303WM bearing serial number CNH5040CSN (2) a 40GBSeagate ST340015A bearing serial number 5LAJ4K4Q; and (3) a 300GB External Maxtor One Touch II, bearing serial number B60ZY8GH.

10/4/12
Date of Imposition of Sentence

/s/ Vanessa L. Bryant, USDJ

Vanessa L. Bryant
United States District Judge
Date: October 5, 2012

RETURN

I have executed this judgment as follows:
Defendant delivered on _____ to _____
a _____, with a certified copy of this judgment.

Joseph P. Faughnan
United States Marshal

By _____
Deputy Marshal

**CERTIFIED AS A TRUE COPY
ON THIS DATE**
ROBIN D. TABORA, Clerk
BY: _____
Deputy Clerk

CONDITIONS OF SUPERVISED RELEASE

In addition to the Standard Conditions listed below, the following indicated (■) Mandatory Conditions are imposed:

MANDATORY CONDITIONS

- (1) The defendant shall not commit another federal, state or local offense;
- (2) The defendant shall not unlawfully possess a controlled substance;
- (3) The defendant who is convicted for a domestic violence crime as defined in 18 U.S.C. section 3561(b) for the first time shall attend a public, private, or private non-profit offender rehabilitation program that has been approved by the court, in consultation with a State Coalition Against Domestic Violence or other appropriate experts, if an approved program is available within a 50-mile radius of the legal residence of the defendant;
- (4) The defendant shall refrain from any unlawful use of a controlled substance and submit to one drug test within 15 days of release on supervised release and at least two periodic drug tests thereafter for use of a controlled substance;
- (5) If a fine is imposed and has not been paid upon release to supervised release, the defendant shall adhere to an installment schedule to pay that fine;
- (6) The defendant shall (A) make restitution in accordance with 18 U.S.C. sections 2248, 2259, 2264, 2327, 3663, 3663A, and 3664; and (B) pay the assessment imposed in accordance with 18 U.S.C. section 3013;
- (7) (A) In a state in which the requirements of the Sex Offender Registration and Notification Act (see 42 U.S.C. §§ 16911 and 16913) do not apply, a defendant convicted of a sexual offense as described in 18 U.S.C. § 4042(c)(4) (Pub. L. 105-119, § 115(a)(8), Nov. 26, 1997) shall report the address where the defendant will reside and any subsequent change of residence to the probation officer responsible for supervision, and shall register as a sex offender in any State where the person resides, is employed, carries on a vocation, or is a student; or
(B) In a state in which the requirements of Sex Offender Registration and Notification Act apply, a sex offender shall (i) register, and keep such registration current, where the offender resides, where the offender is an employee, and where the offender is a student, and for the initial registration, a sex offender also shall register in the jurisdiction in which convicted if such jurisdiction is different from the jurisdiction of residence; (ii) provide information required by 42 U.S.C. § 16914; and (iii) keep such registration current for the full registration period as set forth in 42 U.S.C. § 16915;
- (8) The defendant shall cooperate in the collection of a DNA sample from the defendant.

While on supervised release, the defendant shall also comply with all of the following Standard Conditions:

STANDARD CONDITIONS

- (1) The defendant shall not leave the judicial district or other specified geographic area without the permission of the court or probation officer;
- (2) The defendant shall report to the probation officer in a manner and frequency directed by the court or probation officer;
- (3) The defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- (4) The defendant shall support the defendant's dependents and meet other family responsibilities (including, but not limited to, complying with the terms of any court order or administrative process pursuant to the law of a state, the District of Columbia, or any other possession or territory of the United States requiring payments by the defendant for the support and maintenance of any child or of a child and the parent with whom the child is living);
- (5) The defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
- (6) The defendant shall notify the probation officer at least ten days prior to any change in residence or employment, or if such prior notification is not possible, then within five days after such change;
- (7) The defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance, or any paraphernalia related to any controlled substance, except as prescribed by a physician;
- (8) The defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered, or other places specified by the court;
- (9) The defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
- (10) The defendant shall permit a probation officer to visit the defendant at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
- (11) The defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- (12) The defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
- (13) The defendant shall pay the special assessment imposed or adhere to a court-ordered installment schedule for the payment of the special assessment;
- (14) The defendant shall notify the probation officer of any material change in the defendant's economic circumstances that might affect the defendant's ability to pay any unpaid amount of restitution, fines, or special assessments.

The defendant shall report to the Probation Office in the district to which the defendant is released within 72 hours of release from the custody of the U.S. Bureau of Prisons. Upon a finding of a violation of supervised release, I understand that the court may (1) revoke supervision and impose a term of imprisonment, (2) extend the term of supervision, and/or (3) modify the conditions of supervision.

These conditions have been read to me. I fully understand the conditions and have been provided a copy of them.

(Signed) _____
Defendant

Date

U.S. Probation Officer/ esignated Witness

Date

from those charges.

(3) Based on new evidence that Defendant's CJA-appointed attorney H. James Pickerstein, who resigned on December 5, 2014, conspired with AUSA Richard J. Schechter to convict Defendant.

HISTORY

On February 1, 2012, the Defendant entered into a written plea agreement and in-court sentencing colloquy in which he waived his right to be indicted and pled guilty to a two-count Information charging him with two counts of Mail Fraud, in violation of Title 18 U.S.C. § 1341. He was sentenced on October 4, 2012 to a term of 100 months in custody on each count, to run concurrently, followed by 36 months of supervised release.

Restitution was ordered in the amount of \$6,872,633.97. No fine was imposed. Judgment was entered on October 5, 2012. On October 15, 2012 the Defendant filed his Notice of Appeal.

On November 9, 2012 (dated November 8, 2012), the District Court filed an "Amendment to Judgment" which vacated the Court's forfeiture order and amended its restitution order "to require payment to the victims listed in Attachment A annexed to the Government's Sentencing Memorandum" (Exhibit B).

On February 10, 2014 the United States Court of Appeals for the Second Circuit affirmed this Court's judgment, and on November 17, 2014 the United States Supreme Court denied Defendant's Petition for Writ of Certiorari.

On this 29th day of January, 2015, Defendant timely files this Motion for New Trial pursuant to Rule 33, New Evidence.

STATEMENT OF FACTS

Until the events giving rise to the within prosecution, Defendant Gregory Viola lived not only a law-abiding life, but, as his many pieces of correspondence addressed to his sentencing judge confirmed, he was a compassionate humanitarian, an extremely hard worker, and a veritable "pillar" of his community.

Most pertinent to the issues raised hereinafter are the facts supporting the conduct for which he stands criminally convicted by a plea of guilty to a two-count Information alleging mail fraud. The gravamen of each charge is that Defendant used the U.S. Mail to defraud two investors, Lou and Richard Moavero. In fact, each received an actual profit on the holdings they provided to Defendant to invest at his discretion, which profit was many times greater than any returns experienced by the S & P, the DJIA, or NASDAQ. Page 1 of Exhibit A reflects the sueable clawback amount to be \$370,000. Obviously the Moaveros were not defrauded. Actually, the Defendant was duped into pleading guilty by his defense team at the behest of AUSA Schechter.

For most of his adult life, Defendant was employed in very responsible tax manager-type positions for significant corporations which rightly depended on his reputation for reliability, competency, industry and highly ethical conduct. Defendant worked as a Tax Analyst for General Electric Corporation from 1973 to 1978 and as a Tax Manager for Texas Gulf Corporation from 1978 to 1980. He worked as a Tax Manager for several other smaller corporations from 1980 to 1989. He was the Manager of Tax Compliance for CitiGroup from 1989 to 2004 and a

Tax Manager for Geneve Corporation from 2004 to 2007, when blindness forced him to retire.

During his faithful employment over these many years, Defendant was also requested by corporate officials, staff and co-workers to do their personal, corporate, and partnership income tax returns. More than a handful were aware of Defendant's prowess at managing his own stock portfolio and began seeking advice concerning their own holdings. When the number of these people seeking 'personal favors' in the way of stock advice became too great, Defendant announced his intent to discontinue his efforts, but was convinced by his friends and co-workers to continue.

Exhibit A is a work in progress and is at a minimum the reflection of the actual gain by the investors as a group.

The defense team and the government stopped at a convenient spot and rushed this case to judgment before a total accounting was completed. Now, having already spent 26 months incarcerated, the truth is finally revealed.

ARGUMENT AND AUTHORITIES

The illegally induced cooperation of an unwitting defendant violates Defendant's Fifth Amendment right against self-incrimination when the Government colludes with defense counsel in violation of Defendant's Sixth Amendment right to effective assistance of counsel, when Defendant's reasonable expectation that his cooperation would lead to a maximum sentence of twenty-four months based on the representation of the initial plea

agreement between the parties where the actual sentence became 100 months. That collusion of the Government and counsel in unconstitutional, and that judgment must be set aside.

The Fifth Amendment protects a person from being compelled in any criminal case to be a witness against himself. The word witness limits the relevant category of compelled incriminating communications to those that are testimonial. In addition, a person may be required to provide specific documents containing incriminating assertions of fact or belief.

The creation of those documents were not compelled within the meaning of the privilege. See Fisher v. United States, 425 U.S. 39, 96 S. Ct. 1569. However, Defendant's act of producing documents became testimonial. That act of Defendant becoming a custodian by producing every aspect of his interaction with each of his friends to which he recommended and in fact purchased for their own account.

[Remainder of page intentionally left blank.]

It is well settled that testimony, communicating information that may lead to incriminating evidence is privileged even if the information is not inculpatory.

On July 8, 2011 Defendant Gregory Viola met with the U.S. Attorney to whom Defendant made a full disclosure on the advice of Defendant's defense counsel.

At the end of that meeting Defendant agreed with an open-ended Plea based on the belief that Defendant was facing a maximum sentence of imprisonment that would be zero to twenty-four months.

Defendant spent approximately 3,500 hours producing, analyzing and explaining his paper and electronic records and data to the U.S. Attorney and FBI Investigators.

This process saved the Government at least one half of a million dollars, the cost if a team of accountants and investigators were employed by the prosecution.

Defendant was assured of a reasonable sentence by his counsel Russell Green and AUSA Schechter.

Green was the first of the ineffective defense team from Hurwitz, Saragin, Slossberg and Knuff, LLC.

Later it was determined by the Defendant that Green was an inexperienced criminal attorney.

Inauspiciously the defense team failed at the most critical point during the inceptive plea negotiations.

As a negotiant Green fell far below the Strickland standard that has been amplified in Lafler v. Cooper, 132 S.

Ct. 1399, 1408 (2012).

That breakdown in client attorney understanding by a non-criminal attorney cost the Defendant at least 70 months of his free life.

Defendant would not have pled to a 100 month sentence and the Government would not have been habile enough to survive the limitation that they would have had, had the Government proceeded with an army of forensic accountants.

The Defendant's right against self incrimination as demanded by the Fifth Amendment was violated as if the Government trickingly misled the Defendant that he would receive a zero to two year sentence.

It was not until into the fifteenth month of Defendant's cooperation that counsel and Government explained to the Defendant that his hard work of incriminating himself would be rewarded with a long prison sentence for his excellent help.

After Mr. Green came Calvin Woo and Harold Pickerstein who led the proverbial lamb to the slaughter by the Government.

The "lambchop defendant" was in too deep to leave the broiler and had no choice but to continue his self-incrimination that unwittingly led to his exorbitant sentence.

In Mitchell v. United States, 526 U.S. 314, 143 L. Ed. 2d 424, 1195 S. Ct. 1307, the Supreme Court held that a guilty plea in a federal case is not a wavier of right to

invoke privilege against self-incrimination in the sentencing phase.

On certiorari, to the United States Court of Appeals for the Third Circuit the United States Supreme Court reversed and remanded. In an opinion by Kennedy joined by Stevens, Souter, Ginsburg and Breyer, it was held that (1) in the federal criminal systems, a guilty plea was not a waiver of an accused's privilege against self-incrimination under the federal Constitution's Fifth Amendment, as (a) the accused's testimony under oath in a plea colloquy did not waive her right to invoke the privilege against self-incrimination, (b) Rule 11 did not prevent the accused from relying upon the privilege at sentencing, and (c) under the Fifth Amendment, incrimination was not complete until a sentence was fixed and the Judgment of Conviction became final.

The Defendant began this matter with a civil attorney thinking that he was arbitrating a civil settlement with the Connecticut banking authorities. In his wildest dreams would have he ever conceived that this action would result in a 100 month federal prison sentence.

The entire sentence was based upon self-incriminating evidence that Miranda would have stopped at its infancy.

Defendant's defense team was so government-oriented that it appeared that they were being paid by and representing the Government and rose to any ineffective standard.

A. BASED ON NEW EVIDENCE EXTRAPOLATED BY BLUM SHAPIRO CPA THE WINNERS (EXHIBIT A) TO DATE WERE GREATER THAN THE LOSERS (EXHIBIT B).

The CPA firm hired by the Defendant's bankruptcy trustee is currently filing lawsuits against winner investors to pay any losers.

When you add the Monaco and Lorent loans of \$836,000 to the winners' total, the new total depicts a \$486,327 gain for the investors.

Blum Shapiro has numerous additional winners from which Kara Rescia, the bankruptcy trustee, continues to clawback.

How is it possible that the winners outstrip the losers?

The answer is that during the downturn in the economy whenever many mutual funds lost money the defendant and his fiancée injected all of their savings, retirements and money from loans against their real estate equities from their personal residences to the tune of \$3.5 million.

This was certainly not a Ponzi scheme, but an embarrassed friend trying to keep solvent other friends.

When two of those friends who actually were from the winners' side contacted Connecticut Banking on an investment search, not because they were losing money, but for reasons to use as a basis for future investments due to the high rate of return of their initial investment.

B. DEFENDANT DID NOT VIOLATE 18 U.S.C. § 1341. COUNT I AND COUNT II ALLEGED VICTIMS MADE MORE THAN \$370,000 FROM THEIR INVESTMENTS WITH THE DEFENDANT (EXHIBIT C).

Exhibit C, the lawsuit filed by Trustee Rescia, clearly shows the amount the so-called victims, the nexus of Count I and

Count II, actually profitted, that amount was \$370,000. To be guilty of violating 18 U.S.C. § 1341, one must be guilty of all following elements: (1) that there was a scheme or artifice to defraud and obtain money and property by means of materially false and fraudulent pretense, representations or promises. The high profit returned as described in the foregoing defeats Count I and II. (2) That the Defendant knowingly and wilfully participated in the scheme or artifice to defraud, with knowledge of its fraudulent nature and with the intent to defraud; and (3) that in execution of or in furtherance of that scheme, the Defendant used or caused the use of, the mails. The profit of \$370,000 defeats elements 2 and 3.

Despite numerous requests from the Defendant, the defense team headed by H. James Pickerstein never attempted to find the true financial picture. Once the government reached their desired net figure, the government not only failed to find the true number, they actually blocked favorable findings from Defendant (Exhibit D).

C. THE RESIGNATION OF DEFENDANT'S FORMER CJA-APPOINTED ATTORNEY H. JAMES PICKERSTEIN AS AN ATTORNEY DUE TO HIS THEFT OF CLIENT FUNDS NOW EXPLAINS WHY PICKERSTEIN HAND PICKED HIS FORMER EMPLOYEE AUSA RICHARD J. SCHECHTER IN A PLOT TO CONVICT THE DEFENDANT.

Prior to the July 8, 2011 meeting with AUSA Richard Schechter, arranged by AUSA Schechter's former boss, former United States Attorney for the District of Connecticut H. James Pickerstein, who at this time had stolen at least \$700,000.00 from his client James Galante.

Pickerstein hand picked Schechter to prosecute the case in anticipation of a large fee from the Defendant in a possible attempt to neutralize his own felonies with cash.

At such a time as Pickerstein realized that the Defendant was broke, Pickerstein threw the Defendant into the "lions' den" and failed to properly defend Defendant by failing to do due diligence in finding the actual financial position of the Defendant's attempts to overcome negative market events that created losses from some of Defendant's friends.

Schechter even committed perjury during Defendant's sentencing while admitting on the record (page 22, lines 8-14) that the Government was unaware of the Defendant's actions until July 8, 2011. He stated that Defendant did not deserve a downward sentencing departure despite the fact that Defendant spent 3,500 hours assisting the FBI with the disclosure of his financial activities instead of taking the Fifth Amendment regarding that activity.

The Government would have never put the case together as many of the investors were figures from the criminal underworld who would have never talked to the Government.

Pickerstein was allowing the Defendant to incriminate himself and now the figures show that a Ponzi scheme did not and could not have existed.

We only have to look at the activities of insurance giant AIG's credit default swaps generated to prop up the fraudulent mortgage-backed securities that Wall Street used to enhance their fraudulent activity that caused a great recession that injured

the American people into the trillions. That was a true Ponzi scheme, not Defendant's attempt to enrich his friends with his knowledge of many favorable markets.

That aforementioned recession created the devastation of the Defendant's attempt to make a profit for his friends.

SUMMATION

Although rarely used to obviate injustices in plea adjudications, this Court can right the wrong done to the Defendant who not only lost \$3.5 million of his own money, but is now serving a 100-month prison sentence for his efforts.

This injustice can be reversed by this Court's exercise of Rule 33 herein to effectually cause Defendant's immediate release.

This combination of newly discovered evidences now has demonstrated and now passes the five-part test for which a Rule 33 Motion can act as a vacateur of Defendant's judgment.

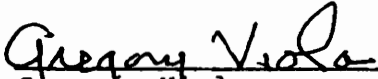
Here the Defendant has established compliance with the five-part test necessary for this Court to exercise its power to grant immediate release.

The Defendant has demonstrated in total the five-part test as (1) the evidence is newly discovered by the Blum Shapiro CPA firm that a Ponzi scheme did not exist; (2) he has been diligent to uncovering it; (3) that the evidence is not merely cumulative or impeaching; (4) that it is material to the issues involved; and (5) it would probably produce an acquittal.

CONCLUSION

Therefore, based on the foregoing, the Defendant asks this Honorable Court to find that these tests have been met and that this Defendant's Judgment be Vacated and result in an immediate release from prison.

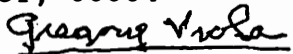
Respectfully submitted,



Gregory Viola
Federal Medical Center, Devens
P.O. Box 879
Ayer, MA 01432

CERTIFICATE OF SERVICE

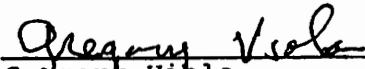
A copy of the foregoing has been mailed First Class post-paid U.S. Mail on this 29th day of January, 2015, to Richard Schechter, AUSA, 1000 Lafayette Blvd., Bridgeport, CT, 06604



Gregory Viola

PURSUANT TO 28 U.S.C. § 1746

On this 29th day of January, 2015, the undersigned Defendant has timely filed this Motion for New Trial by depositing same in the institutional mail system at Federal Medical Center, Devens, and under penalty of perjury declares that the foregoing is true and accurate to the best of his belief and knowledge.



Gregory Vibla

EXHIBIT

A

LAWSUIT AMOUNTS
(WINNERS)

PER ATTORNEY HELLMAN AND BLUM SHAPIRO (CPA'S)

<u>CLIENT (WINNERS)</u>	<u>AMOUNT</u>	<u>COMMENT</u>
Tony & Jamie Antonucci	103,500	
Doug Baudisch	306,000	
Pat Bellantonio	20,741	
Catherine Blacker	87,000	Listed As Loser Should Be (2) Accounts Mom/ Daughter (Kay/Catherine)
Deborah Ciciriello	99,000	
Claudio Conte	267,000	
Joe Conte	373,000	
Steve Conte	1,000	Part Of Dad's (Luigi Conte) (Loser)
Rocco, Sr. & Nicoletta Cuscuna	516,000	
Rocco, Jr. Cuscuna	254,000	
Jack DiCamillo	37,000	
John, Sr. & Dora Dicamillo	960,000	
Tom Friend	49,000	Should Be (2) Accounts (Sr. & Jr.)
Anthony Izzo	75,000	
Joe Izzo	111,000	
Fran Kraus	260,000	
Sam Memoli	233,125	
Lou Moavero	370,000	Should Be (2) Accounts (Lou & Richard)
Tom Von Ohlen	94,700	
Dennis O'Kane	248,000	
John O'Kane	17,000	

<u>CLIENT (WINNERS)</u>	<u>AMOUNT</u>	<u>COMMENT</u>
Chris Sr. & Mary Lou Risola	396,000	
Joe Risola	195,000	Should Be (2) Accounts (Sr. & Jr.)
Michael & Jennifer Risola	42,000	
Frank Romano	793,000	
Adiba & Nida & Saba Sabahat	55,000	
Pat Davis Tirpack	279,815	
James Tolve	14,000	
Catherine Valenti	22,000	
Peter Wiggins	85,000	
SUBTOTAL: #1	6,363,881	

<u>CLIENT (WINNERS)</u>	<u>AMOUNT</u>	
<u>CLIENT OF QUESTION</u>		
Air Solutions, Inc.	28,000	Part Of Net Loser Tim Docamillo
Frank Hsieh & Gonzallo Varga	50,000	Loan Originated 1989 Paid Off
Anita Perri	50,000	Part Of Net Loser Anita Perri & Dominic Perri
Richard Swatland	31,000	Approx. 1989 Originated Actual Stock Loser, But Money Was Paid Back Minus The Loss
SUBTOTAL: #2	6,522,881	
Monaco Loan	786,000	} — FBI Listed As Investment Losers
Lorent Loan	50,000	
SUBTOTAL: #3	7,358,881	

EXHIBIT

B

Summary of Investors - Restitution Total

Category	Num	Verified by Bank Records			*Additional per Mr. Viola Doc's*			Restitution Requested
		Investments	Payments	Subtotal	Investments	Payments	Subtotal	
Antonucci, Ernest	1	\$ 79,420.00	\$ 7,000.00	\$ 72,420.00			\$ -	\$ 72,420.00
Belantonio, Patricia	2	\$ 87,190.85	\$ 92,685.00	\$ 4,505.85			\$ -	\$ 4,505.85
Brown, Gail	3	\$ 100,000.00	\$ -	\$ 100,000.00			\$ -	\$ 100,000.00
Caifano, Antonio/Biagio	4	\$ 140,000.00	\$ 100,000.00	\$ 40,000.00	\$ 60,000.00		\$ 60,000.00	\$ 100,000.00
Caifano, John	5	\$ 75,000.00	\$ -	\$ 75,000.00	\$ 25,000.00		\$ 25,000.00	\$ 100,000.00
Capocci, Gina & Leo	6	\$ 50,889.76	\$ 9,850.00	\$ 41,039.76			\$ -	\$ 41,039.76
Capocci, kids	7	\$ 20,000.00	\$ -	\$ 20,000.00			\$ -	\$ 20,000.00
Capomolla, Ralph & Donna	8	\$ 19,000.00	\$ -	\$ 19,000.00			\$ -	\$ 19,000.00
Chetta, John & Alice	9	\$ 144,000.00	\$ 40,000.00	\$ 104,000.00			\$ -	\$ 104,000.00
Churchill, Marc	10	\$ 734,951.24	\$ 499,327.00	\$ 235,624.24			\$ -	\$ 235,624.24
Cianciullo, Michael and Antonetto	11	\$ 475,093.61	\$ 53,000.00	\$ 422,093.61			\$ -	\$ 422,093.61
Comers, Maryann	12	\$ 92,976.00	\$ -	\$ 92,976.00			\$ -	\$ 92,976.00
Conte, Thomas	13	\$ 150,000.00	\$ 24,247.68	\$ 125,752.32			\$ -	\$ 125,752.32
Conte, Luigi	14	\$ 270,000.00	\$ 16,100.00	\$ 253,900.00			\$ -	\$ 253,900.00
Conte, Christopher	15	\$ 10,000.00	\$ -	\$ 10,000.00			\$ -	\$ 10,000.00
Conte, Pamela	16	\$ 10,000.00	\$ -	\$ 10,000.00			\$ -	\$ 10,000.00
Cooke, Maureen	17	\$ 115,908.40	\$ 36,200.00	\$ 79,706.40			\$ -	\$ 79,706.40
Cuscuna, Rocky III	18	\$ 11,269.00	\$ -	\$ 11,269.00			\$ -	\$ 11,269.00
DeBlasi, Guy & Mary	19	\$ 158,212.00	\$ 1,500.00	\$ 156,712.00			\$ -	\$ 156,712.00
DellaRipa, Theresa & Dominick	20	\$ 152,000.00	\$ 57,600.00	\$ 94,400.00			\$ -	\$ 94,400.00
DiCamillo Masonry	21	\$ 17,000.00	\$ -	\$ 17,000.00			\$ -	\$ 17,000.00
DiCamillo, Lisa & John	22	\$ 269,900.00	\$ 111,414.00	\$ 158,486.00			\$ -	\$ 158,486.00
DiCamillo, Dalton	23	\$ 4,000.00	\$ -	\$ 4,000.00			\$ -	\$ 4,000.00
DiCamillo, Air Solutions	24	\$ 224,850.00	\$ 62,165.00	\$ 162,685.00			\$ -	\$ 162,685.00
DiCamillo, Equity Venture	25	\$ 240,000.00	\$ -	\$ 240,000.00			\$ -	\$ 240,000.00
DiCamillo, Tim & Lisa	26	\$ 679,712.38	\$ 184,500.00	\$ 495,212.38			\$ -	\$ 495,212.38
DiCamillo, Trust	27	\$ 61,917.52	\$ -	\$ 61,917.52			\$ -	\$ 61,917.52
DiCamillo, Santino & Maria	28	\$ 273,885.97	\$ 134,565.00	\$ 139,320.97			\$ -	\$ 139,320.97
Dinino, Angelina	29	\$ 88,009.44	\$ -	\$ 88,009.44			\$ -	\$ 88,009.44
Dinino, Giuliano	30	\$ 193,750.00	\$ 68,000.00	\$ 125,750.00			\$ -	\$ 125,750.00
Frattaroli, Frank & Joann	31	\$ 20,000.00	\$ -	\$ 20,000.00			\$ -	\$ 20,000.00
Gentile, Frank	32	\$ 71,120.00	\$ 42,450.00	\$ 28,670.00			\$ -	\$ 28,670.00
Harbison, Georgia	33	\$ 135,000.00	\$ 60,500.00	\$ 74,500.00			\$ -	\$ 74,500.00
Jarzabek, Gabriele	34	\$ 70,000.00	\$ 19,411.88	\$ 50,588.12			\$ -	\$ 50,588.12
Lorenti, Carmen & Barbara	35	\$ 1,031,750.00	\$ 150,000.00	\$ 881,750.00			\$ -	\$ 881,750.00
Mastroianni, Giuseppe & Angelina	36	\$ 102,693.19	\$ 30,000.00	\$ 72,693.19			\$ -	\$ 72,693.19
Monaco, Anthony	37	\$ 800,000.00	\$ 14,000.00	\$ 786,000.00			\$ -	\$ 786,000.00
Perri, Air Solutions, Inc.	38	\$ 184,000.00	\$ 12,165.00	\$ 171,835.00			\$ -	\$ 171,835.00
Perri, Anita & Dominick	39	\$ 121,139.51	\$ 50,000.00	\$ 71,139.51			\$ -	\$ 71,139.51
Perri, Donna & John	40	\$ 214,650.00	\$ 147,500.00	\$ 67,150.00			\$ -	\$ 67,150.00
Perry, John	41	\$ 124,500.00	\$ 8,000.00	\$ 116,500.00			\$ -	\$ 116,500.00
Perry, Glenn	42	\$ 53,000.00	\$ 40,000.00	\$ 13,000.00			\$ -	\$ 13,000.00
Proccacini, James & Deborah	43	\$ 41,500.00	\$ -	\$ 41,500.00			\$ -	\$ 41,500.00
Riolino, Edward	44	\$ 50,000.00	\$ 14,000.00	\$ 36,000.00			\$ -	\$ 36,000.00
Riscia, Nick	45	\$ 113,061.32	\$ 61,731.79	\$ 51,329.53			\$ -	\$ 51,329.53
Rotante, Barbara	46	\$ 115,244.17	\$ 1,000.00	\$ 114,244.17			\$ -	\$ 114,244.17
Shulman, Alan	47	\$ 55,000.00	\$ -	\$ 55,000.00			\$ -	\$ 55,000.00
Shulman (daughter)	48	\$ 35,000.00	\$ -	\$ 35,000.00			\$ -	\$ 35,000.00
Sileo, David & Christine	49	\$ 100,000.00	\$ -	\$ 100,000.00			\$ -	\$ 100,000.00
Sperduti, Adolfo	50	\$ 150,000.00	\$ 72,219.00	\$ 77,781.00			\$ -	\$ 77,781.00
Talerico, Vincent & Ariene	51	\$ 116,000.00	\$ -	\$ 116,000.00			\$ -	\$ 116,000.00
Tipack, Patricia	52	\$ 571,273.96	\$ 358,100.00	\$ 213,173.96			\$ -	\$ 213,173.96
Terenzio, Gene	53	\$ -	\$ -	\$ -	\$ 25,000.00		\$ 25,000.00	\$ 25,000.00
Vadas, Gerald	54	\$ 50,000.00	\$ -	\$ 50,000.00			\$ -	\$ 50,000.00
Vig, Mariana	55	\$ 60,000.00	\$ -	\$ 60,000.00			\$ -	\$ 60,000.00
Total		\$ 9,341,665	\$ 2,579,031	\$ 6,762,634	\$ 110,000	\$ -	\$ 110,000	\$ 6,872,633.97
Total Verifiable Loss of Investors - Restitution Amount								\$ 6,872,633.97

*Note: Amounts from Mr. Viola are in addition to transactions verified against available banking activity.
 Highlighted amounts are verified by monthly statements created by Mr. Viola, given to Investors.

ATTACHMENT A

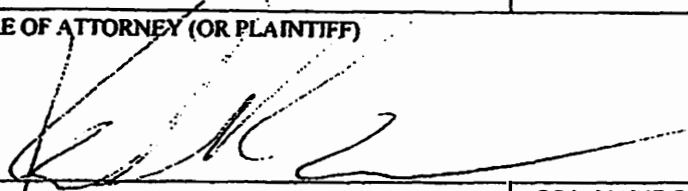
EXHIBIT

C

B104 (FORM 104) (08/07)

ADVERSARY PROCEEDING COVER SHEET (Instructions on Reverse)		ADVERSARY PROCEEDING NUMBER (Court Use Only)		
PLAINTIFFS Kara S. Rescia, Chapter 7 Trustee For Gregory Viola	DEFENDANTS Louis C. Moavero Richard J. Maverro, Sr.			
ATTORNEYS (Firm Name, Address, and Telephone No.) Eaton & Rescia, LLP 200 North Main Street, East 14 East Longmeadow, MA 01028-413-526-9529 Law Office of Jeffrey R. Helton, LLC, 195 Church Street, 10th Fl, New Haven, CT 06510 (203) 691-8762	ATTORNEYS (If Known)			
PARTY (Check One Box Only) <input type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input type="checkbox"/> Other <input checked="" type="checkbox"/> Trustee	PARTY (Check One Box Only) <input type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input checked="" type="checkbox"/> Other <input type="checkbox"/> Trustee			
CAUSE OF ACTION (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED) This action is being brought pursuant to §§ 544, 548 & 550 of the U.S. Bankruptcy Code, 11 U.S.C. §§ 101-1330 to recover intentional fraudulent transfers.				
NATURE OF SUIT (Number up to five (5) boxes starting with lead cause of action as 1; first alternative cause as 2; second alternative cause as 3, etc.)				
<table style="width:100%; border: none;"> <tr> <td style="width: 50%; border: none; vertical-align: top;"> <p>FRBP 7001(1) - Recovery of Money/Property</p> <input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property <input type="checkbox"/> 12-Recovery of money/property - §547 preference <input checked="" type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer <input type="checkbox"/> 14-Recovery of money/property - other <p>FRBP 7001(2) - Validity, Priority or Extent of Lien</p> <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property <p>FRBP 7001(3) - Approval of Sale of Property</p> <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h) <p>FRBP 7001(4) - Objection/Revocation of Discharge</p> <input type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e) <p>FRBP 7001(5) - Revocation of Confirmation</p> <input type="checkbox"/> 51-Revocation of confirmation <p>FRBP 7001(6) - Dischargeability</p> <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims <input type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud <input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny (continued next column) </td> <td style="width: 50%; border: none; vertical-align: top;"> <p>FRBP 7001(6) - Dischargeability (continued)</p> <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support <input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) <input type="checkbox"/> 65-Dischargeability - other <p>FRBP 7001(7) - Injunctive Relief</p> <input type="checkbox"/> 71-Injunctive relief - imposition of stay <input type="checkbox"/> 72-Injunctive relief - other <p>FRBP 7001(8) Subordination of Claim or Interest</p> <input type="checkbox"/> 81-Subordination of claim or interest <p>FRBP 7001(9) Declaratory Judgment</p> <input type="checkbox"/> 91-Declaratory judgment <p>FRBP 7001(10) Determination of Removed Action</p> <input type="checkbox"/> 01-Determination of removed claim or cause <p>Other</p> <input type="checkbox"/> 99-SIPA Case - 15 U.S.C. §§78xx et seq. <input type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case) </td> </tr> </table>			<p>FRBP 7001(1) - Recovery of Money/Property</p> <input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property <input type="checkbox"/> 12-Recovery of money/property - §547 preference <input checked="" type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer <input type="checkbox"/> 14-Recovery of money/property - other <p>FRBP 7001(2) - Validity, Priority or Extent of Lien</p> <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property <p>FRBP 7001(3) - Approval of Sale of Property</p> <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h) <p>FRBP 7001(4) - Objection/Revocation of Discharge</p> <input type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e) <p>FRBP 7001(5) - Revocation of Confirmation</p> <input type="checkbox"/> 51-Revocation of confirmation <p>FRBP 7001(6) - Dischargeability</p> <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims <input type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud <input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny (continued next column)	<p>FRBP 7001(6) - Dischargeability (continued)</p> <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support <input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) <input type="checkbox"/> 65-Dischargeability - other <p>FRBP 7001(7) - Injunctive Relief</p> <input type="checkbox"/> 71-Injunctive relief - imposition of stay <input type="checkbox"/> 72-Injunctive relief - other <p>FRBP 7001(8) Subordination of Claim or Interest</p> <input type="checkbox"/> 81-Subordination of claim or interest <p>FRBP 7001(9) Declaratory Judgment</p> <input type="checkbox"/> 91-Declaratory judgment <p>FRBP 7001(10) Determination of Removed Action</p> <input type="checkbox"/> 01-Determination of removed claim or cause <p>Other</p> <input type="checkbox"/> 99-SIPA Case - 15 U.S.C. §§78xx et seq. <input type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)
<p>FRBP 7001(1) - Recovery of Money/Property</p> <input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property <input type="checkbox"/> 12-Recovery of money/property - §547 preference <input checked="" type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer <input type="checkbox"/> 14-Recovery of money/property - other <p>FRBP 7001(2) - Validity, Priority or Extent of Lien</p> <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property <p>FRBP 7001(3) - Approval of Sale of Property</p> <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h) <p>FRBP 7001(4) - Objection/Revocation of Discharge</p> <input type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e) <p>FRBP 7001(5) - Revocation of Confirmation</p> <input type="checkbox"/> 51-Revocation of confirmation <p>FRBP 7001(6) - Dischargeability</p> <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims <input type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud <input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny (continued next column)	<p>FRBP 7001(6) - Dischargeability (continued)</p> <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support <input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) <input type="checkbox"/> 65-Dischargeability - other <p>FRBP 7001(7) - Injunctive Relief</p> <input type="checkbox"/> 71-Injunctive relief - imposition of stay <input type="checkbox"/> 72-Injunctive relief - other <p>FRBP 7001(8) Subordination of Claim or Interest</p> <input type="checkbox"/> 81-Subordination of claim or interest <p>FRBP 7001(9) Declaratory Judgment</p> <input type="checkbox"/> 91-Declaratory judgment <p>FRBP 7001(10) Determination of Removed Action</p> <input type="checkbox"/> 01-Determination of removed claim or cause <p>Other</p> <input type="checkbox"/> 99-SIPA Case - 15 U.S.C. §§78xx et seq. <input type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)			
<input checked="" type="checkbox"/> Check if this case involves a substantive issue of state law <input type="checkbox"/> Check if a jury trial is demanded in complaint		<input type="checkbox"/> Check if this is asserted to be a class action under FRCP 23 Demand \$370x		
Other Relief Sought The Trustee requests that the payment of the filing fee be deferred until the conclusion of this case.				

B104 (FORM 104) (08/07), Page 2

BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR GREGORY R. VIOLA		BANKRUPTCY CASE NO. [REDACTED]
DISTRICT IN WHICH CASE IS PENDING CONNECTICUT		DIVISION OFFICE NEW HAVEN OF JUDGE JOEL B. ROSENTHAL
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF	DEFENDANT	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING		DIVISION OFFICE NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF) 		
DATE September 4, 2013		PRINT NAME OF ATTORNEY (OR PLAINTIFF) Kara S. Rescia, Esq., Attorney for Kara S. Rescia, Ch. 7 Trustee for Gregory Viola

INSTRUCTIONS

The filing of a bankruptcy case creates an "estate" under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor's discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also must complete and file Form 104, the Adversary Proceeding Cover Sheet, unless the party files the adversary proceeding electronically through the court's Case Management/Electronic Case Filing system (CM/ECF). (CM/ECF captures the information on Form 104 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff's attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

Plaintiffs and Defendants. Give the names of the plaintiffs and defendants exactly as they appear on the complaint.

Attorneys. Give the names and addresses of the attorneys, if known.

Party. Check the most appropriate box in the first column for the plaintiffs and the second column for the defendants.

Demand. Enter the dollar amount being demanded in the complaint.

Signature. This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not represented by an attorney, the plaintiff must sign.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF CONNECTICUT
NEW HAVEN DIVISION

In re:)	Chapter 7
GREGORY VIOLA)	
Debtor.)	
)	Case No. 11-32113 (JBR)
)	
KARA S. RESCIA, Chapter 7 Trustee for GREGORY VIOLA)	
Plaintiff,)	
v.)	Adv. Pro. No.
LOUIS C. MOAVERO)	
AND)	
RICHARD J. MOAVERO, SR.)	
Defendants)	

COMPLAINT

Plaintiff, Kara S. Rescia, Chapter 7 Trustee (the "Trustee") for debtor Gregory Viola alleges as follows:

FACTUAL BACKGROUND

1. This action seeks to recover fictitious "profits" paid to defendant in furtherance of a classic Ponzi Scheme (the "Viola Scheme")¹ conducted for more than 6 years by Gregory Viola ("Viola" or the "Debtor").

¹ A Ponzi scheme is a fraudulent pyramid-type scheme named after Charles Ponzi. Cunningham v. Brown, 265 U.S. 1 (1924). In such a scheme, money from new investors is used to pay artificially high returns to earlier investors in order to create an appearance of profitability and attract new investors so as to perpetuate the scheme. See Bear Stearns Servs. Corp. v. Gredd, 397 B.R. 1, 8-10 (S.D.N.Y. 2007) (citing Hirsch v. Arthur Andersen & Co., 72 F.3d 1085, 1088 n. 3 (2d Cir. 1995)); see, also In re: Unified Commercial Capital Inc. 260 B.R. 343 (Bankr. W.D.N.Y. 2001) ("A Ponzi scheme, as that term is generally used, refers to an investment scheme in which returns to investors are not financed through the success of the underlying business venture, but are taken from principal sums of newly attracted investments. Typically, investors are promised larger returns for their investments. Initial investors are actually paid the promised returns, which attracts additional investors."). There is a general rule - known as the "Ponzi scheme presumption" - that such a scheme demonstrates fraudulent intent as matter of law because "transfers made in the course of a Ponzi scheme could have been made for no purpose other than to hinder, delay or defraud creditors." Bear Stearns v. Gredd, at 8-10. See also Donnell v. Kowell, 533 F.3d 462, 770 (9th Cir. 2008), cert. den. 555 U.S. 1047 (2008); SEC v. Resource Dev. Int'l. LLC, 487 F.3d 295, 304 (5th Cir. 2007); Armstrong v. Collins, 2010 U.S. Dist. LEXIS 28075*63 (S.D.N.Y. 2010).

2. Similar to the Ponzi scheme of Bernard Madoff, the Viola scheme involved telling investors that their funds were being invested in securities when the funds were actually commingled into Viola's personal bank accounts.

3. Viola represented to investors that their funds were being invested in segregated E*TRADE accounts or other segregated accounts, all of which would generate higher than market returns due to Viola's investment expertise.

4. Viola sent monthly account statements to his investors showing securities supposedly held in these accounts.

5. In actuality, Viola took the investors' funds and commingled them in his own bank accounts with his own personal funds and the funds of other investors. Viola then used the commingled investors' funds to pay other investors as necessary.

6. Use of fraudulent account statements to dupe innocent investors into believing that their funds are invested in securities is a common method for perpetrating a Ponzi scheme, the most famous of which was recently perpetrated by Bernard L. Madoff.

7. Mr. Viola has never been a licensed investment advisor. Moreover, the account statements that he provided to investors were entirely fictional.

8. The Viola Scheme was as purely illusory and uncomplicated as a Ponzi scheme can be. Virtually *every* dollar paid to the defendant and other investors who received money from the Viola Scheme came from other investors' funds.

9. In July, 2011, Mr. Viola admitted to federal law enforcement officials that he had paid off the investments of existing investors with funds obtained from new investors.

10. On February 1, 2012, Mr. Viola entered a plea of guilty to mail fraud in connection with the Viola Scheme.

11. On October 5, 2012, the Honorable Vanessa L. Bryant sentenced Mr. Viola to a term of 100 months in prison and \$6,872,633.97 in restitution.

Jurisdiction, Venue and Nature of this Proceeding

12. On August 15, 2011 (the "Petition Date"), certain petitioning creditors filed an involuntary petition for relief under Chapter 7 of the Bankruptcy Code against the Debtor.

13. On September 21, 2011, the Court entered the Order for Relief.

14. Kara S. Rescia (the "Trustee") is the duly appointed Chapter 7 Trustee in this case.

15. This Complaint initiates an adversary proceeding pursuant to §§ 544, 546, 548, and 550 of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1330 ("Bankruptcy Code"), and Federal Rule of Bankruptcy Procedure 7001(1). The Complaint seeks to avoid and recover intentional and constructive fraudulent transfers of the Debtor's property made to or for the benefit of the defendant.

16. This Court has jurisdiction, under 28 U.S.C. §§ 157 and 1334(b), of the subject matter of this proceeding because the claims asserted herein arise under Chapter 7 of the Bankruptcy Code and are related to a case pending under the Bankruptcy Code in the United States Bankruptcy Court for the District of Connecticut, New Haven Division (the "Bankruptcy Court").

17. This matter is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A),(B),(E), (H) and (O).

18. Pursuant to 28 U.S.C. § 1409(a), venue of this adversary proceeding in the Bankruptcy Court is proper because the Debtor's case is pending in this district and division.

Parties

19. The Trustee is the duly appointed Chapter 7 Trustee for the Debtor and continues to serve in that capacity.

20. Defendants, Louis C. Moavero ("Louis") and Richard J. Moavero, Sr. ("Richard") are individuals who both are domiciled at 34 Fairmont Avenue, Stamford, Connecticut 06906, (also collectively referred to as the "Moaveros").

21. Louis was an individual investor in the Viola Scheme and between June, 2003 and April 9, 2011 he received aggregate payments from Viola of approximately \$202,866.00. Based on Viola's books and records, Louis received transfers in excess of the funds he invested with Viola.

22. The Moaveros were joint investors in the Viola Scheme and between February 7, 2009 and March 16, 2011 they jointly received aggregate payments from Viola of approximately \$168,000.00. Based on Viola's books and records, the Moaveros received transfers in excess of the funds they invested with Viola.

First Claim for Relief
(Intentional Fraudulent Transfer Against Louis)
11 U.S.C. §§ 548(a)(1)(A), 550 and 551

23. Paragraphs 1-22 of this Complaint are repeated and re-alleged as if fully set forth herein.

24. The Debtor made the following transfers to Louis within two years of the Petition

Date:

	<u>DATE</u>	<u>AMOUNT</u>
1.	August 15, 2009	\$ 1,000.00
2.	September 26, 2009	\$ 1,000.00
3.	October 18, 2008	\$ 1,000.00
4.	October 29, 2009	\$ 1,000.00
5.	December 28, 2009	\$ 1,000.00
6.	January 31, 2010	\$ 1,000.00
7.	March 8, 2010	\$ 1,000.00
8.	April 4, 2010	\$ 1,000.00
9.	April 30, 2010	\$ 1,000.00
10.	June 1, 2010	\$ 1,000.00

11.	July 17, 2010	\$ 1,000.00
12.	August 31, 2010	\$ 1,000.00
13.	September 25, 2010	\$ 1,000.00
14.	December 5, 2010	\$ 2,000.00
15.	January 24, 2011	\$ 1,000.00
16.	March 12, 2011	\$ 1,000.00
17.	March 29, 2011	\$ 1,000.00
18.	March 29, 2011	\$ 6,000.00
19.	April 8, 2011	\$ 1,000.00
20.	April 9, 2011	\$ 12,000.00
		<u>\$ 37,000.00</u>

(collectively, the "Louis Two-Year Transfers").

25. The Louis Two-Year Transfers were made by the Debtor with the actual intent to hinder, delay, and defraud some or all of Debtor's then existing and future creditors.

26. The Louis Two-Year Transfers constitute fraudulent transfers avoidable by the Trustee pursuant to section 548(a)(1)(A) of the Bankruptcy Code and are recoverable from Louis pursuant to section 550(a) of the Bankruptcy Code.

27. As a result of the foregoing, pursuant to sections 548(a)(1)(A), 550(a), and 551 of the Bankruptcy Code, the Trustee is entitled to a judgment: (a) avoiding and preserving the Louis Two-Year Transfers, (b) directing that the Louis Two-Year Transfers be set aside, (c) recovering the Louis Two-Year Transfers, or the value thereof, from Louis for the benefit of the Debtor's estate, and (d) enjoining against Louis from further disposing of the property transferred.

Second Claim for Relief
(Constructive Fraudulent Transfers Against Louis)
11 U.S.C. §§ 548(a)(1)(B), 550 and 551

27. Paragraphs 1-26 of this Complaint are repeated and re-alleged as if fully set forth herein.

28. The Louis Two-Year Transfers were made on or within two years before the Filing Date.

29. The Debtor received less than a reasonably equivalent value in exchange for each of the Louis Two-Year Transfers.

30. At the time of the Louis Two-Year Transfers, the Debtor was insolvent, or became insolvent as a result of the Louis Two-Year Transfers in question.

31. At the time of each of the Louis Two-Year Transfers, the Debtor was engaged in a business or a transaction, or was about to engage in a business or a transaction, for which any property remaining with the Debtor was an unreasonably small amount of capital.

32. At the time of each of the Louis Two-Year Transfers, the Debtor intended to incur, or believed that he would incur, debts that would be beyond his ability to pay as such debts matured.

33. The Louis Two-Year Transfers constitute constructively fraudulent transfers avoidable by the Trustee pursuant to section 548(a)(1)(B) of the Bankruptcy Code and are recoverable from Louis pursuant to section 550(a) of the Bankruptcy Code.

34. As a result of the foregoing, pursuant to sections 548(a)(1)(B), 550(a), and 551 of the Bankruptcy Code, the Trustee is entitled to a judgment: (a) avoiding and preserving the Two-Year Transfers, (b) directing that the Louis Two-Year Transfers be set aside, and (c) recovering the Louis Two-Year Transfers, or the value thereof, from Louis for the benefit of the Debtor's estate, and (d) enjoining Louis from further disposing of the property transferred.

Third Claim for Relief
(UFTA Intentional Fraudulent Transfer Against Louis)
11 U.S.C. § 544 (b)(1) and Conn. Gen. Stat. § 52-552e(a)(1)

35. Paragraphs 1-34 of this Complaint are repeated and re-alleged as if fully set forth herein.

36. The Debtor made the following transfers to Louis within four years of the Petition

Date:

	<u>DATE</u>	<u>AMOUNT</u>
1.	October 1, 2007	\$ 8,000.00
2.	December 4, 2007	\$ 3,000.00
3.	December 31, 2007	\$ 3,000.00
4.	February 1, 2008	\$ 3,000.00
5.	March 3, 2008	\$ 3,000.00
6.	April 7, 2008	\$ 6,000.00
7.	June 4, 2008	\$ 3,000.00
8.	July 1, 2008	\$ 3,000.00
9.	August 4, 2008	\$ 3,000.00
10.	September 4, 2008	\$ 3,000.00
11.	October 7, 2008	\$ 3,000.00
12.	November 6, 2008	\$ 3,000.00
13.	December 8, 2008	\$ 3,000.00
14.	January 7, 2009	\$ 3,000.00
15.	February 7, 2009	\$ 3,000.00
16.	March 10, 2009	\$ 3,000.00
17.	April 10, 2009	\$ 3,000.00
18.	May 15, 2009	\$ 1,500.00
19.	May 20, 2009	\$ 1,500.00
20.	June 12, 2009	\$ 1,000.00
21.	July 16, 2009	\$ 1,000.00
22.	August 15, 2009	\$ 1,000.00
23.	September 26, 2009	\$ 1,000.00
24.	October 18, 2008	\$ 1,000.00
25.	October 29, 2009	\$ 1,000.00
26.	December 28, 2009	\$ 1,000.00
27.	January 31, 2010	\$ 1,000.00
28.	March 8, 2010	\$ 1,000.00
29.	April 4, 2010	\$ 1,000.00
30.	April 30, 2010	\$ 1,000.00
31.	June 1, 2010	\$ 1,000.00
32.	July 17, 2010	\$ 1,000.00
33.	August 31, 2010	\$ 1,000.00
34.	September 25, 2010	\$ 1,000.00
35.	December 5, 2010	\$ 2,000.00
36.	January 24, 2011	\$ 1,000.00
37.	March 12, 2011	\$ 1,000.00
38.	March 29, 2011	\$ 1,000.00
39.	March 29, 2011	\$ 6,000.00
40.	April 8, 2011	\$ 1,000.00
41.	April 9, 2011	\$ 12,000.00

\$ 101,000.00

(collectively, the "Louis Four-Year Transfers").

37. The Louis Four-Year Transfers were made with the Debtor's actual intent to hinder, delay or defraud the Debtor's creditors.

38. The Louis Four-Year Transfers constituted fraudulent transfers within the meaning of, and in violation of, the Uniform Fraudulent Transfer Act, Conn. Gen. Stat. § 52-552e(a)(1).

39. As a direct and proximate result of the Louis Four-Year Transfers, the Debtor, his estate and his creditors have suffered money damages.

40. At all times relevant to the Louis Four-Year Transfers, there have been creditors who have held and still hold matured or unmatured unsecured claims against the Debtor that were and are allowable under section 502 of the Bankruptcy Code or that were and are not allowable only under section 502(e).

41. The Trustee, on behalf of the Debtor's estate, is entitled to avoid the Louis Four-Year Transfers, to have them set aside and to recover the Louis Four-Year Transfers, or the value thereof, pursuant to 11 U.S.C. § 544 (b)(1), Conn. Gen. Stat. § 52-552e(a)(1), 52-552h(a), 550(a) and 551 from Louis and enjoining Louis from further disposing of the property transferred.

Fourth Claim for Relief
(UFTA Constructive Fraudulent Transfer Against Louis)
Conn. Gen. Stat. §§ 52-552e(a)(2) and 52-552f(a)

42. Paragraphs 1-41 of this Complaint are repeated and re-alleged as if fully set forth herein.

43. The Debtor did not receive reasonably equivalent value in exchange for the Louis Four-Year Transfers.

44. The Louis Four-Year Transfers were effectuated when: (a) the Debtor was engaged, or was about to engage, in a business or transaction for which the remaining assets of

the Debtor were unreasonably small in relation to the business or transaction; and/or (b) the Debtor intended to incur, or believed or reasonably should have believed that he would incur debts beyond his ability to pay as they became due; and/or the Debtor was insolvent or the Debtor became insolvent as a result of the transfers.

45. The Louis Four-Year Transfers constitute fraudulent transfers within the meaning of, and in violation of, the Uniform Fraudulent Transfer Act, Conn. Gen. Stat. §§ 52-552e(a)(2) and/or 52-552f(a).

46. As a direct and proximate result of the Louis Four-Year Transfers, the Debtor, his estate and his creditors have suffered money damages.

47. The Trustee, on behalf of the Debtor's estate, is entitled to avoid the Louis Four-Year Transfers, to have them set aside and to recover the Louis Four-Year Transfers, or the value thereof, pursuant to Conn. Gen. Stat. §§ 52-552e(a)(2), 52-552f(a) and 52-552h(a) from Louis and enjoining Louis from further disposing of the property transferred.

Fifth Claim for Relief
(UFTA Intentional Fraudulent Transfer Against Louis)
11 U.S.C. § 544(b)(1), Conn. Gen. Stat. § 52.552e(a)(1)12

48. Paragraphs 1 through 47 are repeated and re-alleged as if fully set forth herein.

49. The Debtor made the following transfers to Louis:

	<u>DATE</u>	<u>AMOUNT</u>
1.	June 30, 2003	\$ 20,866.00
2.	June 9, 2004	\$ 12,000.00
3.	July 15, 2004	\$ 10,000.00
4.	October 18, 2004	\$ 10,000.00
5.	April 15, 2005	\$ 1,000.00
6.	April 18, 2005	\$ 9,000.00
7.	July 14, 2005	\$ 8,000.00
8.	August 15, 2005	\$ 9,000.00
9.	April 21, 2006	\$ 5,000.00
10.	June 10, 2006	\$ 8,000.00
11.	October 2, 2006	\$ 9,000.00

12.	October 1, 2007	\$ 8,000.00
13.	December 4, 2007	\$ 3,000.00
14.	December 31, 2007	\$ 3,000.00
15.	February 1, 2008	\$ 3,000.00
16.	March 3, 2008	\$ 3,000.00
17.	April 7, 2008	\$ 6,000.00
18.	June 4, 2008	\$ 3,000.00
19.	July 1, 2008	\$ 3,000.00
20.	August 4, 2008	\$ 3,000.00
21.	September 4, 2008	\$ 3,000.00
22.	October 7, 2008	\$ 3,000.00
23.	November 6, 2008	\$ 3,000.00
24.	December 8, 2008	\$ 3,000.00
25.	January 7, 2009	\$ 3,000.00
26.	February 7, 2009	\$ 3,000.00
27.	March 10, 2009	\$ 3,000.00
28.	April 10, 2009	\$ 3,000.00
29.	May 15, 2009	\$ 1,500.00
30.	May 20, 2009	\$ 1,500.00
31.	June 12, 2009	\$ 1,000.00
32.	July 16, 2009	\$ 1,000.00
33.	August 15, 2009	\$ 1,000.00
34.	September 26, 2009	\$ 1,000.00
35.	October 18, 2008	\$ 1,000.00
36.	October 29, 2009	\$ 1,000.00
37.	December 28, 2009	\$ 1,000.00
38.	January 31, 2010	\$ 1,000.00
39.	March 8, 2010	\$ 1,000.00
40.	April 4, 2010	\$ 1,000.00
41.	April 30, 2010	\$ 1,000.00
42.	June 1, 2010	\$ 1,000.00
43.	July 17, 2010	\$ 1,000.00
44.	August 31, 2010	\$ 1,000.00
45.	September 25, 2010	\$ 1,000.00
46.	December 5, 2010	\$ 2,000.00
47.	January 24, 2011	\$ 1,000.00
48.	March 12, 2011	\$ 1,000.00
49.	March 29, 2011	\$ 1,000.00
50.	March 29, 2011	\$ 6,000.00
51.	April 8, 2011	\$ 1,000.00
52.	April 9, 2011	\$ 12,000.00
		<u>\$ 202,866.00</u>

(collectively the "Louis Transfers")

50. Pursuant to Conn. Gen. Stat. § 52-552j, the Trustee has one year from when the fraudulent transfers could reasonably have been discovered in which to bring an action to recover these transfers, which one year is tolled pursuant to 11 U.S.C. § 108(a)(2).

51. At all times relevant to the Louis Transfers, there have been creditors who have held and still hold matured or unmatured unsecured claims against the Debtor that were and are allowable under section 502 of the Bankruptcy Code or that were and are not allowable only under section 502(e).

52. These transfers were concealed by the Debtor as part of the Viola Scheme and were not disclosed to the Debtor's creditors until July, 2011.

53. The Louis Transfers were made with the Debtor's actual intent to hinder, delay or defraud the Debtor's creditors.

54. The Louis Transfers constituted fraudulent transfers within the meaning of, and in violation of, the Uniform Fraudulent Transfer Act, Conn. Gen. Stat. § 52-552e(a)(1).

55. As a direct and proximate result of the Louis Transfers, the Debtor, his estate and his creditors have been caused to suffer money damages.

56. The Trustee, on behalf of the Debtor's estate, is entitled to avoid the Louis Transfers, to have them set aside and to recover the Louis Transfers, or the value thereof, pursuant to 11 U.S.C. § 550 and enjoining Louis from further disposing of the property transferred.

Sixth Claim for Relief
(Claims Disallowance Against Louis)
Pursuant to 11 U.S.C. § 502(d)

57. Paragraphs 1-56 are repeated and re-alleged as if fully set forth herein.

58. As set forth in Paragraphs 1-56 above, the defendant Louis is the recipient of fraudulent transfers which have not been returned to the Estate.

59. Pursuant to 11 U.S.C. § 502(d) any claim which Louis may assert or has asserted must be disallowed until the the fraudulently transferred amounts set forth in Paragraphs 1-56 have been returned in full to the Trustee.

60. The Trustee requests that the payment of the filing fee be deferred until the conclusion of this case.

Seventh Claim for Relief
(Intentional Fraudulent Transfer Against the Moaveros)
11 .S.C. §§ 548(a)(1)(A), 550 and 551

61. Paragraphs 1-60 of this Complaint are repeated and re-alleged as if fully set forth herein.

62. The Debtor made the following transfers to the Moaveros within two years of the Petition Date:

	<u>DATE</u>	<u>AMOUNT</u>
1.	August 15, 2009	\$ 6,000.00
2.	September 26, 2009	\$ 6,000.00
3.	October 29, 2009	\$ 6,000.00
4.	November 18, 2009	\$ 6,000.00
5.	December 28, 2009	\$ 6,000.00
6.	January 31, 2010	\$ 6,000.00
7.	March 8, 2010	\$ 6,000.00
8.	April 4, 2010	\$ 6,000.00
9.	April 30, 2010	\$ 6,000.00
10.	June 1, 2010	\$ 6,000.00
11.	July 17, 2010	\$ 6,000.00
12.	August 31, 2010	\$ 6,000.00
13.	September 25, 2010	\$ 6,000.00
14.	November 16, 2010	\$ 6,000.00
15.	December 5, 2010	\$ 6,000.00
16.	January 24, 2011	\$ 6,000.00
17.	March 16, 2011	\$ 6,000.00
		<u>\$ 102,000.00</u>

(collectively, the "Moaveros Two-Year Transfers").

63. The Moaveros Two-Year Transfers were made by the Debtor with the actual intent to hinder, delay, and defraud some or all of Debtor's then existing and future creditors.

64. The Moaveros Two-Year Transfers constitute fraudulent transfers avoidable by the Trustee pursuant to section 548(a)(1)(A) of the Bankruptcy Code and are recoverable from the Moaveros pursuant to section 550(a) of the Bankruptcy Code.

65. As a result of the foregoing, pursuant to sections 548(a)(1)(A), 550(a), and 551 of the Bankruptcy Code, the Trustee is entitled to a judgment: (a) avoiding and preserving the Moaveros Two-Year Transfers, (b) directing that the Moaveros Two-Year Transfers be set aside, (c) recovering the Moaveros Two-Year Transfers, or the value thereof, from the Moaveros for the benefit of the Debtor's estate, and (d) enjoining against the Moaveros from further disposing of the property transferred.

Eighth Claim for Relief
(Constructive Fraudulent Transfers Against Louis)
11 U.S.C. §§ 548(a)(1)(B), 550 and 551

66. Paragraphs 1-65 of this Complaint are repeated and re-alleged as if fully set forth herein.

67. The Moaveros Two-Year Transfers were made on or within two years before the Filing Date.

68. The Debtor received less than a reasonably equivalent value in exchange for each of the Moaveros Two-Year Transfers.

69. At the time of the Moaveros Two-Year Transfers, the Debtor was insolvent, or became insolvent as a result of the Moaveros Two-Year Transfers in question.

70. At the time of each of the Moaveros Two-Year Transfers, the Debtor was engaged in a business or a transaction, or was about to engage in a business or a transaction, for which any property remaining with the Debtor was an unreasonably small amount of capital.

71. At the time of each of the Moaveros Two-Year Transfers, the Debtor intended to incur, or believed that he would incur, debts that would be beyond his ability to pay as such debts matured.

72. The Moaveros Two-Year Transfers constitute constructively fraudulent transfers avoidable by the Trustee pursuant to section 548(a)(1)(B) of the Bankruptcy Code and are recoverable from the Moaveros pursuant to section 550(a) of the Bankruptcy Code.

73. As a result of the foregoing, pursuant to sections 548(a)(1)(B), 550(a), and 551 of the Bankruptcy Code, the Trustee is entitled to a judgment: (a) avoiding and preserving the Two-Year Transfers, (b) directing that the Moaveros Two-Year Transfers be set aside, and (c) recovering the Moaveros Two-Year Transfers, or the value thereof, from the Moaveros for the benefit of the Debtor's estate, and (d) enjoining the Moaveros from further disposing of the property transferred.

Ninth Claim for Relief
(UFTA Intentional Fraudulent Transfer Against The Moaveros)
11 U.S.C. § 544 (b)(1) and Conn. Gen. Stat. § 52-552e(a)(1)

74. Paragraphs 1-73 of this Complaint are repeated and re-alleged as if fully set forth herein.

75. The Debtor made the following transfers to Louis within four years of the Petition Date:

	<u>DATE</u>	<u>AMOUNT</u>
1.	December 4, 2007	\$ 3,000.00
2.	December 31, 2007	\$ 3,000.00
3.	February 1, 2008	\$ 3,000.00
4.	March 3, 2008	\$ 3,000.00
5.	April 7, 2008	\$ 6,000.00
6.	June 4, 2008	\$ 3,000.00
7.	July 1, 2008	\$ 3,000.00
8.	August 4, 2008	\$ 3,000.00
9.	September 4, 2008	\$ 3,000.00
10.	October 7, 2008	\$ 3,000.00
11.	November 6, 2008	\$ 3,000.00

12.	December 8, 2008	\$ 3,000.00
13.	January 7, 2009	\$ 3,000.00
14.	February 7, 2009	\$ 3,000.00
15.	March 10, 2009	\$ 3,000.00
16.	April 10, 2009	\$ 3,000.00
17.	May 15, 2009	\$ 1,500.00
18.	May 20, 2009	\$ 1,500.00
19.	June 12, 2009	\$ 6,000.00
20.	July 16, 2009	\$ 6,000.00
21.	August 15, 2009	\$ 6,000.00
22.	September 26, 2009	\$ 6,000.00
23.	October 29, 2009	\$ 6,000.00
24.	November 18, 2009	\$ 6,000.00
25.	December 28, 2009	\$ 6,000.00
26.	January 31, 2010	\$ 6,000.00
27.	March 8, 2010	\$ 6,000.00
28.	April 4, 2010	\$ 6,000.00
29.	April 30, 2010	\$ 6,000.00
30.	June 1, 2010	\$ 6,000.00
31.	July 17, 2010	\$ 6,000.00
32.	August 31, 2010	\$ 6,000.00
33.	September 25, 2010	\$ 6,000.00
34.	November 16, 2010	\$ 6,000.00
35.	December 5, 2010	\$ 6,000.00
36.	January 24, 2011	\$ 6,000.00
37.	March 16, 2011	\$ 6,000.00
		<u>\$ 168,000.00</u>

(collectively, the "Moaveros Four-Year Transfers").

76. The Moaveros Four-Year Transfers were made with the Debtor's actual intent to hinder, delay or defraud the Debtor's creditors.

77. The Moaveros Four-Year Transfers constituted fraudulent transfers within the meaning of, and in violation of, the Uniform Fraudulent Transfer Act, Conn. Gen. Stat. § 52-552e(a)(1).

78. As a direct and proximate result of the Moaveros Four-Year Transfers, the Debtor, his estate and his creditors have suffered money damages.

79. At all times relevant to the Moaveros Four-Year Transfers, there have been creditors who have held and still hold matured or unmatured unsecured claims against the Debtor that were and are allowable under section 502 of the Bankruptcy Code or that were and are not allowable only under section 502(e).

80. The Trustee, on behalf of the Debtor's estate, is entitled to avoid the Moaveros Four-Year Transfers, to have them set aside and to recover the Moaveros Four-Year Transfers, or the value thereof, pursuant to 11 U.S.C. § 544 (b)(1), Conn. Gen. Stat. § 52-552e(a)(1), 52-552h(a), 550(a) and 551 from the Moaveros and enjoining the Moaveros from further disposing of the property transferred.

Tenth Claim for Relief
(UFTA Constructive Fraudulent Transfer Against The Moaveros)
Conn. Gen. Stat. §§ 52-552e(a)(2) and 52-552f(a)

81. Paragraphs 1-80 of this Complaint are repeated and re-alleged as if fully set forth herein.

82. The Debtor did not receive reasonably equivalent value in exchange for the Moaveros Four-Year Transfers.

83. The Moaveros Four-Year Transfers were effectuated when: (a) the Debtor was engaged, or was about to engage, in a business or transaction for which the remaining assets of the Debtor were unreasonably small in relation to the business or transaction; and/or (b) the Debtor intended to incur, or believed or reasonably should have believed that he would incur debts beyond his ability to pay as they became due; and/or the Debtor was insolvent or the Debtor became insolvent as a result of the transfers.

84. The Moaveros Four-Year Transfers constitute fraudulent transfers within the meaning of, and in violation of, the Uniform Fraudulent Transfer Act, Conn. Gen. Stat. §§ 52-552e(a)(2) and/or 52-552f(a).

85. As a direct and proximate result of the Moaveros Four-Year Transfers, the Debtor, his estate and his creditors have suffered money damages.

86. The Trustee, on behalf of the Debtor's estate, is entitled to avoid the Moaveros Four-Year Transfers, to have them set aside and to recover the Moaveros Four-Year Transfers, or the value thereof, pursuant to Conn. Gen. Stat. §§ 52-552e(a)(2), 52-552f(a) and 52-552h(a) from the Moaveros and enjoining the Moaveros from further disposing of the property transferred.

Eleventh Claim for Relief
(UFTA Intentional Fraudulent Transfer Against The Moaveros)
12 U.S.C. § 544(b)(1), Conn. Gen. Stat. § 52.552e(a)(1)12

87. Paragraphs 1 through 86 are repeated and re-alleged as if fully set forth herein.

88. The Debtor made the following transfers to Louis:

	<u>DATE</u>	<u>AMOUNT</u>
1.	December 4, 2007	\$ 3,000.00
2.	December 31, 2007	\$ 3,000.00
3.	February 1, 2008	\$ 3,000.00
4.	March 3, 2008	\$ 3,000.00
5.	April 7, 2008	\$ 6,000.00
6.	June 4, 2008	\$ 3,000.00
7.	July 1, 2008	\$ 3,000.00
8.	August 4, 2008	\$ 3,000.00
9.	September 4, 2008	\$ 3,000.00
10.	October 7, 2008	\$ 3,000.00
11.	November 6, 2008	\$ 3,000.00
12.	December 8, 2008	\$ 3,000.00
13.	January 7, 2009	\$ 3,000.00
14.	February 7, 2009	\$ 3,000.00
15.	March 10, 2009	\$ 3,000.00
16.	April 10, 2009	\$ 3,000.00
17.	May 15, 2009	\$ 1,500.00
18.	May 20, 2009	\$ 1,500.00
19.	June 12, 2009	\$ 6,000.00
20.	July 16, 2009	\$ 6,000.00
21.	August 15, 2009	\$ 6,000.00
22.	September 26, 2009	\$ 6,000.00
23.	October 29, 2009	\$ 6,000.00
24.	November 18, 2009	\$ 6,000.00
25.	December 28, 2009	\$ 6,000.00

26.	January 31, 2010	\$ 6,000.00
27.	March 8, 2010	\$ 6,000.00
28.	April 4, 2010	\$ 6,000.00
29.	April 30, 2010	\$ 6,000.00
30.	June 1, 2010	\$ 6,000.00
31.	July 17, 2010	\$ 6,000.00
32.	August 31, 2010	\$ 6,000.00
33.	September 25, 2010	\$ 6,000.00
34.	November 16, 2010	\$ 6,000.00
35.	December 5, 2010	\$ 6,000.00
36.	January 24, 2011	\$ 6,000.00
37.	March 16, 2011	\$ 6,000.00
		<u>\$ 168,000.00</u>

(collectively the "Moaveros Transfers")

89. Pursuant to Conn. Gen. Stat. § 52-552j, the Trustee has one year from when the fraudulent transfers could reasonably have been discovered in which to bring an action to recover these transfers, which one year is tolled pursuant to 11 U.S.C. § 108(a)(2).

90. At all times relevant to the Moaveros Transfers, there have been creditors who have held and still hold matured or unmatured unsecured claims against the Debtor that were and are allowable under section 502 of the Bankruptcy Code or that were and are not allowable only under section 502(e).

91. These transfers were concealed by the Debtor as part of the Viola Scheme and were not disclosed to the Debtor's creditors until July, 2011.

92. The Moaveros Transfers were made with the Debtor's actual intent to hinder, delay or defraud the Debtor's creditors.

93. The Moaveros Transfers constituted fraudulent transfers within the meaning of, and in violation of, the Uniform Fraudulent Transfer Act, Conn. Gen. Stat. § 52-552e(a)(1).

94. As a direct and proximate result of the Moaveros Transfers, the Debtor, his estate and his creditors have been caused to suffer money damages.

95. The Trustee, on behalf of the Debtor's estate, is entitled to avoid the Moaveros Transfers, to have them set aside and to recover the Moaveros Transfers, or the value thereof, pursuant to 11 U.S.C. § 550 and enjoining the Moaveros from further disposing of the property transferred.

Twelfth Claim for Relief
(Claims Disallowance Against The Moaveros)
Pursuant to 11 U.S.C. § 502(d)

96. Paragraphs 1-95 are repeated and re-alleged as if fully set forth herein.

97. As set forth in Paragraphs 1-95 above, the defendants, the Moaveros, are the recipients of fraudulent transfers which have not been returned to the Estate.

98. Pursuant to 11 U.S.C. § 502(d) any claim which the Moaveros may assert or have asserted must be disallowed until the the fraudulently transferred amounts set forth in Paragraphs 1-56 have been returned in full to the Trustee.

WHEREFORE, the plaintiff, Kara S. Rescia, Trustee, respectfully requests the Court enter judgment in favor of the Trustee and against the defendant as follows:

1. On the First Claim for Relief against Louis, pursuant to 11 U.S.C. §§548(a)(1)(a), 550(a) and 551: (a) avoidance of the Louis Two-Year Transfers; (b) an order directing that the Louis Two-Year Transfers be set aside, and (c) recovery of the Louis Two-Year Transfers, or the value thereof, from Louis for the benefit of the estate;

2. On the Second Claim for Relief against Louis, pursuant to 11 U.S.C. §§548(a)(1)(b), 550(a) and 551: (a) avoidance of the Louis Two-Year Transfers; (b) an order directing that the Louis Two-Year Transfers be set aside, and (c) recovery of the Louis Two-Year Transfers, or the value thereof, from Louis for the benefit of the estate;

3. On the Third Claim for Relief against defendant, Louis, pursuant to Conn. Gen. Stat. § 52-552e(a)(1) and 11 U.S.C. §§544(b), 550(a) and 551: (a) avoidance of the Louis Four-Year

Transfers; (b) an order directing that the Louis Four-Year Transfers be set aside, and (c) recovery of the Louis Four-Year Transfers, or the value thereof, from Louis for the benefit of the estate;

4. On the Fourth Claim for Relief against defendant, Louis, pursuant to Conn. Gen. Stat. § 52-552e(a)(1) and 11 U.S.C. §§544(b), 550(a) and 551: (a) avoidance of the Louis Four-Year Transfers; (b) an order directing that the Louis Four-Year Transfers be set aside, and (c) recovery of the Louis Four-Year Transfers, or the value thereof, from Louis for the benefit of the estate;

5. On the Fifth Claim for Relief against defendant, Louis, pursuant to Conn. Gen. Stat. § 52-552e(a)(2) and § 52-552f(a), and 11 U.S.C. §§544(b), 550(a) and 551: (a) avoidance of the Louis Transfers; (b) an order directing that the Louis Transfers be set aside, and (c) recovery of the Louis Transfers, or the value thereof, from Louis for the benefit of the estate;

6. On the Sixth Claim for Relief against defendant, Louis, pursuant to 11 U.S.C. § 502(d) any claim which Louis may assert or has asserted must be disallowed until the preferential transfers and the fraudulently transferred amounts have been returned in full to the Trustee.

7. On the Seventh Claim for Relief against the Moaveros, pursuant to 11 U.S.C. §§548(a)(1)(a), 550(a) and 551: (a) avoidance of the Moaveros Two-Year Transfers; (b) an order directing that the Moaveros Two-Year Transfers be set aside, and (c) recovery of the Moaveros Two-Year Transfers, or the value thereof, from the Moaveros for the benefit of the estate;

8. On the Eighth Claim for Relief against the Moaveros, pursuant to 11 U.S.C. §§548(a)(1)(b), 550(a) and 551: (a) avoidance of the Moaveros Two-Year Transfers; (b) an order directing that the Moaveros Two-Year Transfers be set aside, and (c) recovery of the Moaveros Two-Year Transfers, or the value thereof, from the Moaveros for the benefit of the estate;

9. On the Ninth Claim for Relief against defendants, the Moaveros, pursuant to Conn. Gen. Stat. § 52-552e(a)(1) and 11 U.S.C. §§544(b), 550(a) and 551: (a) avoidance of the Moaveros

Four-Year Transfers; (b) an order directing that the Moaveros Four-Year Transfers be set aside, and (c) recovery of the Moaveros Four-Year Transfers, or the value thereof, from the Moaveros for the benefit of the estate;

10. On the Tenth Claim for Relief against defendants, the Moaveros, pursuant to Conn. Gen. Stat. § 52-552e(a)(1) and 11 U.S.C. §§544(b), 550(a) and 551: (a) avoidance of the Moaveros Four-Year Transfers; (b) an order directing that the Moaveros Four-Year Transfers be set aside, and (c) recovery of the Moaveros Four-Year Transfers, or the value thereof, from the Moaveros for the benefit of the estate;

11. On the Eleventh Claim for Relief against defendants, the Moaveros, pursuant to Conn. Gen. Stat. § 52-552e(a)(2) and § 52-552f(a), and 11 U.S.C. §§544(b), 550(a) and 551: (a) avoidance of the Moaveros Transfers; (b) an order directing that the Moaveros Transfers be set aside, and (c) recovery of the Moaveros Transfers, or the value thereof, from the Moaveros for the benefit of the estate;

12. On the Twelfth Claim for Relief against defendants, the Moaveros, pursuant to 11 U.S.C. § 502(d) any claim which the Moaveros may assert or has asserted must be disallowed until the preferential transfers and the fraudulently transferred amounts have been returned in full to the Trustee.

13. A permanent injunction precluding the Moaveros from transferring or disposing any assets during the pendency of this bankruptcy case;

14. Attorneys' fees;

15. Pre-judgment interest and costs; and

16. Such other and further relief as this Court deems just and proper.

17. The Trustee requests that the payment of the filing fee be deferred until the conclusion of this case.

Dated this 4th day of September, 2013.

KARA S. RESCIA, CHAPTER 7 TRUSTEE
FOR THE BANKRUPTCY ESTATE OF
GREGORY VIOLA
BY HER COUNSEL

/s/ Kara S. Rescia

Kara S. Rescia, Esq.
Federal Bar No. CT18001
Eaton & Rescia, LLP

[REDACTED]

/s/ Jeffrey Hellman

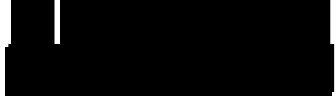
Jeffrey Hellman (ct04102)
Law Offices of Jeffrey Hellman, LLC

[REDACTED]

EXHIBIT

D

GREGORY VIOLA



March 19, 2012

**Jim Pikerstein & Calvin Woo
McElroy, Deutsch, Mulvaney & Carpenter, LLP
Attorneys at Law**



Jim & Calvin:

Please review the amounts per the worksheets below. It should lower the amounts to < \$2-3 million and people to 39 or less. These amounts are not on the FBI's client list (amounts). The ETrade amounts were provided on the statements as per our November meeting (Calvin, Wendy & FBI Accountant).

I told the FBI people to look at ETrade EBill checks and all other checking accounts for dates not provided at that meeting. Seems all they did was copy the contents of the boxes & label them. They did record real checks provided in separate stacks & files.

Also, in addition to the below amounts (about \$3.2 million), there is about \$1 1/2 to 2 million more at:

- 1. People's Bank (needs money to obtain the check copies)**
- 2. Bank of America (needs further follow-up)**
- 3. ETrade checks (NOT EBill) – Currently being processed**

Finally, the above should serve notice to why I objected to your Plea Bargain Agreement numbers and handing anything over to the Bankruptcy Court at this early stage.

Thank you,

Greg

Gregory R. Viola
[REDACTED]

January 29, 2015

Clerk
United States District Court
District of Connecticut
[REDACTED]

Re: Case No. 3:12-CR-25(VLB)

Dear Sir or Madam:

Please file enclosed Motion for New Trial.

Thank you.

Yours truly,

Gregory Viola
Gregory R. Viola

cc: Richard J. Schechter, AUSA