



*United States Attorney
Southern District of New York*

FOR IMMEDIATE RELEASE

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**FRANK DIPASCALI, JR., FORMER EMPLOYEE AT BERNARD L.
MADOFF INVESTMENT SECURITIES LLC, PLEADS GUILTY
TO TEN-COUNT CRIMINAL INFORMATION**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, JOSEPH M. DEMAREST, JR., the Assistant Director-in-Charge of the New York Field Office of the Federal Bureau of Investigation ("FBI"), ALAN D. LEBOWITZ, the Deputy Assistant Secretary of the United States Department of Labor, Employee Benefits Security Administration ("DOL-EBSA"), and PATRICIA J. HAYNES, the Special Agent-in-Charge of the New York Field Office of the Internal Revenue Service ("IRS"), announced today that FRANK DIPASCALI, JR. pleaded guilty to ten felony counts contained in a Criminal Information. DIPASCALI, formerly an employee of Bernard L. Madoff Investment Securities LLC, pleaded guilty in Manhattan federal court before United States District Judge RICHARD J. SULLIVAN to conspiracy, securities fraud, investment adviser fraud, falsifying records of a broker-dealer, falsifying records of an investment adviser, mail fraud, wire fraud, international money laundering, perjury, and attempting to evade federal income taxes.

DIPASCALI, 52, of New Jersey, faces a statutory maximum sentence of 125 years in prison. He is also subject to mandatory restitution and faces criminal fines up to twice the gross gain or loss derived from the offense. Additionally, the Criminal Information to which DIPASCALI pleaded guilty includes forfeiture allegations that would require DIPASCALI to forfeit the proceeds of the charged crimes, as well as all property involved in the money laundering offenses and all property traceable to such property. The statutory maximum sentences for each of the charged offenses are set forth in an attached chart.

Judge SULLIVAN remanded DIPASCALI and set a sentencing control date for May 15, 2010.

Mr. DASSIN praised the investigative work of the FBI, DOL-EBSA, and the IRS and thanked the SEC for its assistance. Mr. DASSIN added that the investigation is continuing.

Assistant United States Attorneys MARC LITT, LISA A. BARONI, WILLIAM J. STELLMACH, BARBARA A. WARD, and SHARON FRASE are in charge of the prosecution.

09-244

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STATUTORY MAXIMUM PENALTIES

United States v. Frank DiPascali, Jr.

<u>Count</u>	<u>Charge</u>	<u>Maximum Penalties</u>
ONE	Conspiracy	5 years in prison; 3 years supervised release; fine of the greatest of \$250,000 or twice the gross gain or loss; mandatory \$100 special assessment; restitution.
TWO	Securities Fraud	20 years in prison; 3 years supervised release; fine of the greatest of \$5,000,000 or twice the gross gain or loss; mandatory \$100 special assessment; restitution.
THREE	Investment Adviser Fraud	5 years in prison; 3 years supervised release; fine of the greatest of \$10,000 or twice the gross gain or loss; mandatory \$100 special assessment; restitution.
FOUR	Falsifying Books and Records of a Broker Dealer	20 years in prison; 3 years supervised release; fine of the greatest of \$5,000,000 or twice the gross gain or loss; mandatory \$100 special assessment; restitution.
FIVE	Falsifying Books and Records of an Investment Adviser	5 years in prison; 3 years supervised release; fine of the greatest of \$10,000 or twice the gross gain or loss; mandatory \$100 special assessment; restitution.
SIX	Mail Fraud	20 years in prison; 3 years supervised release; fine of the greatest of \$250,000 or twice the gross gain or loss; mandatory \$100 special assessment; restitution.
SEVEN	Wire Fraud	20 years in prison; 3 years supervised release; fine of the greatest of \$250,000 or twice the gross gain or loss; mandatory \$100 special assessment; restitution.
EIGHT	International Money Laundering To Promote Specified Unlawful Activity	20 years in prison; 3 years supervised release; fine of the greatest of \$500,000, or twice the value of the monetary instruments or funds involved, or twice the gross gain or loss; mandatory \$100 special assessment; restitution.
NINE	Perjury	5 years in prison; 3 years supervised release; fine of the greatest of \$250,000, or twice the gross gain or loss; mandatory \$100 special assessment; restitution.
TEN	Federal Income Tax Evasion	5 years in prison; 3 years supervised release; fine of the greatest of \$250,000 or twice the gross gain or loss; costs of prosecution; \$100 special assessment.