

**From:** [Douglas.Bacon@lw.com](mailto:Douglas.Bacon@lw.com) [<mailto:Douglas.Bacon@lw.com>]  
**Sent:** Monday, January 28, 2013 6:20 PM  
**To:** Jennifer Doherty; [Andrew.Gehl@lw.com](mailto:Andrew.Gehl@lw.com)  
**Cc:** Edward Joyce  
**Subject:** RE: US v Segal

Jen,

I have spoken with Scott about your requests. He does not have firsthand knowledge with respect to most of the information you are seeking. More importantly, we don't think it is appropriate or incumbent upon Scott to get into the middle of Mr. Segal's litigation with the DOJ. Scott is, as you know, the court-appointed trustee for the government's interest in the forfeited assets. He does not have obligations to third parties nor does he have a mandate to assist third parties in disputes with the government.

Doug

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**From:** Jennifer Doherty [<mailto:jdoherty@joycelaw.com>]  
**Sent:** Monday, January 28, 2013 4:47 PM  
**To:** Gehl, Andrew (CH); Bacon, Douglas (CH)  
**Cc:** Edward Joyce  
**Subject:** US v Segal

Hi Andrew:

Per our conversations, please find attached a copy of the Government's Summary Schedule and Schedule of Assets – which can be cross-referenced as I explain below. Per the face of the documents, these appear to be current (mostly) as of January 11, 2013.

There are a number of different types of assets that are at issue here, which the Government has classified as, for example:

1. NNIB Owned Insurance Policies as of 9/2012
2. Distributions from NNIB Partnerships that are currently being held by the US Marshal Service as of 1/2013
3. Segal Financial Accounts
4. Distributions from Segal Partnerships being held by the US Marshal Service – 9/2012

[Partnerships](#)

If you look at the document titled Summary Schedule, you will see these topics found on pages 2 and 3. The partnerships that the Government contends are owned by Near North are listed in detail on pages 4-5. When you turn to page 4, you will see a column titled "Distribution to Entity". For most of the partnerships identified on pages 4-5, there is a number in that column. The total distributions for the "Near North" partnerships are \$5,142,082.06. We are looking for a confirmation from the trustee, whether by production of receipts showing these amounts, or an affidavit, that these amounts are correct and accurately reflect the amounts that have been received from those entities in distributions. Also, we would like to know whether the distributions collected on these partnerships are being held in one account, or whether they are separately maintained, and then whether interest has accrued on any amounts, and if so, how much. There is a detailed analysis of the distribution payments on the other chart titled Schedule of Assets at pages 1-3 that you can use as a cross-reference.

Then, looking at the second part of the chart on pages 5-6, you will see the chart for the partnerships which the Government contends are owned by Mike Segal. The "Distribution from Entity" column there reflects that \$2,811,477.66 in distributions has been collected from the Mike Segal partnerships. Just like the "Near North" partnerships, we are looking for a confirmation that the amounts listed are correct and accurately reflect the amounts that have been received from those entities. Likewise, we would like to know whether the distributions collected on these partnerships are held in one account and whether any are bearing interest. You can look at the Schedule of Assets chart at pages 3-6 as a cross-reference.

Finally, if there are any additional partnerships (or distributions) that are missing from the Government's chart, please let me know.

#### Insurance

When you look at Page 2 of the Summary Schedule, it states that there is \$4,197,952.00 in NNIB Owned Insurance Policies as of 9/2012. The details for this total number can be found on page 8 of the Schedule of Assets chart, where it is broken down by policies. Looking at page 8 of the Schedule of Assets chart, do the numbers in the column "Estimate of Cash Value 1/2009" come from the trustee. If so, can he please confirm that these figures are accurate.

#### Segal Financial Accounts

Looking at page 3 of the Summary Schedule, it states that Segal's Financial Accounts total \$5,053,670.79. This total is comprised of account information found on Page 7 of the Schedule of Assets chart. Looking at page 7 of that chart, there is a column titled "status-amounts". Did the trustee provide those numbers? If so, can he please confirm the accuracy of those figures?

Please let me know if you have any questions. We look forward to hearing from you.

Thank you,  
Jenn

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