



Hungarian Citizen Sentenced in Maryland to 30 Months in Prison for Hacking into Marriott Computers to Extort Employment from the Company

(USDOJ: Justice News)

Submitted at 2:08 PM February 3, 2012

Attila Nemeth, 26, a Hungarian citizen, was sentenced today by U.S. District Judge J. Frederick Motz to 30 months in prison for transmitting a malicious code to Marriott International Corporation computers and threatening to reveal confidential information obtained from the company's computers if Marriott did not offer him a job.

Attorney General Eric Holder Speaks at Tulane University Law School

(USDOJ: Justice News)

Submitted at 1:15 PM February 3, 2012

"Today, by participating in this lecture series, we have a unique and important opportunity to think about this 'sacred covenant,' to consider our responsibilities in upholding it, and – of course – to recommit ourselves to the work that distinguished the lives and legacies of George Dreyfous and Mathilde Schwab Dreyfous," said Attorney General Holder

Justice Department Announces Luke J. McCormack as New Chief Information Officer

(USDOJ: Justice News)

Submitted at 12:14 PM February 3, 2012

The Department of Justice today announced that Luke J. McCormack will become its new chief information officer (CIO), arriving in late March.

Former Soldier Pleads Guilty in Texas for Leading Role in Scheme to Illegally Obtain Military Recruiting Bonuses

(USDOJ: Justice News)

Submitted at 11:31 AM February 3, 2012

A former soldier pleaded guilty today to conspiracy to obtain a total of at least approximately \$240,000 in fraudulent recruiting bonuses from various U.S. military components and their contractor, and to one count of aggravated identity theft for unlawfully using the means of identification of a potential soldier.

Louisiana Medical Equipment Company Owner Pleads Guilty in \$21 Million Fraud Scheme

(USDOJ: Justice News)

Submitted at 6:36 PM February 3, 2012

Chikenna D. Jones, 36, pleaded guilty before U.S. District Judge James J. Brady of the Middle District of Louisiana to one count of conspiracy to commit health care fraud and one count of conspiracy to defraud the United States and to pay and receive health care kickbacks.

U.S. v. Kenneth A. Swanger

(Antitrust Division: Criminal Case Filings)

Submitted at 3:15 PM February 3, 2012

Document filed on November 22, 2011

- [Information](#)

U.S. v. Danilo P. Perez

(Antitrust Division: Upcoming Public Hearings)

Submitted at 12:35 PM February 3, 2012

Sentencing hearing has been scheduled for April 4, 2012 at 9:00 a.m. Eastern

FBI's Top Ten News Stories for the Week Ending February 3, 2012

fbi (Current)

Submitted at 6:00 AM February 3, 2012

— Washington, D.C.

WITNESS

continued from page 1

emotional locking of horns between the two men most responsible for running an offshore bank on the island of Antigua that prosecutors say fleeced nearly 30,000 investors of \$7 billion in investments.

In his first day on the stand, Mr. Davis described how Mr. Stanford had fraudulently made up insurance coverage to lure investors and had taken a blood oath with senior Antiguan bank regulators who would overlook his misdeeds and profit from them. He also testified how Mr. Stanford had lavished loans and campaign contributions on Antiguan political leaders, and how the cash reserves of the Stanford offshore bank disappeared over the years in money-losing businesses and loans to Mr. Stanford until nothing was left by 2009.

Throughout his testimony, Mr. Davis described a relationship with Mr. Stanford in which he was emotionally bullied to lie and cheat investors, and to keep his secrets from everyone, including his wife. "Yes, I did lie," Mr. Davis said, fighting

WITNESS page 2

Witness Says He Warned Stanford on Ponzi Plan

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 9:15 AM February 3, 2012

The New York Times on February 2, 2012 released the following: "By CLIFFORD KRAUSS HOUSTON — As R. Allen Stanford's chief financial officer, James A. Davis knew a lot about his boss's offshore banking operations. As he took the witness stand on Thursday against his former boss, Mr. Davis said he repeatedly

warned him over the years that his Ponzi scheme would collapse, and to make his point graphically he would cup his hands as if they were in handcuffs while making his plea.

"I told him what we are doing would have consequences, and not good consequences," he recalled as Mr. Stanford took notes and shook his head in denial. "Mr. Stanford would just laugh, and he would say, 'I will just blame it all on you.' "

And that is just about what is happening as the Texas financier once thought to be worth over \$2 billion stands trial on multiple charges of fraud, money laundering and conspiracy, with Mr. Davis already indicted and serving as the lead prosecution witness.

It was just the beginning of what court officers and lawyers involved in the case believe will be four or five days of an

WITNESS page 1



WITNESS

continued from page 1

back tears. “I wanted to please Mr. Stanford. I was proud. I was a coward. Later on I was greedy, regrettably.”

Perhaps no man except Mr. Stanford himself knew more about the operations of Mr. Stanford’s empire — which included real estate, restaurants, two airlines and even a cricket team and stadium — than Mr. Davis. Soon after the enterprises collapsed three years ago, Mr. Davis was indicted and pleaded guilty to several counts of fraud and conspiracy to obstruct a Securities and Exchange Commission investigation. He faces up to 30 years in jail.

The lawyers for Mr. Stanford, in their opening argument to the jury and in cross-examinations of witnesses over the last two weeks, have tried to build a case that Mr. Davis, not Mr. Stanford, would have been at the center of any shady financial dealings, which centered on sales of supposedly safe, high-interest certificates of deposit. But the money, according to the prosecution, went to risky investments, loans to Mr. Stanford and bribes from a Swiss bank to Antiguan officials.

Mr. Davis described Mr. Stanford as a cagey, manipulative dictator who was quick to compliment but even quicker to lash out in anger. Mr. Davis described how he rearranged the offices of some employees when Mr. Stanford was away from the office for several weeks and did not return messages.

When Mr. Stanford returned from his travels, he entered Mr. Davis’s office and screamed, “‘I thought I was C.E.O. around here’ and then slammed the door,” Mr. Davis testified. “He didn’t speak to me for three months.”

Another time, Mr. Davis recalled, Mr. Stanford asked him to take a drive in his new Mercedes-Benz on the Katy Freeway outside Houston. Mr. Stanford floored the accelerator until the car reached 170 miles an hour. “He scared me to death,” Mr. Davis said. “He instilled intimidation and fear.”

Mr. Stanford’s lawyers have argued that

while Mr. Stanford was the chief strategist and marketing guru, Mr. Davis invested the money and handled the paperwork. He not only worked apart for years from Mr. Stanford, from an office in Memphis, but he also hired many investment executives, including his own trusted family members.

In his introductory arguments, Robert A. Scardino, one of Mr. Stanford’s lawyers, called Mr. Davis a “liar and a crook and yet these prosecutors are going to ask you to believe him.”

Mr. Davis differed with that characterization. “Everyone reported to Mr. Stanford,” he testified.

“In a charismatic way, he managed by flattery, fear, intimidation. He said it was better to be feared as a manager than be loved,” Mr. Davis testified.

Mr. Stanford has pleaded not guilty to all 14 counts of fraud, money laundering and conspiracy. His lawyers say he will testify, but because Mr. Stanford has said that his memory was shattered by the blows he sustained two years ago in a prison fight, it is unclear what he will say about Mr. Davis.

Mr. Davis began working for Mr. Stanford in 1988 and, he testified, from the start there were secrets. Mr. Davis said he was told not to speak to Mr. Stanford’s father, James, who was a junior partner in the bank, without first talking to him. Mr. Stanford also explained that the bank, the Guardian International Bank, had been founded offshore rather than in the United States, saying, according to Mr. Davis, that “he did not feel he could go through that rigorous regulatory vetting.”

For years, Mr. Davis testified, he was suspicious of fraud, but he was not certain until 1991, when Mr. Stanford ordered him to fly to London merely to fax to a prospective investor a fake confirmation from a shell insurance company Mr. Stanford had concocted. When Mr. Davis went to the office, it was nothing but a desk, a chair and a fax machine in an office cubicle. Mr. Davis flew back to Houston as soon as he sent the fax, he

said.

When Mr. Davis questioned Mr. Stanford about the scheme, Mr. Davis said, his boss “said this was really a marketing device” and that paying “premiums would be a waste of money.”

When asked repeatedly by the prosecution why he had continued to work for Mr. Stanford after the episode, Mr. Davis replied, “I was a coward. I was embarrassed and he signed my paycheck.”

Mr. Davis said he had been paid handsomely and estimated that he made \$14 million over the years in salary, with additional bonuses and loans of \$850,000 in 2008 and 2009.

Tieless, and dressed in a gray suit and white shirt, Mr. Stanford took notes through much of Mr. Davis’s testimony. He frequently shook his head in disbelief and even laughed softly.”

Douglas McNabb – McNabb Associates, P.C.’s

Federal Criminal Defense Attorneys

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[Federal Crimes – Detention Hearing](#)

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Douglas McNabb and other members of the U.S. law firm practice and write and/or report extensively on matters involving Federal Criminal Defense, INTERPOL Red Notice Removal, International Extradition and OFAC SDN Sanctions Removal.

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