

SDNY News Clips

Monday, March 9, 2020

Contents

Public Corruption 2

 Epstein..... 2

 MCC..... 3

Money Laundering and Transnational Criminal Enterprises..... 5

 Navarro 5

Terrorism and International Narcotics..... 10

 Schulte..... 10

Violent and Organized Crime 13

 Ray..... 13

Matters of Interest..... 16

 Berman..... 16

 Barr..... 18

 Weinstein 19

 Coronavirus 20

Public Corruption

Epstein

Prince Andrew 'shut the door' on Epstein probe cooperation: U.S. prosecutor

Reuters

By Brendan Pierson and Mark Hosenball

3/9/2020

NEW YORK (Reuters) - Britain's Prince Andrew has declined to cooperate with a U.S. investigation into possible co-conspirators of deceased financier and accused sex trafficker Jeffrey Epstein, a U.S. prosecutor said on Monday.

"Contrary to Prince Andrew's very public offer to cooperate with our investigation into Epstein's co-conspirators, an offer that was conveyed via press release, Prince Andrew has now completely shut the door on voluntary cooperation and our office is considering its options," U.S. Attorney Geoffrey Berman said when asked about Epstein at a news conference about an unrelated case.

Berman's spokesman James Margolin declined comment on the options being considered. He said the prince's lawyers had said Andrew would not submit voluntarily to an interview. He said this was after Jan. 27, when Berman told a news conference Andrew had not offered any cooperation.

Andrew, 60, had said in a public statement in November that he was stepping down from public duties and would be willing to help "any appropriate law enforcement agency with their investigations, if required."

A friend of Epstein's, the prince has not been accused of criminal wrongdoing. He has described his association with the financier as "ill-judged." A spokeswoman for the royal family declined comment.

Clare Montgomery, a senior London barrister who British news reports say represents Andrew on matters related to Epstein, also declined to comment, citing professional rules limiting her ability to speak publicly about legal issues.

Andrew, Queen Elizabeth's second son, has denied an accusation by a woman who said she was trafficked by Epstein and forced to have sex with his friends, including the prince, when she was 17.

A U.S. Federal Bureau of Investigation probe is focusing on British socialite Ghislaine Maxwell, a longtime associate of Epstein's, and others who facilitated the wealthy financier's alleged trafficking of underage girls, law enforcement sources told Reuters in December.

Epstein had socialized with the prince and other high-profile figures including U.S. President Donald Trump and former president Bill Clinton.

Epstein's suicide in Manhattan's Metropolitan Correctional Center in August, at age 66, occurred little over a month after he was arrested and charged with trafficking dozens of underage girls as young as 14 from at least 2002 to 2005. Prosecutors said he recruited girls to give him massages, which became sexual in nature. Epstein had pleaded not guilty.

MCC

Jail captain in charge when Jeffrey Epstein hanged himself to be transferred: sources

NY Daily News

By Stephen Rex Brown

3/9/2020

He's certainly no stranger to emergencies.

The Metropolitan Correctional Center captain in charge when Jeffrey Epstein hanged himself is expected to be transferred to a new lockup where he will serve as "emergency preparedness officer," sources tell the Daily News.

Jermaine Darden's move to FCI Fort Dix, a low-security prison in Burlington County, N.J., was delayed due to the ongoing lockdown at the dysfunctional jail in lower Manhattan, according to a source.

As captain, Darden oversees lieutenants and correctional officers at MCC. Among those under his command were Officers Tova Noel and Michael Thomas, who are accused of sleeping on the job and falsifying records the night of Epstein's death.

A source doubted that Darden was at the jail when Epstein was found hanging in his cell at 6:30 a.m. on Aug. 10 but was confident he was one of the first people called about it.

Thomas' attorney Montell Figgins said Darden's transfer and new title was yet another example of the upper ranks of the Metropolitan Correctional Center facing no consequences for systemic Bureau of Prisons failures that allowed the accused sex trafficker to avoid facing justice.

"It shows you the hubris of the system," Figgins said. "They couldn't care less about the reality of what they're doing. They would take this person, who was involved in this incident, and give him another title?"

Darden, 48, declined to comment.

The transfer follows a pattern similar to that of Lamine N'Diaye, the correctional center warden during the Epstein debacle. N'Diaye was moved to a desk job at a regional office in Pennsylvania days after the suicide. He was expected to assume a leadership role at Fort Dix in February until U.S. Attorney General William Barr intervened and ordered the transfer be put on hold while investigations into Epstein's death continue, The Associated Press reported.

Darden's new title at Fort Dix could come with a pay raise, a source said.

Working at the low-security lockup in New Jersey should be less stressful than at the Metropolitan Correctional Center.

The 12-story jail next door to Manhattan Federal Court has been reeling since Epstein's suicide. The building's infrastructure is crumbling. Morale is at rock bottom following the arrests of Thomas and Noel. A gun smuggled into the jail prompted an ongoing lockdown and forced overworked staff to put in even longer hours. The FBI is investigating the flow of contraband into the facility.

A gun smuggled into the jail prompted an ongoing lockdown and forced overworked staff to put in even longer hours. The FBI is investigating the flow of contraband into the facility.

Figgins made the case that Darden's leadership was one of many problems at the Metropolitan Correctional Center at the time of Epstein's suicide.

"They don't have any pictures of what happened that night because they didn't follow proper protocol," Figgins said. "And yet he gets another position."

The Bureau of Prisons declined to comment on personnel decisions.

Thomas and Noel have pleaded not guilty to charges including filing false records, which carries a maximum sentence of five years.

Money Laundering and Transnational Criminal Enterprises

Navarro

Horse racing trainers and veterinarians charged in international doping scandal

NBC

By Tom Winter and David K. Li

3/9/2020

More than two dozen trainers, veterinarians and others in horse racing were charged in a widespread doping scheme that "amounted to nothing less than abuse," federal officials and court papers revealed Monday.

The defendants ran horses at tracks in New York, New Jersey, Florida, Ohio, Kentucky and the United Arab Emirates, federal prosecutors in New York City said.

"Over the course of the scheme, participants manufactured, purchased, sold, shipped, delivered, received and administered thousands of units" of performance-enhancing drugs, or PEDs, for use on racehorses, U.S. Attorney Geoffrey Berman wrote in charging documents against 19 of 27 defendants.

The indicted included 11 trainers, seven veterinarians and nine drug suppliers and distributors, according to Berman.

"All involved in the cruel and systematic doping of racehorses across the United States and indeed around the world using misbranded, adulated and dangerous performance-enhancing drugs," Berman told reporters in New York.

"This is the most far-reaching prosecution of racehorse doping in the history of the Department of Justice."

William F. Sweeney Jr., the FBI's assistant director in charge of the New York office, said this practice forced horses to run faster than they really could, putting them in grave danger.

"These substances stimulated endurance, deadened nerves, increased oxygen intake and reduced inflammation," Sweeney told reporters. "What actually happened to these horses amounted to nothing less than abuse."

He added: "They experienced cardiac issues, overexertion leading to leg fractures, increased risk of injury and in some cases death."

As of now, investigators said they have not found any evidence that defendants told anyone about their doping scheme so to make bets on juiced horses. But they allegedly profited on hefty prize money.

"Conversely, the human beings in the scheme continued to line their purses as they manipulated this multiple-billion-dollar horse racing industry across the globe," Sweeney said. "People are rightfully disturbed by the mistreatment of animals who have absolutely no means of defense."

Prosecutors said trainer Jorge Navarro "orchestrated" this scheme by "using PEDs designed to evade drug tests, physically concealing containers of PEDs and drug paraphernalia from state regulators and racing officials."

One of Navarro's most prized thoroughbreds, X Y Jet, died of an apparent heart attack this year after receiving a significant amount of PEDs, in one instance 50 injections, according to the indictment.

X Y Jet won the prestigious Dubai Golden Shaheen at Meydan Racecourse in Dubai in March 2019, which paid \$1.5 million to the winner, highlighting a career of 12 victories and more than \$3 million in earnings. The horse won that race and another contest in February of last year in Florida after receiving adulterated and misbranded PEDs before both races, according to the indictment.

While in the UAE for the Dubai race, Navarro "personally administered various adulterated and misbranded PEDs to X Y Jet, including a substance Navarro referred to as 'monkey,' " according to the indictment.

"Monkey" is a commonly used code word for a drug that can "boost a racehorse's red blood cell count in order to stimulate endurance during a race and improve race recover," according to the indictment.

But those drugs, "when combined with intense physical exertion, thicken the horse's blood, thereby causing increased cardiac exertion and pressure, which can lead to cardiac issues or death," the indictment said.

Navarro and another high profile trainer, Jason Servis, were both indicted on a count of conspiracy of drug adulteration and misbranding.

Navarro allegedly told Servis in an intercepted phone call on March 5 last year that he particularly liked a PED called SGF-1000.

"I've been using it on everything almost," Navarro told Servis. Navarro ended the phone call a short time later, saying, "I don't want to talk about this s--- on the phone, OK," according to prosecutors.

Servis is the trainer of Maximum Security, who crossed the finish line first at last year's Kentucky Derby but was disqualified minutes later after stewards ruled that the horse had impeded the paths of others; Country House was declared the winner. Maximum Security won the Eclipse Award as horse racing's top 3-year-old colt in 2019.

Before a race later that year at Monmouth Park in Oceanport, New Jersey, Servis was caught on an intercepted telephone call with veterinarian and co-defendant Kristian Rhein, according to the indictment. The veterinarian assured Servis that a PED given to Maximum Security wouldn't show up on a test.

"They don't even have a test for it," Rhein told Servis, the indictment alleged. "There's no test for it in America."

Federal agents specializing in organize crime probes were investigating a "different case, on a different topic all together" before they tripped on to the doping scheme and "one thing led to another," according to Sweeney.

"We had one agent in particular (who) was actually an expert in this industry from (a) prior life," Sweeney said. "He was part of the team and they did great work."

The indictments show how widespread illegal drugs are in horse racing, according to People for the Ethical Treatment of Animals.

"This sweeping federal investigation has exposed that illegal doping is still ubiquitous in horse racing, including at the highest levels," PETA Senior Vice President Kathy Guillermo said in a statement.

"These crimes cheat bettors of billions of dollars and are egregiously cruel to horses, resulting in rampant injuries, pain, and deaths, such as those cited in the indictment."

Maximum Security trainer among 27 indicted in racehorse doping scheme

NY Post

By Gabrielle Fonrouge

3/9/2020

The trainer behind the world's best racehorse, Maximum Security, along with 26 others have been indicted in the largest crackdown on racehorse doping the Department of Justice has ever seen, Manhattan federal prosecutors announced Monday.

Jason Servis, who just led Maximum Security to a \$10 million victory in last month's Saudi Cup, allegedly used everything from customized painkillers to blood thickeners on "virtually all of the racehorses under his control" to make them "unnaturally fast," prosecutors alleged.

"These defendants engaged in this conduct not for the love of the sport, and certainly not out of concern for the horses, but for money," US Attorney for the Southern District of New York Geoffrey Berman said Monday. "And it was the racehorses that paid the price for the defendants' unbridled greed."

Prosecutors alleged the international scheme spanned racetracks in New York, New Jersey, Florida, Ohio, Kentucky and the United Arab Emirates and could have killed a number of horses.

"You know how many [expletive] horses he [Navarro] [expletive] killed and broke down that I made disappear? ... You know how much trouble he could get in ... if they found out ... the six horses we killed?" Nicholas Surick, one of the indicted trainers, wrote in a text message about co-conspirator Jorge Navarro, another high-profile horse trainer.

One of Navarro's award-winning steeds, X Y Jet, died of an apparent heart attack in January after receiving over 50 injections of performance-enhancing drugs, an indictment against Navarro alleges.

Berman said X Y Jet's death is still under investigation.

The probe, started two years ago by the Federal Bureau of Investigation, turned up a total of nine trainers, nine suppliers and seven crooked veterinarians who used blood thickeners, painkillers and bronchodilators to dope the horses.

"These substances stimulated endurance, deadened nerves, increased oxygen intake and reduced inflammation," William Sweeney, assistant director in charge of the FBI's New York office, said at a press conference.

"What actually happened to these horses amounted to nothing less than abuse."

Sweeney said the PEDs caused the horses to have "cardiac issues" and led to "overexertion," which can cause leg fractures and death.

One of the indicted veterinarians, Dr. Louis Grasso, who'd previously been investigated for a racehorse doping scheme, allegedly distributed "cobra venom" to trainers as a painkiller and filled out prescriptions under the names of canine patients to keep investigators off his tail, according to court records and Paulick Report.

"I don't give a f--k what it is," Grasso allegedly told co-conspirator and fellow racehorse trainer Thomas Guido III when saying he charges "\$100 per script," according to an indictment against him.

Grasso then allegedly boasted to an undercover officer that he could get "a script for anything," records show.

Investigators alleged Grasso submitted false prescriptions to over 10 pharmacies in at least seven states in 2019 alone and was caught counseling Guido after one of his horses died, the indictment states.

"It happens ... [the trainer] probably over juiced him," Grasso allegedly said. "I've seen that happen 20 times."

A total of 26 out of the 27 defendants were arrested Monday while another defendant, Seth Fishman, was previously arrested in October. Servis got hit with a charge of misbranding conspiracy, which relates to mislabeling drugs.

They collectively face a total of 105 years in prison, prosecutors said.

Terrorism and International Narcotics

Schulte

Trial of Programmer Accused in C.I.A. Leak Ends in Hung Jury

NYT

By Nicole Hong

3/9/2020

An office of the Central Intelligence Agency outside Washington turned into a crime scene on March 7, 2017.

WikiLeaks had just published a trove of confidential C.I.A. documents that revealed secret methods the spy agency used to penetrate the computer networks of foreign governments and terrorists.

Investigators scrambled to find the culprit, seizing more than 1,000 devices from the C.I.A. as top-secret operations and computer networks shut down. Eventually, they arrested Joshua Schulte, 31, who worked as a computer engineer for the agency.

But on Monday, in a muddled outcome for the government, a federal jury in Manhattan could not agree on whether to convict Mr. Schulte of the biggest theft of classified documents in C.I.A. history.

After hearing four weeks of testimony, the jurors deadlocked on eight counts, including illegal gathering and transmission of national defense information. They did convict Mr. Schulte on two other counts — contempt of court and making false statements to the F.B.I.

The motivation for the alleged theft, prosecutors said, was Mr. Schulte's belief that C.I.A. management did not take his workplace complaints seriously. His feuding with co-workers led to his resignation in November 2016 to join Bloomberg L.P. as a software engineer.

The partial verdict came after six days of chaotic deliberations. One juror was dismissed in the middle of the discussions because she violated the judge's orders by researching the case, and then shared that information with the jury. The judge declined to replace her with an alternate, leaving a panel of 11 people.

The jury also complained in a note about a separate juror who was not participating in the group discussion, raising concerns about "her attitude."

After the verdict, one juror said the deliberations were a "horrible experience," her eyes welling with tears as she walked away from reporters.

Mr. Schulte's legal troubles are not over. The government could retry the case. In addition, during the investigation, federal agents found more than 10,000 images and videos of child pornography on electronic devices in Mr. Schulte's home. He faces a separate federal trial on those charges.

The verdict showed that the jury had doubts about the government's most important evidence, which came from a C.I.A. server. Trial witnesses guided jurors through a complicated maze of forensic analysis that, according to prosecutors, showed Mr. Schulte's work machine accessing an old backup file one evening in April 2016.

He did so, prosecutors said, by reinstating his administrator-level access that the C.I.A. had removed after his workplace disputes. The file matched the documents posted by WikiLeaks, the anti-secrecy organization, nearly a year later, according to the government.

The defense argued that the C.I.A. computer network had weak passwords and widely known security vulnerabilities, and that it was possible other C.I.A. employees or foreign adversaries had breached the system.

Mr. Schulte's lawyers pointed to an internal C.I.A. report commissioned after the WikiLeaks debacle that found the agency did not know the files had been stolen until a year later.

In particular, the defense zeroed in on a C.I.A. employee identified only as Michael. On the night of the alleged theft, Michael and Mr. Schulte, who were close friends, left the office together, according to a government court filing.

The C.I.A. placed Michael on administrative leave in August because he was not cooperating with the criminal investigation into the data theft and had declined to take a polygraph test.

But the government did not notify the defense about Michael's employment status until six months later, the night before he took the stand at trial as a government witness.

Mr. Schulte's lawyer, Sabrina Shroff, asked in her closing argument why prosecutors had "kept this information about Michael to themselves."

"It shows their doubt about the case against Mr. Schulte," she told jurors.

During deliberations, some of the notes sent by the jury signaled it was exploring alternate culprits who might have committed the theft.

The government had no direct proof that Mr. Schulte sent the files to WikiLeaks. Instead, prosecutors relied on circumstantial evidence. For instance, Mr. Schulte downloaded the same program onto his home computer that WikiLeaks recommends as a safe way to submit documents to the organization.

Prosecutors said that after stealing the documents and sending them to WikiLeaks, Mr. Schulte "nuked" his hard drive at home to erase any trace of his submission.

The trial provided a rare glimpse inside the top-secret cyberoperations of the C.I.A. Mr. Schulte was a coder in the agency's Engineering Development Group, which builds tools that allow C.I.A. officers to extract files from foreign computers without detection.

On the witness stand, C.I.A. employees — who testified under pseudonyms or only first names — publicly acknowledged for the first time some of the hacking tools that had been developed by the agency.

"Foreign governments do not want us on their networks and would complain, to put it lightly, if they caught us doing this," testified a C.I.A. employee, who used the pseudonym Jeremy Weber.

Prosecutors were careful to avoid details about specific operations. During cross-examination, Ms. Shroff asked one C.I.A. witness: "Do you recall a time when the C.I.A. covertly tried to read Angela Merkel's emails?" referring to the German chancellor.

The government objected, and the judge stopped the witness from answering.

The testimony revealed the scramble inside C.I.A. headquarters when the files leaked. Sean Roche, a top C.I.A. official at the time, said he got a call from another C.I.A. director who was out of breath. "It was the equivalent of a digital Pearl Harbor," he testified.

Mr. Schulte immediately became a suspect. His personnel file indicated a willingness to violate C.I.A. policy, and his resignation letter accused the agency of "deep injustices and illegal behavior," witnesses testified.

Much of the trial felt like a rehash of a workplace complaint gone horribly wrong. Mr. Schulte's primary grievance was with another co-worker, identified only as Amol. Their group at the C.I.A., predominantly male coders, was known for shooting Nerf guns and playing pranks.

Days after the first WikiLeaks disclosure, Mr. Schulte was scheduled to fly to Mexico.

Federal agents approached Mr. Schulte as he was leaving work at Bloomberg and took him to a cafe near Grand Central Terminal in New York. Mr. Schulte gave them advice about finding the leaker. His hands trembled during the conversation, an F.B.I. agent testified.

That night, Mr. Schulte stayed in a hotel room as F.B.I. agents, who had a search warrant, seized large volumes of data from his apartment.

The defense argued that investigators were quick to scapegoat Mr. Schulte because he was an easy target; after all, he had antagonized virtually all of his co-workers at the C.I.A.

Prosecutors showed jurors detailed notebooks that Mr. Schulte kept in jail while awaiting trial. His bail was revoked after he used the internet without the judge's permission, in violation of court orders.

While in jail, Mr. Schulte obtained a contraband cellphone from another inmate and set up a Twitter account called @freejasonbourne, referring to the fictional C.I.A. operative played by the actor Matt Damon. He emailed reporters sensitive information about his case from an encrypted account, resulting in his conviction for contempt of court.

In one notebook, prosecutors showed Mr. Schulte wrote a to-do list for himself, including "delete suspicious emails."

Violent and Organized Crime

Ray

Lawrence Ray Is the Latest Defendant To Be Convicted Before He Goes to Trial

Frank Report
By K.R. Claviger
3/8/2020

To some extent, it's always been this way: prosecutors like to get as much media coverage as possible when they announce arrests and indictments – especially if the defendant is well known or the alleged crime is especially abhorrent.

But with the advent of 24/7 news and the spread of social media, the reality is that many cases are now being adjudicated in the court of public opinion long before they show up in the court of law.

Lawrence Ray – the man who allegedly forced at least one of his daughter's friends from Sarah Lawrence College into prostitution – is the latest example of this rapidly increasing phenomenon.

According to Geoffrey Berman, the U.S. Attorney for the Southern District of New York (SDNY), Ray was arrested on February 10th at his home in Piscataway, NJ – and charged with sex trafficking, forced labor, and extortion.

At the time of his arrest, Ray was in bed with one of his daughter's former college roommates – a woman for whom he had been named guardian (I plan to do more research on that situation).

According to Berman, Ray had groomed the woman to be a prostitute – and had kept most of the money she earned from her trysts.

Alleged Prostitute's Earnings Are Extraordinary

At Ray's arraignment on February 11th, Assistant U.S. Attorney Danielle Sassoon described ledgers that were confiscated from Ray's home at the time of his arrest.

According to Sassoon, those ledgers indicated that Ray's alleged victim generated \$700,000 in earnings in 2017 – and \$1,000,000 in 2018.

Let's just take a look at those numbers to see if they make any sense.

If the alleged victim was charging an average of \$500 per hookup, that would mean that she had 1,400 hookups in 2017 – and 2,000 hookups in 2018.

That's somewhere between 27 and 39 per week – or between 4 and 5 per day – with no days off.

And even if the alleged victim was somehow able to charge an average of \$1,000 per hookup – which seems somewhat unlikely – that would mean she had more than 900 hookups in 2017 and at least 1,000 in 2018.

While all of the cited figures are mathematically and physically possible, they nevertheless seem extraordinary and almost unimaginable.

And should they prove to be true, they will likely cause a lot of coeds at Sarah Lawrence College and elsewhere to reconsider their career options.

The Whole Story Is Somewhat Unimaginable

According to prosecutors, the exploitation began in 2010 when Ray moved into an on-campus dorm with his daughter and several of her sophomore classmates at the college.

As outlined in his indictment, “Ray began ‘therapy’ sessions with some roommates purportedly to help them with their psychological problems, and presented himself as a father figure to the roommates”.

The indictment further alleges that Ray spent almost a decade physically, psychologically and sexually abusing his victims.

Some of his alleged victims were required to perform unpaid labor at Ray’s behest – while others were forced to drain money from their personal bank accounts and those of their parents.

Prosecutors indicated that the alleged crimes involved as many as five victims – and that they took place in Westchester County, Manhattan, and North Carolina.

Ray has been charged with a total of nine felony counts – and could be facing more than 100 years in federal prison if he were to be found guilty of all of them.

Allegations First Emerged in 2019

Adding to the story’s unbelievability is the fact that in April 2019, New York magazine published a story that included many of the same accusations that are set forth in the indictment.

According to a statement that was released by Sarah Lawrence College at the time of Ray’s arrest, it undertook an “internal investigation” of the specific activities that were described in the New York magazine article but did not substantiate any of those claims.

In that same statement, the college indicated that “We have not been contacted by the Southern District of New York, but will, of course, cooperate in their investigation to the full extent of the law if invited to do so”.

Why the SDNY investigators would not have discussed the matter with college officials is just one of the many mysteries surrounding this case.

This May Be Another Case Where the Results Are OK but Not the Process

Maybe Lawrence Ray is a total scumbag who deserves to spend the rest of his life in prison.

But the way in which this case has been handled thus far – with the salacious claims made by the U.D. Attorney for the SDNY at the press conference it held to announce Ray's arrest and the subsequent leaks to the media concerning the materials that were seized at Ray's home – it's starting to look a lot like the script that's been followed in other recent high-profile prosecutions.

What the hell has happened to due process – and the presumption of innocence before someone is found guilty?

Why do prosecutors feel it's necessary to try their cases in the court of public opinion before they go to trial?

How is it possible to select objective jurors who have not formed an opinion about cases like this when everyone who watches TV and/or who has an internet connection is bombarded for months with news about the case before it goes to trial?

Have we reached a point where trials are no longer necessary – and we're ready to just let prosecutors decide who's guilty of committing a crime?

Is this really what the founders of America had in mind when they were drafting the U.S. Constitution?

Matters of Interest

Berman

US Attorney Geoffrey Berman asserts independence from Justice Department

CNN

By Kara Scannell

3/9/2020

(CNN) — Geoffrey Berman, the US attorney in Manhattan, asserted his office's independence from politics on Monday in his first public comments since career prosecutors have clashed with Justice Department leadership over the handling of politically sensitive cases.

Berman's rare remarks follow actions taken by Attorney General William Barr, from his characterization of former special counsel Robert Mueller's investigative conclusions to the sentencing of Trump ally Roger Stone, that have raised concerns among current and former prosecutors that Barr is doing the bidding of the President and politicizing the Justice Department.

Berman, who was appointed by President Donald Trump, was asked by a reporter at a press conference whether the Justice Department had interfered in his office's investigation of Lev Parnas and Igor Fruman, two associates of Rudy Giuliani, Trump's personal attorney.

Parnas and Fruman, who were charged with campaign finance violations, worked with Giuliani in his effort to dig up dirt on former Vice President Joe Biden and his son Hunter's activities in Ukraine. Prosecutors are also investigating Giuliani's efforts in Ukraine, including his attempt to remove then-US ambassador Marie Yovanovitch.

"The Southern District of New York has a long history of integrity and pursuing cases and declining to pursue cases based only on the facts and the law and the equities, without regard to partisan political concerns. My primary commitment is and has been to maintain those core values and that's how our office is operating," Berman said.

Berman's statement is the first time he has spoken out about the independence of the US Attorney's Office for the Southern District of New York, which has had a long history of operating apart from the Justice Department and often handles high-profile cases.

Since Barr became attorney general last year, there has been tension between him and Berman. Barr has attempted to micromanage certain cases by asking more questions than his predecessors, according to people familiar with the relationship. Berman has pushed back, these people say, and recently moved to indict a Turkish bank over Barr's efforts to reach a settlement that would have avoided an indictment.

Barr clashed with federal prosecutors in recent weeks over the handling of two high-profile cases that touch the President, the sentencing of Stone and the oversight of the prosecution of Michael Flynn, Trump's former national security adviser. Barr assigned the US attorney from St. Louis with re-examining the Flynn investigation, among others. He also created a new framework for investigations relating to Ukraine with the appointment of the US attorney in Brooklyn to coordinate any existing investigations and approve the "widening and expansion of existing matters," according to an internal Justice Department memorandum.

That move was perceived by some former prosecutors as an attempt to assert more control over investigations tied to Ukraine, especially those carried out by the US Attorney's Office for the Southern District of New York. In addition to the Giuliani investigation, prosecutors are also looking into whether foreign money flowed into Trump's inaugural committee. The office also prosecuted Michael Cohen, Trump's former personal attorney, for violating campaign finance laws in connection to payments made to two women who alleged affairs with Trump.

Barr

Judge's blistering opinion reveals William Barr's unfitness

CNN

By Elie Honig

3/9/2020

(CNN) — As a Justice Department prosecutor, I was taught that all you have is your credibility and your independence. Without those two attributes, you're lost. But in a scalding opinion, federal District Court Judge Reggie Walton called into serious doubt whether Attorney General William Barr possesses either of these golden prosecutorial virtues (and before anyone cries politics, Judge Walton was nominated to the bench by President George W. Bush, a Republican, in 2001).

Judge Walton's opinion pulls no punches. He finds that "the Court cannot reconcile certain public representations made by Attorney General Barr with the findings in the Mueller Report." (Judge Walton is hardly alone in this assessment; Mueller himself castigated Barr for "not fully captur[ing] the context, nature, and substance of this Office's work and conclusions.") The judge notes Barr's "lack of candor" which "call[s] into question Attorney General Barr's credibility and in turn, the Department's representation" that it had properly redacted the Mueller report in the Freedom of Information Act (FOIA) lawsuit before the Court.

The Justice Department released a statement taking issue with the judge's ruling, noting that its attorneys worked with Mueller's team to redact the report. But it completely misses the point. Judge Walton criticizes Barr not for the redactions made to the Mueller report, but rather for Barr's misleading public comments about it. The Justice Department is silent on this issue.

Having already trashed Barr's credibility, Judge Walton then turned his fire on Barr's lack of political independence, noting that Barr's public "inconsistencies" with the Mueller report -- at a time when the public did not have access to the report itself -- "cause the Court to seriously question whether Attorney General Barr made a calculated attempt to influence public discourse about the Mueller Report in favor of President Trump..."

For a former Justice Department prosecutor like myself, this is a jaw-dropper. Not only does a Republican-nominated federal judge call out Barr for fudging the truth, but he further questions whether Barr did it to protect the President -- precisely the opposite of what the Justice Department is, and should be, about.

Judge Walton's scathing decision has led to a humiliating result not just for Barr but for the entire Justice Department. In a FOIA lawsuit, a judge typically defers heavily to the Department to make necessary and appropriate redactions to any materials before they are released to the public. Here, however, Judge Walton has essentially said: I don't trust you to do this honestly, so I'll have to babysit you and review your work first. (Fool me once...)

A ruling like Judge Walton's would derail the career of any line-level prosecutor. In my 14 years as a federal and state prosecutor, neither I nor any of my hundreds of colleagues were ever called out anywhere near so bluntly and forcefully by a judge. Judge Walton's powerful words confirm what thousands of former Justice Department prosecutors and officials (including me) already firmly believe: Barr is unfit to serve as Attorney General.

Weinstein

Harvey Weinstein injured in Rikers Island jail, his publicist says

CNN

By Chloe Melas and Ralph Ellis

3/9/2020

(CNN) — Convicted rapist Harvey Weinstein fell sometime Sunday morning while at Rikers Island jail, his spokesperson Juda Englemayer told CNN.

Englemayer said Weinstein was dizzy before he fell.

"Harvey says his head throbs all the time and thinks he has a concussion. He has not been officially diagnosed," Englemayer said.

Englemayer, who spoke to Weinstein by phone Sunday evening, says Weinstein has "had a lot of time to think about his life and what he's done," adding, "He said he wasn't a nice guy and that's how he got here."

Movie mogul Weinstein doesn't walk steadily and doesn't have a walker in jail, Englemayer said. During his recent trial, Weinstein used a walker to get in and out of court.

After Weinstein was convicted of sex crimes February 24, paramedics determined he had a heart issue and transported him to Bellevue Hospital in Manhattan.

Weinstein, 67, had a heart procedure last Wednesday during which doctors inserted a stent, Engelmayer told CNN recently. He was moved Thursday to the infirmary unit at Rikers Island, New York's main jail complex, Engelmayer said.

He's expected to be sentenced March 11 in New York State Supreme Court. He faces a minimum of five years and a maximum of more than two decades in prison.

A New York jury convicted Weinstein of committing a criminal sex act in the first degree involving one woman and another count of rape in the third degree.

Coronavirus

SDNY Courthouses Ban Entry To Any Exposed To Coronavirus

Law360

By Frank G. Runyeon

3/9/2020

Law360, New York (March 9, 2020, 11:10 AM EDT) -- The Southern District of New York on Monday enacted new restrictions on who may enter the courts due to the coronavirus outbreak, barring entry to anyone who recently traveled to countries that are hardest hit by the virus or those who have come into contact with it.

In an order, Chief Judge Colleen McMahon said the ban applies to anyone who has traveled to China, South Korea, Japan, Italy or Iran in the past 14 days. Also banned are people who live with or have come into close contact with anyone who has been in one of those countries during that period; people who have been asked to self-quarantine; and those who have either been diagnosed with the virus — called COVID-19 — or come into contact with someone who has been diagnosed.

The order cited guidance by the U.S. Centers for Disease Control that the best way to avoid illness is by avoiding the virus altogether.

"Anyone attempting to enter in violation of these protocols will be denied entry by a court security officer," Judge McMahon wrote. She added that the restrictions would "remain in place temporarily until it is determined to be safe to remove them."