

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
UNITED STATES OF AMERICA,

Plaintiff,

- against -

PREVEZON HOLDINGS LTD., et al.,

Defendants,

- and -

ALL RIGHT, TITLE AND INTEREST IN THE REAL
PROPERTY AND APPURTENANCES KNOWN AS
THE 20 PINE STREET CONDOMINIUM, 20 PINE
STREET, NEW YORK, NEW YORK 10005, UNIT 1816,
et al.,

Defendants in Rem.
-----X

13 Civ. 6326 (WHP)

**MEMORANDUM OF LAW OF THE UNITED STATES OF AMERICA
IN SUPPORT OF MOTION TO ENFORCE SETTLEMENT AGREEMENT**

JOON H. KIM
Acting United States Attorney
Southern District of New York
One St. Andrew’s Plaza
New York, New York 10007

Paul M. Monteleoni
Cristine I. Phillips
Tara M. La Morte
Assistant United States Attorneys
- Of Counsel -

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INTRODUCTION

On May 12, 2017, days before trial, Prevezon Holdings Ltd. (together with its codefendants, “Prevezon”) agreed to pay the Government \$5,896,333.65, or three times the amount of money that the Government had alleged it had laundered, and to other terms favorable to the Government. One of those terms was that Prevezon agreed to bear the risk that the Kingdom of the Netherlands (the “Netherlands”), a sovereign nation that had restrained a debt owed to Prevezon (the “AFI Europe Debt”) at the Government’s request, would seize that debt independently based on alleged violations of Dutch law. That risk having come to pass, Prevezon now balks, seeking to rewrite the agreement it signed.

This Court should hold Prevezon to the bargain it struck. The settlement agreement entered in this case on May 15, 2017, D.I. 716 (the “Settlement Agreement”)¹ provides that Prevezon’s payment of \$5,896,333.65 was “due within 15 business days of the release by the Government of the Netherlands of the AFI Europe Debt.” Settlement Agreement ¶ 4. The entire agreement makes clear that this “release” refers to the release of the restraint the Netherlands imposed at the Government’s request—the only release that the settlement provided that the Government would request, and the only release that relates to the action being settled. That release occurred on October 10, 2017, triggering Prevezon’s obligation to pay by October 31, 2017.

Unhappy with the results of the agreement it entered, Prevezon now apparently contends that the “release” in that agreement means the return of the AFI Europe Debt to Prevezon. That contention should be rejected. Such an interpretation is not only inconsistent with the terms of

¹ Citations to “D.I.” refer to docket items in this case. Citations to “Monteleoni Decl.” refer to the Declaration of Paul M. Monteleoni filed herewith.

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