

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA : 13-CR-602 (RJD)
13-MC-1011
-against- : U.S. Courthouse
: Brooklyn, New York
CHARLES GORDON BLAZER :
Defendant : **SEALED PROCEEDING**
: November 25, 2013
----- X 10:00 a.m.

BEFORE:
HONORABLE RAYMOND J. DEARIE
United States District Judge

APPEARANCES:
For the Government: LORETTA E. LYNCH
United States Attorney
271 Cadman Plaza East
Brooklyn, New York 11201
BY: EVAN NORRIS
DARREN LaVERNE
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Assistant U.S. Attorneys

For the Defendant: FRIEDMAN KAPLAN SEILER
& ADELMAN LLP
7 Times Square
New York, New York 10036-6516
BY: ERIC CORNGOLD
MARY E. MULLIGAN
ELIZABETH LOSEY
AND
STUART FRIEDMAN

1 Court Reporter: RONALD E. TOLKIN, RPR, RMR, CRR
2 Official Court Reporter
3 225 Cadman Plaza East
4 Brooklyn, New York 11201
5 718-613-2647

6 ***

7 THE CLERK: We are on this morning for a motion to
8 close the courtroom under docket number 13-MC-1011.

9 Can I ask the attorneys please to note your
10 appearance for the record, beginning with counsel for the
11 government.

12 MR. NORRIS: For the government, Evan Norris, Amanda
13 Hector, and Darren Laverne.

14 Good morning, Your Honor.

15 THE COURT: Good morning.

16 MR. CORNGOLD: Your Honor, we are here for the
17 defendant, Eric Corngold, Mary Mulligan, and Elizabeth Losey
18 from Friedman Kaplan. This is Stuart Friedman who is with us.

19 THE COURT: Mr. Friedman's role is?

20 MR. CORNGOLD: He represents the defendants also.

21 THE COURT: Welcome all.

22 We are missing one person. I assume he is with us?

23 MR. CORNGOLD: Yes.

24 THE COURT: Well, somewhat to my surprise I don't
25 know who the young woman sitting on the front bench.

MS. MULLIGAN: She is the Pretrial Services Officer,
Ms. Perez.

1 THE COURT: Ms. Perez, good morning.

2 THE CLERK: Ms. Perez, you can come closer. You can
3 have a seat at the table.

4 THE COURT: Somewhat to my surprise but perhaps the
5 situation will be corrected momentarily, we are in an empty
6 courtroom although a very public courtroom. The government
7 has served notice, which they are entitled. The Court has
8 certainly scheduled this matter on the public calendar, the
9 motion to close the courtroom.

10 We have learned in our experience that the
11 government doesn't make these motions very often, nor does the
12 Court grant them very often. Maybe that explains our apparent
13 apathy.

14 Is there anything that anybody wants to add to this
15 subsequent motion?

16 Mr. Corngold --

17 MR. CORNGOLD: No, Your Honor.

18 THE COURT: Do you join in it?

19 MR. CORNGOLD: Yes, Your Honor.

20 THE COURT: Is there anything that the government
21 wishes to add?

22 MR. NORRIS: Nothing substantively to the motion. I
23 just add, Your Honor, as of Thursday, November 21st, the
24 public docket sheet in this matter did reflect that there
25 would be a motion to close the courtroom, and it noticed the

1 date and time and location of today's hearing. Subsequently,
2 on Friday, the court's public calendar reflected that same
3 information.

4 THE COURT: Thank you.

5 For the record other than court personnel, pretrial,
6 my law clerk, and the Court Security Officer, and
7 representatives of the U.S. Attorney's Office, the Court
8 Reporter, and my staff we are otherwise alone in this public
9 courtroom.

10 Less I forget in granting the motion, after I made
11 my findings, I will direct the sealing of these minutes.
12 Presumably authorize the production of two copies, one to the
13 government and one to Mr. Corngold pending further order of
14 the Court, and the safeguarding of all or any computers or
15 other Court Reporter source material relative to the
16 preparation of these minutes.

17 I read the government's application. Suffice it to
18 say, in my view, we have not only complied with the notice
19 requirements, that the findings that I need to make are
20 readily made here, given the government's presentation in its
21 letter motion to the Court dated November 21, 2013.

22 I read that letter a number of times, I read the
23 proposed information and the draft order. I find that a
24 public proceeding in this matter including but not limited to
25 the identification of the defendant, would severely if not

1 irreparably prejudice an ongoing investigation by the United
2 States Attorney's Office and presumably the Grand Jury sitting
3 here in the Eastern District of New York.

4 Both the nature of the investigation, the identify
5 of the defendant himself, and the surrounding circumstances
6 given the breathe of the investigation make it clear to me
7 that any public release of information at this time would, as
8 I say, irreparably damage that investigation, and the
9 effectiveness of any prosecution thereafter to follow.

10 I cannot for the life of me at this point given the
11 information provided to me consider any alternative to sealing
12 that would reasonable safeguard the interest at stake, the
13 integrity of the investigation. I think I can say, and it is
14 compelling too, that the prejudice to the public by a public
15 proceeding significantly outweighs the First Amendment rights
16 of the public and the media through their access at this time.
17 Needless to say, the application and my granting of that
18 application will be for a limited duration as being possible.
19 In that regard I charge counsel, the United States Attorney,
20 and Mr. Corngold, and all counsel for the defendant to bring
21 to the Court's attention any information that may definitely
22 from here on out, that could in anyway conceivably alter the
23 Court's finding or make an adjustment to the relief that I am
24 now granting appropriate.

25 That having been said I will grant the motion having

1 made, I believe, what are the required findings. In this
2 particular case I make without hesitation, and I will sign the
3 order accordingly.

4 Elie, seal the courtroom.

5 THE CLERK: Certainly.

6 Do you have the keys to lock the courtroom?

7 COURT SECURITY OFFICER: It is locked.

8 THE CLERK: Judge Dearie, the courtroom is locked.

9 THE COURT: Was it locked before I made the
10 findings?

11 COURT SECURITY OFFICER: I did, Your Honor.

12 THE COURT: Just now?

13 COURT SECURITY OFFICER: Yes, Your Honor.

14 THE COURT: Is everybody satisfied?

15 Will you do me a favor and just open the door, and
16 see if there is anybody lusting about in the hallway yearning
17 to get in here.

18 COURT SECURITY OFFICER: Yes, Your Honor.

19 THE COURT: Monday morning at 10 after 10 you would
20 think we are in the middle of the night.

21 COURT SECURITY OFFICER: No one out there, Your
22 Honor.

23 THE COURT: The hallways is empty. Now the
24 courtroom is sealed?

25 COURT SECURITY OFFICER: Yes it is.

1 THE COURT: And the order is signed.

2 MS. MULLIGAN: Thank you, Your Honor.

3 MR. NORRIS: Thank you, Your Honor.

4 THE COURT: That brings us to Mr. Blazer.

5 (Whereupon the defendant, Mr. Charles Blazer, enters
6 the courtroom.)

7 Mr. Blazer, good morning.

8 THE DEFENDANT: Good morning, sir.

9 THE COURT: I have, as you probably know, just
10 moment ago entertained a joint application by the United
11 States Attorney and your defense team to seal the proceedings,
12 which I have granted. We are now ready to proceed. With that
13 I will turn it over to counsel.

14 I take it we have arrived at a disposition?

15 MR. NORRIS: We have, Your Honor.

16 THE CLERK: Mr. Norris, excuse me for one second. I
17 don't have a copy of the charging instrument. Could you just
18 put the docket number on the record, please.

19 MR. NORRIS: We have a signed copy for Your Honor as
20 well. I think I previously provided a draft copy.

21 THE COURT: The docket number is 13-CR-602. The
22 defendant's name is Charles Blazer, B-L-A-Z-E-R.

23 THE CLERK: I am sorry.

24 THE COURT: Swear the defendant.

25 THE CLERK: Please raise your right right-hand.

1 (Defendant sworn to answer truthfully.)

2 THE WITNESS: I do.

3 THE CLERK: Thank you.

4 THE COURT: Mr. Blazer, I know counsel has told you
5 that I have to ask you some questions.

6 THE DEFENDANT: Yes, sir.

7 THE COURT: Quite a number of questions, actually.
8 If there is anything that I say that is not crystal clear to
9 you, don't hesitate to interrupt me. I will do my best to
10 explain, clarify.

11 If you wish at anytime -- I just want to make sure
12 we identify everybody in the courtroom. The gentlemen I
13 assume are agents?

14 MR. NORRIS: Yes, Your Honor. The two gentlemen
15 that have entered are agents with the IRS and FBI. They are
16 part of our team. There are three agents here, Your Honor.

17 THE COURT: Thank you, gentlemen.

18 Other than that we are here with the same persons
19 identified earlier.

20 If you wish to talk to your lawyer at anytime or
21 lawyers, just ask me and I will give you whatever time you
22 need to talk privately with them.

23 THE DEFENDANT: Thank you.

24 THE COURT: We are in no hurry. This is obviously
25 an important proceeding to you. I assume you understand that.

1 THE DEFENDANT: I do.

2 THE COURT: In that spirit please don't hesitate to
3 interrupt, ask questions, and seek time to confer with
4 counsel.

5 You are now under oath. That means that your
6 answers to my questions must be truthful. If they were not in
7 any material way, you could subject yourself to additional
8 criminal charges for the offense of perjury, which is lying
9 while under oath.

10 Do you understand that?

11 THE DEFENDANT: I do, sir.

12 THE COURT: Let me begin first of all, sir, by
13 asking you to state your full name.

14 THE DEFENDANT: Charles Gordon Blazer.

15 THE COURT: How old are you, sir?

16 THE DEFENDANT: 68.

17 THE COURT: You are the second person I know, I
18 being the first one, to actually stop on that question. I
19 guess it is some sort of a Freudian block.

20 THE DEFENDANT: It is.

21 THE COURT: What schooling or formal education have
22 you had?

23 THE DEFENDANT: Partially through graduate school.

24 THE COURT: Here in the states?

25 THE DEFENDANT: Yes, sir, in New York.

1 THE COURT: How would you describe your health? I
2 know you are wheelchair bound.

3 Tell me about your health.

4 THE DEFENDANT: My health has two sides to it.
5 Personally I have rectal cancer. I am being treated. I have
6 gone through 20 weeks of chemotherapy, and I am looking pretty
7 good for that. I am now in the process of radiation, and the
8 prognoses is good.

9 At the same time I have a variety of other less
10 significant ailments dealing with Diabetes II and coronary
11 artery disease but holding up reasonably well.

12 THE COURT: Good luck.

13 THE DEFENDANT: Thank you.

14 THE COURT: Are you taking daily medication?

15 THE DEFENDANT: I do.

16 THE COURT: Does your medication in any way effect
17 your ability to concentrate on what I am saying?

18 THE DEFENDANT: No, it does not.

19 THE COURT: Are you physically comfortable now?

20 THE DEFENDANT: Yes, I am.

21 THE COURT: So you are able to concentrate and
22 participate in this proceeding given the gravity of this
23 matter?

24 THE DEFENDANT: Yes, sir.

25 THE COURT: In your discussions with counsel are you

1 satisfied with their representation?

2 THE DEFENDANT: I am.

3 THE COURT: Counsel, are you satisfied that Mr.
4 Blazer's fully understands the rights he will be waiving by
5 waiving indictment and pleading guilty, and he is fully
6 competent to proceed?

7 MR. CORNGOLD: We are, Your Honor.

8 THE COURT: Now Mr. Blazer, again, as I am sure you
9 were told, the first order of business here is what we
10 commonly refer to as a waiver of indictment.

11 The charges in the Information are felony charges.
12 Meaning that they carry with them a potential sentence in
13 excess of one year. You have an absolute right to have a
14 grand jury determine whether or not you will be charged with
15 any felony. The United States Attorney absent your waiver of
16 that right does not have the legal authority or power to
17 charge you or anyone with a felony.

18 Do you understand what I am saying?

19 THE DEFENDANT: I do.

20 THE COURT: Now you indicated to counsel your
21 willingness to waive that right, but I am obliged to tell you
22 a few things about the grand jury which no doubt you already
23 know but none the less here we go.

24 A grand jury does not determine whether you are
25 guilty of any crime or not. The role of the grand jury is to

1 determine, among other things, whether or not there is
2 probable cause to believe that you committed an offense. When
3 and if and only if the grand jury determines that there is
4 probable cause to believe that you committed an offense, would
5 the grand jury then be lawfully empowered to charge you with a
6 felony violation.

7 A grand jury is composed of a maximum of 23 people
8 drawn from the community, more or less like any other jury.
9 There must be 16 grand jurors present to constitute a lawful
10 quorum for hearing business, and 12 of those grand jurors must
11 agree that there is probable cause before they could charge
12 you with any felony.

13 Do you understand that?

14 THE DEFENDANT: I do.

15 THE COURT: I guess in the simplest terms that
16 means, if given the opportunity the grand jury might or might
17 not indict you for a felony, you or any other felon.

18 Do you understand?

19 THE DEFENDANT: I do.

20 THE COURT: If they chose not to for any reason, as
21 I said before, the United States Attorney could not charge you
22 with a felony. They could re-present the case to a grand
23 jury, to the same grand jury, to another grand jury, they
24 could supplement their presentation of evidence before the
25 grand jury. They could do a number of things in an attempt to

1 satisfy the grand jury probable cause standard but they could
2 not charge you with any felony.

3 Do you understand that?

4 THE DEFENDANT: I do.

5 THE COURT: Have you spoken with counsel about this
6 waiver of indictment?

7 THE DEFENDANT: I have.

8 THE COURT: Do you feel confident that you
9 understand your rights before that body?

10 THE DEFENDANT: I do.

11 THE COURT: The grand jury isn't a trial in any
12 sense of the words, it is not an adversarial proceeding. Your
13 lawyer is not there should you wish to testify before the
14 grand jury, as you would be in a position to request.

15 A grand jury only hears witnesses presented by the
16 United States Attorney, and based upon the questioning of the
17 United States Attorney the basis of that presentation
18 determines whether or not to charge a felony.

19 Do you understand that?

20 THE DEFENDANT: I do.

21 THE COURT: Knowing all this are you prepared to
22 waive your right to proceed before the Grand Jury?

23 THE DEFENDANT: Yes, I am.

24 THE COURT: Are you confident that you understand
25 that right and you have no questions for me about it?

1 THE DEFENDANT: That is correct.

2 THE COURT: Counsel, any reservations in your mind
3 about Mr. Blazer's understanding of the nature of the rights
4 he is prepared, apparently, to waive?

5 MR. CORNGOLD: We have no reservations, Your Honor.

6 THE COURT: Accordingly then I find that the
7 defendant is fully aware of his rights to proceed before the
8 Grand Jury and has voluntarily, and in the presence and with
9 the assistance of counsel has voluntarily waived that right
10 and, accordingly, the waiver of indictment is accepted by the
11 Court. Give me just a second I will so indicate by adding my
12 signature to the writ.

13 One of the things that I neglected to mention is now
14 that you waived indictment, and we proceed, we proceed just as
15 if you were indicted for these offenses.

16 Do you understand that?

17 THE DEFENDANT: Yes, I do.

18 THE COURT: Having said that, Mr. Blazer, we will
19 get to the next series of questions which are really designed
20 to establish as a matter of record that you fully understand
21 the rights that you give up by pleading guilty.

22 Bear with me while I put these questions to you.
23 Obviously, you now have a right absolutely to plead not guilty
24 to the charges.

25 Do you understand that?

1 THE DEFENDANT: I do.

2 THE COURT: I realize that may not be your stated
3 intention but you have a right to call it all off as you sit
4 here right now.

5 Do you understand what I am saying?

6 THE DEFENDANT: Yes, I do.

7 THE COURT: If you were to plead not guilty to the
8 charges you would be entitled to a speedy and public trial by
9 a jury with the assistance of counsel on the charges reflected
10 in the Information and perhaps on other charges that the U.S.
11 Attorney might seek from the Grand Jury.

12 Do you understand that?

13 THE DEFENDANT: I do.

14 THE COURT: At trial you would be presumed innocent
15 of all charges. The government would have to overcome or try
16 to overcome this presumption of innocence and prove you guilty
17 by competent evidence and beyond a reasonable doubt.

18 You, sir, would not be required to prove a thing.
19 You could sit back and do nothing and say nothing, and simply
20 put the government to the burden of trying to convince the
21 jury of your guilt.

22 Do you understand that?

23 THE DEFENDANT: I do.

24 THE COURT: That means that if the government were
25 to fail in anyway practical or technical or not, the jury

1 would be required under my instructions to find you not
2 guilty.

3 Do you understand that?

4 THE DEFENDANT: Yes.

5 THE COURT: In the course of a trial witnesses for
6 the government would have to come here to Court and, of
7 course, testify under oath in your presence and the presence
8 of counsel. You would have the right, therefore, to confront
9 each of these witnesses face-to-face here in the courtroom.
10 You would have the right through counsel to cross examine each
11 of the government witnesses and, when appropriate, to object
12 to evidence offered by the government.

13 You have the right to offer evidence in your own
14 defense. In that regard, you have the right to compel the
15 attendance of witnesses and the production of evidence under
16 court order or subpoena, as we commonly refer to them.

17 At the trial you would have the right to testify if
18 you chose to do so and only if you chose to do so. The
19 decision whether or not to testify at trial is yours to make,
20 it is not counsel's. It is a decision that you obviously make
21 in consultation with counsel, but just like the decision to
22 plead guilty or not to plead guilty, it is a personal decision
23 that you make.

24 Do you understand that?

25 THE DEFENDANT: Yes, I do.

1 THE COURT: If you chose in consultation with
2 counsel not to testify, as is your constitutional right to
3 remain silent, no one can make you testify, not your lawyer,
4 the government's lawyer or the Court.

5 Do you understand that?

6 THE DEFENDANT: Yes, I do.

7 THE COURT: As I said, if you chose to avail
8 yourself of that right I would instruct the jury if requested
9 by counsel, and he likely would, in the strongest possible
10 terms that under no circumstances could they the jury hold
11 your decision against you.

12 Do you understand that?

13 THE DEFENDANT: I do.

14 THE COURT: All right. Now having said that if you
15 plead guilty and I accept your plea, you will be giving up
16 these rights. There will be no trial with the possible
17 exception of a sentence, which I will get to momentarily.
18 There is no right to appeal. I will simply enter a judgment
19 of guilty based upon what you tell me, based upon your pleas
20 of guilty.

21 Do you understand that?

22 THE DEFENDANT: I do.

23 THE COURT: Finally, before I can actually accept
24 your plea, I am required to satisfy myself that you are in
25 fact guilty of these charges. To do that in a few minutes I

1 am going to ask you some questions. In responding to my
2 questions obviously you will give up your right to remain
3 silent. You will give up your constitutional right not to
4 incriminate yourself. You will be called upon here in open
5 Court to acknowledge your guilt.

6 Do you understand that?

7 THE DEFENDANT: I do.

8 THE COURT: Are you willing now to give up your
9 right to a trial and these others rights I just explained.

10 THE DEFENDANT: Yes, I am.

11 THE COURT: Mr. Blazer, do you have any question
12 about any of the material we covered so far?

13 THE DEFENDANT: No, I don't.

14 THE COURT: For the record, I have before me a
15 document that bears the caption of this case. I guess I have
16 a draft of the original that is in the government's
17 possession.

18 MR. NORRIS: I gave it to the Courtroom Deputy, Your
19 Honor. The original Information?

20 THE COURT: No, the agreement.

21 MR. NORRIS: I will hand that up, Your Honor.

22 THE COURT: Has that been fully executed?

23 MR. NORRIS: It has, Your Honor.

24 THE CLERK: I will mark it as Court Exhibit 1.

25 (So marked as Court Exhibit 1.)

1 THE COURT: It is a 19 page typewritten document
2 bearing the caption of this case.

3 THE CLERK: Judge Dearie, I placed the original in
4 front of Mr. Blazer.

5 THE COURT: All right.

6 The first question, did you read it?

7 THE DEFENDANT: Yes, I have.

8 THE COURT: Did you read it carefully?

9 THE DEFENDANT: Yes, I did.

10 THE COURT: Would you agree that this is an
11 important 19 pages in your life right now?

12 THE DEFENDANT: Extremely so.

13 THE COURT: Did you read it with that degree of
14 care?

15 THE DEFENDANT: Yes, I did.

16 THE COURT: Did you review it with counsel?

17 THE DEFENDANT: I did.

18 THE COURT: Have they satisfied you and answered of
19 your questions?

20 THE DEFENDANT: They have.

21 THE COURT: Do you have any questions you would like
22 to put to me?

23 THE DEFENDANT: No, sir.

24 THE COURT: Do you feel that you understand
25 everything in this document?

1 THE DEFENDANT: Yes, I do.

2 THE COURT: I will not cover every aspect of this
3 agreement. We will touch on a few things. Let me ask you
4 this. Is your agreement with the United States Attorney fully
5 and accurately set out in this Court Exhibit 1?

6 THE DEFENDANT: Yes, it is.

7 THE COURT: Are there any other understandings or
8 agreements that induced your plea that are not reflected in
9 this document?

10 THE DEFENDANT: No, sir.

11 THE COURT: Can you confirm that, counselor?

12 MR. CORNGOLD: Yes, Your Honor.

13 MR. NORRIS: Yes, Your Honor.

14 THE COURT: We will come back to that momentarily.

15 Now the information is quite lengthy, and with the
16 assistance of counsel I will summarize rather than read
17 verbatim.

18 Is there any objection to that?

19 MS. MULLIGAN: No, Your Honor.

20 MR. CORNGOLD: No, Your Honor.

21 THE COURT: Have you read this Information?

22 THE DEFENDANT: Yes, I have.

23 THE COURT: Have you read it carefully?

24 THE DEFENDANT: Yes, I have.

25 THE COURT: With the same degree of care that you

1 brought to the Agreement?

2 THE DEFENDANT: Yes, I did.

3 THE COURT: You conferred with counsel?

4 THE DEFENDANT: Yes, I have.

5 THE COURT: Do you feel that you understand the
6 nature of charges?

7 THE DEFENDANT: I do.

8 THE COURT: Counsel responded to all of your
9 questions to your satisfaction?

10 THE DEFENDANT: Yes, they have.

11 THE COURT: There are ten charges, if I am not
12 mistaken, ten charges in total --

13 THE DEFENDANT: That is correct.

14 THE COURT: Involving these organizations. I don't
15 know how you pronounce it, FIFA.

16 MR. NORRIS: FIFA, Your Honor.

17 THE COURT: FIFA, and its membership or constituent
18 organization. The charges relate to events involving an
19 exchange of illicit payments for one purpose or another. They
20 identify FIFA and its attendant or related constituent
21 organization as what we call an enterprise, a RICO enterprise.
22 RICO is an acronym for, and don't overreact to this as I am
23 sure most people do, Racketeering Influenced Corrupt
24 Organization. I will spare you the historical note.

25 Then it charges a number of things including

1 conspiracy. Conspiracy, the initial paragraph explains,
2 identifies these various organizations and what they do, their
3 mission to promote the sports throughout the world, their role
4 in the selection of various sites for World Cups and Gold Cups
5 and so forth and so on. You have read it. You know about
6 this more than I do, that is for sure.

7 It alleges a conspiracy to corrupt this enterprise
8 through the anticipated payment of funds pursuant to various
9 criminal schemes. Reciting just a heading now, 1998 World Cup
10 bribery scheme, referring to page 16. The Gold Cup bribery
11 and kickback scheme. It involves a conspiracy to do these
12 things. A conspiracy to use wire transfers to effect the
13 payment of monies.

14 Tell me what your understanding of what a conspiracy
15 is, what is a conspiracy?

16 THE DEFENDANT: That it is an activity conducted by
17 a group of people for a specific aim and objective.

18 THE COURT: A specific what objective?

19 THE DEFENDANT: Aim or objective.

20 THE COURT: That is a B-Plus. It is a specific
21 criminal aim or objective. Okay?

22 THE DEFENDANT: That is corrected.

23 THE COURT: It is an agreement to do something that
24 the law forbids.

25 THE DEFENDANT: Okay.

1 THE COURT: It is the agreement itself.

2 THE DEFENDANT: Okay.

3 THE COURT: You and I were buddies on the street and
4 we agreed to sell marijuana and we meant it. We were going to
5 go into the marijuana business. We committed the crime of
6 conspiracy to distribute marijuana, whether we ever
7 distributed a single gram. It is an agreement itself.

8 Any questions about that?

9 THE DEFENDANT: No, sir.

10 THE COURT: It also charges money laundering, tax
11 evasion, violation of certain financial reporting laws as
12 well.

13 Are you familiar with all of this?

14 THE DEFENDANT: Yes.

15 THE COURT: Does anybody feel that I have to go into
16 any more specifics given Mr. Blazer's familiarity with the
17 charges?

18 MR. NORRIS: No, Your Honor.

19 THE COURT: Now I return to your agreement, Mr.
20 Blazer, to discuss some important information relative to
21 sentencing. This really comes, if you will, in three
22 chapters.

23 The first being what the Statute provides. Each
24 offense carries with it a potential penalty. There are no
25 mandatory minimums here but there are statutory maximums.

1 Each penalty could be on top of the other. You could be
2 sentenced to consecutive terms, one after another, and so
3 forth and so on.

4 Paragraph one of your agreement sets out the
5 statutory penalties that you face. For example in Count One,
6 which is the racketeering conspiracy, there is a maximum term
7 of twenty years imprisonment.

8 THE DEFENDANT: Yes.

9 THE COURT: This covers both Count One and Count
10 Two, if I am not mistaken. The statutes also provides for a
11 period of what is called supervised release. If you are
12 sentenced to a term of imprisonment, the Court is authorized
13 by statute to impose a sentence of supervised release up to
14 three years. Supervised release is a period of supervision
15 that begins to run the moment that you are released from
16 federal custody. This only comes into play if you are
17 sentenced to a period of incarceration.

18 The important thing to remember is that if you are
19 to violate the terms or conditions of supervised release at
20 any point during the period of supervision, you could then
21 under the terms of my sentence in this case be returned to
22 prison for up to two years without any credit being given for
23 the time you spent at liberty under the supervision.

24 Do you follow?

25 THE DEFENDANT: I do.

1 THE COURT: So for Count One there is a maximum of
2 twenty years, a fine of up to \$250,000 or twice the gross
3 profits of the enterprise. I am quoting the language of the
4 statutory provision. Restitution is mandatory in an amount to
5 be determined by the Court. The Court will impose a special
6 assessment of \$100 on each Count. You face certain criminal
7 forfeitures as is provided for in your agreement. That is the
8 subject I will turn to at the conclusion of this proceeding.

9 Count Two carries with it, I believe, the identical
10 penalties.

11 THE DEFENDANT: All right.

12 THE COURT: As does Count Three except the fine here
13 is the greater of \$500,000 or twice the value of the monetary
14 instruments or funds involved, that being the money laundering
15 conspiracy. Again restitution is a special assessment and
16 forfeiture.

17 Counts Four through Nine charge tax evasion. Each
18 carries a maximum term of five years imprisonment. There is
19 three years supervised release. There is a maximum fine of
20 \$100,000 and the cost of prosecution. Restitution to the
21 Internal Revenue Service. There is a special assessment as I
22 have noted.

23 Finally, Count Ten, which is a failure to file FBAR,
24 with a maximum of ten years in prison and three years of
25 supervised release, and a fine of up to \$500,000. I don't

1 know that restitution plays here. There is a \$100 special
2 assessment. There are other penalties, according to your
3 agreement, a civil money penalty of \$487,875.74 as described
4 in Paragraph 3(g) of your agreement.

5 Have I missed something?

6 MR. NORRIS: No, Your Honor.

7 THE COURT: Those are the statutory penalties. I
8 add they could be made to run consecutively.

9 Now we go to Chapter Two. Chapter Two involves what
10 we call the sentencing guidelines. The guidelines are
11 designed to inform the Court, to guide the Court I should say,
12 now I can use the term guide literally, where within this
13 rather broad statutory range you would be sentenced.

14 To do that we apply these various guidelines and
15 establish a sentencing range, which I am not obligated to
16 follow but I am obligated to consider. Because I am obligated
17 to consider it, I am obligated to calculate it as the first
18 step in the sentence an accurate guideline sentencing range.

19 I won't be in a position to do that until I have
20 seen the presentence report. This is somewhere down the road.
21 That is a document prepared by the Probation Department with
22 your input as well as counsel's, and the United States
23 Attorney, and the relevant investigatory agencies.

24 The report will tell the story of the case and your
25 involvement in it, your role, and so forth. It will provide a

1 personal history, a financial history, a criminal history if
2 any, and it will contain the Probation Department's
3 recommended calculation of the advisory guideline range.

4 You will see that along with counsel before I do.
5 You will be given an opportunity to voice objections,
6 comments, and give suggestions to Probation. The document
7 will come to me.

8 At that point if the parties are in disagreement
9 with some aspect of the calculation it will be incumbent upon
10 me to resolve those differences and, as I said, apply the
11 guidelines as I understand them. I will use them as a guide
12 but not a controlling guide in deciding when we get to Chapter
13 3 down in sentencing, what is under all of the circumstances
14 in the case a reasonable sentence.

15 At the end of the day if you think that I have
16 imposed an unreasonable sentence -- there is no appellate
17 waiver?

18 MR. NORRIS: No, Your Honor.

19 THE COURT: If you think I have imposed an
20 unreasonable sentence, you may appeal my sentence to the
21 higher court. If you are not at that time able to afford the
22 fees and counsel, counsel will be furnished at the expense of
23 the Court. The United States Attorney you should understand,
24 Mr. Blazer, has a comparable right of appeal should they feel
25 that I have been unreasonably lenient. They may seek

1 appellate review of the sentence. Should that happen your
2 interest in that proceeding will simply be represented by
3 counsel of your choosing or counsel provided by the Court.

4 Bear with me just a second. We have covered a lot
5 of ground, Mr. Blazer.

6 THE DEFENDANT: Indeed.

7 THE COURT: I trust you have heard this information
8 before.

9 THE DEFENDANT: From my attorneys, yes, sir.

10 THE COURT: Are there any questions that you would
11 like to put to me?

12 THE DEFENDANT: No, sir.

13 THE COURT: Counsel, is there anything that I left
14 out that I should include?

15 MR. NORRIS: No, Your Honor.

16 MR. CORNGOLD: No, Your Honor.

17 THE COURT: Are there any questions before I take
18 your plea?

19 THE DEFENDANT: No, sir.

20 THE COURT: Are you ready to plead?

21 THE DEFENDANT: I am.

22 THE COURT: What is your plea to Count One through
23 10 inclusive, guilty or not guilty?

24 THE DEFENDANT: Guilty.

25 THE COURT: Are you pleading guilty voluntarily?

1 THE DEFENDANT: Yes, I am.

2 THE COURT: Of your own free will?

3 THE DEFENDANT: Totally.

4 THE COURT: Has anybody forced you to plead guilty?

5 THE DEFENDANT: No.

6 THE COURT: Has anybody made a promise to you that
7 is not reflected in this agreement?

8 THE DEFENDANT: No.

9 THE COURT: Has anybody given you any assurance as
10 to what I will do when it comes to sentence?

11 THE DEFENDANT: No.

12 THE COURT: We turn to the charges. Has an
13 allocution been prepared?

14 MR. CORNGOLD: Yes, Your Honor.

15 THE COURT: Why don't we start with that and then we
16 will go from there.

17 MR. CORNGOLD: We have done it count by count.

18 THE COURT: Even better.

19 Mr. Blazer, tell me what you did.

20 THE DEFENDANT: Regarding Count One.

21 From in and about and between 1990 to December 2011,
22 I was employed by and associated with the Federation
23 Internationale de Football Association, commonly known as
24 FIFA, and one of its constituent confederations, the
25 Confederation of North, Central American and Caribbean

1 Association Football, commonly known as CONCACAF, and their
2 sports marketing affiliates.

3 During this time, the principal purpose of FIFA and
4 CONCACAF, as well as other affiliated soccer governing bodies
5 and sports marketing companies, was to promote and/or regulate
6 the sport of soccer worldwide as part of an ongoing
7 organization. Among other things, FIFA and CONCACAF held
8 sports-related events and conducted business overseas and in
9 the United States, including in the Eastern District of New
10 York, and utilized American financial institutions in their
11 banking and investment activities. CONCACAF also had its
12 headquarters in New York.

13 From 1997 through 2013, I served as a FIFA executive
14 committee member. One of my responsibilities in that role was
15 participating in the selection of the host countries for the
16 World Cup. I also served as General Secretary of CONCACAF
17 from 1990 through December of 2011, and was responsible for,
18 among other things, participating in the negotiations for
19 sponsorship and media rights.

20 During my association with FIFA and CONCACAF, among
21 other things, I and others agreed that I or a co-conspirator
22 would commit at least two acts of racketeering activity.
23 Among other things, I agreed with other persons in or around
24 1992 to facilitate the acceptance of a bribe in conjunction
25 with the selection of the host nation for the 1998 World Cup.

1 Beginning in or about 1993 and continuing through the early
2 2000s, I and others agreed to accept bribes and kickbacks in
3 conjunction with the broadcast and other rights to the 1996,
4 1998, 2000, 2002, and 2003 Gold Cups. Beginning in or around
5 2004 and continuing through 2011, I and others on the FIFA
6 executive committee agreed to accept bribes in conjunction
7 with the selection of South Africa as the host nation for the
8 2010 World Cup. Among other things, my actions described
9 above had common participants and results.

10 That is with regard to Count One.

11 THE COURT: All right.

12 Go ahead.

13 THE DEFENDANT: Count Two.

14 Between April of 2004 and May 2011, I and others who
15 were fiduciaries to both FIFA and CONCACAF, in contravention
16 of our duties, I and others, while acting in our official
17 capacities, agreed to participate in a scheme to defraud FIFA
18 and CONCACAF of the right to honest services by taking
19 undisclosed bribes. I and others agreed to use e-mail,
20 telephone, and a wire transfer into and out of the United
21 States in furtherance of the scheme. Funds procured through
22 these improper payments passed through JFK Airport in the form
23 of a check.

24 That is regarding Count Two.

25 Number three.

1 THE COURT: Okay.

2 THE DEFENDANT: Number three.

3 Between December 2008 and May 2011, I and others
4 agreed to and transmitted funds by wire transfer and checks
5 from places within the United States to places in the
6 Caribbean, and from places in the Caribbean to places in the
7 United States. I agreed to and took these actions to, among
8 other things, promote and conceal my receipt of bribes and
9 kickbacks. I knew that the funds involved were the proceeds
10 of an unlawful bribe, and I and others used wires, e-mails,
11 and telephone to effectuate payment of and conceal the nature
12 of the bribe. Funds procured through these improper payments
13 passed through JFK Airport in the form of a check.

14 Regarding Counts Four through Nine.

15 Between 2005 and 2010, while a resident of New York,
16 New York, I knowingly and wilfully failed to file an income
17 tax return and failed to pay income taxes. In this way, I
18 intentionally concealed my true income from the IRS, thereby
19 defrauding the IRS of income tax owed. I knew that my actions
20 were wrong at the time.

21 THE COURT: Repeat that again.

22 THE DEFENDANT: Between 2005 and 2010, while a
23 resident of New York, New York, I knowingly and willfully
24 failed to file an income tax return and failed to pay income
25 taxes. In this way, I intentionally concealed my true income

1 from the IRS, thereby defrauding the IRS of income tax owed.

2 I knew that my actions were wrong at the time.

3 MR. CORNGOLD: Mr. Blazer is waiving venue for
4 these.

5 THE COURT: Do you know what venue is, Mr. Blazer?

6 THE DEFENDANT: Yes, I do.

7 THE COURT: Continue.

8 THE DEFENDANT: Count 10.

9 In 2010, while a resident of New York, I had an
10 interest in and controlled bank accounts in the Bahamas with a
11 total value exceeds \$10,000. I intentionally and willfully
12 did not file a report disclosing those accounts to the
13 Department of the Treasury. I did this while violating the
14 Federal Tax Law.

15 THE COURT: All right.

16 You have seen it before?

17 MR. NORRIS: Yes, Your Honor.

18 THE COURT: Is there anything that you want to add?

19 MR. NORRIS: Two quick points.

20 With respect to Count Three. I would just note that
21 the places in the Caribbean that the defendant referred to are
22 outside of the United States.

23 With respect to Counts Four through Nine, the
24 defendant owes substantial federal income tax for each of the
25 years 2005 to 2010. I believe we could prove that if this

1 case were to go to trial.

2 THE COURT: Anything else, Mr. Corngold?

3 MR. CORNGOLD: No, Your Honor.

4 THE COURT: May I have a copy of that, if you have
5 no objection.

6 MR. CORNGOLD: We have no objection.

7 THE COURT: I don't need it right this minute but if
8 you can get me a clean copy of it I would appreciate it.

9 MR. NORRIS: One other point, as well, with respect
10 to Count Ten and Venue, I would note that there are local IRS
11 offices within the Eastern District of New York that the
12 defendant could have filed the FBAR form which gets the venue
13 to that count.

14 THE COURT: Based on the information given to me I
15 find that the defendant is acting voluntarily, that he fully
16 understands his rights, the consequences and possible
17 consequences of his pleas, and there are a factual basis for
18 these pleas of guilty. I, therefore, accept the plea of
19 guilty to Counts One through Ten inclusive of the information
20 bearing Docket number 13-CR-602.

21 Mr. Blazer, at the appropriate time I urge you to
22 cooperate with the Probation Department in their preparation
23 of the presentence report consistent, of course, with the
24 advice of counsel.

25 Let's take up the subject of forfeiture. You will

1 recall in your agreement there are strict understandings,
2 undertaking, and agreements relative to forfeiture of certain
3 sums.

4 I have before me an order of forfeiture which I take
5 it, Mr. Corngold, you have seen?

6 MR. CORNGOLD: Yes, Your Honor.

7 THE COURT: Is there any objection if I sign that?

8 MR. CORNGOLD: No, Your Honor.

9 MR. NORRIS: Your Honor, if I could, could I provide
10 up to the court two identical copies, as well?

11 THE COURT: More triplicate?

12 MR. NORRIS: More triplicate, Your Honor.

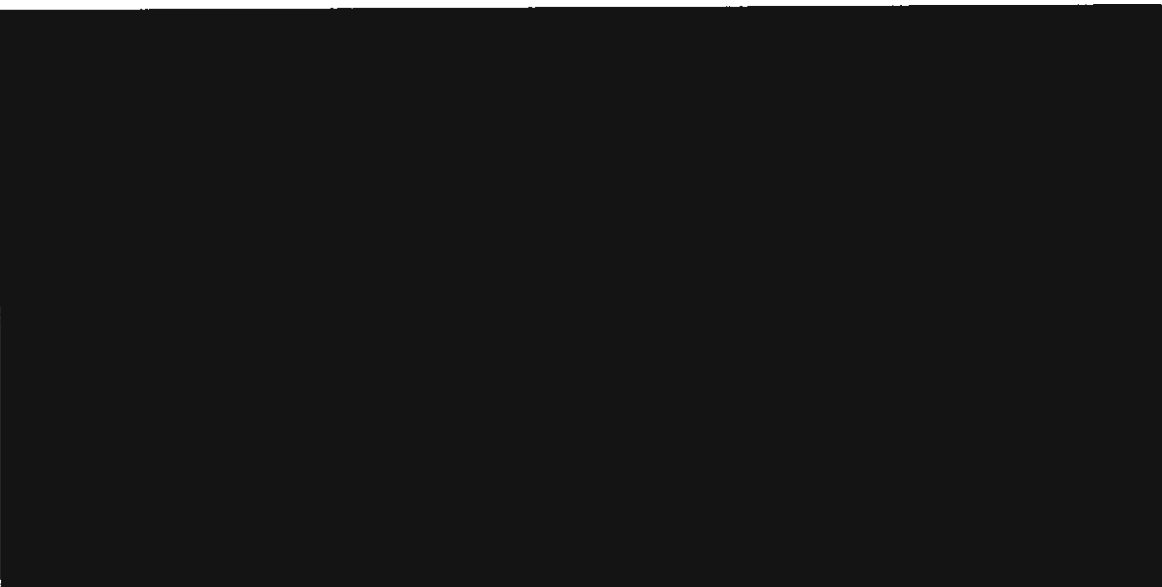
13 THE COURT: All right, I signed the order of
14 forfeiture.

15 Is there anything else?



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25 THE COURT: We will set a date for late next year as

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THE COURT: Mr. Blazer, my last question is do you have any questions?

THE DEFENDANT: Nothing.

THE COURT: Are you sure?

THE DEFENDANT: One moment, Your Honor.

MR. NORRIS: Your Honor, can we just have one moment to confer?

THE COURT: Take your time.

(Whereupon counsel confer.)

MR. NORRIS: Two final matters.

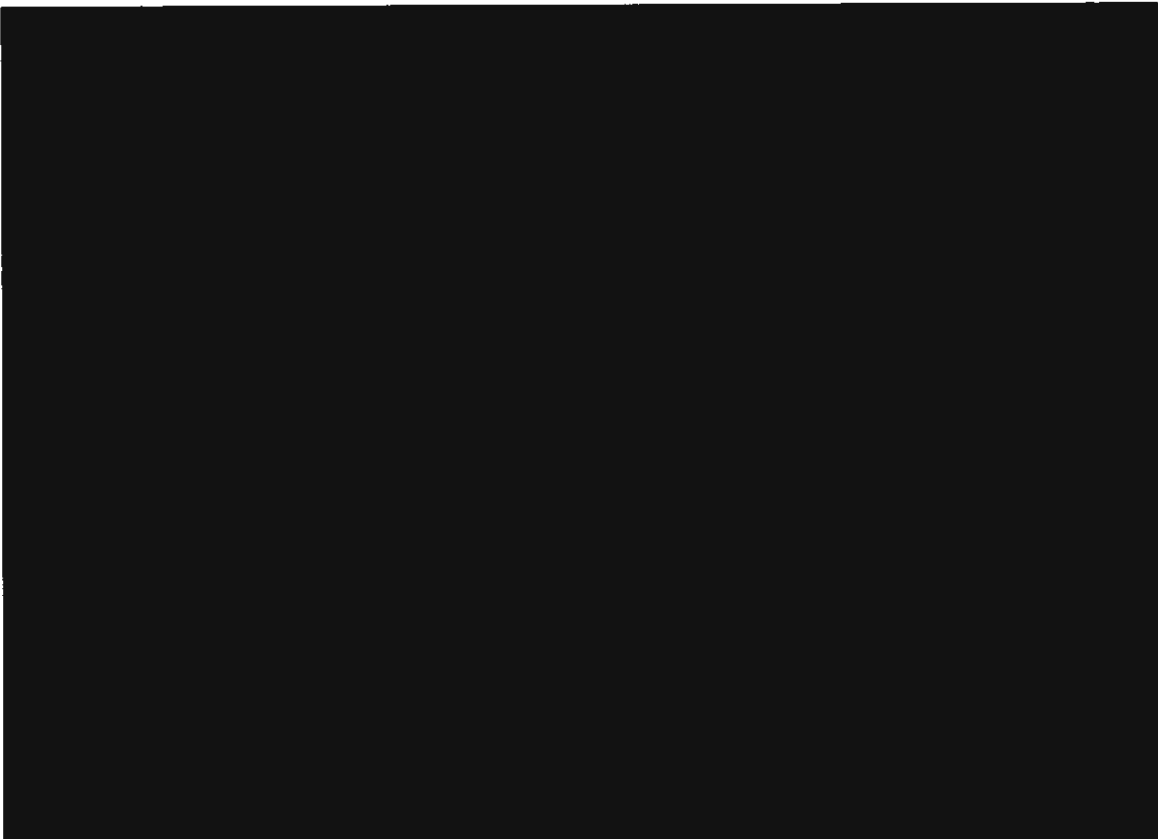
With respect to bail.

THE COURT: The gentleman has not be processed?

MR. NORRIS: He is going to be processed by the Marshals after we leave this proceeding.

The parties jointly recommend a \$10,000,000 unsecured bond. 

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THE COURT: I have no objection to that. I have one thought that just occurred to me. As we concluded, Mr. Blazer, I asked you if you had any final questions. You seemed to indicate that you might.

THE DEFENDANT: It was pertaining to this document.

THE COURT: Are you satisfied now?

THE DEFENDANT: Yes, I am.

THE COURT: Well, fair enough. Good luck with your health --

MR. CORNGOLD: Your Honor, I have one thing for the record.

We looked at the Pretrial Services report and there

1 are certain bank accounts that are not mentioned in there. I
2 think in the interview they didn't cover it. The government
3 is well aware, I think, of the accounts. I don't think that
4 it should change anything with respect to the bail conditions.

5 THE COURT: All right.

6 MR. NORRIS: Your Honor, if we could, if you could
7 ask the defendant to confirm that there are additional
8 accounts not listed on that Pretrial Services report. It
9 appears that Pretrial Services didn't inquire about foreign
10 bank accounts.

11 THE CLERK: Gentlemen, just one second please.

12 THE COURT: 

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15 If there are any variations, any change in circumstances, any
16 relaxation of travel authorizations and etcetera, I want
17 Pretrial Services informed. Okay.

18 Yes, sir?

19 THE DEFENDANT: The answer was yes to the last
20 question. I didn't get a chance to look at the document, I
21 have, and I just want to record that my answer was yes.

22 THE COURT: Yes, you have additional bank accounts
23 that are listed.

24 THE DEFENDANT: That were not listed on that
25 document, correct.

1 MR. NORRIS: Just so the record is clear my
2 understanding is that, and counsel and the defendant can
3 confirm this, it wasn't that they were not disclosed to
4 Pretrial Services, it is that they didn't ask about foreign
5 assets. So in reviewing that we wanted to make sure that the
6 record is clear.

7 THE COURT: There was no attempt to deceive, is that
8 what you are getting at?

9 MR. NORRIS: Yes, foreign assets and a trading
10 account in the United States. Again, the IRS and the FBI and
11 the government are aware of this.

12 THE COURT: Now, is there anything else?

13 MR. CORNGOLD: No, Your Honor.

14 MR. NORRIS: No, Your Honor. Thank you very much.

15 THE CLERK: Mr. Blazer, I need your signature on
16 this form. I need your signature right here.

17 THE COURT: Elie, here is the file.

18 THE CLERK: Judge Dearie, I need your signature
19 right here.

20 THE COURT: Yes.

21 THE CLERK: Just for the record, I have a sentence
22 control date of November 7th, 2014 at 10 a.m.

23 THE DEFENDANT: I want to hand this back to you.

24 THE CLERK: This actually, Mr. Norris, I will ask
25 you to hold this in your file.

1 MR. NORRIS: Yes.

2 THE CLERK: I will give you a copy of the waiver and
3 everything here will be under seal.

4 MR. NORRIS: Thank you very much for your help.

5 THE CLERK: Ms. Perez, I want to give you a copy of
6 this bond for your file.

7 Who is dealing with the Marshals right now, the case
8 agent? I will give you this bond, the original, to give it to
9 the Marshals. Let me make this perfectly clear. It is
10 absolutely important that you give this to the Marshals.

11 MR. NORRIS: Thank you.

12 (Whereupon Judge Dearie leaves the courtroom.)

13 (Matter concluded at 11 a.m.)
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