PLEA AGREEMENT

1. This is the plea Agreement between the District Attorney of the County of New York ("the District Attorney") and defendant Thomas Hale ("the Defendant"). This Agreement constitutes the entire Agreement between the Defendant and the District Attorney with respect to the criminal case. There are no promises, agreements, or conditions, express or implied, other than those set forth in this document. No modification, deletion or addition to this Agreement will be valid or binding on any party unless put into writing and signed by all parties.

2. This Agreement will take effect when and if approved by the Court presiding over People v. Thomas Hale, New York County Indictment Numbers 00201/2014, 00739/2014, and 00745/2014.

3. In satisfaction of the charges against him, as detailed in Indictment Numbers 00201/2014, 00739/2014, and 00745/2014, the Defendant agrees to enter a plea of guilty to one count of Grand Larceny in the First Degree, in violation of New York Penal Law Section 155.42, a Class B felony. The maximum permissible sentence for the crime of Grand Larceny in the First Degree is an indeterminate sentence of eight and one-third to twenty five years imprisonment, and a fine not exceeding the higher of $5,000 or double the amount of the Defendant's gain from the commission of the crime. Provided that the Defendant has allocated to his crimes to the satisfaction of the People and the Court, has fulfilled his obligations under this Plea Agreement, and has fulfilled his obligations under the Forfeiture Stipulation and Order, including making all required forfeiture payments, the People will recommend that the Court impose the following sentence: three to nine years imprisonment.

4. At the time of the plea of guilty, the Defendant shall waive his right of appeal to this conviction directly and collaterally in both New York State and Federal Courts, and sign a "Waiver of Right to Appeal" form as provided by the District Attorney. In addition, the Defendant knowingly and voluntarily agrees to waive the right to appeal this judgment of conviction, the Defendant agrees to relinquish his appellate rights because he is receiving a favorable plea and sentence Agreement, and he understands that his appellate rights are separate and apart from those rights he is automatically forfeiting by his guilty plea. In relation to this conviction, the Defendant shall also waive any applicable statutes of limitations, and waive any challenges to New York County venue. At the time of the plea of guilty, this Agreement shall be made part of the record, and the parties will request the Court's approval thereof. This Agreement will become effective only upon the Court's approval.

5. Upon the entry of his guilty plea, the Defendant will allocute under oath to the following facts:

> From in or around January 1988 to in or around December 2013, I Thomas Hale, did knowingly and intentionally and acting in concert with others, cause others to make false representations to the United States Social Security Administration and the New York State Office of Temporary and Disability Assistance, in order to assist individuals in fraudulently obtaining Social Security Disability Insurance ("SSDI") benefits.
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> By making these false representations, I helped others collect unauthorized payments from the Social Security Administration that exceeded one million dollars from the period of in or around January 1988 through in or around December 20, 2013.
>
> I admit and acknowledge that I committed the crime of Grand Larceny in the First Degree.

6. As a condition of this Agreement and at the time of his plea, the Defendant agrees to pay the amount of $2,000,000 as follows:

   a. The Defendant will pay $1,800,000, which represents the amount of loss suffered by the United States Social Security Administration.

   b. The Defendant also agrees to pay the amount of $200,000, which represents the civil monetary penalty owed to the Social Security Administration.

   The Defendant understands and agrees that he is liable, as designated above, for the total sum of monies owed and that the failure to pay any part of the monies owed shall be deemed a material breach of this Agreement.

7. As a condition of this Agreement, with respect to the Defendant's agreement to pay $2,000,000 as described in the above-referenced paragraph, the Defendant agrees to forfeit $500,000 to Cyrus R. Vance, Jr., District Attorney of the County of New York, in his capacity as Plaintiff-Claiming Authority, in a civil forfeiture action entitled Vance v. Aglialoro, et al., New York County Index No. 450122/2014 ("the Civil Forfeiture Action"), that was brought pursuant to Article 13-A of the Civil Practice Law and Rules ("CPLR"). The forfeiture payment shall be made pursuant to a Forfeiture Stipulation and Order in the Civil Forfeiture Action. Defendant agrees to enter into such a stipulation. It is a condition of this Agreement that the Defendant shall comply fully with all promises and obligations set forth in the Forfeiture

Stipulation and Order in the Civil Forfeiture Action. The forfeited funds shall be distributed to the United States Social Security Administration pursuant to CPLR 1349.

8. The Defendant shall make the remaining portion of the restitution that is not covered by the $500,000 forfeiture payment described in paragraph 7 in accordance with the attached Restitution Order and schedule. At the time of his plea, the Defendant agrees to the conditions in the attached Order and to pay restitution and a civil monetary penalty fine to the United States Social Security Administration in the amount of $1,500,000, which includes the remaining balance of $1,300,000 in the loss suffered by the Social Security Administration attributable to the Defendant's conduct and $200,000 in a civil monetary penalty fine.

9. The Defendant understands and agrees that he is liable, as designated above, for the total sum of monies owed and agrees to follow the conditions in this Agreement and the attached Restitution Order at the time of the Defendant's plea of guilty on this case. The Defendant also understands and agrees that his failure to abide by the conditions of the Agreement and the attached Restitution Order shall be deemed a material breach of this Agreement. In the event of the Defendant's death, the obligations of this Restitution Order shall not pass onto the estate of the Defendant or his legal heirs.

10. The Defendant waives each and every objection, defense, remedy, and/or right of appeal he may have under the constitutions, statutes, common law, and equitable doctrines of the United States and the State of New York in connection with the commencement, litigation, and disposition of the criminal prosecution and civil forfeiture action against them. The Defendant specifically waives any defense to the forfeiture and restitution of the amounts specified herein, including that the amounts are exempt from seizure, restraint, forfeiture, or restitution under any ERISA preemption or any other preemption of retirement funds.

11. The Defendant agrees that proof of income for purposes of either a restitution order or a forfeiture stipulation shall include but is not limited to pay stubs, checks, W2s, 1099s, Social Security benefits, other retirement benefits and any evidence of deposits into financial institutions.

12. The Defendant will not be sentenced prior to his having fulfilled his obligations under said Forfeiture Stipulation and Order. The Defendant understands, however, that the Court has the authority to impose any lawful sentence pursuant to his guilty plea. The Defendant further agrees that his guilty plea may not be withdrawn in the event the Court imposes a sentence other than the above-mentioned sentence. In addition, in regard to the

Defendant's sentence, the parties agree that the District Attorney will support any application by defense counsel on behalf of the Defendant for a Certificate of Relief from Civil Disabilities.

13. This Plea Agreement, including the Defendant's agreement to make restitution in the amount of $1,800,000 and to pay a civil monetary penalty fine in the amount of $200,000, will cover all claims and causes of action that the Social Security Administration's Office of the Inspector General would otherwise initiate against either the Defendant or his estate pursuant to Section 1129 of the Social Security Act ("the Act"), 42 U.S.C. §1320a-8 and implementing regulations 20 C.F.R. Part 498, for civil monetary penalties and assessments arising out of the Defendant's improper receipt of Social Security benefits. For purposes of Section 1129 of the Act, the District Attorney has been informed by the SSA that the District Attorney is considered the prosecuting authority for this matter. A copy of the Agreement shall be forwarded to the Social Security Administration's Office of the Inspector General, the United States Social Security Administration and the New York State Office of Temporary and Disability Assistance.

14. The Defendant's and his counsel's signatures below constitute proof that the Defendant enters into this Agreement knowingly, intelligently and voluntarily after a full and sufficient opportunity to consult with his undersigned counsel.

Dated: January 23, 2015
New York, New York

Thomas Hale

Joseph Conway, Esq.
Attorney for Thomas Hale

Christopher Santora/Bryan Serino
Assistant District Attorney