

## BEFORE THE FEDERAL ELECTION COMMISSION

SECRET

2006 FEB 27 A 9:34

In the Matter of )

Never Stop Dreaming, Inc. )

MUR 5384

Jade Newhart a/k/a Blanche Dugatkin )

**SENSITIVE**Bill Baulding a/k/a William Dugatkin )

## GENERAL COUNSEL'S REPORT #4

## I. ACTIONS RECOMMENDED

Close the file in MUR 5384 and approve the appropriate letters.

## II. BACKGROUND

This matter involves allegations that individuals using the names "Jade Newhart" and "Bill Baulding" fraudulently misrepresented their organization, Never Stop Dreaming, Inc. ("NSD"), as acting on behalf of Gephardt for President, Inc. ("Gephardt Committee") in the planning of a fundraiser in September 2003. According to the complaint, NSD signed a contract with the National Museum of Women in the Arts ("the Museum") to hold a fundraiser on behalf of the Gephardt Committee, falsely informing the Museum's staff that its representatives were in direct contact with the candidate, the candidate's wife and campaign committee. The Gephardt Committee, which filed the complaint in this matter, asserted that no person associated with it or Congressman Gephardt had knowledge of the activities of Baulding, Newhart, or NSD.

Based on this and other information set forth in the First General Counsel's Report, on November 30, 2004, the Commission found reason to believe that NSD, Jade Newhart, and Bill Baulding violated 2 U.S.C. § 441h(b) by knowingly and willfully participating in, or conspiring to participate in, a plan, scheme, or design to engage in fraudulent solicitation. In the course of the investigation, this Office:

26044134908

- 1        •        Determined that "Jade Newhart" and "Bill Baulding" were aliases used by  
2        Blanchi Dugatkin, a parole absconder previously convicted of grand theft and  
3        fraud in Florida, and William Dugatkin, her husband;
- 4        •        Interviewed Museum staff and other vendors, including the general manager of  
5        the Washington Suites Alexandria ("Washington Suites"), the hotel located at the  
6        address listed in e-mails sent by NSD to the Museum;
- 7        •        Obtained two computers used by the Dugatkins, including a laptop computer  
8        abandoned by the Dugatkins at the Washington Suites that contained information  
9        about the planned Gephardt fundraiser;
- 10       •        Obtained account information, usernames and last login IP data (i.e., the time,  
11       date, and Internet address associated with the last login for each username)  
12       associated with the e-mail address used by the Dugatkins in communications with  
13       the Museum; and
- 14       •        Tracked the geographic location of the Dugatkins to San Antonio, Texas using the  
15       last login IP data for the e-mail account registered to William Dugatkin,  
16       information obtained from the Washington Suites and a Texas voter registration  
17       form filed by Blanchi Dugatkin.

On February 8, 2006, the court issued the following sentences for Blanchi and William

Dugatkin:

Blanchi Dugatkin

- Because Blanchi Dugatkin served more than five months in jail under the initial felony wire fraud and fraudulent solicitation indictments, the court did not sentence her to additional jail time.
- The court sentenced Mrs. Dugatkin to two years of probation subject to standard conditions plus the following special conditions: 100 hours of community service; financial disclosure requirements, including tax returns, authorization for release of credit reports, and any other business or financial information in which she has a control or interest; drug testing, as directed by the probation office; a mental health treatment program, including outpatient counseling or residential placement, as directed by the probation office; and a restriction on employment, consulting or association in the accounting, bookkeeping or billing professions for the duration of her supervision.
- The court waived both a criminal fine and restitution based on its review of Mrs. Dugatkin's financial disclosure forms but required payment of a \$25 special assessment.

---

<sup>1</sup> On August 25, 2005, the Commission conformed the original reason to believe findings to reflect the actual names of the Respondents, Blanchi Dugatkin and William Dugatkin.

William Dugatkin

• Because William Dugatkin served seven weeks in a halfway house under the initial felony wire fraud and fraudulent solicitation indictments, the court did not sentence him to jail time.

• The court sentenced Mr. Dugatkin to one year of probation subject to standard conditions plus the following special conditions: 100 hours of community service; financial disclosure requirements, including tax returns, authorization for release of credit reports, and any other business or financial information in which he has a control or interest; and drug testing, as directed by the probation office.

• The court waived both a criminal fine and restitution based on its review of Mr. Dugatkin's financial disclosure forms but required payment of a \$25 special assessment.

See Attachment B at 2-3, 7-8. Accordingly, now that the Dugatkis have been sentenced by the court, we recommend that the Commission close the file in MUR 5384.

**III. RECOMMENDATIONS**

1. Close the file in MUR 5384.
2. Approve the appropriate letters.

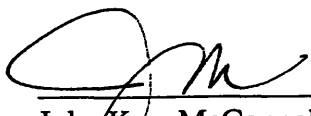
Lawrence H. Norton  
General Counsel

2/29/06  
Date

BY:

Rhonda J. Vosdingh  
Rhonda J. Vosdingh  
Associate General Counsel for Enforcement

Ann Marie Terzaken  
Ann Marie Terzaken  
Assistant General Counsel

  
Julie Kara McConnell  
Attorney

Attachments

- A. *United States v. Dugatkin*, Crim. No. 05-250, Plea Agreement, Addendum, and Factual Basis for Plea (D.D.C. filed Nov. 22, 2005).
- B. *United States v. Dugatkin*, Crim. No. 05-250, Judgment (D.D.C. filed Feb. 9, 2006).

26044134912

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA )

v. )

CRIMINAL NO. 05-250 )

BLANCHI DUGATKIN, a/k/a/ )  
JADE NEWHART, a/k/a/ )  
BLANCHI BETTINA COMITO, and )  
WILLIAM DUGATKIN, a/k/a )  
BILL BAULDING )**FILED**

NOV 22 2005

NANCY MAYER WHITTINGTON, CLERK  
U.S. DISTRICT COURTRECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

2005 DEC - 1 P 4: 01

PLEA AGREEMENT

Pursuant to Rule 11 of the Federal Rules of Criminal Procedure, the United States of America and the defendants, BLANCHI DUGATKIN and WILLIAM DUGATKIN, agree as follows:

1. The defendants are entering this Agreement and are pleading guilty freely and voluntarily without promise or benefit of any kind, other than contained herein, and without threats, force, intimidation, or coercion of any kind.
2. The defendants knowingly, voluntarily, and truthfully admit the facts contained in the attached Factual Basis for Plea.
3. The defendants agree to plead guilty to Count One of the previously filed misdemeanor Information, which charges them with fraudulent misrepresentation of campaign authority in violation of 2 U.S.C. § 441h(b). The defendants admit that they are guilty of the crime charged in the Information and understand that they will be adjudicated guilty of that offense.

4. The defendants understand the nature of the offense to which they are pleading guilty, and the elements thereof, including the penalties provided by law. The maximum penalties for the offense are as follows: one year of imprisonment, a \$100,000 fine, and a mandatory special assessment of \$25. The defendants understand that the Court may impose a term of supervised release to follow any incarceration, in accordance with 18 U.S.C. § 3583, and that, in this case, the authorized term of supervised release is not more than one year. The defendants also understand that the Court may impose restitution, costs of incarceration, and costs of supervision.

5. The defendants understand that by pleading guilty, they are waiving the following constitutional rights: (a) to plead not guilty; (b) to be tried by a jury; (c) to be assisted at trial by an attorney, who would be appointed if necessary; (d) to confront and cross-examine witnesses against them; (e) to summon witnesses to testify for the defense; and (f) to be free from compelled self-incrimination.

6. If the Court accepts the defendants' pleas of guilty and the defendants fulfill each of the terms and conditions of this Agreement, the United States agrees that it will not further prosecute the defendants for the conduct set forth in the attached Factual Basis for Plea.

7. The defendants understand and acknowledge that the offense to which the defendants shall plead guilty is subject to the provisions and guidelines of the Sentencing Reform Act of 1984, 28 U.S.C. § 994(a).

8. The defendants understand that the Court is required to consider the United States Sentencing Guidelines (U.S.S.G. or Sentencing Guidelines) among other factors in determining the defendants' sentences. The defendants understand, however, that the Sentencing Guidelines are only advisory, and that after considering the Sentencing Guidelines the Court may be free to

26044134914

exercise its discretion to impose any reasonable sentence within or up to the maximum set by statute for the offense of conviction.

9. The United States cannot and does not make any promise or representation as to what sentences the defendants will receive or what fines or restitution, if any, the defendants may be ordered to pay. The defendants understand that the sentences and the sentencing guidelines applicable to this case will be determined solely by the Court, with the assistance of the United States Probation Office.

10. The United States and the defendants agree to recommend the following calculations of the defendants' offense levels under the Sentencing Guidelines:

(a) Defendant BLANCHI DUGATKIN: base offense level of 6 under U.S.S.G. §2B1.1 (Fraud); enhancement for misrepresentation relating to political organization to offense level of 10 under U.S.S.G. §2B1.1(b)(8); criminal history category II.

(b) Defendant WILLIAM DUGATKIN: base offense level of 6 under U.S.S.G. §2B1.1 (Fraud); enhancement for misrepresentation relating to political organization to offense level of 10 under U.S.S.G. §2B1.1(b)(8); criminal history category I.

11. Should the defendants comply fully with their obligations under this Agreement, and clearly demonstrate acceptance of responsibility for the instant offense, the United States agrees to recommend that the defendants receive a two-level reduction for acceptance of responsibility under U.S.S.G. §3E1.1. The parties agree to recommend that no other upward or downward adjustments or departures under the Sentencing Guidelines are warranted.

26044134915



12. The defendants understand that these sentencing recommendations are not binding on the Court or the Probation Office, and that they will not be entitled to withdraw their guilty pleas if the Court rejects these recommendations.

13. The United States agrees that it will remain silent at sentencing on the issue of additional incarceration for either defendant.

14. The United States reserves the right to allocute in all respects as to the nature and seriousness of the offense. The attorneys for the United States will inform the Court and the Probation Office of: (a) this Agreement; (b) the nature and extent of the defendants' activities with respect to this case; and (c) all other information in its possession relevant to sentencing.

15. Each defendant agrees to deliver to the Clerk's Office, United States District Court, prior to or at the time of sentencing, a certified check in the amount of \$25.00 to cover the special assessment, as required by 18 U.S.C. § 3013.

16. The defendants also agree to provide a full and complete accounting of all assets, real or tangible, held by the defendants or for the defendants' benefit, and, to that end, to submit a standard form 500 (Financial Statement of Debtor).

17. If either of the defendants fails to comply with any of the terms and conditions set forth in this Agreement, that defendant will have committed a material breach of the Agreement which will release the Government from its promises and commitments made in this Agreement, and, in such an event, the Government may fully prosecute that defendant on all criminal charges that can be brought against the defendant. With respect to such a prosecution:

(a) The defendant shall assert no claim under the United States Constitution, any statute, Rule 410 of the Federal Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal

26044134916

Procedure, or any other federal rule, that the defendant's statements pursuant to this Agreement, or any leads derived therefrom, should be suppressed or are inadmissible;

(b) The defendant waives any right to claim that evidence presented in such prosecution is tainted by virtue of the statements the defendant has made; and

(c) The defendant waives any and all defenses based on the statute of limitations with respect to any such prosecution that is not time-barred on the date that this Agreement is signed by the parties.

18. In the event of a dispute as to whether the defendants have knowingly committed any material breach of this Agreement, and if the United States chooses to exercise its rights under the preceding paragraph, and if a defendant so requests, the matter shall be submitted to the Court and shall be determined by the Court in an appropriate proceeding at which the defendant's disclosures and documents shall be admissible and at which time the United States shall have the burden to establish the defendant's breach by a preponderance of the evidence.

19. Each defendant agrees that if the Court does not accept both defendants' pleas of guilty, this Agreement shall be null and void, and the United States will be free to prosecute either or both defendants for any offenses.

20. The defendants understand that this Agreement is binding only upon the Public Integrity Section of the United States Department of Justice. This Agreement does not bind any United States Attorney's Office, nor does it bind any state or local prosecutor. It also does not bar or compromise any civil or administrative claim pending or that may be made against the defendant. If requested, however, the Public Integrity Section will bring this Agreement to the attention of any prosecuting jurisdiction or government agency and ask that jurisdiction to abide by this

26044134917

Agreement. The defendants understand that other prosecuting jurisdictions retain discretion over whether to abide by the provisions of this Agreement.

21. The defendants further understand that nothing in this Agreement waives or limits in any way the authority of the Federal Election Commission to seek civil penalties or other administrative remedies for violations of the Federal Election Campaign Act pursuant to 2 U.S.C. § 437g(a).

22. This Agreement and the attached Factual Basis for Plea constitute the entire agreement between the United States and the defendants. No other promises, agreements, or representations exist or have been made to the defendants or the defendants' attorneys by the Public Integrity

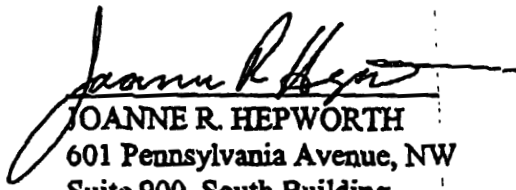
26044134918

Section of the Department of Justice in connection with this case. This Agreement may be amended only by a writing signed by all parties.

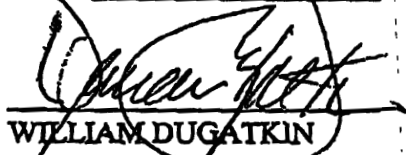
FOR THE DEFENDANT:

  
 BLANCHE DUGATKIN  
 Defendant

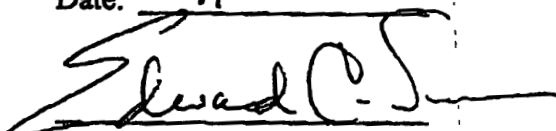
Date: Nov-16-2005.

  
 JOANNE R. HEPWORTH  
 601 Pennsylvania Avenue, NW  
 Suite 900, South Building  
 Washington, DC 20004  
 (202) 789-0037  
 Counsel for Defendant  
 Blanche Dugatkin

Date: 11-16-2005

  
 WILLIAM DUGATKIN  
 Defendant

Date: 11-22-05

  
 EDWARD C. SUSSMAN  
 601 Pennsylvania Avenue, NW  
 Suite 900, South Building  
 Washington, DC 20004  
 (202) 365-5723  
 Counsel for Defendant  
 William Dugatkin


Date: 11-22-06

FOR THE UNITED STATES:

NOEL L. HILLMAN  
 Chief  
 Public Integrity Section

By:   
 JOHN P. PEARSON

Date: 11/22/05

  
 NANCY L. SIMMONS  
 Trial Attorneys  
 Public Integrity Section  
 United States Department of Justice  
 1400 New York Avenue, NW  
 Washington, DC 20005  
 (202) 514-1412

Date: 11/22/05

26044134919

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**FILED**

NOV 22 2005

NANCY MAYER WHITTINGTON, CLERK  
U.S. DISTRICT COURT

UNITED STATES OF AMERICA )

v. )

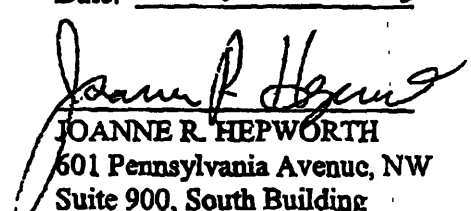
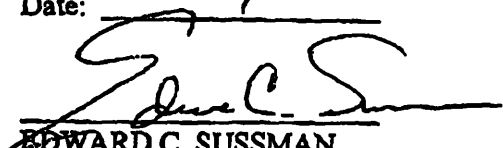
CRIMINAL NO. 05-250

BLANCHI DUGATKIN, a/k/a/  
JADE NEWHART, a/k/a/  
BLANCHI BETTINA COMITO, and  
WILLIAM DUGATKIN, a/k/a/  
BILL BAULDING )  
\_\_\_\_\_ )ADDENDUM

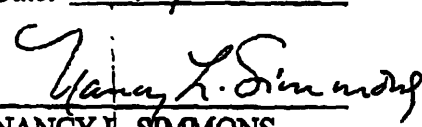
1. The defendants admit that their conduct violated 2 U.S.C. § 441h(b) of the Federal Election Campaign Act (FECA) as set forth in the accompanying Plea Agreement and Factual Basis for Plea.
2. The defendants acknowledge that the Federal Election Commission (FEC) has civil jurisdiction over the violations of the FECA that are the subject matter of these proceedings, and further acknowledge that the FEC has the authority to seek civil remedies against them for these violations pursuant to 2 U.S.C. § 437g(a)(5).
3. The defendants understand that, pursuant to 2 U.S.C. § 437g(a)(5)(B), the civil penalty for a knowing and willful violation of the FECA is \$11,000.
4. The defendants further understand that, in light of the financial circumstances of the defendants, the FEC is seeking no civil penalty in this matter.

5. The defendants agree to cease and desist from misrepresenting that they are acting for or on behalf of any federal candidate.

FOR THE DEFENDANT

  
BLANCHI DUGATKIN  
DefendantDate: NOV 22-2005  
JOANNE R. HEPWORTH  
601 Pennsylvania Avenue, NW  
Suite 900, South Building  
Washington, DC 20004  
(202) 789-0037  
Counsel for Defendant  
Blanchi DugatkinDate: 11-22-05  
WILLIAM DUGATKIN  
DefendantDate: 11/22/05  
EDWARD C. SUSSMAN  
601 Pennsylvania Avenue, NW  
Suite 900, South Building  
Washington, DC 20004  
(202) 365-5723  
Counsel for Defendant  
William DugatkinDate: 11-22-05

FOR THE UNITED STATES:

NOEL L. HILLMAN  
Chief  
Public Integrity SectionBy:   
JOHN F. PEARSONDate: 11/22/05  
NANCY L. SIMMONS  
Trial Attorneys  
Public Integrity Section  
United States Department of Justice  
1400 New York Avenue, NW  
Washington, DC 20005  
(202) 514-1412Date: 11/22/05

UNITED STATES OF AMERICA

**v.**

CRIMINAL NO. 05-250

BLANCHI DUGATKIN, a/k/a/  
JADE NEWHART, a/k/a/  
BLANCHI BETTINA COMITO, and  
WILLIAM DUGATKIN, a/k/a/  
BILL BAULDING

**FILED**

NOV 22 2005

**NANCY MAYER WHITTINGTON, CLERK  
U.S. DISTRICT COURT**

**FACTUAL BASIS FOR PLEA**

**At all times relevant to this proceeding:**

1. Defendants BLANCHI DUGATKIN, a/k/a JADE NEWHART, a/k/a BLANCHI BETTINA COMITO, and WILLIAM DUGATKIN, a/k/a WILLIAM BAULDING, were the directors of Never Stop Dreaming, Inc. ("Never Stop Dreaming"), a Virginia corporation they founded in 2003.
2. Defendants BLANCHI DUGATKIN and WILLIAM DUGATKIN resided at the Washington Suites Hotel in Alexandria, Virginia, and used the hotel's address, 100 Reynolds Street, Alexandria, Virginia, 22304, as the business address for Never Stop Dreaming.
3. Richard A. Gephardt was a candidate in the 2004 federal primary elections for the Presidency of the United States.
4. "Gephardt for President, Inc." was the principal campaign committee of the 2004 Gephardt presidential campaign ("the campaign"), and it was responsible for authorizing and overseeing all campaign fundraising activities.

220747

5. The National Museum for Women in the Arts ("the Museum") was an art museum located in Washington, D.C. The Museum's Special Events office was responsible for booking and renting space at the Museum for events not associated with the Museum's exhibits.

6. In or about June 2003, defendant BLANCHI DUGATKIN, using the alias "JADE NEWHART," contacted the Manager of Special Events at the Museum. BLANCHI DUGATKIN told the manager that she and her partner "BILL BAULDING" were close personal friends of then-Congressman Richard A. Gephardt and his wife Jane Gephardt, that they and their corporation, Never Stop Dreaming, were authorized to raise money on behalf of the Gephardt campaign, and that they were interested in hosting a fundraiser at the Museum.

7. In or about June 2003, defendants BLANCHI DUGATKIN and WILLIAM DUGATKIN also met with the manager and her supervisor, the Director of Special Events, at the Museum. Again using the aliases "JADE NEWHART" and "BILL BAULDING," the defendants reiterated their claims of a personal relationship with the Gephardts and authorization to raise money for the Gephardt campaign.

8. From in or about June 2003 through in or about August 2003, defendants BLANCHI DUGATKIN and WILLIAM DUGATKIN also wrote and sent emails to the manager that misrepresented their authority. These messages falsely asserted, inter alia, that the defendants had spoken with Jane Gephardt, that the Gephardt campaign would send payment checks to the Museum, that the campaign had in fact sent a payment check, and that between 125 and 150 people would attend the fundraiser.

9. On or about July 10, 2003, using her "JADE NEWHART" alias, defendant BLANCHI DUGATKIN signed a contract with the Museum on behalf of Never Stop Dreaming. The terms

26044134923



provided that in exchange for a deposit of \$2,000 and a total payment of \$7,000, the Museum would allow Never Stop Dreaming to host a fundraiser on September 23, 2003. The defendants never paid the Museum.

10. In or about August 2003, the director called the defendants to investigate why the deposit check had not arrived. When defendant WILLIAM DUGATKIN, using the alias "BILL BAULDING," returned her call, the director specifically asked whether Never Stop Dreaming was authorized to raise money for the Gephardt campaign. Defendant WILLIAM DUGATKIN falsely replied that the campaign had authorized Never Stop Dreaming to hold the fundraiser.

11. After speaking with defendant WILLIAM DUGATKIN, the director called the Gephardt campaign and learned that no one at the campaign knew of or had authorized fundraising by either defendant or Never Stop Dreaming. The director then called the defendants again, and defendant WILLIAM DUGATKIN again told her that they had authorization. Specifically, DUGATKIN stated that the "press person" for the campaign had authorized the event.

12. In or about June and July 2003, the defendants also contacted an event planning service in Springfield, Virginia and claimed that they were close friends of the Gephardts and wanted to hire the service to plan their September 2003 fundraiser at the Museum.

13. In or about the summer of 2003, defendant BLANCHI DUGATKIN also met with the owner of a catering service. Using her "JADE NEWHART" alias, she stated that she and "WILLIAM BAULDING" were planning a fundraiser and wanted him to cater it. "NEWHART" also told the owner they would invite approximately 300 guests to the fundraiser and charge \$300 to \$500 per person.

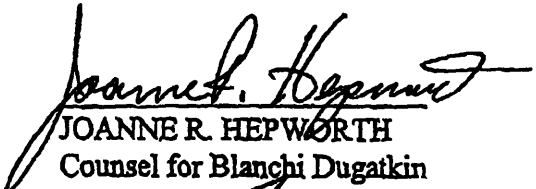
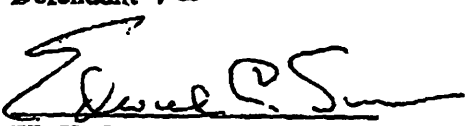
26044134924

14. At no time did candidate Gephardt, any member of the Gephardt family, or any employee or agent of Gephardt for President, Inc. authorize the defendants to speak, write, or otherwise act on behalf of Congressman Gephardt or Gephardt for President for the purpose of soliciting contributions, or for any other purpose. Specifically, no one authorized the defendants to plan or host a campaign fundraiser.

Date:

Nov. -16-2005.

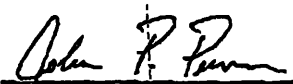
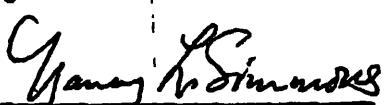
FOR THE DEFENDANTS:

  
BLANCHI DUGATKIN  
Defendant  
JOANNE R. HEPWORTH  
Counsel for Blanche Dugatkin  
WILLIAM DUGATKIN  
Defendant  
EDWARD C. SUSSMAN  
Counsel for William Dugatkin

FOR THE UNITED STATES:

NOEL L. HILLMAN  
Chief  
Public Integrity Section

By:

  
JOHN P. PEARSON  
NANCY L. SIMMONS  
Trial Attorneys  
Public Integrity Section  
United States Department of Justice  
1400 New York Ave., NW, 12<sup>th</sup> Fl.  
Washington, DC 20005  
(202) 514-1412

UNITED STATES DISTRICT COURT  
for the District of ColumbiaUNITED STATES OF AMERICA  
V.

BLANCHI DUGATKIN

## JUDGMENT IN A CRIMINAL CASE

Case Number 05-250-01

USM Number 40331-048

Joanne Hepworth  
Defendant's AttorneyNANCY MAYER WHITTINGTON, CLERK  
U.S. DISTRICT COURT

FILED

FEB 09 2006

## THE DEFENDANT:

☒ pleaded guilty to count(s) 1 of the Superseding Information filed on 10/26/2005☐ pleaded nolo contendere to count(s)  
which was accepted by the court☐ was found guilty on count(s)  
after a plea of not guilty

The defendant is adjudicated guilty of these offenses:

Title & Section	Nature of Offense	Offense Ended	Count
2 USC 441h(b)(1) and 437g(d)	Fraudulent Misrepresentation of Authority	August 2003	1

The defendant is sentenced as provided in pages 2 through 9 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

☐ The defendant has been found not guilty on count(s)☒ Count(s) 2 of the Superseding Information and original Indictment is/are dismissed on the motion of the United States

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

02/08/2006

Date of Imposition of Judgment

Signature of Judge

John D. Bates

Name of Judge

U.S. District Court Judge

Title of Judge

Date

Feb. 9, 2006

DEFENDANT: BLANCHI DUGATKIN  
CASE NUMBER: 05-250-01

### PROBATION

The defendant is hereby sentenced to probation for a term of:

**TWO (2) YEAR ON COUNT ONE (1) OF THE SUPERSEDING INFORMATION.**

The defendant shall not commit another federal, state or local crime

The defendant shall not unlawfully possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of placement on probation and at least two periodic drug tests thereafter, as determined by the court.

- ☐ The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. (Check, if applicable.)
- ☐ The defendant shall not possess a firearm, ammunition, destructive device, or any other dangerous weapon. (Check, if applicable.)
- ☐ The defendant shall cooperate in the collection of DNA as directed by the probation officer. (Check, if applicable.)
- ☐ The defendant shall register with the state sex offender registration agency in the state where the defendant resides, works, or is a student, as directed by the probation officer. (Check, if applicable.)
- ☐ The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or restitution, it is a condition of probation that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page

### STANDARD CONDITIONS OF SUPERVISION

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court; and
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

DEFENDANT: BLANCHI DUGATKIN

CASE NUMBER: 05-250-01

**ADDITIONAL PROBATION TERMS**

1. The defendant shall notify the Clerk of Court for the U.S. District Court within thirty (30) days of any change of address until such time as the financial obligation is paid in full.
2. The defendant shall perform 100 hours of community service, as approved and directed by the Probation Office.
3. The defendant shall provide the Probation Office with access to any requested financial information, including personal income tax returns, authorization for release of credit information, and any other business or financial information in which she has a control or interest.
4. The defendant shall participate in mandatory drug testing, as directed by the Probation Office.
5. The defendant shall participate in, and successfully complete, a mental health treatment program, which may include outpatient counseling or residential placement, as approved and directed by the Probation Office.
6. The defendant shall be restricted from engaging in employment, consulting, or association in the Accounting, Bookkeeping, or Billing professions for the duration of her supervision.
7. The jurisdiction and supervision of the defendant shall be transferred to the Probation Office located in or near Palm Beach, Florida.

The Probation Office shall release the presentence investigation report to all appropriate agencies, including treatment agencies, in order to execute the sentence of this Court. The treatment agencies shall return the presentence report to the Probation Office upon completion of defendant's term of supervised release.

26044134928

DEFENDANT: BLANCHI DUGATKIN  
CASE NUMBER: 05-250-01

### CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$ 25.00	\$ N/A	\$ N/A

☐ The determination of restitution is deferred until \_\_\_\_\_. An *Amended Judgment in a Criminal Case* (AO 245C) will be entered after such determination.

☐ The defendant must make restitution (including community restitution) to the following payees in the amount listed below

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
----------------------	--------------------	----------------------------	-------------------------------

TOTALS	\$ _____ 0.00	\$ _____ 0.00
--------	---------------	---------------

☐ Restitution amount ordered pursuant to plea agreement \$ \_\_\_\_\_

☐ The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

☐ The court determined that the defendant does not have the ability to pay interest and it is ordered that:

☐ the interest requirement is waived for the ☐ fine ☐ restitution.

☐ the interest requirement for the ☐ fine ☐ restitution is modified as follows:

\* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

26044134929

DEFENDANT BLANCHI DUGATKIN  
 CASE NUMBER 05-250-01

### SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties are due as follows.

**FILED**

FEB 09 2006

JANCY MAYER WHITTINGTON, CLERK  
 U.S. DISTRICT COURT

- A ☒ Lump sum payment of \$ 25.00 due immediately, balance due
- ☐ not later than \_\_\_\_\_ or  
☐ in accordance ☐ C, ☐ D, ☐ E, or ☐ F below, or
- B ☐ Payment to begin immediately (may be combined with ☐ C, ☐ D, or ☐ F below), or
- C ☐ Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after the date of this judgment, or
- D ☐ Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision, or
- E ☐ Payment during the term of supervised release will commence within \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time, or
- F ☐ Special instructions regarding the payment of criminal monetary penalties:

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed

☐ Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

- ☐ The defendant shall pay the cost of prosecution
- ☐ The defendant shall pay the following court cost(s):
- ☐ The defendant shall forfeit the defendant's interest in the following property to the United States:

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs

UNITED STATES DISTRICT COURT  
for the District of Columbia

UNITED STATES OF AMERICA

V.

WILLIAM DUGATKIN

## JUDGMENT IN A CRIMINAL CASE

Case Number 05-250-02

USM Number 28200-016

Edward C. Sussman

Defendant's Attorney

FILED

FEB 09 2006

JANCY MAYER WHITTINGTON, CLERK  
U.S. DISTRICT COURT

## THE DEFENDANT:

☒ pleaded guilty to count(s) 1 of the Superseding Information filed on 10/26/2005☐ pleaded nolo contendere to count(s) \_\_\_\_\_  
which was accepted by the court☐ was found guilty on count(s) \_\_\_\_\_  
after a plea of not guilty

The defendant is adjudicated guilty of these offenses:

Title & Section	Nature of Offense	Offense Ended	Count
2 USC 441h(b)(1) and 437g(d)	Fraudulent Misrepresentation of Authority	August 2003	1

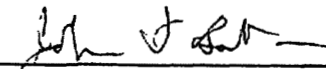
The defendant is sentenced as provided in pages 2 through 9 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

☐ The defendant has been found not guilty on count(s) \_\_\_\_\_☒ Count(s) 2 of the Superseding Information and original Indictment is/are dismissed on the motion of the United States

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

02/08/2006

Date of Imposition of Judgment



Signature of Judge

John D. Bates

Name of Judge

U.S. District Court Judge

Title of Judge

Feb. 9, 2006

Date



DEFENDANT: WILLIAM DUGATKIN  
CASE NUMBER: 05-250-02

### PROBATION

The defendant is hereby sentenced to probation for a term of :

ONE (1) YEAR ON COUNT ONE (1) OF THE SUPERSEDING INFORMATION.

The defendant shall not commit another federal, state or local crime.

The defendant shall not unlawfully possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of placement on probation and at least two periodic drug tests thereafter, as determined by the court.

- ☐ The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. (Check, if applicable.)
- ☐ The defendant shall not possess a firearm, ammunition, destructive device, or any other dangerous weapon. (Check, if applicable.)
- ☐ The defendant shall cooperate in the collection of DNA as directed by the probation officer. (Check, if applicable.)
- ☐ The defendant shall register with the state sex offender registration agency in the state where the defendant resides, works, or is a student, as directed by the probation officer. (Check, if applicable.)
- ☐ The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or restitution, it is a condition of probation that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page

### STANDARD CONDITIONS OF SUPERVISION

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court; and
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

DEFENDANT: WILLIAM DUGATKIN

CASE NUMBER: 05-250-02

**ADDITIONAL PROBATION TERMS**

1. The defendant shall notify the Clerk of Court for the U.S. District Court within thirty (30) days of any change of address until such time as the financial obligation is paid in full.
2. The defendant shall perform 100 hours of community service, as approved and directed by the Probation Office.
3. The defendant shall provide the Probation Office with access to any requested financial information, including personal income tax returns, authorization for release of credit information, and any other business or financial information in which he has a control or interest.
4. The defendant shall participate in mandatory drug testing, as directed by the Probation Office.
5. The jurisdiction and supervision of the defendant shall be transferred to the Probation Office located in or near Tamarac, Florida.

The Probation Office shall release the presentence investigation report to all appropriate agencies, including treatment agencies, in order to execute the sentence of this Court. The treatment agencies shall return the presentence report to the Probation Office upon completion of defendant's term of supervised release.

26044134933

DEFENDANT: WILLIAM DUGATKIN  
 CASE NUMBER: 05-250-02

### CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$ 25.00	\$ N/A	\$ N/A

☐ The determination of restitution is deferred until \_\_\_\_\_. An *Amended Judgment in a Criminal Case* (AO 245C) will be entered after such determination

☐ The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
----------------------	--------------------	----------------------------	-------------------------------

TOTALS	\$ _____ 0.00	\$ _____ 0.00
--------	---------------	---------------

☐ Restitution amount ordered pursuant to plea agreement \$ \_\_\_\_\_

☐ The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

☐ The court determined that the defendant does not have the ability to pay interest and it is ordered that:

☐ the interest requirement is waived for the ☐ fine ☐ restitution

☐ the interest requirement for the ☐ fine ☐ restitution is modified as follows:

\* Findings for the total amount of losses are required under Chapters 109A, 110, 110A and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

26044134934

DEFENDANT: WILLIAM DUGATKIN

CASE NUMBER: 05-250-02

**SCHEDULE OF PAYMENTS**

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties are due as follows:

- A ☒ Lump sum payment of \$ 25.00 due immediately, balance due
- ☐ not later than \_\_\_\_\_, or
- ☐ in accordance ☐ C, ☐ D, ☐ E, or ☐ F below; or
- B ☐ Payment to begin immediately (may be combined with ☐ C, ☐ D or ☐ F below); or
- C ☐ Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after the date of this judgment; or
- D ☐ Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years) to commence \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E ☐ Payment during the term of supervised release will commence within \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F ☐ Special instructions regarding the payment of criminal monetary penalties.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed

☐ Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount Joint and Several Amount, and corresponding payee, if appropriate.

- ☐ The defendant shall pay the cost of prosecution.
- ☐ The defendant shall pay the following court cost(s):
- ☐ The defendant shall forfeit the defendant's interest in the following property to the United States:

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.