

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

- against -

RESTRAINING ORDER

Docket No. 15-CR-637 (KAM)

MARTIN SHKRELI,

Defendant.

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Upon the application of ROBERT L. CAPERS, United States Attorney for the Eastern District of New York, by Assistant United States Attorneys Winston Paes and Alixandra Smith, and with the consent of the defendant MARTIN SHKRELI and Marcus Asner and Baruch Weiss, counsel for defendant,

It appearing to the satisfaction of the Court that defendant MARTIN SHKRELI has been released upon a \$5 million bond and that it has been agreed that the bond will be secured by \$5 million in assets, and

It further appearing that defendant MARTIN SHKRELI is the sole owner of an individual brokerage account at E*TRADE Securities LLC, 34 Exchange Place, 501 Plaza 2, Jersey City, New Jersey, 07311 (“E*TRADE”), ending in the digits “0258” (the “Shkreli E*TRADE Account”), and

It further appearing that as reported by E*TRADE the assets in the Shkreli E*TRADE Account, as of January 6, 2016, are approximately \$45 million, and

It further appearing to the satisfaction of the Court that reasonable cause has been shown for the entry of this Restraining Order, upon consent of the United States and defendant MARTIN SHKRELI, and pursuant to 18 U.S.C. § 3141, et seq.,

IT IS HEREBY ORDERED that:

Defendant MARTIN SHKRELI, as well as all attorneys, agents, employees, nominees, and anyone acting for or in concert with defendant MARTIN SHKRELI, having any interest or control over the assets currently held in the Shkreli E*TRADE Account, and having actual knowledge of this Order, shall fully comply with this Order and shall not take any action prohibited by this Order; and

IT IS FURTHER ORDERED AS FOLLOWS:

1. Defendant Shkreli, as well as his agents, nominees, servants, employees, attorneys, family members, and those persons with actual knowledge of this Order having any interest or control over the assets currently held in the Shkreli E*TRADE Account, or being in active concert or participation with defendant Shkreli, shall not:
 - a. direct or indirectly alienate, dissipate, transfer, sell, assign, lease, pledge encumber, or dispose of any assets currently held in the Shkreli E*TRADE Account, in any manner;
 - b. cause the assets currently held in the Shkreli E*TRADE Account to be alienated, dissipated, transferred, sold, assigned, leased, pledged, encumbered, or disposed of in any manner; or
 - c. take, or cause to be taken, any action which could have the effect of concealing or moving the assets in the Shkreli E*TRADE Account from the jurisdiction of this Court, or take or cause to be taken, any action that would have the effect of depreciating,

damaging, or in any way diminishing the value of the assets currently held in the Shkreli E*TRADE Account.

2. If any of the assets held in the Shkreli E*TRADE Account as of January 6, 2016, has been or is transferred or disposed of prior to the signing of this Order, the transferors shall account in writing, within three (3) business days of the date of this Order, to the Court and counsel for the United States for the disposition and location of the property.

3. All financial institutions affected by this Order, including but not limited to E*TRADE are directed to prevent and are otherwise enjoined from transferring, by wire or otherwise, conveying or disposing of any of the assets held in the Shkreli E*TRADE Account as of January 6, 2016.

4. E*TRADE is directed to notify the United States Attorney's Office for the Eastern District of New York if, at any time following the date of this Order, the assets in the Shkreli E*TRADE Account are valued at less than \$5 million. E*TRADE shall make this notification in writing within one (1) business day of any such valuation.

5. All financial institutions affected by this Order, including but not limited to E*TRADE, shall take no offsets against the Shkreli E*TRADE Account. They shall continue to credit any deposits, interest, dividends or other credits to the Shkreli E*TRADE Account in the normal course of business, and such deposits, interest, dividends, and other credits shall be subject to this Order.

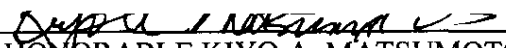
6. This Order shall remain in effect until further order of the Court or until the Court modifies the Order as appears necessary in the interests of justice and consistent with the purposes of 18 U.S.C. § 1341, et seq.

7. Any person or entity who violates or assists in any violation of this Order shall be subject to all appropriate penalties, including, but not limited to, contempt of Court.

8. The United States may serve defendant MARTIN SHKRELI, E*TRADE, and any financial institution with a copy of this Order by facsimile or email transmission, provided that a hard copy is thereafter served by regular mail, overnight mail or personal service.

Dated: Brooklyn, New York
January 7, 2016

SO ORDERED:



THE HONORABLE KIYO A. MATSUMOTO
UNITED STATES DISTRICT JUDGE
EASTERN DISTRICT OF NEW YORK