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May 6, 2019

MR. JOHN GREENEWALD JR.
SUITE 1203
27305 WEST LIVE OAK ROAD
CASTAIC, CA 91384

FOIPA Request No.: 1352922-000
Subject: GIACCHETTO, DANA CALOGERO

Dear Mr. Greenwald:

The enclosed documents were reviewed under the Freedom of Information/Privacy Acts (FOIPA), Title 5, United States Code, Section 552/552a. Below you will find check boxes under the appropriate statute headings which indicate the types of exemptions asserted to protect information which is exempt from disclosure. The appropriate exemptions are noted on the enclosed pages next to redacted information. In addition, a deleted page information sheet was inserted to indicate where pages were withheld entirely and identify which exemptions were applied. The checked exemptions boxes used to withhold information are further explained in the enclosed Explanation of Exemptions.

Section 552		Section 552a	
<input type="checkbox"/> (b)(1)	<input type="checkbox"/> (b)(7)(A)	<input type="checkbox"/> (d)(5)	
<input type="checkbox"/> (b)(2)	<input type="checkbox"/> (b)(7)(B)	<input type="checkbox"/> (j)(2)	
<input type="checkbox"/> (b)(3)	<input checked="" type="checkbox"/> (b)(7)(C)	<input type="checkbox"/> (k)(1)	
_____	<input checked="" type="checkbox"/> (b)(7)(D)	<input type="checkbox"/> (k)(2)	
_____	<input checked="" type="checkbox"/> (b)(7)(E)	<input type="checkbox"/> (k)(3)	
_____	<input type="checkbox"/> (b)(7)(F)	<input type="checkbox"/> (k)(4)	
<input type="checkbox"/> (b)(4)	<input type="checkbox"/> (b)(8)	<input type="checkbox"/> (k)(5)	
<input checked="" type="checkbox"/> (b)(5)	<input type="checkbox"/> (b)(9)	<input type="checkbox"/> (k)(6)	
<input checked="" type="checkbox"/> (b)(6)		<input type="checkbox"/> (k)(7)	

620 pages were reviewed and 577 pages are being released.

Please see the paragraphs below for relevant information specific to your request as well as the enclosed FBI FOIPA Addendum for standard responses applicable to all requests.

- Document(s) were located which originated with, or contained information concerning, other Government Agency(ies)[OGA].
- This information has been referred to the OGA(s) for review and direct response to you.
- We are consulting with another agency. The FBI will correspond with you regarding this information when the consultation is completed.

Please refer to the enclosed FBI FOIPA Addendum for additional standard responses applicable to your request. The **“Standard Responses to Requests”** section of the Addendum applies to all requests. If the subject of your request is a person, the **“Standard Responses to Requests for Individuals”** section also applies. The **“General Information”** section includes useful information about FBI records.

For questions regarding our determinations, visit the www.fbi.gov/foia website under “Contact Us.”

The FOIPA Request Number listed above has been assigned to your request. Please use this number in all correspondence concerning your request.

You may file an appeal by writing to the Director, Office of Information Policy (OIP), United States Department of Justice, Suite 11050, 1425 New York Avenue, NW, Washington, D.C. 20530-0001, or you may submit an appeal through OIP's FOIA online portal by creating an account on the following website: <https://www.foiaonline.gov/foiaonline/action/public/home>. Your appeal must be postmarked or electronically transmitted within ninety (90) days from the date of this letter in order to be considered timely. If you submit your appeal by mail, both the letter and the envelope should be clearly marked "Freedom of Information Act Appeal." Please cite the FOIPA Request Number assigned to your request so it may be easily identified.

You may seek dispute resolution services by contacting the Office of Government Information Services (OGIS) at 877-684-6448, or by emailing ogis@nara.gov. Alternatively, you may contact the FBI's FOIA Public Liaison by emailing foipaquestions@fbi.gov. If you submit your dispute resolution correspondence by email, the subject heading should clearly state "Dispute Resolution Services." Please also cite the FOIPA Request Number assigned to your request so it may be easily identified.

See additional information which follows.

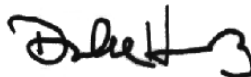
The enclosed negotiated documents represent the first interim release of information responsive to your FOIA request.

Duplicate copies of the same document were not processed.

Inquiries regarding your OGA referral(s) may be directed to the following agency at:

Department of Justice
Executive Office for U.S. Attorneys
3 CON Building
175 N Street, NE
Suite 5400
Washington, DC 20530

Sincerely,



David M. Hardy
Section Chief
Record/Information
Dissemination Section
Information Management Division

Enclosure(s)

FBI FOIPA Addendum

As referenced in our letter, the FBI FOIPA Addendum includes information applicable to your request. Part 1 of the Addendum includes standard responses that apply to all requests. If you submitted a request regarding yourself or another person, Part 2 includes additional standard responses that apply to requests for individuals. If you have questions regarding the standard responses in Parts 1 or 2, visit the www.fbi.gov/foia website under “Contact Us.” Previously mentioned appeal and dispute resolution services are also available. Part 3 includes general information about FBI records that you may find useful.

Part 1: Standard Responses to All Requests: See Below for all Requests

- (i) **5 U.S.C. § 552(c).** Congress excluded three categories of law enforcement and national security records from the requirements of the Freedom of Information Act (FOIA). See 5 U.S.C. § 552(c) (2006 & Supp. IV (2010)). FBI responses are limited to those records subject to the requirements of the FOIA. Additional information about the FBI and the FOIPA can be found on the fbi.gov website.
- (ii) **National Security/Intelligence Records.** The FBI can neither confirm nor deny the existence of national security and foreign intelligence records pursuant to FOIA exemptions (b)(1) and (b)(3) and PA exemption (j)(2) as applicable to requests for records about individuals [5 U.S.C. §§ 552/552a (b)(1), (b)(3), and (j)(2); 50 U.S.C. § 3024(i)(1)]. The mere acknowledgment of the existence or nonexistence of such records is itself a classified fact protected by FOIA exemption (b)(1) and/or would reveal intelligence sources, methods, or activities protected by exemption (b)(3); 50 USC § 3024(i)(1). This is a standard response and should not be read to indicate that national security or foreign intelligence records do or do not exist.

Part 2: Standard Responses to Requests for Individuals: See Below for all Requests for Individuals

- (i) **Requests for Records about any Individual—Watch Lists.** The FBI can neither confirm nor deny the existence of any individual’s name on a watch list pursuant to FOIA exemption (b)(7)(E) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(7)(E), (j)(2)]. This is a standard response and should not be read to indicate that watch list records do or do not exist.
- (ii) **Requests for Records for Incarcerated Individuals.** The FBI can neither confirm nor deny the existence of records which could reasonably be expected to endanger the life or physical safety of any incarcerated individual pursuant to FOIA exemptions (b)(7)(E) and (b)(7)(F) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(7)(E), (b)(7)(F), and (j)(2)]. This is a standard response and should not be read to indicate that such records do or do not exist.

Part 3: General Information:

- (i) **Record Searches.** The Record/Information Dissemination Section (RIDS) searches for reasonably described records by searching those systems or locations where responsive records would reasonably be found. Most requests are satisfied by searching the Central Record System (CRS), an extensive system of records consisting of applicant, investigative, intelligence, personnel, administrative, and general files compiled and maintained by the FBI in the course of fulfilling its dual law enforcement and intelligence mission as well as the performance of agency administrative and personnel functions. The CRS spans the entire FBI organization and encompasses the records of FBI Headquarters (“FBIHQ”), FBI Field Offices, and FBI Legal Attaché Offices (“Legats”) worldwide. A CRS search includes Electronic Surveillance (ELSUR) records.
- (ii) **FBI Records**
Founded in 1908, the FBI carries out a dual law enforcement and national security mission. As part of this dual mission, the FBI creates and maintains records on various subjects; however, the FBI does not maintain records on every person, subject, or entity.
- (iii) **Requests for Criminal History Records or “Rap Sheets.”** The Criminal Justice Information Services (CJIS) Division provides Identity History Summary Checks –often referred to as a criminal history record or “rap sheets.” These criminal history records are not the same as material in an investigative “FBI file.” An Identity History Summary Check is a listing of information taken from fingerprint cards and documents submitted to the FBI in connection with arrests, federal employment, naturalization, or military service. For a fee, individuals can request a copy of their Identity History Summary Check. Forms and directions can be accessed at www.fbi.gov/about-us/cjis/identity-history-summary-checks. Additionally, requests can be submitted electronically at www.edo.cjis.gov. For additional information, please contact CJIS directly at (304) 625-5590.
- (iv) **The National Name Check Program (NNCP).** The mission of NNCP is to analyze and report information in response to name check requests received from federal agencies, for the purpose of protecting the United States from foreign and domestic threats to national security. Please be advised that this is a service provided to other federal agencies. Private citizens cannot request a name check.

EXPLANATION OF EXEMPTIONS

- (b)(1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified to such Executive order;
- (b)(2) related solely to the internal personnel rules and practices of an agency;
- (b)(3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld;
- (b)(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;
- (b)(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;
- (b)(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
- (b)(7) records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information (A) could reasonably be expected to interfere with enforcement proceedings, (B) would deprive a person of a right to a fair trial or an impartial adjudication, (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy, (D) could reasonably be expected to disclose the identity of confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or (F) could reasonably be expected to endanger the life or physical safety of any individual;
- (b)(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or
- (b)(9) geological and geophysical information and data, including maps, concerning wells.

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552a

- (d)(5) information compiled in reasonable anticipation of a civil action proceeding;
- (j)(2) material reporting investigative efforts pertaining to the enforcement of criminal law including efforts to prevent, control, or reduce crime or apprehend criminals;
- (k)(1) information which is currently and properly classified pursuant to an Executive order in the interest of the national defense or foreign policy, for example, information involving intelligence sources or methods;
- (k)(2) investigatory material compiled for law enforcement purposes, other than criminal, which did not result in loss of a right, benefit or privilege under Federal programs, or which would identify a source who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(3) material maintained in connection with providing protective services to the President of the United States or any other individual pursuant to the authority of Title 18, United States Code, Section 3056;
- (k)(4) required by statute to be maintained and used solely as statistical records;
- (k)(5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or for access to classified information, the disclosure of which would reveal the identity of the person who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(6) testing or examination material used to determine individual qualifications for appointment or promotion in Federal Government service the release of which would compromise the testing or examination process;
- (k)(7) material used to determine potential for promotion in the armed services, the disclosure of which would reveal the identity of the person who furnished the material pursuant to a promise that his/her identity would be held in confidence.

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1352922-0

Total Deleted Page(s) = 11

- Page 368 ~ Duplicate;
- Page 423 ~ b6; b7C; b7E;
- Page 424 ~ b7E;
- Page 425 ~ b6; b7C; b7E;
- Page 426 ~ b7E;
- Page 427 ~ b6; b7C; b7E;
- Page 428 ~ b6; b7C; b7E;
- Page 429 ~ b7E;
- Page 430 ~ b7E;
- Page 431 ~ b6; b7C; b7E;
- Page 432 ~ b7E;

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XXXXXXXXXXXXXXXXXXXXXXXXXXXXX  
X Deleted Page(s) X  
X No Duplication Fee X  
X For this Page X  
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/16/2000

To: NEW YORK

From: New York

Squad C1

Contact: [Redacted]

Ext. 2943

Approved By: [Redacted]

Drafted By: [Redacted]

Case ID #: 196C-NY (Pending)

Title: Dana C. Giacchetto dba
Cassandra Group Inc.;
SFA;

b6
b7C

Synopsis: To open New York case file on captioned matter

Details: The captioned matter has been the subject of investigation by both the FBI Divisions in Los Angeles and New York, in conjunction with their respective United States Attorney's Offices. The matter was originally opened by the Los Angeles Division on 12/13/99 under case file number 196C-LA-221242; Dana C. Giacchetto dba; The Cassandra Group Inc.; Cassandra-Chase Entertainment Partners;

The Los Angeles investigation was coordinated with the USAO of the Central District of California. The subject matter of the investigation pertained to alleged criminal conduct by [Redacted]. [Redacted] The victims of the criminal activity were movie and television stars, artists and other forms of entertainers.

b6
b7C

Simultaneously to the Los Angeles-based investigation, the USAO, SDNY opened their own independent investigation utilizing in-house investigators. During the first week of January 2000, SDNY requested NYO to open an active investigation into Giacchetto and Cassandra Group. A review of ACS determined that FBI-LA already had an opened investigation into this matter. As such, NYO advised SDNY of the opened investigation and that NYO would not open a duplicate investigation at that time.

b5

[Redacted]

1

UPLOADED

WITH/TEXT
WITHOUT TEXT
BY
DATE

196C-NY-274597
R

3/16/2000
lab.ny-274597
SFA
3/16/2000
GC

doc 2 web

To: NEW YORK From: New York
Re: 196C-NY , 03/16/2000

[REDACTED]

b5

FBI-NYO discussed this matter on several occasions with FBIHQ SSA [REDACTED] and FBI-LA SSA [REDACTED] and it was agreed that NYO would be involved in the investigation [REDACTED] [REDACTED] for the purpose of ensuring FBI presence in the case. It was also determined that the ultimate decision on where the matter would ultimately be prosecuted would be matter for the USAOs to resolve.

b6
b7C
b7D

In early March 2000, NYO advised LA Division that SDNY was contemplating executing a search warrant on the offices of Cassandra Group. It was agreed that if such a decision was made that NYO should assume responsibility for conducting the search. On March 16, 2000 search warrants were executed on the offices of Cassandra Group and residence of Giacchetto. The search warrants were sworn out in the SDNY.

NYO is expending considerable resources to this investigation and has made the decision to open a parallel investigation. This will allow for the proper documentation of investigative effort conducted. The understanding between LA and NYO is unchanged and if the decision is made by DOJ that this matter should be prosecuted in the Central District of California, then the NYO case file will be closed. NYO will continue to coordinate and share information with the LA case agent.

♦♦

(Title) _____
 (File No.) 196C-NY-274597

Item	Date Filed	To be returned		Disposition
		Yes	No	
IA1	3/27/00	/		Photo + Search log From Search of 561 BROADWAY STE 8C + 2A on 3/16/00 E
IA2	4/14/00	/		Inventory sheets of items seized from Dana Giacchetto Arrest on 1/16/00. Consent to Search. E
IA3	4/14/00	/		Fingerprint cards for Dana Giacchetto E
IA4	4/25/00	/		Arrest Photos Dana Giacchetto E
IA5	5/24/00	/		Photos from search on 3/16/00 of 561 Broadway ste 8C, 2A (Rolls 3+4 of 4) E
IA6	5/26/00	/		Photos from search of 3/16/00 of 561 Broadway ste. 8C, 2A 1 Roll 1 + 2 of 1 + negs E

DO NOT WRITE IN THESE SPACES

196C-NY-274597 IA5
 SEARCHED _____
 SERIALIZED _____
 MAR 22 2000

Universal Case File Number 196 C-NY-274597 1A1

Field Office Acquiring Evidence N/A

Serial # of Originating Document _____

Date Received _____

From _____
(Name of Contributor)

(Address of Contributor)

(City and State)

By SA

To Be Returned Yes No

Receipt Given Yes No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure

Yes No

Title: DANA C. GLACIETTO dba
CASSANDRA GROUP;
SFA

Reference: _____
(Communication Enclosing Material)

Description: Original notes re interview of

PHOTO & SKETCH LOG FROM SEARCH
OF 561 BROADWAY SUE 8C & 12A.
ON 3/16/00.

b6
b7C

PHOTOGRAPHER



DATE 3 / 16 / 00 ROLL # 1
Month Day Year

LOCATION 561 BROADWAY 8C

CASE FILE 196C-LA221242

AGENCY FBI

DO NOT REMOVE FROM EXHIBIT
NY - 274597 1A1



CAMERA 35 mm
 FILM : ASA 400
 ROLL No. 1

LENS - Normal - N
 Wide - W
 Macro - M
 Tele. - T

LIGHT - Available - A
 Elec. Strobe - E
 Flashbulb - F

Photo No.	Lens	Light	SS	f - stop	Description	Photo Log Sketch
1					Photo log	
2					OUTSIDE / ENTRANCE	
3					OVERALL FROM FRONT ENTRANCE	
4					OVERALL FROM REAR	
5					STATION A (DESK)	
6					STATION B (DESK)	
7					STATION C (DESK)	
8					STATION D (DESK)	
9					STATION E (SITTING AREA)	
10					STATION F FROM OUTSIDE OFFICE	
11					STATION F FROM INSIDE	
12					STATION G (DRAWER CREDENZA)	
13					STATION H (DESK)	
14					STATION I (DESK)	
15					STATION J (HALLWAY)	
16					STATION K (FROM HALLWAY)	
17					STATION K (BATHROOM)	
18					OVERALL HALLWAY (J+K)	
19					STATION L (WORK AREA)	
20						
21						
22						
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32						
33						
34						
35						
36						

REMARKS
 A-D, H+I = Desks
 □ = file cabinets

PHOTOGRAPHER

[Redacted]

DATE 03 / 16 / 00 ROLL # 2
Month Day Year

LOCATION 561 Broadway 12

CASE FILE 196C-LA-221242

AGENCY FBI



CAMERA 35 mm
 FILM : ASA 400
 ROLL No. 2

LENS - Normal - N
 Wide - W
 Macro - M
 Tele - T

LIGHT - Available - A
 Elec. Strobe - E
 Flashbulb - F

Photo No.	Lens	Light	SS	f - stop	Description	Photo Log Sketch
1					OUTSIDE ENTRANCE	
2					PHOTO LOG	
3	2				OVERALL COMMON AREA / FROM ENTRANCE	
4	3				OVERALL COMMON AREA	
5	4				OVERALL COMMON AREA FROM DINING ROOM	
6	5				OVERALL COMMON AREA FROM DINING ROOM	
7	6				STATION A	
8	7				STATION B (Bedroom)	
9	8				STATION H	
10	9				STATION H FROM INSIDE	
11	10				STATION C (Bedroom)	
12	11				STATION C / INSIDE	
13	12				STATION C / INSIDE	
14	13				STATION G (Bathroom)	
15	14				STATION F (Bath)	
16	15				STATION E (closet)	
17	16				STATION E / INSIDE (close)	
18	17				STATION D (Bedroom)	
19	18				STATION D (INSIDE)	
20	19				STATION D (INSIDE)	
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						REMARKS
34						
35						
36						

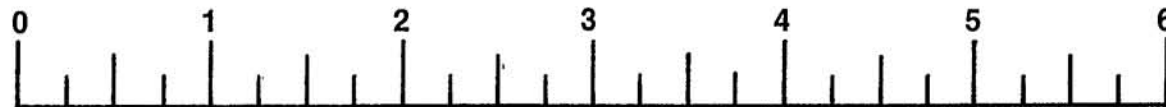
PHOTOGRAPHER (SKETCH)

DATE 03 / 16 / 2000 **ROLL #**
Month Day Year

LOCATION 561 BROADWAY APT

CASE FILE: 196C - LA - 221242

AGENCY FBI



CAMERA _____

FILM : ASA _____

ROLL No. _____

LENS - Normal - N

Wide - W

Macro - M

Tele. - T

LIGHT - Available - A

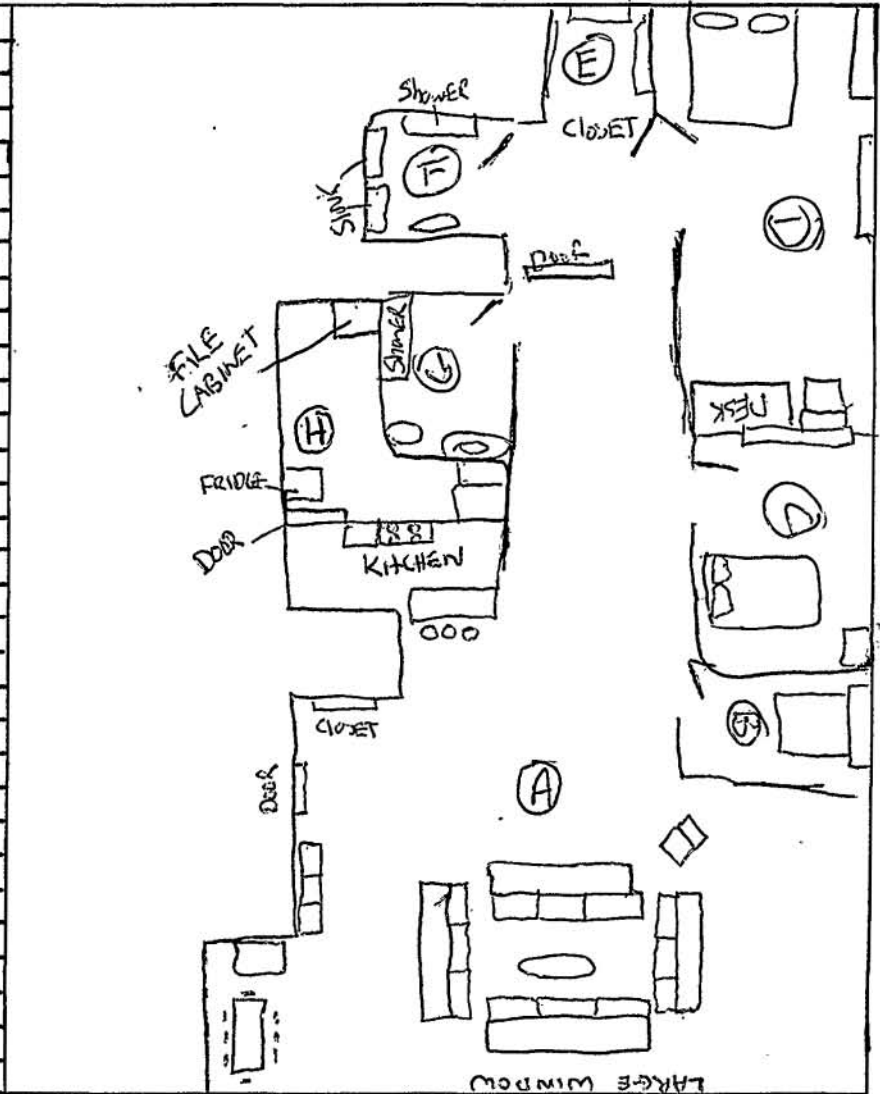
Elec.Strobe - E

Flashbulb - F

Photo No. | Lens | Light | SS | f - stop | Description

Photo Log Sketch

1					
2					
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5					
6					
7					
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36					



REMARKS

PHOTOGRAPHER _____



DATE 03 / 16 / 2000 **ROLL #** 3
Month Day Year

LOCATION 561 BROADWAY 12th FL

CASE FILE 196C - LA - 221242

AGENCY FBI



CAMERA 35 mm
 FILM : ASA _____
 ROLL No. 3

LENS - Normal - N
 Wide - W
 Macro - M
 Tele. - T

LIGHT - Available - A
 Elec. Strobe - E
 Flashbulb - F

Photo No.	Lens	Light	SS	f - stop	Description	Photo Log Sketch
1					Exit Station D LOG	
2					Exit Station D (bedroom)	
3					Exit Station D	
4					Exit Station E (closet)	
5					Exit Station F (bathroom)	
6					Exit Station G (bathroom)	
7					Exit Station C (bedroom)	
8					Exit Station C	
9					Exit Overall hallway	
10					Exit kitchen area	
11					Exit Station H (hallway off	
12					Exit Station H (kitchen)	
13					Exit Station B	
14					Exit Stat Common Area	
15					Exit Common Area w/ Dining Rm	
16					Exit Common Area from Dining Room	
17					Exit front entrance	
18						
19						
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REMARKS

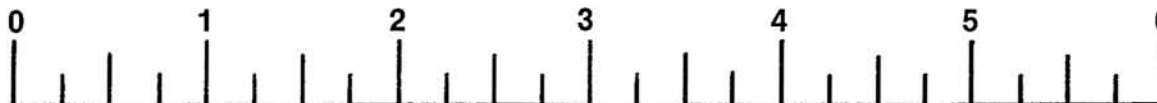
PHOTOGRAPHER

DATE 03 / 16 / 2000 **ROLL #** 4
Month Day Year

LOCATION 561 BROADWAY 8C

CASE FILE 196C-LA-221242

AGENCY FBI



CAMERA _____
 FILM : ASA _____
 ROLL No. 4 _____

LENS - Normal - N
 Wide - W
 Macro - M
 Tele. - T

LIGHT - Available - A
 Elec. Strobe - E
 Flashbulb - F

Photo No.	Lens	Light	SS	f - stop	Description	Photo Log Sketch
1					FRONT LOG SHEET	
2					DOOR OF 8 D	
3					PHOTO FROM HALLWAY	
4					S.W. CORNER	8 D
5					N.E. CORNER	
6					PHOTO FACING EAST	
7					Main office area	8C
8					Area L	8C
9					Area A	8C
10					Area B	8C
11					Area C	8C
12					Area K	8C
13					Area J	8C
14					Area H	8C
15					Area D	8C
16					Area E	8C
17					Area I	8C
18					Main office toward door	8C
19					Area F	8C
20					Area F	8C
21					Area G	8C
22					Area G	8C
23						
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33						
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36						

REMARKS Entry into 8-D revealed it was empty. This area was formerly subleased by Cassandra from [redacted] 6th flr.

Universal Case File Number 196C-NY-274597 -1A2

Field Office Acquiring Evidence _____

Serial # of Originating Document _____

Date Received 4/12/00

From _____
(Name of Contributor)

(Address of Contributor)

(City and State)

By SA Special Agent

To Be Returned Yes No

Receipt Given Yes No

Grand Jury Material - Disseminate Only Pursuant to Rule 6.(e)

Federal Rules of Criminal Procedure

Yes No

Title: Dona Giacchetto aka
The Cossonna Group
SPR

Reference: _____
(Communication Enclosing Material)

Description: Original notes re interview of

• Inventory sheets for items seized

from Dona Giacchetto's Arrest on above date.

• Consent to Search Form

196C-NY-274597

SEARCHED	INDEXED
SERIALIZED	FILED
APR 12 2000	

b6
b7C

DO NOT REMOVE FROM EXHIBIT

NY - 274597 IA 2

This is to certify that on 4/12/00 at 116 FEDERAL PLAZA NY
Special Agents of the Federal Bureau of Investigation, U.S. Department of
Justice, conducted a search of _____.

I certify that nothing was removed from my custody by Special Agents of
the Federal Bureau of Investigation, U.S. Department of Justice.

(Signed) _____

Witnessed:

Special Agent
Federal Bureau of Investigation
U.S. Department of Justice

Special Agent
Federal Bureau of Investigation
U.S. Department of Justice

DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

CONSENT TO SEARCH

1. I have been asked by Special Agents of the Federal Bureau of Investigation to permit a complete search of:

(Describe the person(s), place(s), or thing(s) to be searched.)

BRIEFCASE AND GARMENT BAG INCLUDING
ALL CONTENTS THEREIN.

2. I have been advised of my right to refuse consent.

3. I give this permission voluntarily.

4. I authorize these agents to take any items which they determine may be related to their investigation.

4/12/00
Date

Witness

b6
b7c

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

File # 196C-NY-274597

On (date) 12/12/2000

item(s) listed below were:

- Received From
- Returned To
- Released To
- Seized

(Name) Dana Giacchetto

(Street Address) 561 Broadway / Apt- 124

(City) New York, NY

Description of Item(s): Items w briefcase:

Personal CD player, headphones & CD's.

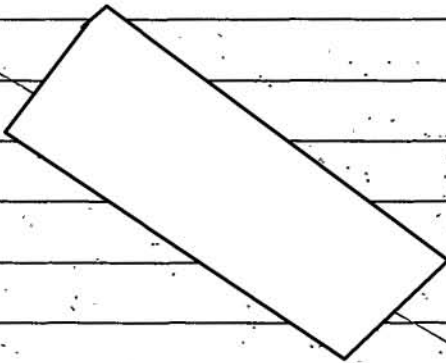
Cell phone

Laptop computer

Folder containing various documents (titled "A-TIP")

Palm Pilot.

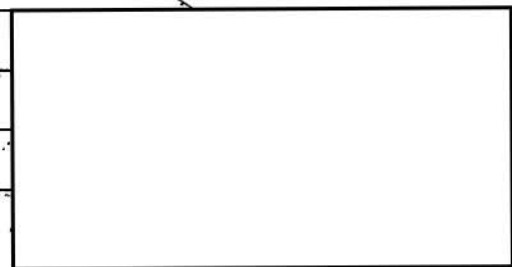
\$375¹⁴⁰ w cash 200 NY



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Received By: _____
(Signature)

Received From: _____



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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

File # 196C-NY-274587

On (date) 08/12/2000

item(s) listed below were:

- Received From
- Returned To
- Released To
- Seized

(Name) Dana Giacchetto

(Street Address) 561 Broadway Apt 12A

(City) New York, NY

Description of Item(s): Items from briefcase:

United Airlines ticket for [redacted] 4/11/00 Los Angeles to NYC (Kennedy)

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4/11/00 NYC (Kennedy) to Rome / Davinci

United Airlines ticket for DANA GIACCHETTO (DC) 4/11/00 Los Angeles to NYC (Kennedy)

4/11/00 NYC to Rome

United Airlines ticket for DANA GIACCHETTO (DC) 4/11/00 ~~Denver~~ NYC to Denver

4/11/00 Denver to Las Vegas

Open Las Vegas to Los Angeles

Open Los Angeles to Honolulu

Open Honolulu to Tokyo

Open Tokyo to Singapore

Open Singapore to Frankfurt

Lufthansa flight coupon for DC Los Angeles -> New York 6/25

British Airways flight coupons for DC (various)

American Airways flight coupons for DC (various)

Delta Airways flight coupons for DC (various)

United ticket holder w/ various flight coupons, phone # on Ramolett stationary

Delta Airlines flight coupon for DC 4/11/00 Las Vegas to NYC

United Airlines boarding pass for DC 4/11/00 Las Vegas to Los Angeles

b6
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Air France flight coupons for DC (various)

Received By: _____
(Signature)

Received From: _____
[redacted]

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

File # 196C-NY-274597

On (date) 04/12/2000

item(s) listed below were:

- Received From
- Returned To
- Released To
- Seized

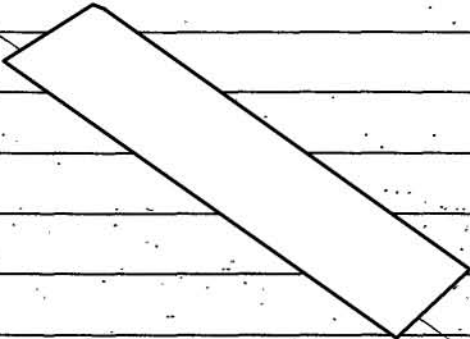
(Name) Diana Giacchetto

(Street Address) 561 Broadway (Apt. 12A

(City) New York, NY

Description of Item(s):

Delta airlines flight coupons for DC (various) - in Singapore Airlines jacket.
United Airlines flight coupons for DC (various) - in South African Airways jacket.
United Airlines lost ticket refund application for DC

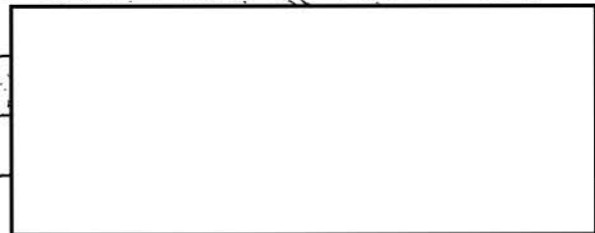


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Received By: _____
(Signature)

Received From:



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

File # 196C-NY-274587

On (date) April 12, 2000

item(s) listed below were:

- Received From
- Returned To
- Released To
- Seized

(Name) _____

(Street Address) _____

(City) _____

Description of Item(s):

Long wallet - outside pocket of garment bag

- various Hotel & Airline Club Memberships cards

- Citibank Card [redacted] Exp 11/01

- Mastercard [redacted] Exp 08/00

- Foreign Currency: Australian \$ 5.00; French franc 150.

- various Hotel Point Coupons and Airline Voucher (upgrade)

- Italian phone card

- Check Book (The Cassandria Group Inc ^(US Trust) 011001331/0052099465)

• Dana Giacchetti 021000322 | ^(Fleet) 7115 830482)

• Dana Giacchetti 124084672 | ^(American Express) 8000070741)

- various Airline Receipts

- VISA [redacted] Exp 11/30/00

- VISA [redacted] Exp 01/01

- AT&T Calling Card (The Cassandria Group 927 032 7263)

- Chase Account Number stub - [redacted] ^{Route #} 021000021

- (1) US passport - Dana Giacchetti 6572913

[redacted] 39 Winford Way Medford, MA

- US\$ 1230 - ; \$1000 Yen.

Received By: _____ (Signature)

Received From: _____

Examined by SA [redacted] # SA [redacted]

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

File # 196C-M-274597

On (date) April 12, 2000

item(s) listed below were:

- Received From
- Returned To
- Released To
- Seized

(Name) DANA C. GIACCHEATO

(Street Address) 561 BROADWAY APT 12A

(City) NY, NY

Description of Item(s): Items inventoried from black small leather folder including from outside pocket of garment bag.

21 x \$10 = \$210.⁰⁰

25 x \$10 = \$250.⁰⁰

26 x \$5 = \$130.⁰⁰

2 x \$100 = \$200.⁰⁰

24 x \$20 = \$480.⁰⁰

25 x \$10 = \$250.⁰⁰

22 x \$5 = \$110

\$1630.⁰⁰

counted by SA [redacted]
SA [redacted]

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\$1.05 in change

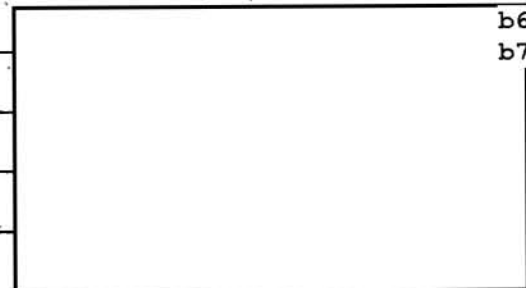
(1) pill

(1) mint

\$11.⁰⁰ dollars

Received By: _____
(Signature)

Received From: _____



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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

File # 196C-ny-274597

On (date) April 12, 2000

item(s) listed below were:

- Received From
- Returned To
- Released To
- Seized

(Name) _____

(Street Address) _____

(City) _____

Description of Item(s): Items ^{Inventory} taken from the following location belonging to DANA GIACCHETTO:

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CASH ON GIACCHETTO: \$300.00

STAMPS ON GIACCHETTO: (3) 30¢ stamps

- ITEMS TAKEN FROM GIACCHETTO'S WALLET:
- * \$610.00
- * MASSACHUSETTS DJL
- * Various Business cards.
- * Continental Boarding Pass
- * OPTIMA AMERICAN EXPRESS CARD
- * Delta AIRLINE SKY MILES CARD
- * FLEET PLATINUM CARD
- * CitiBANK Credit CARD (M/C)
- * CHASE Credit CARD (M/C)
- * VISA Credit CARD
- * CitiBANK American AIRLINES CARD
- * AMERICAN EXPRESS PLATINUM CARD
- * BLUE CROSS CARD
- 5425 7110 0569 6218
- * FLEET CARD
- 4226 3108 6900 1787 (100) Benevolent ASSC.
- * CHASE VISA CARD
- * metro CARD
- * BLUE CROSS/BLUESHIELD
- * metro CARD
- * NYBF 2000 Card
- * BLUE CROSS/BLUE SHIELD
- * citizens BANK CARD
- * DINERS CLUB
- * BANK OF AMERICA VISA
- * SHELL CARD
- * NEW TOKYO CARD
- * DISCOVER PLATINUM
- * PATROLMEN'S
- * ROME telephone CARD
- * AERO PLAN CARD
- * BLUE CROSS CARD
- * vision RECEIPT
- * PAPER

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Received By: _____
(Signature)

Received From:

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

File # 196C-NY-274587

On (date) April 12, 2000

item(s) listed below were:

- Received From
- Returned To
- Released To
- Seized

(Name) _____

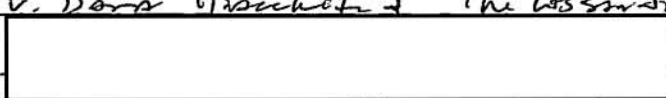
(Street Address) _____

(City) _____

Description of Item(s):

Redwell container: inside garment bag

- SEC v. Dana Giacchetti + The Cassinara Group



- SEC v. Dana Giacchetti + The Cassinara Group



vol 1 of 2 +
262

- SEC v. Dana Giacchetti + The Cassinara Group
(Complaint)
etc

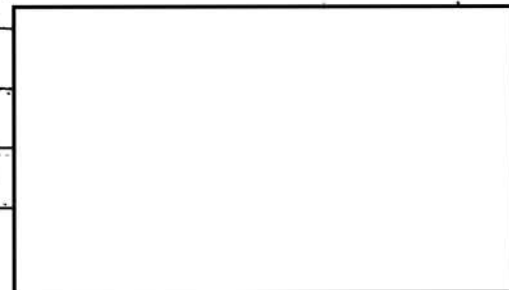
- USA v. Dana Giacchetti
(Complaint)

- Garment Bag - Few articles of Clothing
- Toilet Kit

JH

Received By: _____
(Signature)

Received From: _____



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1A3

Universal Case File Number 196C-NY-274597

Field Office Acquiring Evidence N/A

Serial # of Originating Document _____

Date Received _____

From _____
(Name of Contributor)

(Address of Contributor)

(City and State)

By SA _____
(Special Agent)

To Be Returned Yes No

Receipt Given Yes No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e)
Federal Rules of Criminal Procedure

Yes No

Title: Dona Giacchetto d/b/s
The Cassandra Group
SFA

Reference: _____
(Communication Enclosing Material)

Description: Original notes re interview of
Fingerprint (s) for Dona Giacchetto

196C-NY-274597
SEARCHED _____
SERIALIZED _____
APR 12 2000

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b7C

LEAVE BLANK

CRIMINAL

(STAPLE HERE)

LEAVE BLANK

STATE USAGE

NFF SECOND

SUBMISSION

APPROXIMATE CLASS

AMPUTATION

SCAR

LAST NAME, FIRST NAME, MIDDLE NAME, SUFFIX

Gracchetto, Dana, Cologero

STATE USAGE

SIGNATURE OF PERSON FINGERPRINTED

SOCIAL SECURITY NO.

LEAVE BLANK

*033-54-3639***DO NOT REMOVE FROM EXHIBIT***NY - 274597**IA 3*

ALIASES/MAIDEN

LAST NAME, FIRST NAME, MIDDLE NAME, SUFFIX

FBI NO.

STATE IDENTIFICATION NO.

DATE OF BIRTH MM DD YY

10/15/62

SEX

M

RACE

white

HEIGHT

5'11"

WEIGHT

155

EYES

Blue

HAIR

Blonde

1. R. THUMB



2. R. INDEX



3. R. MIDDLE



4. R. RING



5. R. LITTLE



6. L. THUMB



7. L. INDEX



8. L. MIDDLE



9. L. RING



10. L. LITTLE



LEFT FOUR FINGERS TAKEN SIMULTANEOUSLY



L. THUMB

R. THUMB



RIGHT FOUR FINGERS TAKEN SIMULTANEOUSLY

**FEDERAL BUREAU OF INVESTIGATION, UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20537**

PRIVACY ACT OF 1974 (P.L. 93-579) REQUIRES THAT FEDERAL, STATE, OR LOCAL AGENCIES INFORM INDIVIDUALS WHOSE SOCIAL SECURITY NUMBER IS REQUESTED WHETHER SUCH DISCLOSURE IS MANDATORY OR VOLUNTARY, BASIS OF AUTHORITY FOR SUCH SOLICITATION, AND USES WHICH WILL BE MADE OF IT.

JUVENILE FINGERPRINT SUBMISSION YES <input type="checkbox"/> TREAT AS ADULT YES <input type="checkbox"/>		DATE OF ARREST MM DD YY 04/04/00		ORI NYFBINY00 CONTRIBUTOR FBI ADDRESS NEW YORK, NY REPLY YES <input type="checkbox"/> DESIRED?			
SEND COPY TO: (ENTER ORI)		DATE OF OFFENSE MM DD YY 03/31/00		PLACE OF BIRTH (STATE OR COUNTRY) Boston Mass		COUNTRY OF CITIZENSHIP USA	
MISCELLANEOUS NUMBERS		SCARS, MARKS, TATTOOS, AND AMPUTATIONS Appendix Scar Rt Side					
RESIDENCE/COMPLETE ADDRESS 561 Broadway, Suite 12A		CITY Manhattan		STATE NY			
OFFICIAL TAKING FINGERPRINTS (NAME OR NUMBER) <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		LOCAL IDENTIFICATION/REFERENCE				PHOTO AVAILABLE? YES <input type="checkbox"/> PALM PRINTS TAKEN? YES <input type="checkbox"/>	
<small>EMPLOYER: IF GOVT GOVERNMENT, INDICATE SPECIFIC AGENCY. IF MILITARY, LIST BRANCH OF SERVICE AND SERIAL NO.</small> Self-Employed / The Cassandra Group		OCCUPATION Self-Employed / Investment advisor					
CHARGE/CITATION 1. Title 18 Securities Fraud		DISPOSITION 1.					
2.		2.					
3.		3.					
ADDITIONAL				ADDITIONAL			
ADDITIONAL INFORMATION/BASIS FOR CAUTION				STATE BUREAU STAMP			

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b7c

LEAVE BLANK

CRIMINAL

(STAPLE HERE)

LEAVE BLANK

STATE USAGE

NFF SECOND

SUBMISSION

APPROXIMATE CLASS

AMPUTATION

SCAR

STATE USAGE

LAST NAME, FIRST NAME, MIDDLE NAME, SUFFIX

Gracchetto, Dana, Cologera

SIGNATURE OF PERSON FINGERPRINTED

SOCIAL SECURITY NO.

033-54-3639

LEAVE BLANK

ALIASES/MAIDEN

LAST NAME, FIRST NAME, MIDDLE NAME, SUFFIX

FBI NO.

STATE IDENTIFICATION NO.

DATE OF BIRTH MM DD YY

10/15/1962

SEX

m

RACE

white

HEIGHT

5'11"

WEIGHT

155

EYES

Blue

HAIR

Blonde

1. R. THUMB



2. R. INDEX



3. R. MIDDLE



4. R. RING



5. R. LITTLE



6. L. THUMB



7. L. INDEX



8. L. MIDDLE



9. L. RING



LEFT FOUR FINGERS TAKEN SIMULTANEOUSLY



L. THUMB

R. THUMB



RIGHT FOUR FINGERS TAKEN SIMULTANEOUSLY

**FEDERAL BUREAU OF INVESTIGATION, UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20537**

PRIVACY ACT OF 1974 (P.L. 93-579) REQUIRES THAT FEDERAL, STATE, OR LOCAL AGENCIES INFORM INDIVIDUALS WHOSE SOCIAL SECURITY NUMBER IS REQUESTED WHETHER SUCH DISCLOSURE IS MANDATORY OR VOLUNTARY, BASIS OF AUTHORITY FOR SUCH SOLICITATION, AND USES WHICH WILL BE MADE OF IT.

JUVENILE FINGERPRINT SUBMISSION YES <input type="checkbox"/> TREAT AS ADULT YES <input type="checkbox"/>		DATE OF ARREST MM DD YY <p align="center" style="font-size: 1.5em;"><i>04/04/00</i></p>		ORI NYFBIN00 CONTRIBUTOR FBI ADDRESS NEW YORK, NY REPLY YES <input type="checkbox"/> DESIRED?			
SEND COPY TO: (ENTER ORI)		DATE OF OFFENSE MM DD YY <p align="center" style="font-size: 1.5em;"><i>03/31/00</i></p>		PLACE OF BIRTH (STATE OR COUNTRY) <p align="center" style="font-size: 1.5em;"><i>Boston Mass</i></p>		COUNTRY OF CITIZENSHIP <p align="center" style="font-size: 1.5em;"><i>USA</i></p>	
MISCELLANEOUS NUMBERS		SCARS, MARKS, TATTOOS, AND AMPUTATIONS <p align="center" style="font-size: 1.5em;"><i>Appendix Scar Rt Side</i></p>					
RESIDENCE/COMPLETE ADDRESS <p align="center" style="font-size: 1.5em;"><i>361 Broadway, Suite 12A Manhattan, NY 10012</i></p>		CITY <p align="center" style="font-size: 1.5em;"><i>Manhattan</i></p>		STATE <p align="center" style="font-size: 1.5em;"><i>NY</i></p>			
OFFICIAL TAKING FINGERPRINTS (NAME OR NUMBER)		LOCAL IDENTIFICATION/REFERENCE				PHOTO AVAILABLE? YES <input type="checkbox"/> PALM PRINTS TAKEN? YES <input type="checkbox"/>	
EMPLOYER: IF U.S. GOVERNMENT, INDICATE SPECIFIC AGENCY. IF MILITARY, LIST BRANCH OF SERVICE AND SERIAL NO.		OCCUPATION					
<p align="center" style="font-size: 1.5em;"><i>Self employed / Cassandra Group.</i></p>		<p align="center" style="font-size: 1.5em;"><i>Self-employed / Investment advisor</i></p>					
CHARGE/CITATION 1.		DISPOSITION 1.					
<p align="center" style="font-size: 1.5em;"><i>Title 18 Securities Fraud</i></p>							
2.		2.					
3.		3.					
ADDITIONAL		ADDITIONAL					
ADDITIONAL INFORMATION/BASIS FOR CAUTION		STATE BUREAU STAMP					

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LEAVE BLANK

CRIMINAL

(STATE HERE)

LEAVE BLANK

STATE USAGE



NFF SECOND

0009800000

SUBMISSION

APPROXIMATE CLASS

AMPUTATION

SCAR

STATE USAGE

giacc ^{LAST NAME, FIRST NAME, MIDDLE NAME, SUFFIX} ^{hetto}
 GIACC ~~hetto~~, DANA CALOGERO

SIGNATURE OF PERSON FINGERPRINTED

SOCIAL SECURITY NO.

LEAVE BLANK

033-54-3639

ALIASES/MAIDEN

LAST NAME, FIRST NAME, MIDDLE NAME, SUFFIX

~~FRANKSON~~ (C)

FBI NO.

STATE IDENTIFICATION NO.

DATE OF BIRTH MM DD YY

10/15/1962

SEX

M

RACE

W

HEIGHT

5'11"

WEIGHT

155

EYES

BLUE

HAIR

BLND



1. R. THUMB



2. R. INDEX



3. R. MIDDLE



4. R. RING



5. R. LITTLE



6. L. THUMB



7. L. INDEX



8. L. MIDDLE



9. L. RING



10. L. LITTLE



LEFT FOUR FINGERS TAKEN SIMULTANEOUSLY



L. THUMB



R. THUMB



RIGHT FOUR FINGERS TAKEN SIMULTANEOUSLY

**FEDERAL BUREAU OF INVESTIGATION, UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20537**

PRIVACY ACT OF 1974 (P.L. 93-579) REQUIRES THAT FEDERAL, STATE, OR LOCAL AGENCIES INFORM INDIVIDUALS WHOSE SOCIAL SECURITY NUMBER IS REQUESTED WHETHER SUCH DISCLOSURE IS MANDATORY OR VOLUNTARY, BASIS OF AUTHORITY FOR SUCH SOLICITATION, AND USES WHICH WILL BE MADE OF IT.

JUVENILE FINGERPRINT SUBMISSION YES <input type="checkbox"/> TREAT AS ADULT YES <input type="checkbox"/>		DATE OF ARREST MM DD YY 04/04/2000		ORI NYFBIN00 CONTRIBUTOR FBI ADDRESS NEW YORK, NY REPLY YES <input type="checkbox"/> DESIRED?			
SEND COPY TO: (ENTER ORI)		DATE OF OFFENSE MM DD YY 03/31/2000		PLACE OF BIRTH (STATE OR COUNTRY) BOSTON, MASS		COUNTRY OF CITIZENSHIP U.S.A.	
MISCELLANEOUS NUMBERS		SCARS, MARKS, TATTOOS, AND AMPUTATIONS APPENDIX (RIGHT LOWER) - SCAR					
		RESIDENCE/COMPLETE ADDRESS 561 BROADWAY SUITE 124 NEW YORK, NY				CITY NY	STATE NY
OFFICIAL TAKING FINGERPRINTS (NAME OR NUMBER)		LOCAL IDENTIFICATION/REFERENCE				PHOTO AVAILABLE? YES <input type="checkbox"/> PALM PRINTS TAKEN? YES <input type="checkbox"/>	
<input type="text"/>						b6 b7C	
EMPLOYER: IF U.S. GOVERNMENT, INDICATE SPECIFIC AGENCY. IF MILITARY, LIST BRANCH OF SERVICE AND SERIAL NO. SELF / THE CASSANDRA GROUP					OCCUPATION INVESTMENT ADVISOR		
CHARGE/CITATION 1. TITLE 18 SECURITIES FRAUD					DISPOSITION 1.		
2.					2.		
3.					3.		
ADDITIONAL					ADDITIONAL		
ADDITIONAL INFORMATION/BASIS FOR CAUTION					STATE BUREAU STAMP		

Received: from [192.192.192.39] by nycidisfo.idis.ny.gov (NTMail 4.20.0009/LC2095.12.c50c003e) with ESMTP id pjcaaaaa for <id_admin@nycidisfo.idis.ny.gov>; Sun, 9 Apr 2000 00:14:18 +0100
Date: Sun Apr 09 00:14:18 2000
From: mail_fbi@nycidisfo.idis.ny.gov
To: id_admin@nycidisfo.idis.ny.gov
Subject: IDIS TCN(TCR):<0009800000>
Message-Id: <04141878500044@idis.ny.gov>

FBI TCN: IFCS0005000003554000

Name: GIACCHETTO,DANA CALOGERO

FBI Number: 12799NB5
Search Result Findings: N
Electronic Rap Sheet:

FBI# 12799NB5	SID	OCA
GIACCHETTO,DANA CALOGERO		W 511 1962/10/15
FPC	SEX M	
HENRY CLASS		API

NYFBINY00 FBI
NEW YORK NY 2000/04/04
A SEARCH OF THE FINGERPRINTS ON THE ABOVE
INDIVIDUAL HAS FAILED TO DISCLOSE PRIOR ARREST
DATA. CJIS DIVISION
2000/04/07 FEDERAL BUREAU OF INVESTIGATION

NYFBINY00
SPECIAL AGENT IN CHARGE
FEDERAL BUREAU INVEST
23RD FLOOR
26 FEDERAL PLAZA
NEW YORK,NY 10278-0004

1A4

Universal Case File Number 196C-NY-274597

Field Office Acquiring Evidence NYO

Serial # of Originating Document _____

Date Received 4/21/00

From _____
(Name of Contributor)

(Address of Contributor)

(City and State)

By ST Agent

To Be Returned Yes No

Receipt Given Yes No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure
 Yes No

Title: Dans Giacchotta dba
The Cassandra Group
SFA

Reference: _____
(Communication Enclosing Material)

Description: Original notes re interview of
Arrest photos : date of Arrest 04/04/00

196C-NY-274597

SEARCHED _____ INDEXED _____
SERIALIZED _____ FILED _____

APR 25 2000

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6 FT

5 FT

4 FT

FBI NEW YORK
196CHY274597
IDANA
GIACCHETTO

3 FT



1960-NY-274597-CAF

FBI NEW YORK DANA
196CNY274597 GIACCHETTO

0446 13 12:29 040400 5.11



196C-NY- 274 557 - 2A4

Universal Case File Number 196C-NY-274597-1A5

Field Office Acquiring Evidence _____

Serial # of Originating Document _____

Date Received 3/24/00

From _____
(Name of Contributor)

(Address of Contributor)

By SA

To Be Returned Yes No

Receipt Given Yes No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
 Yes No

Title: DANA GIACCHETTO
THE CASSANDRA GROUP
SFA

Reference: _____
(Communication Enclosing Material)

Description: Original notes re interview of
PHOTOS FROM SEARCH ON 3/16/00 OF
561 BRADWAY STE. 8C, 12A
(ROLLS 3 AND 4 OF 4).

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b7c

1758

PAPER

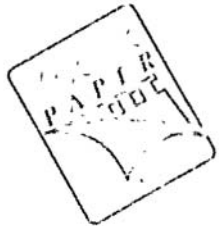


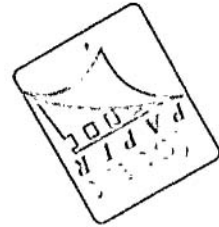
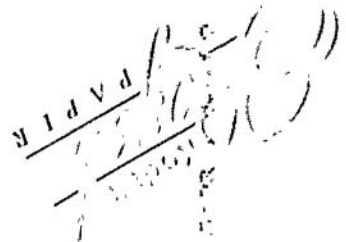
PAPER

196C NY 274597-1AS



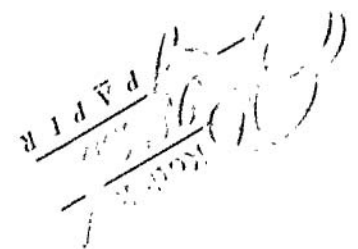
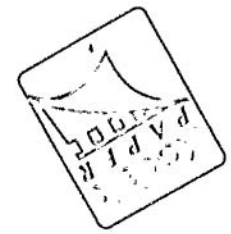
PAPER

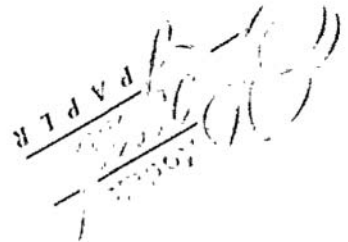




1966 NY 074597-1A5

NY 14307199 5-7-66





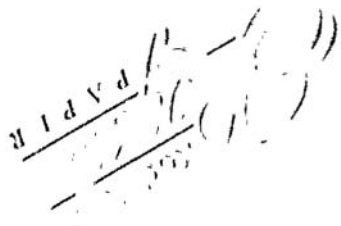
1000-NY-274597-1A5

1000-NY-274597-1A5

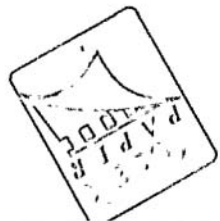


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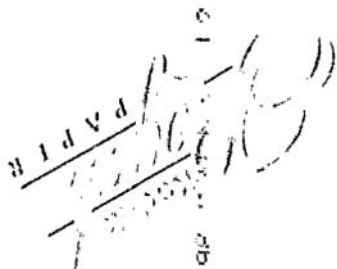


1966NY-074597-1AS

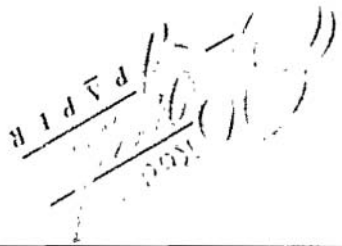
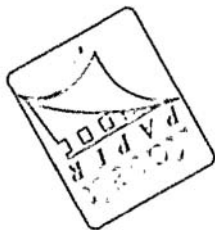
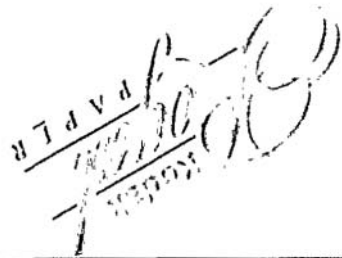


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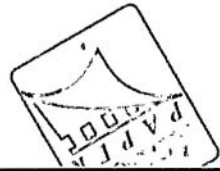


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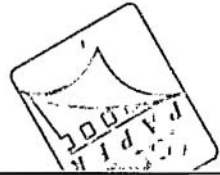


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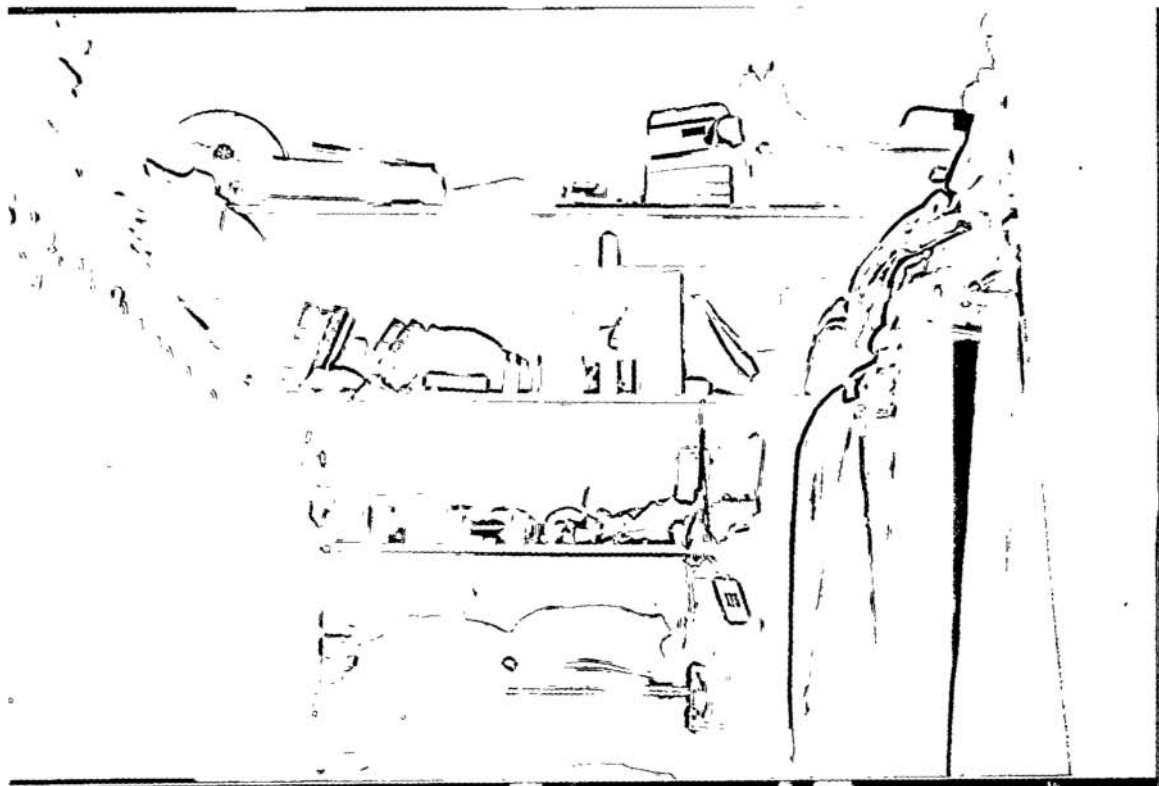
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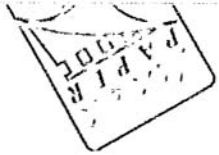
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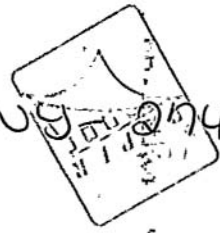


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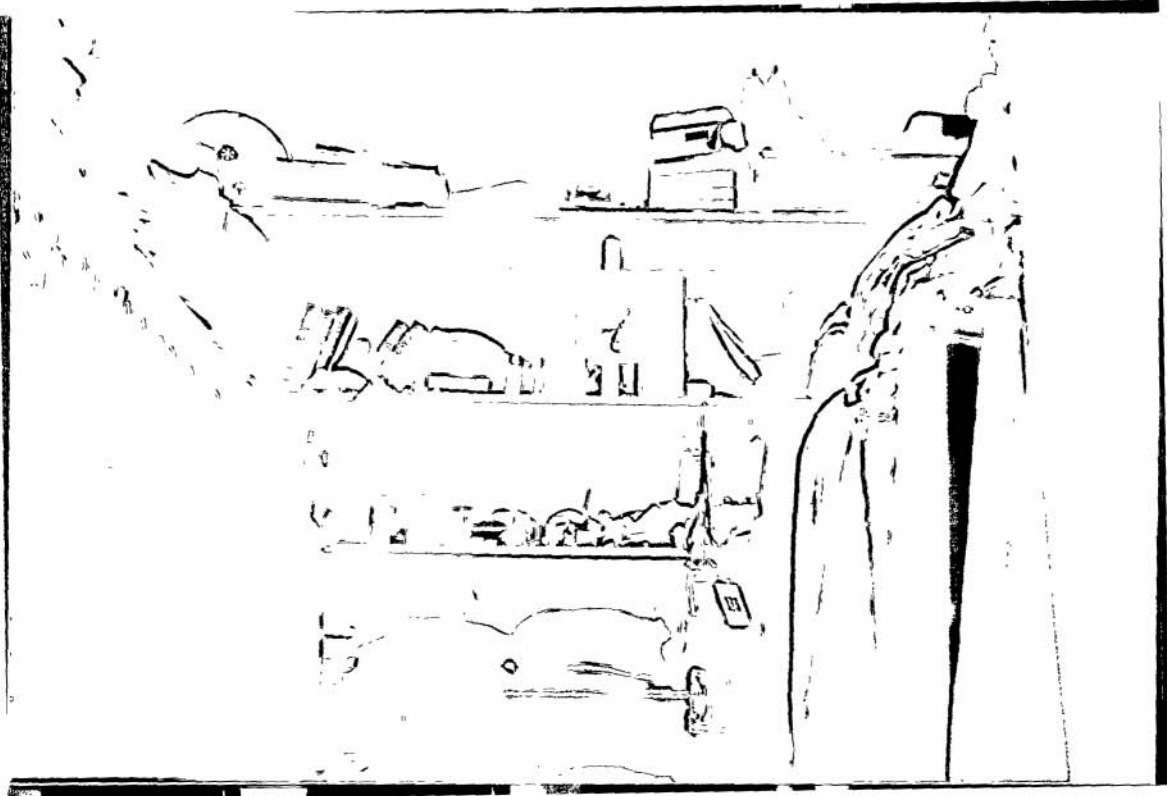


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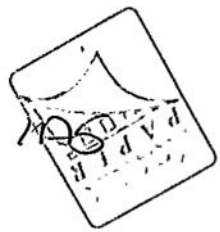




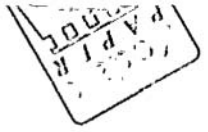
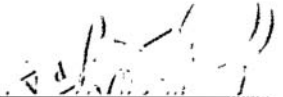
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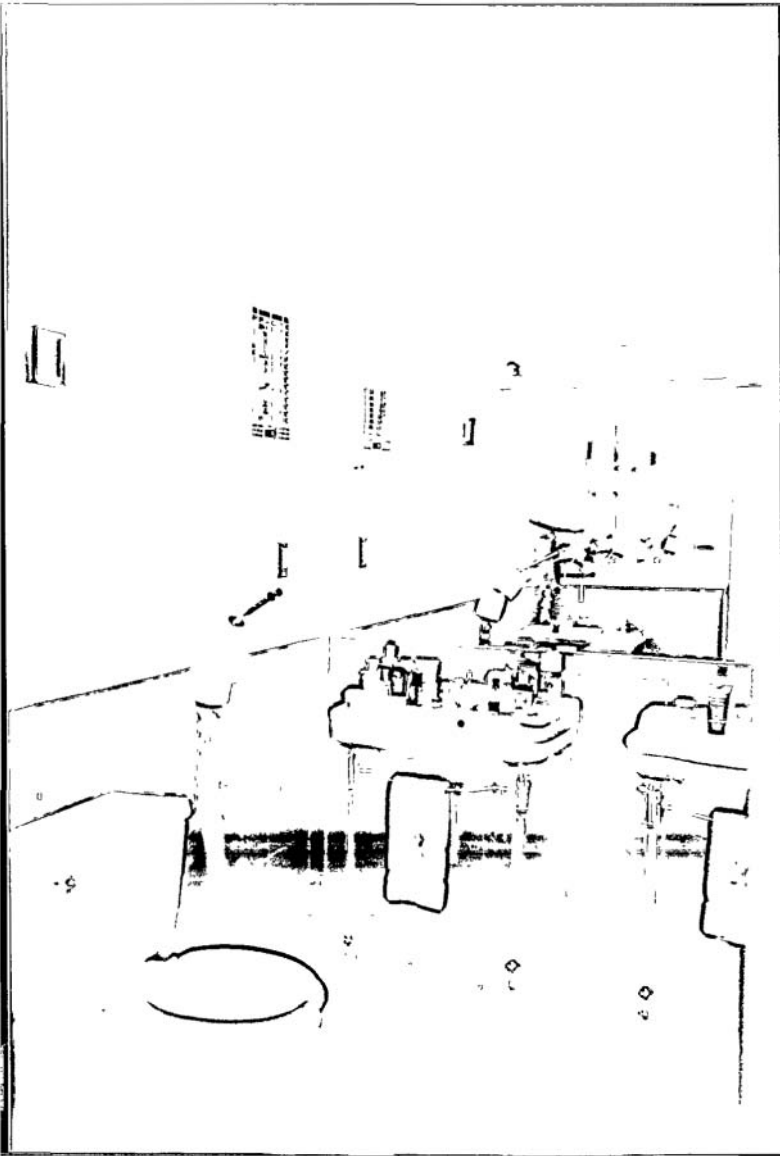
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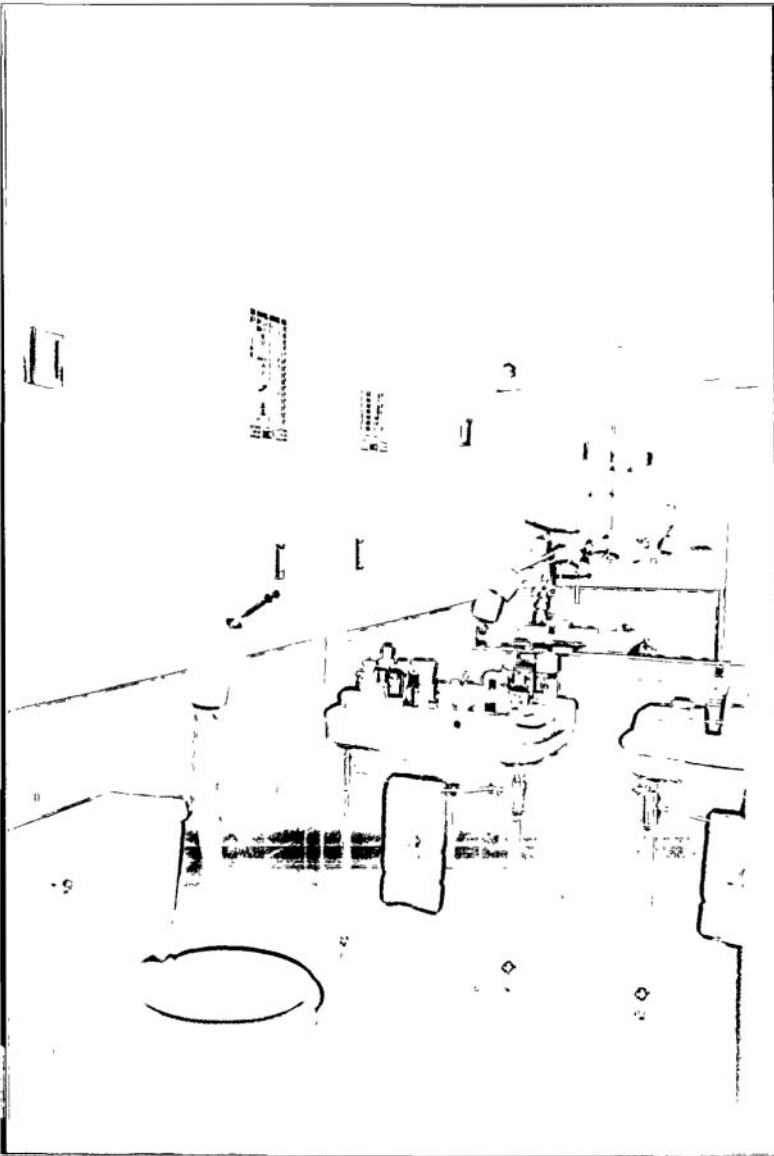
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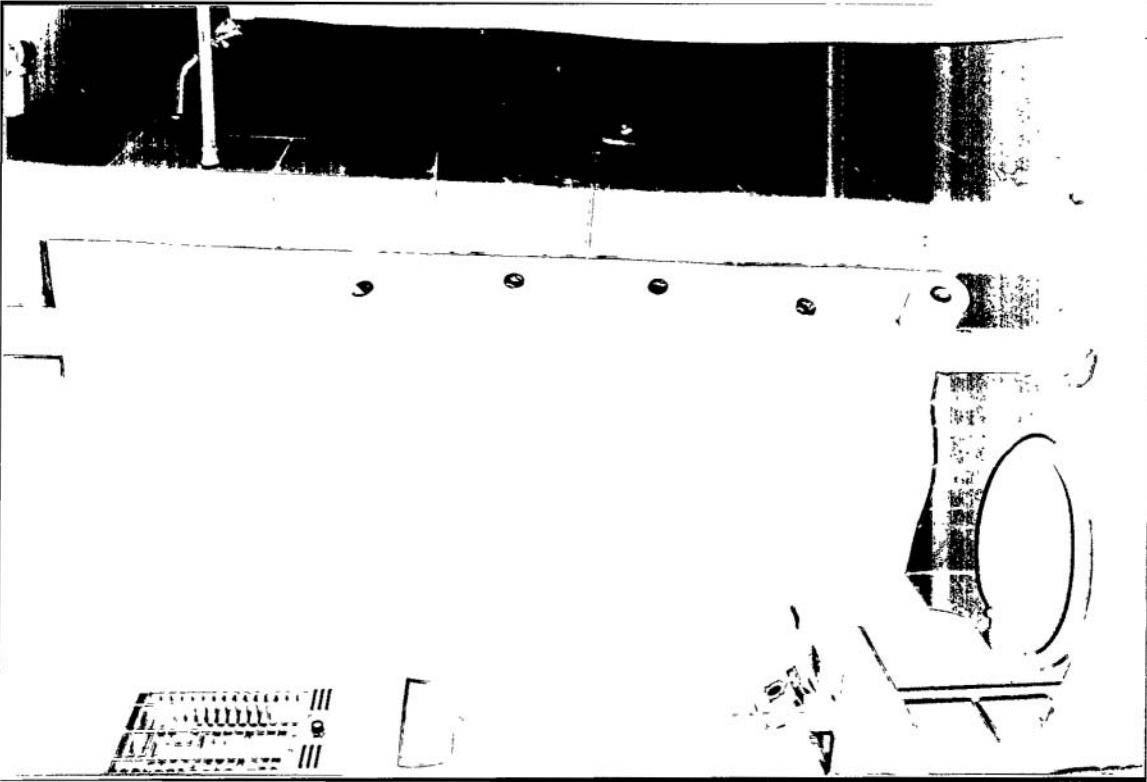




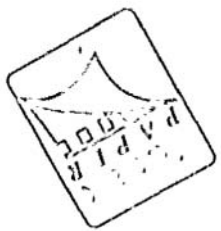
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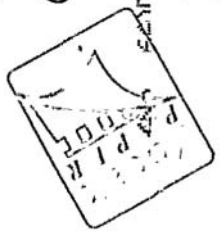


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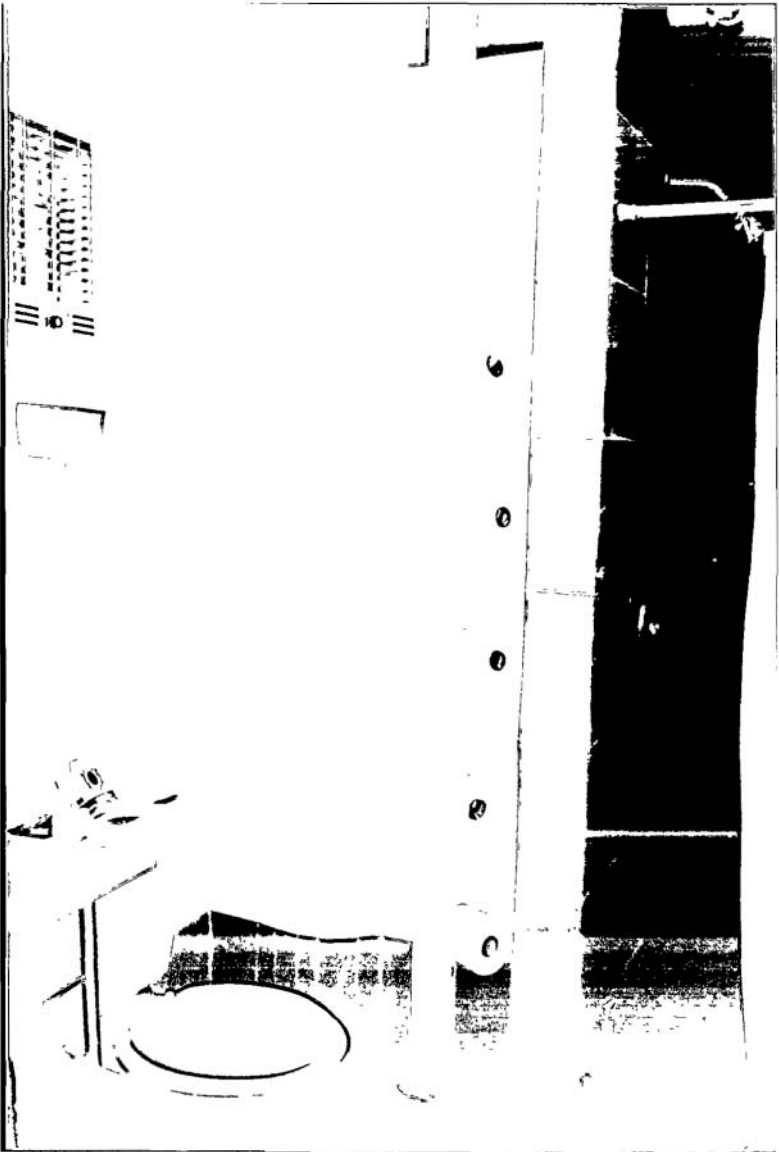
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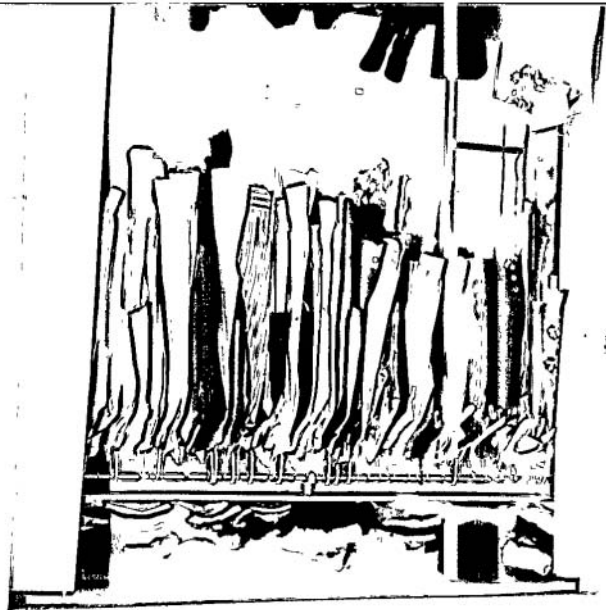






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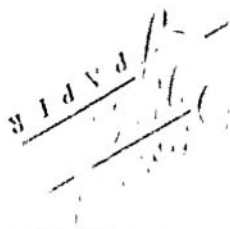
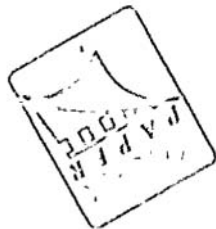
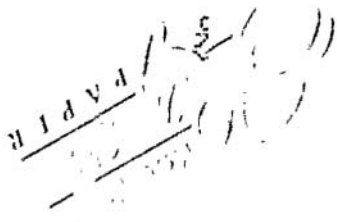
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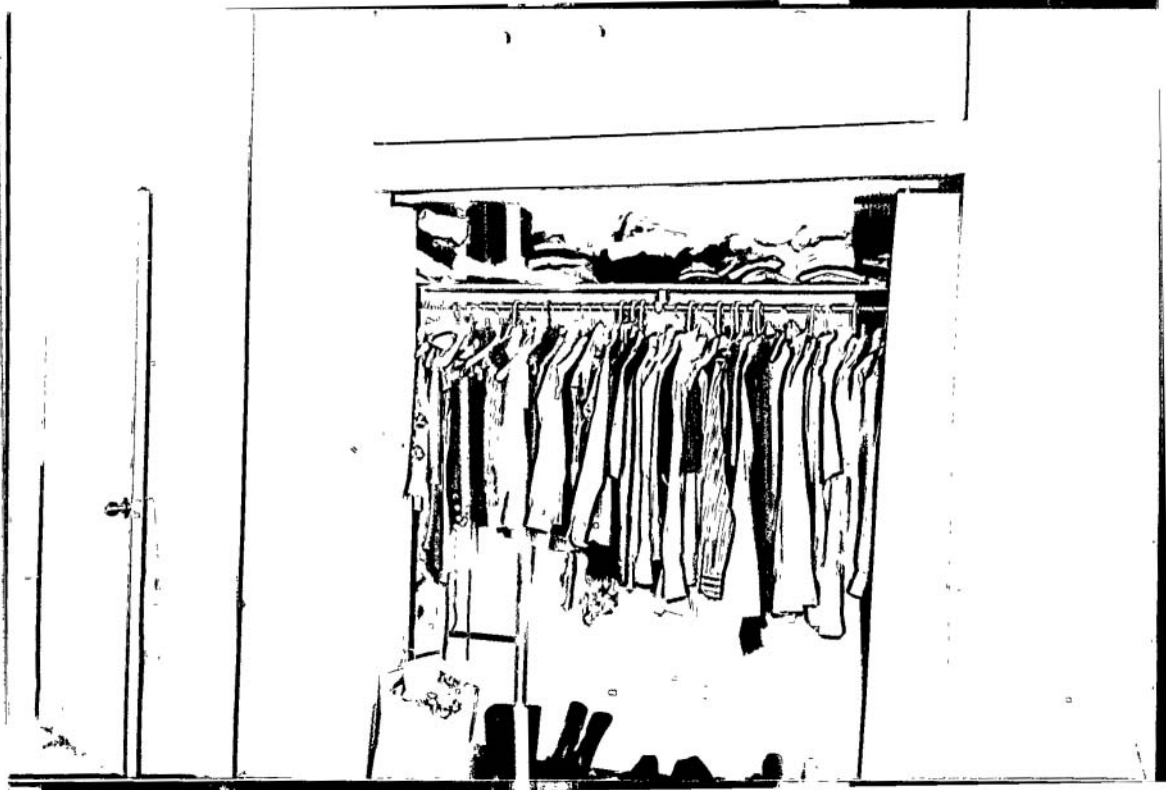


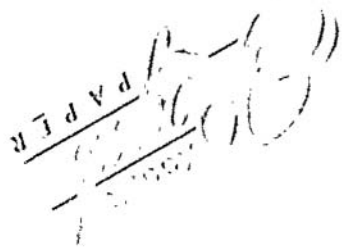
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1966-70 274597-1A5

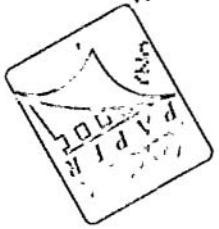






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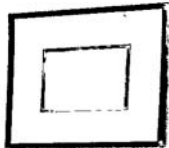


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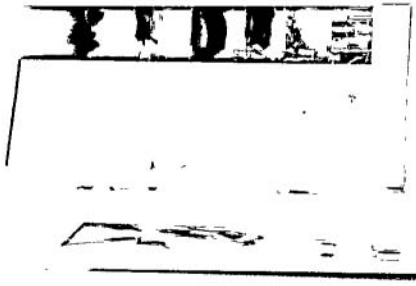




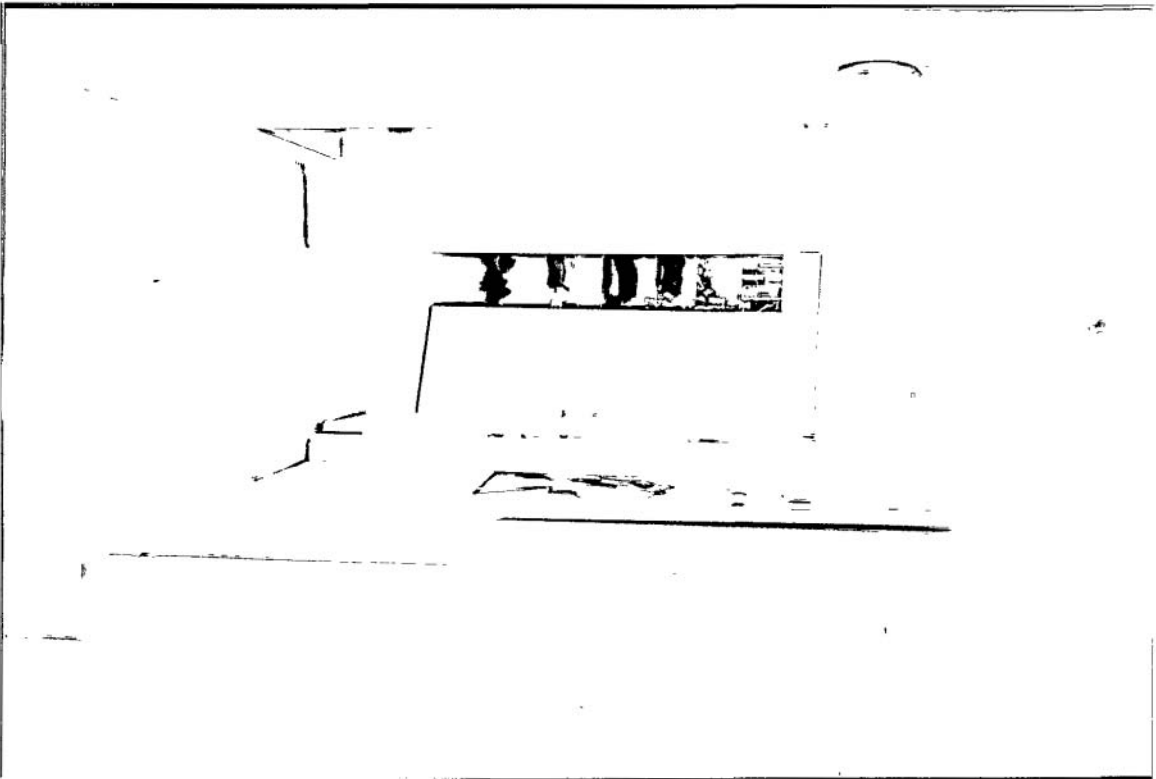
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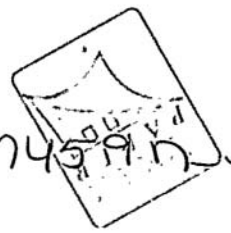


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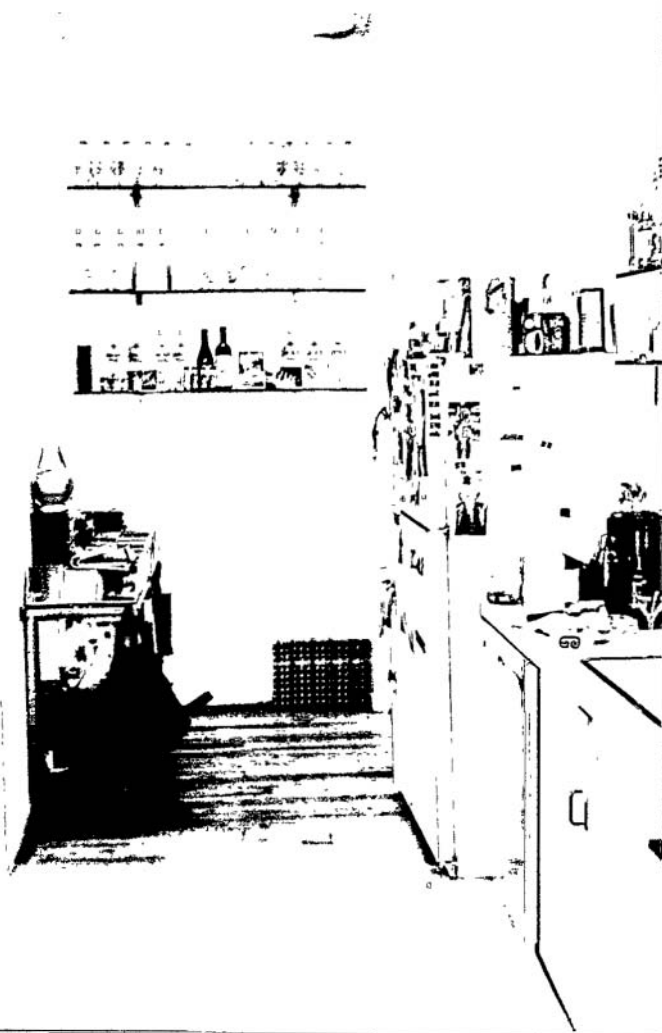


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1966-71



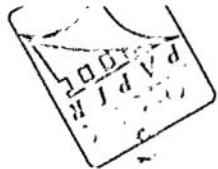
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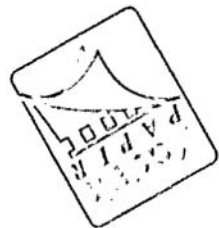


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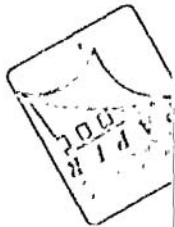
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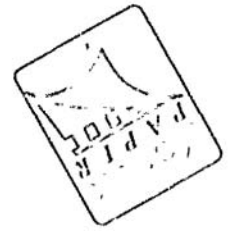
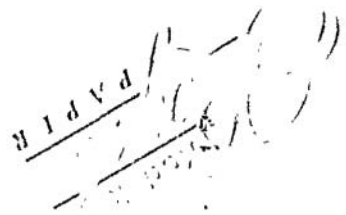
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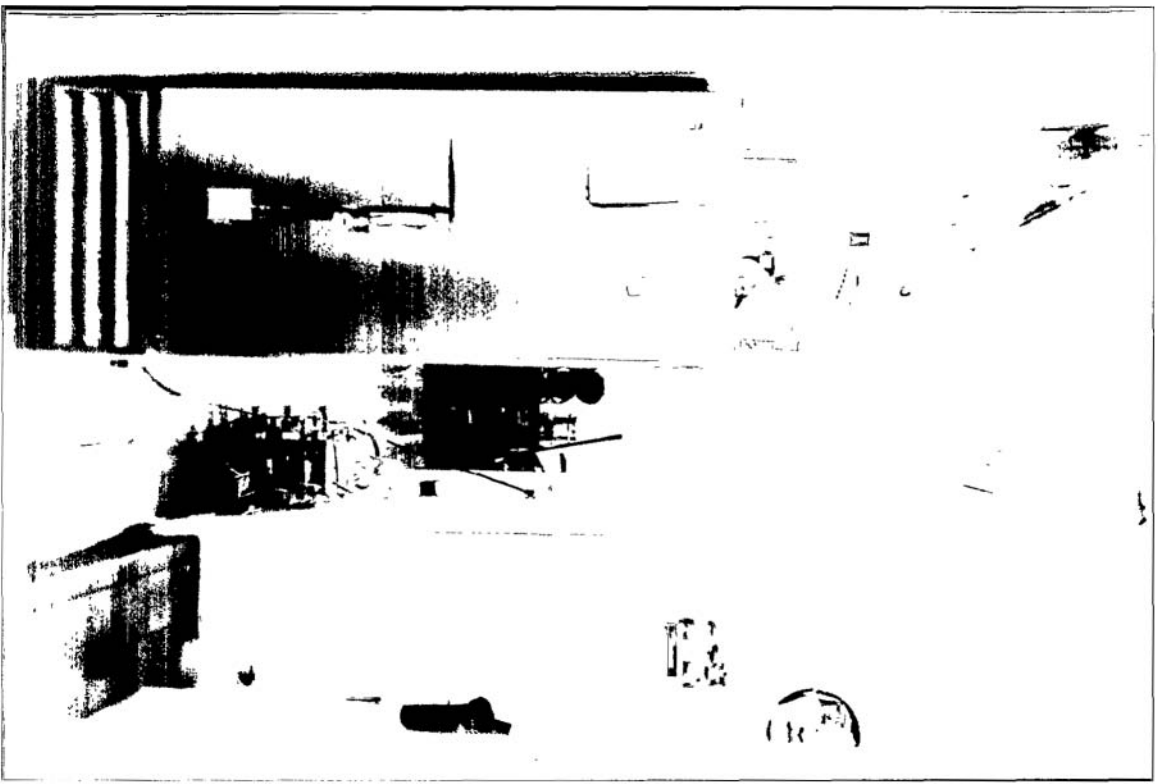


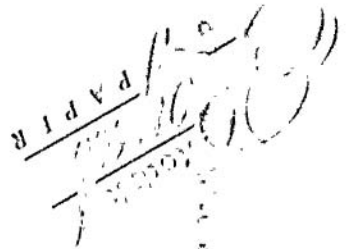
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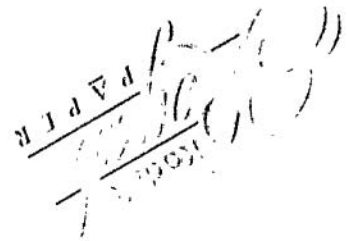
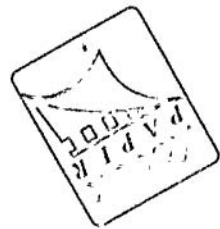
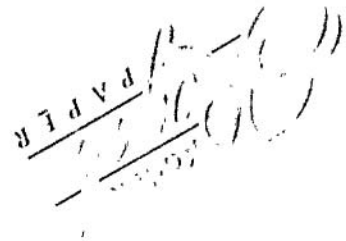


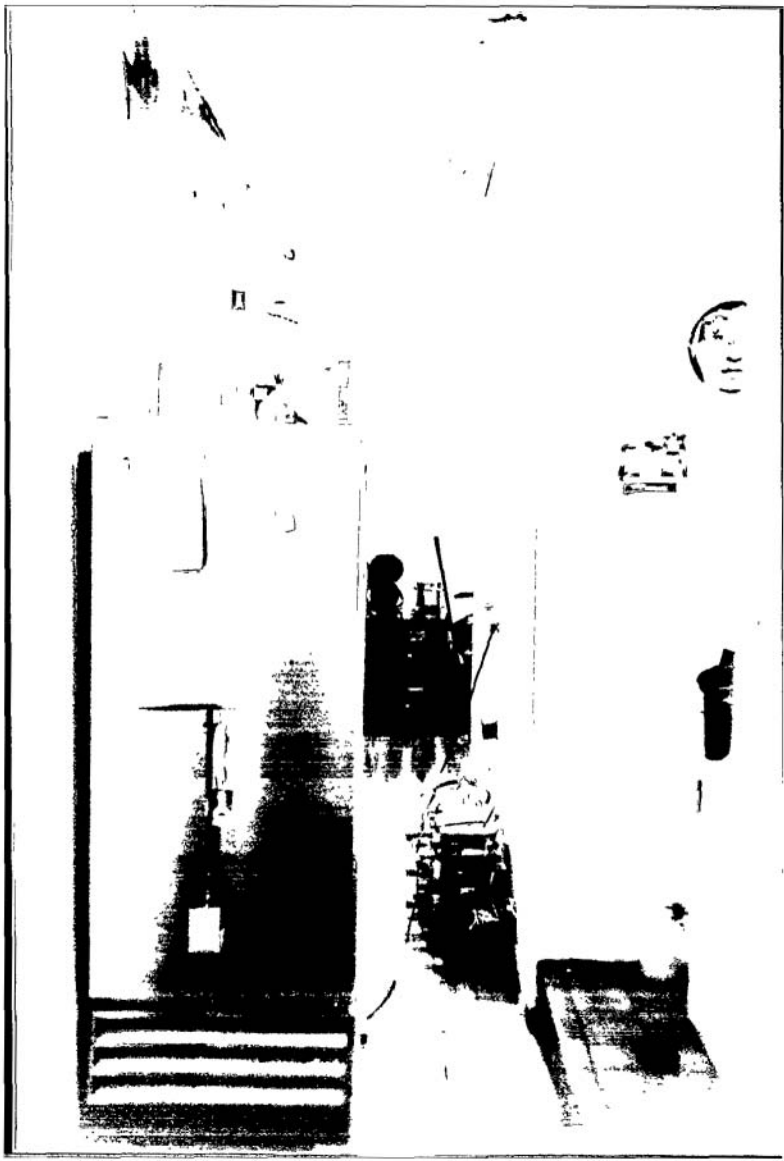




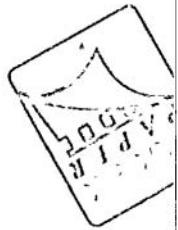
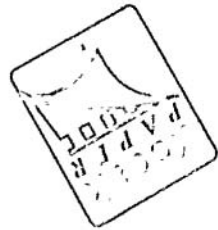
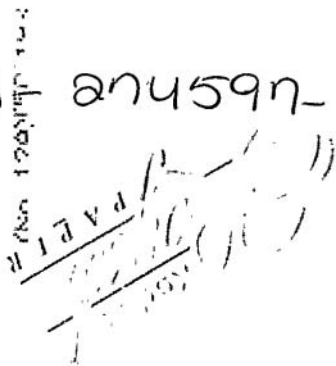
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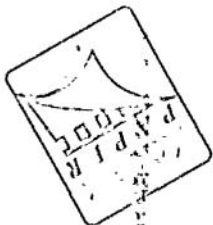


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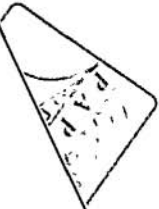
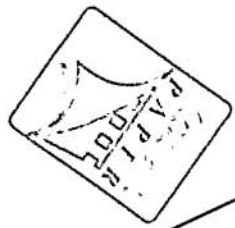
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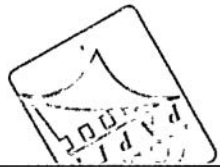
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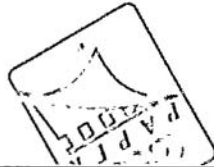
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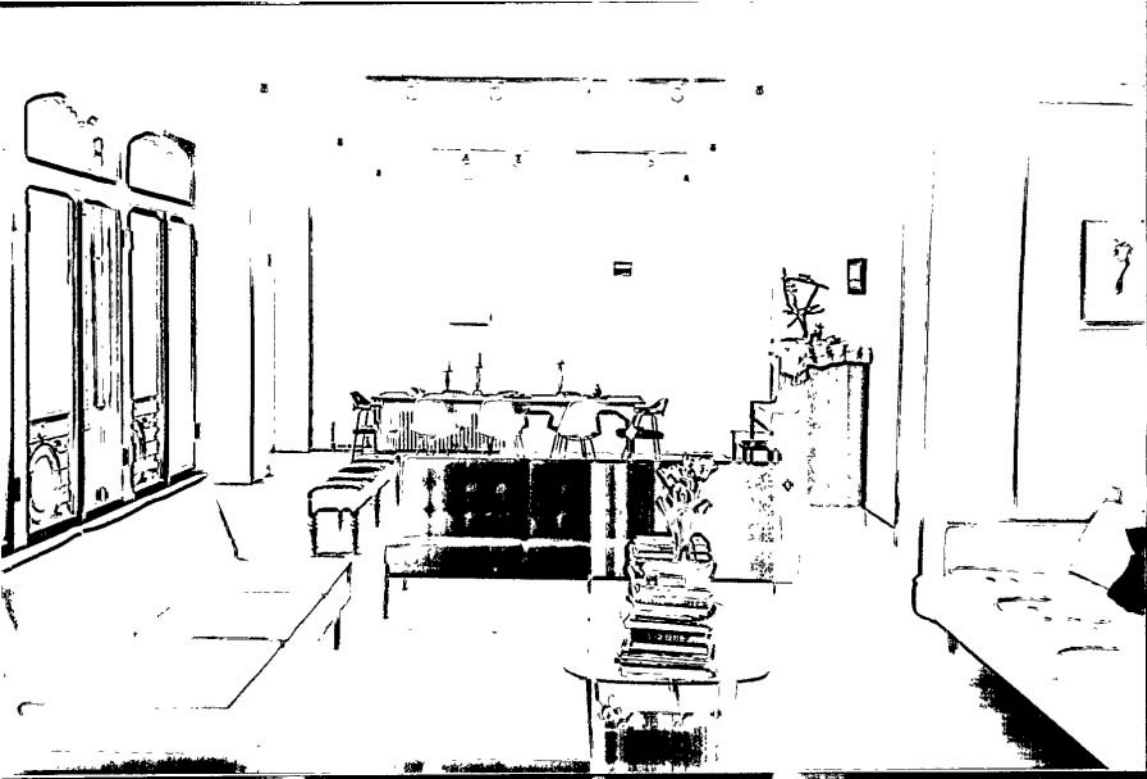
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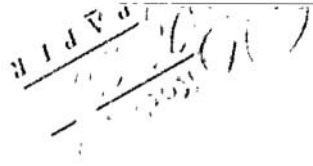
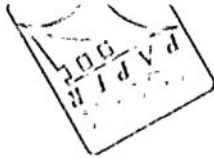


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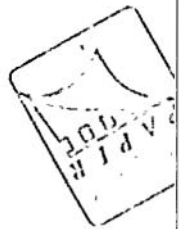
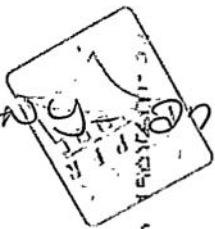


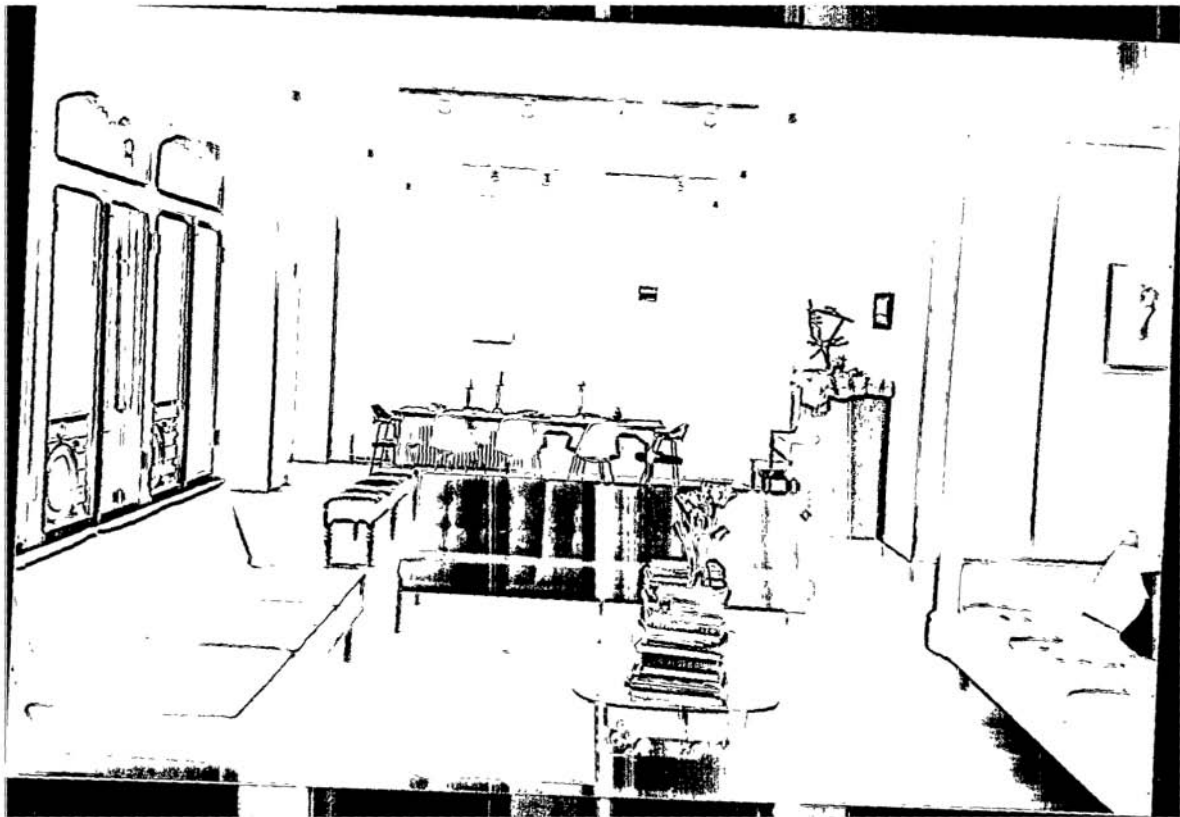
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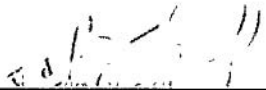
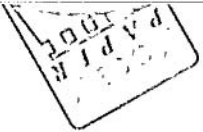
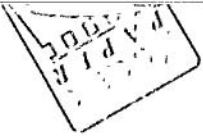




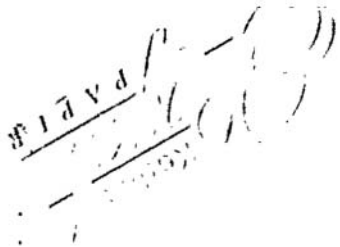
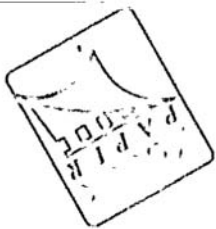
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274597

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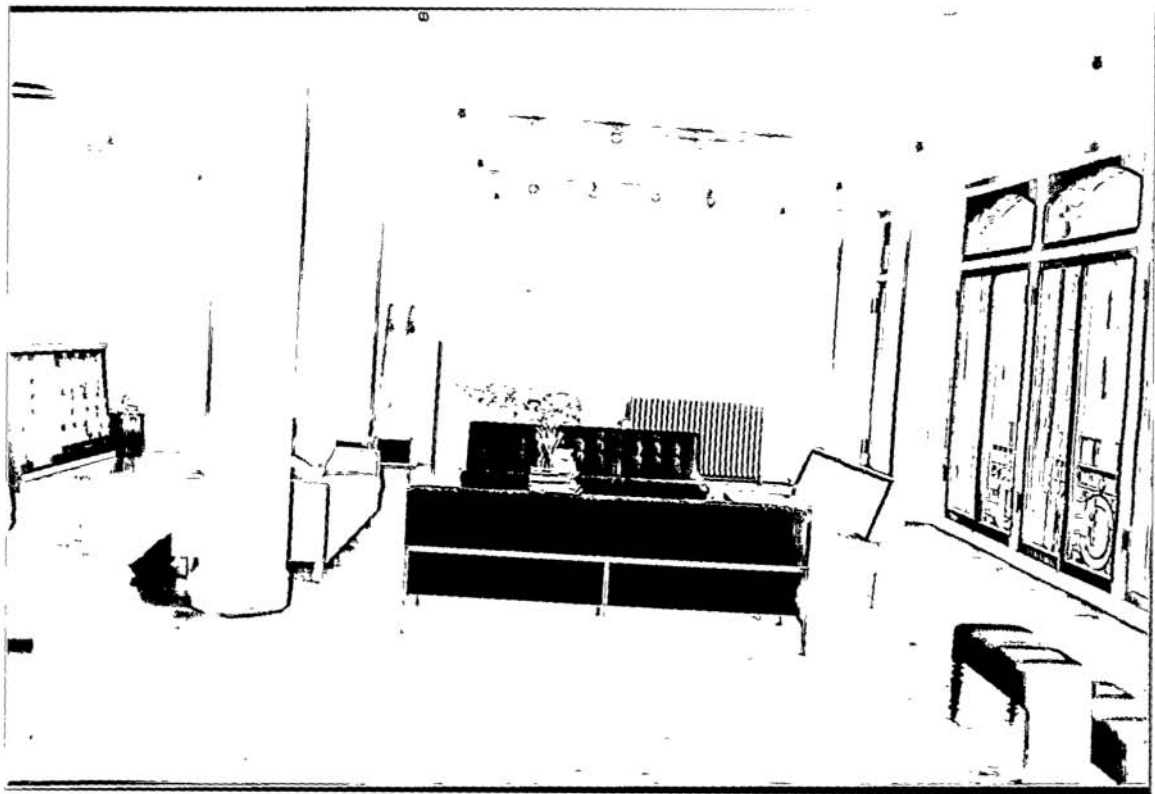




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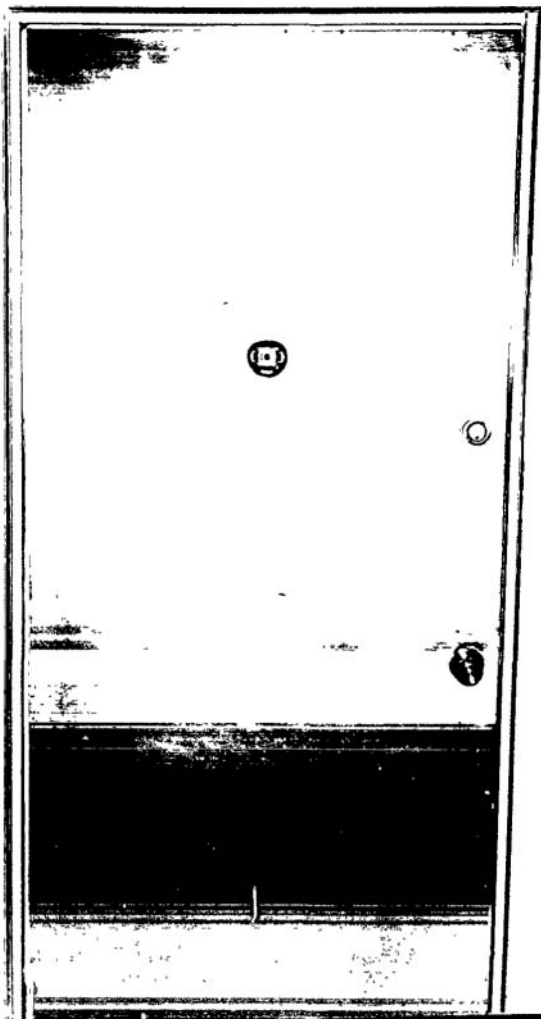
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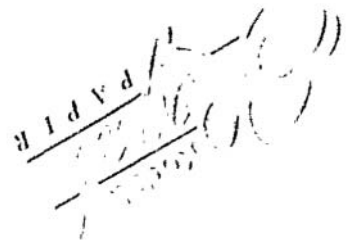
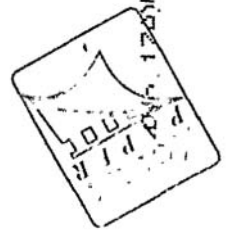
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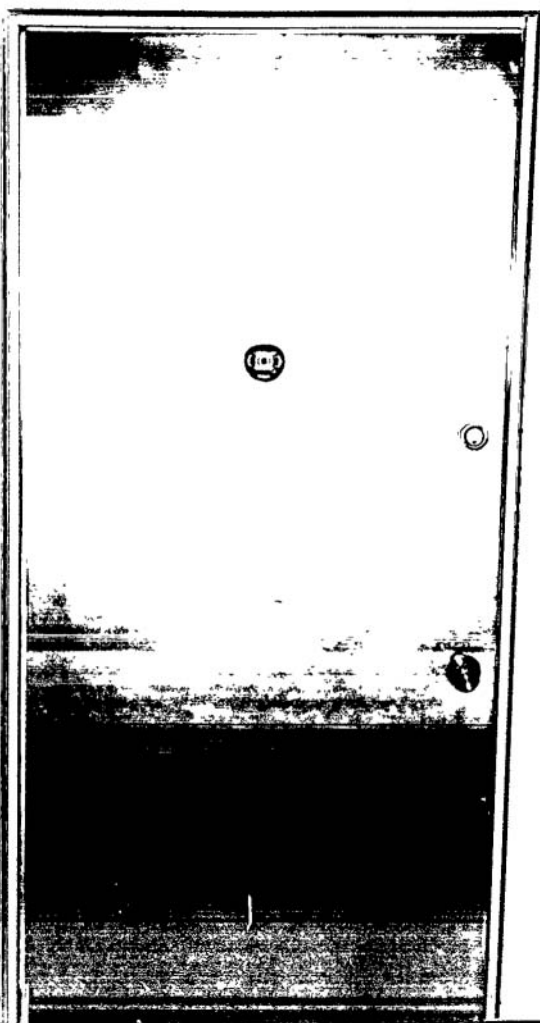


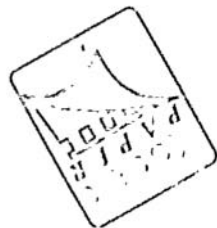
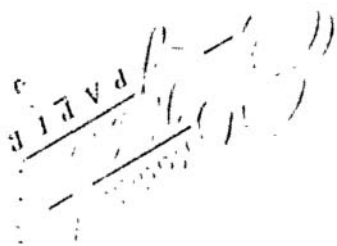
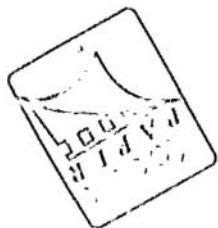




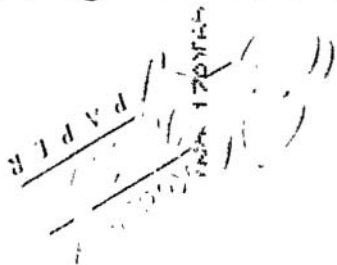
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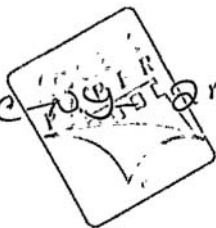
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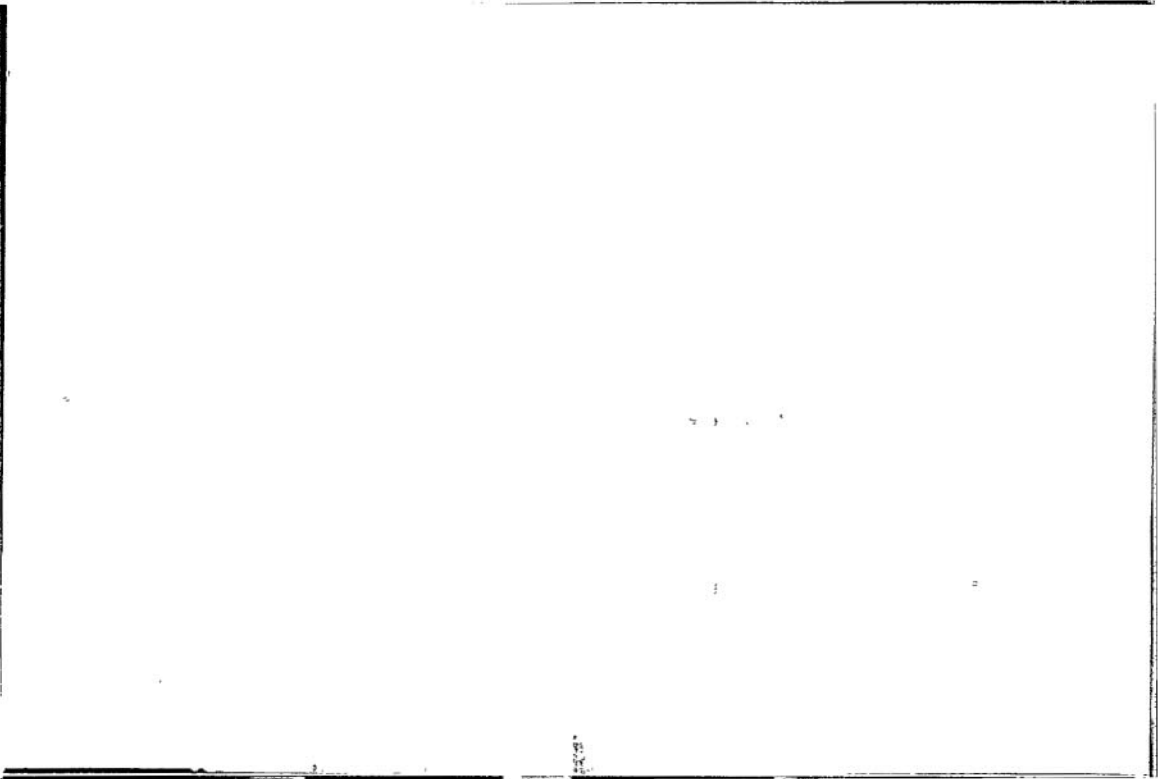


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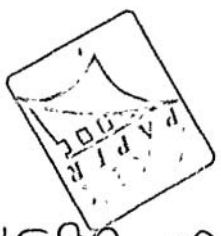
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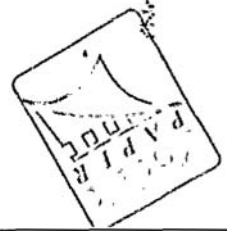
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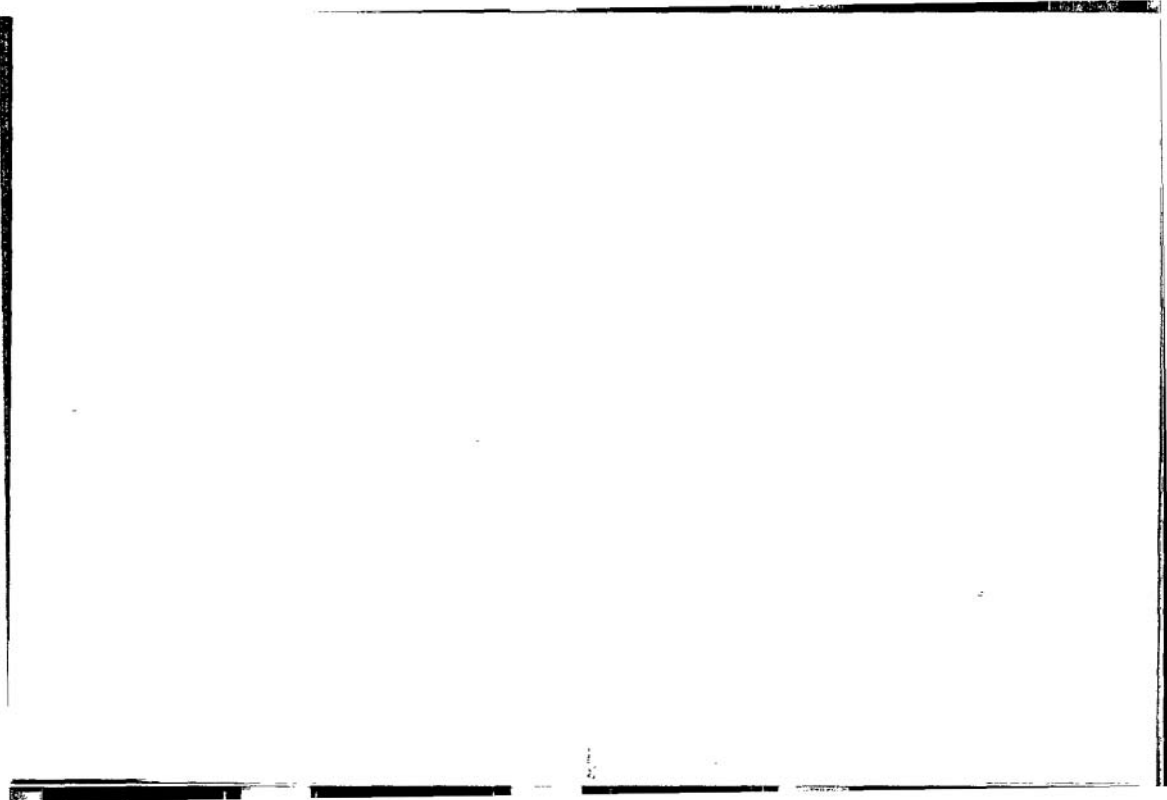
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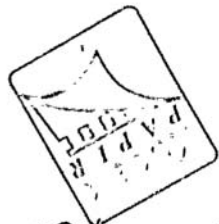
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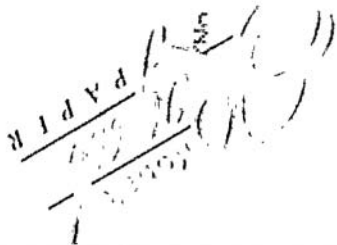


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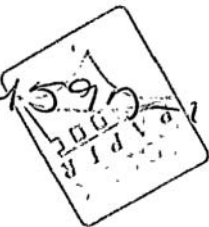


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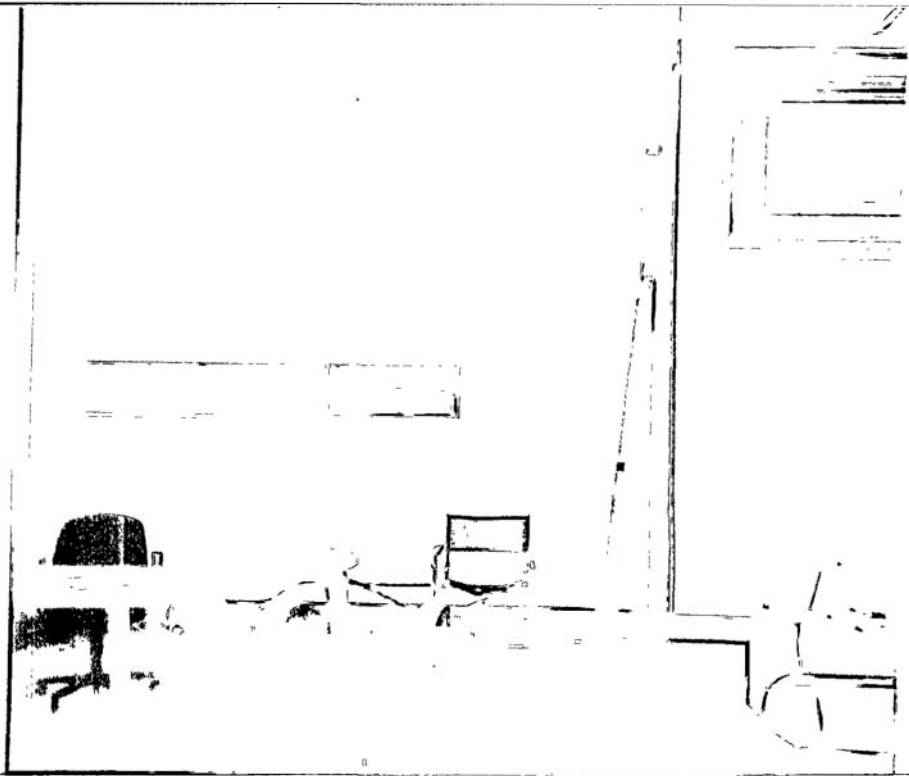
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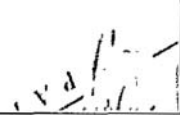
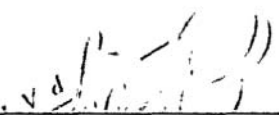


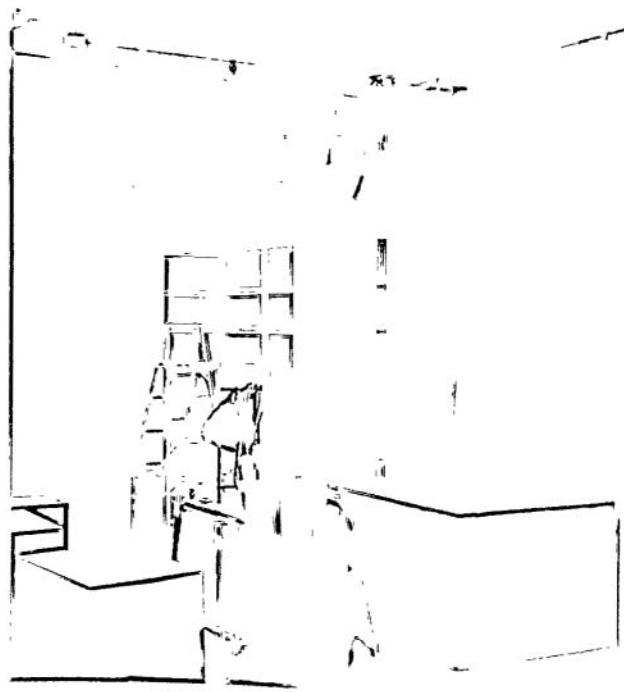
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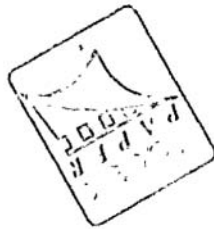
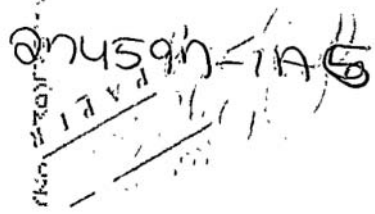
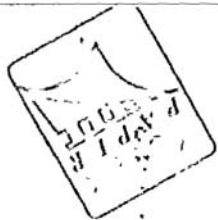
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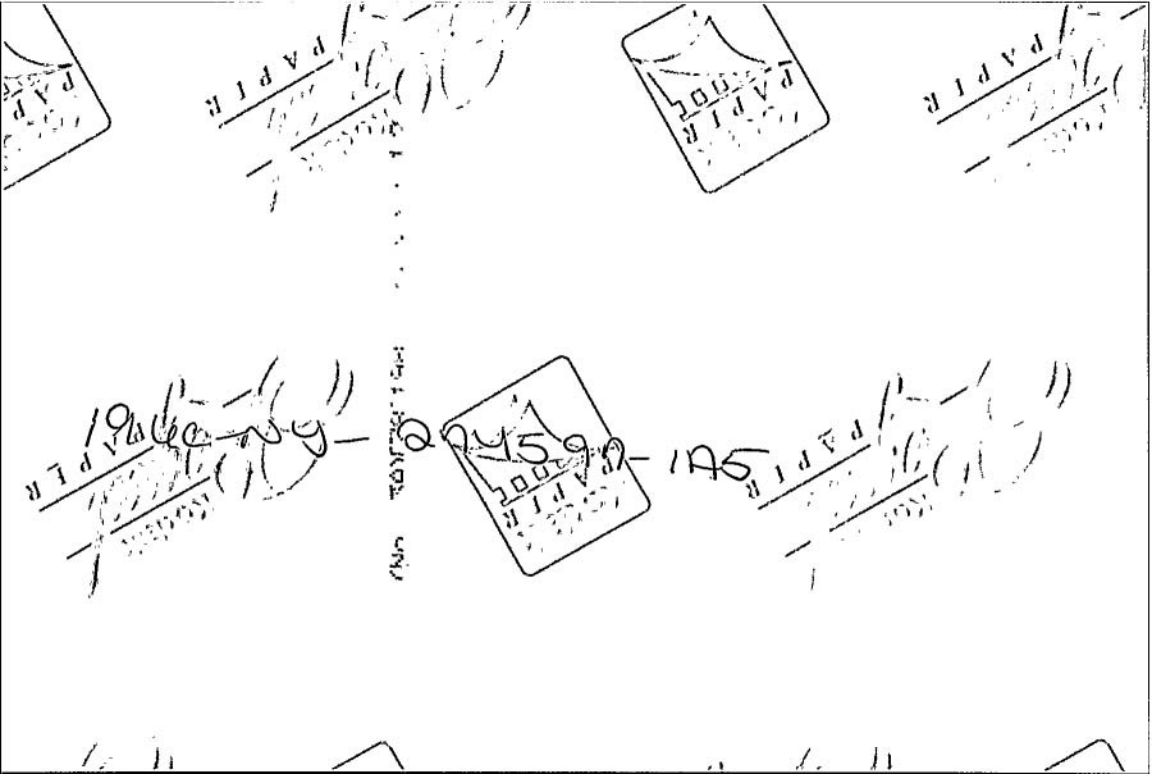




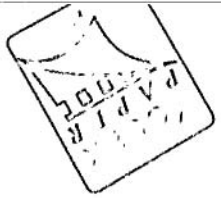
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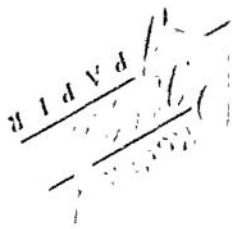
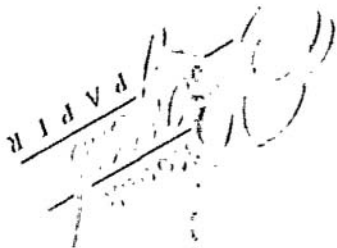
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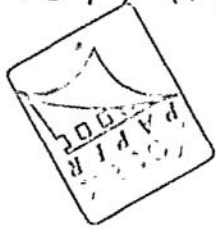
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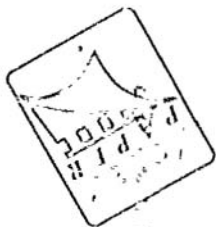


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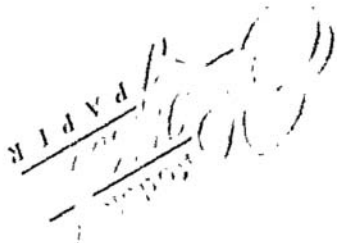
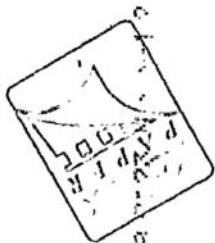


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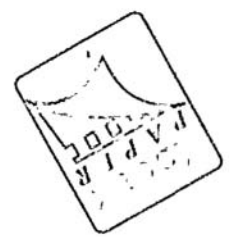
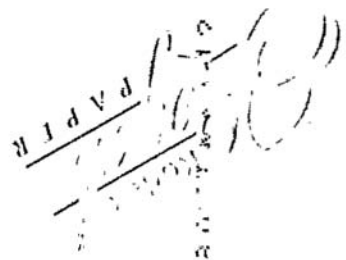
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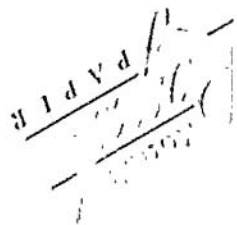
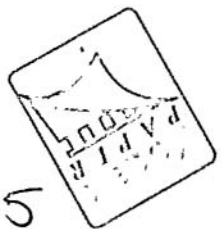


1966 NY 274597-1A5

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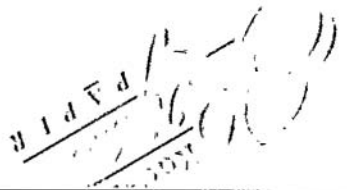
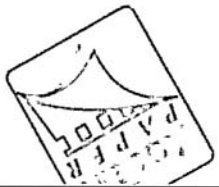






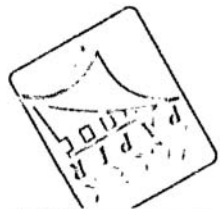
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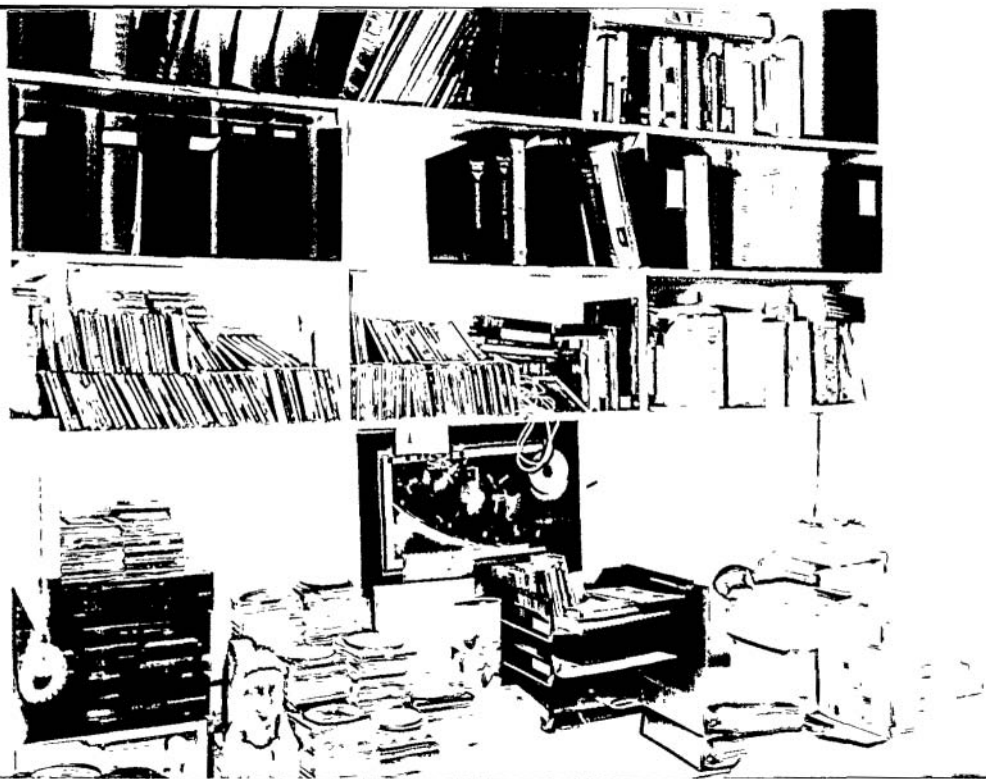




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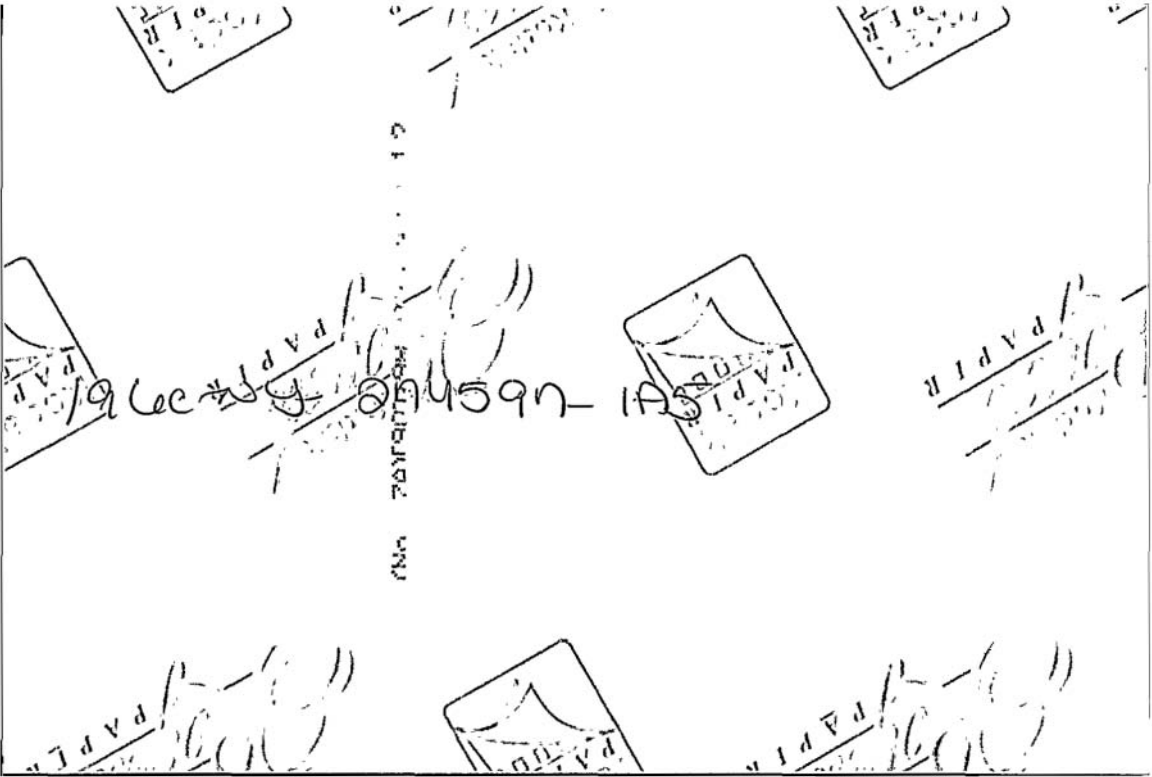


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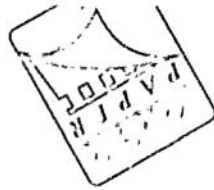
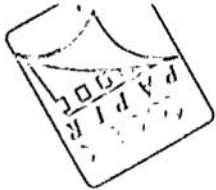




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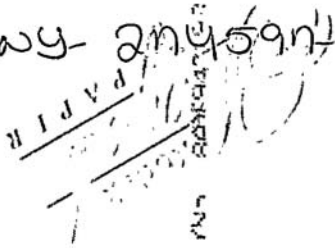
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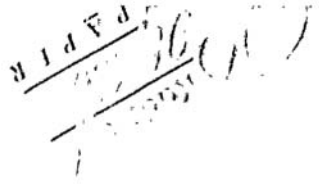
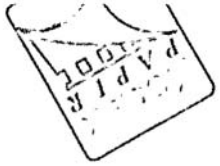


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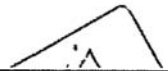
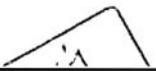
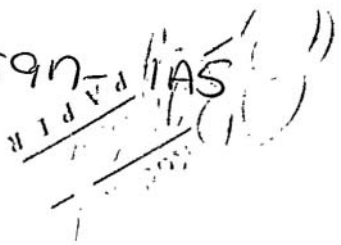


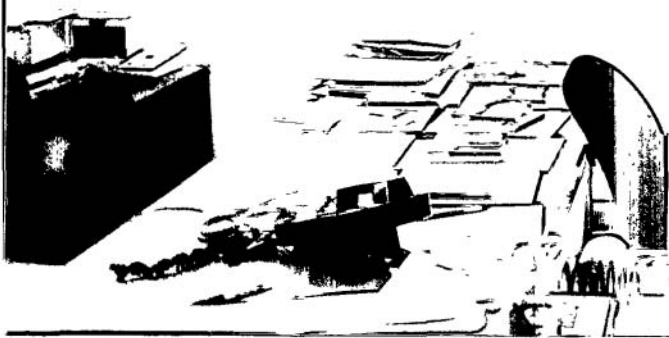
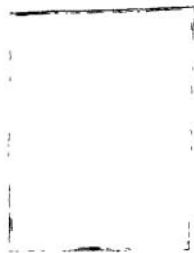
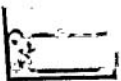
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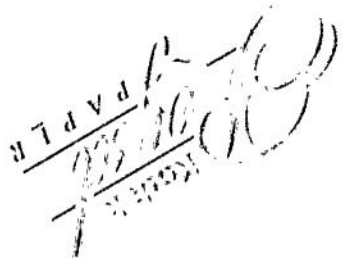
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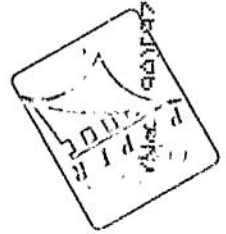


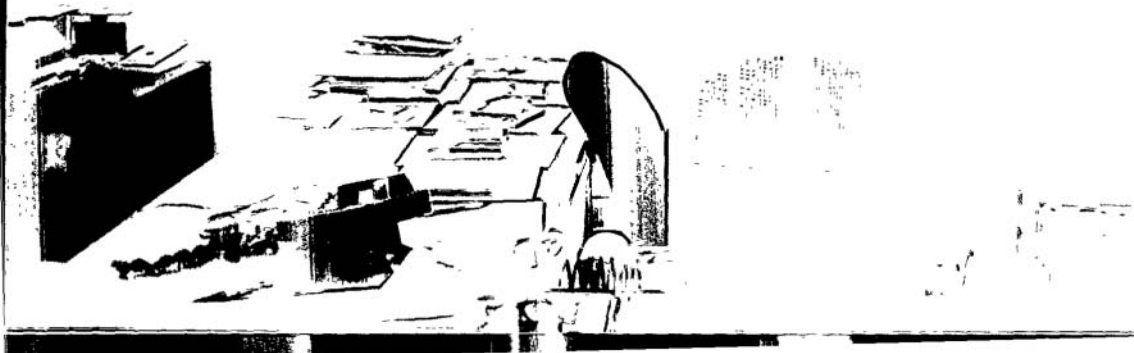
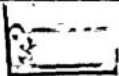
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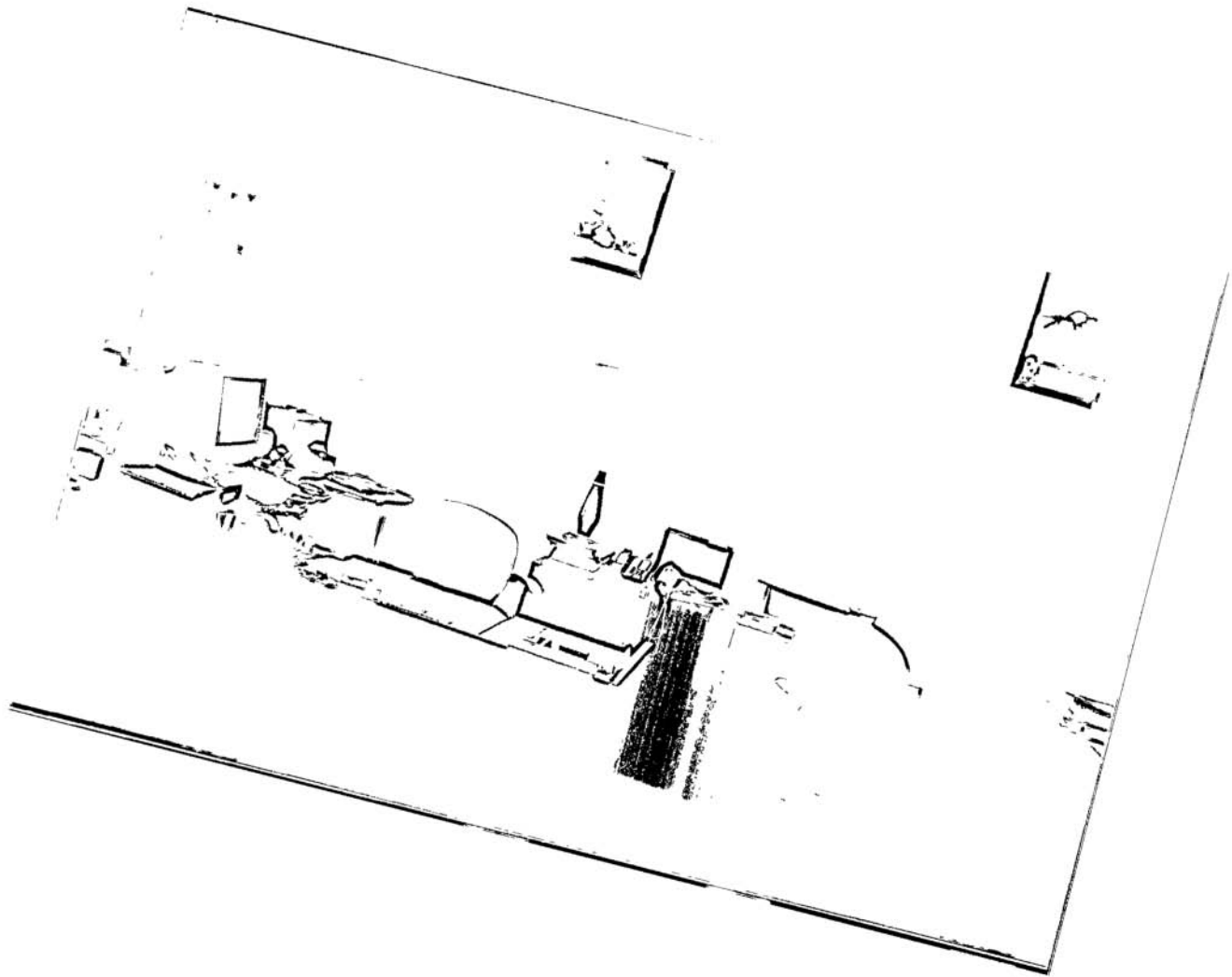


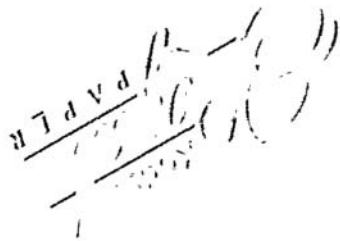




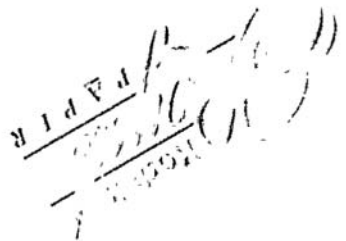
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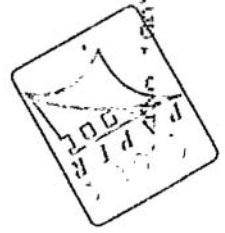


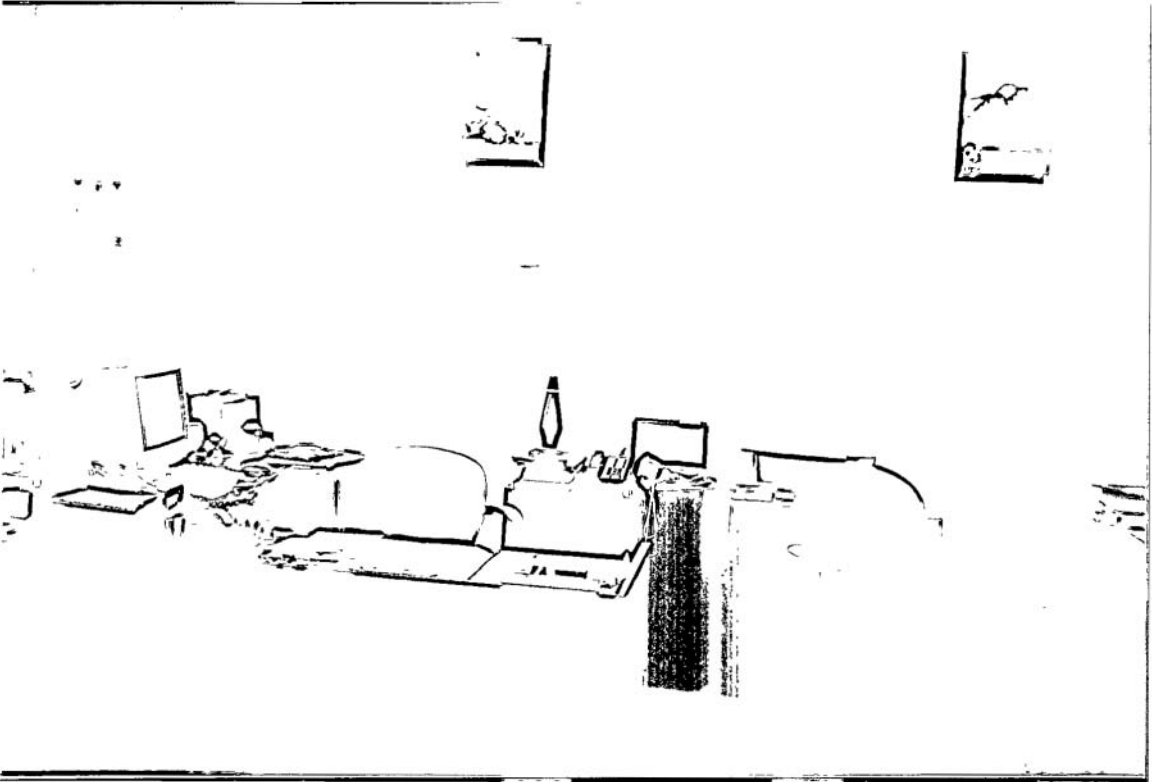


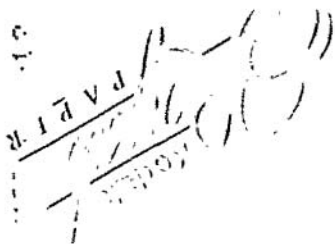
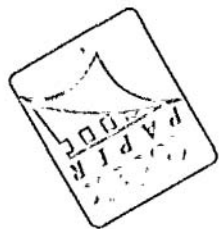
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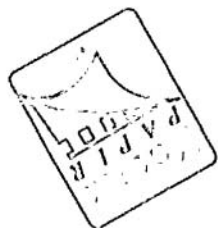
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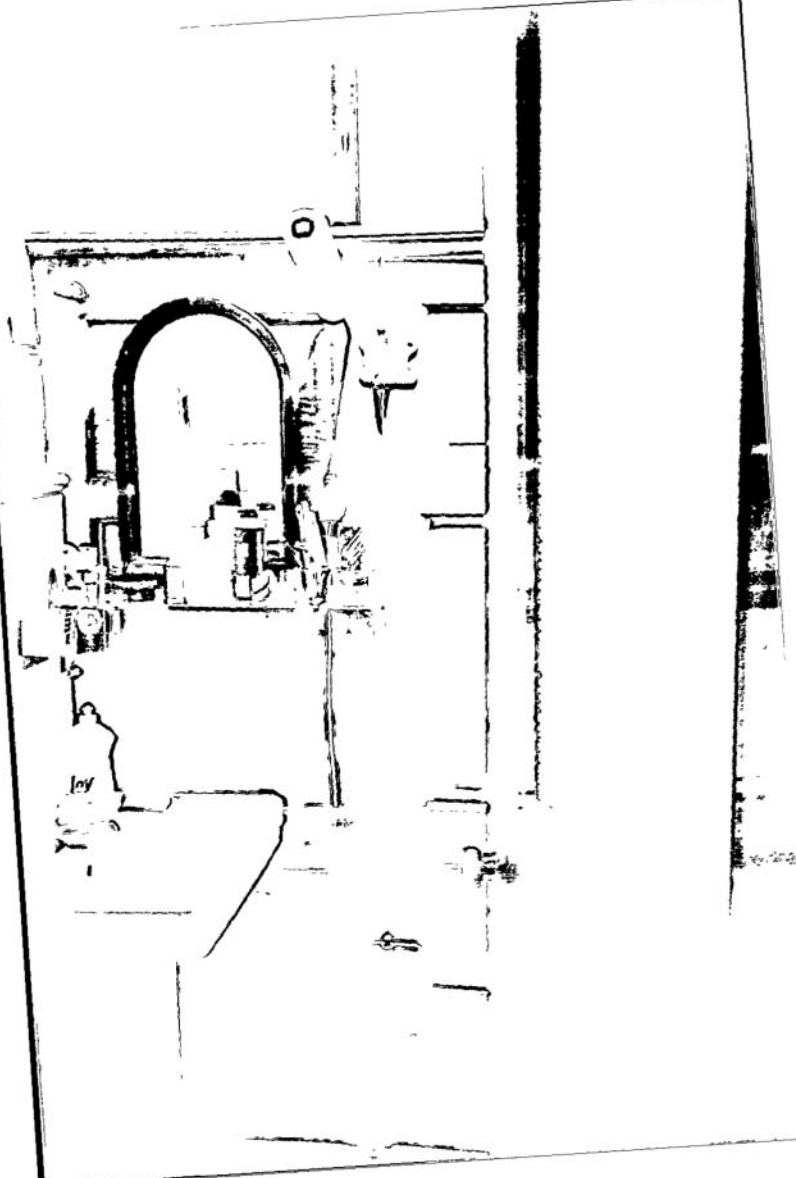


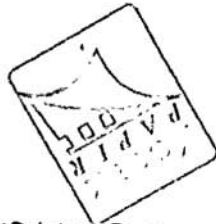




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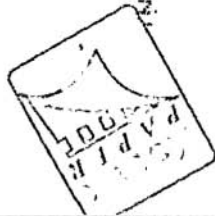


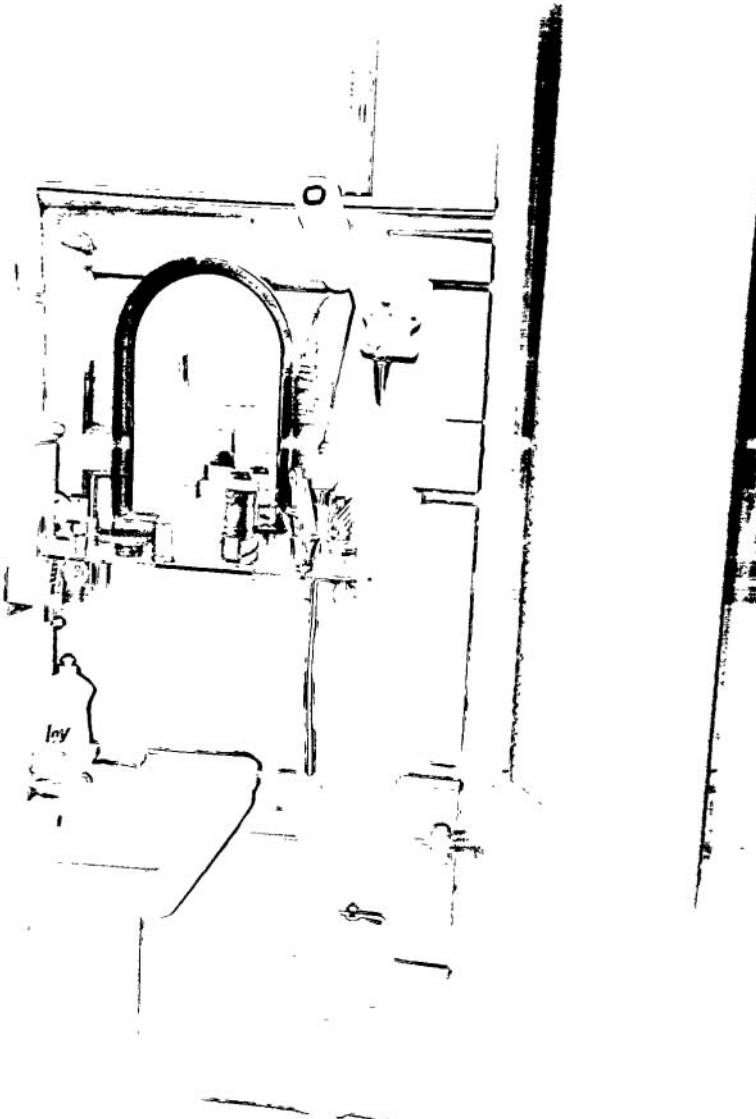




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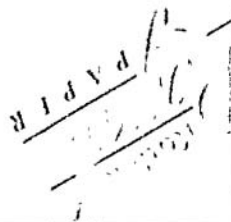
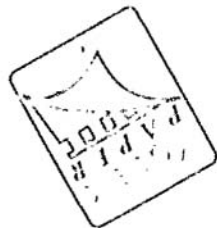
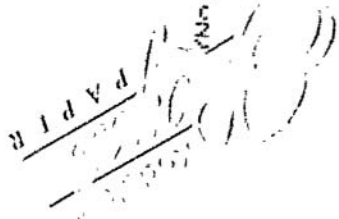




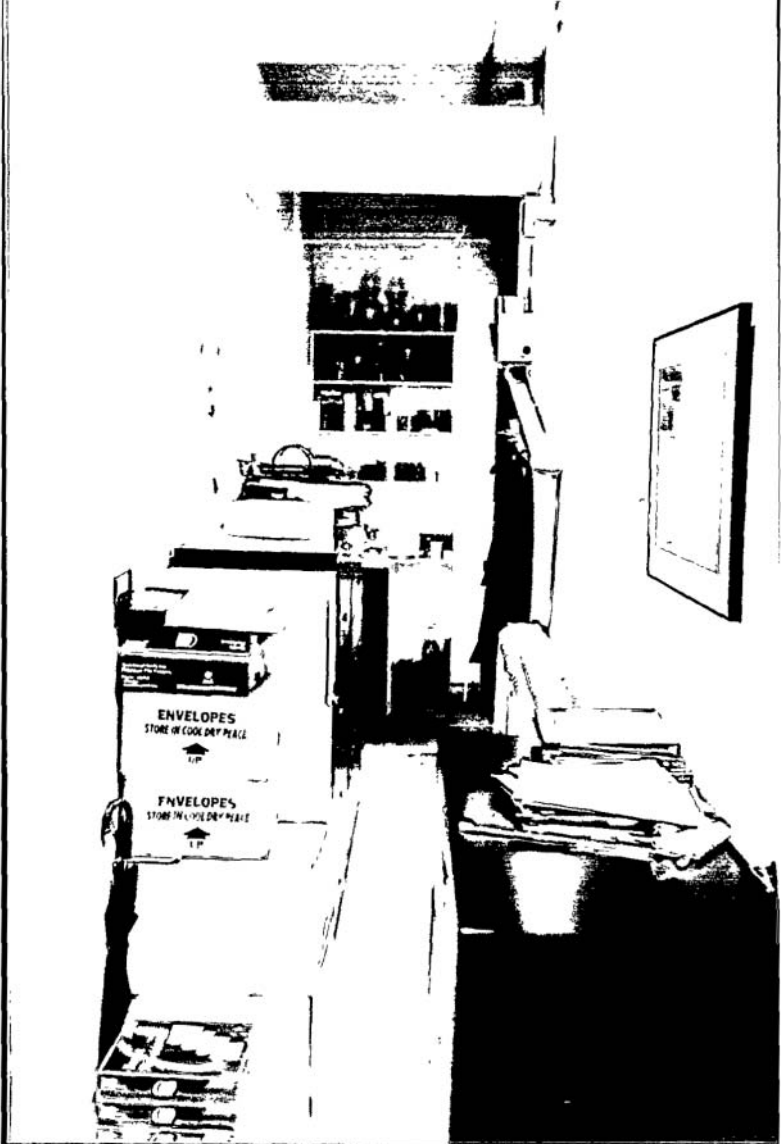


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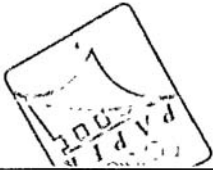
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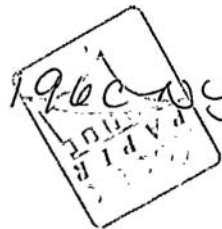


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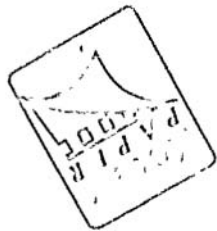




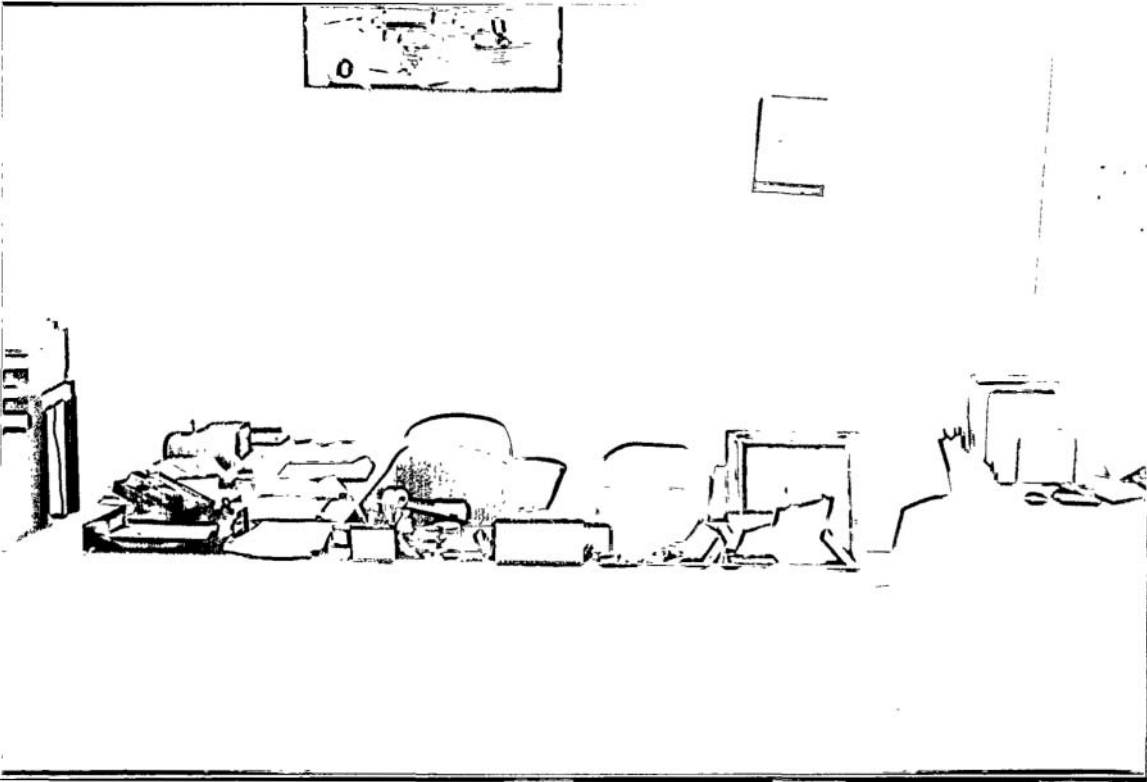
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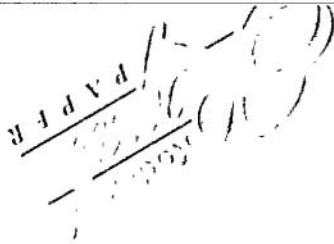
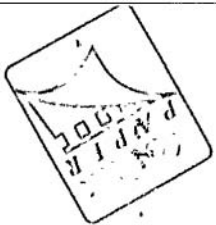


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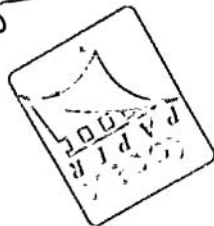




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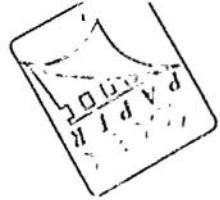
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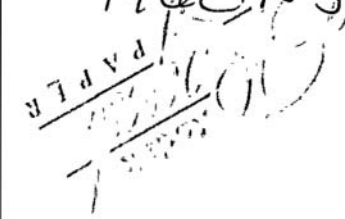
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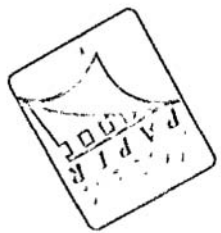
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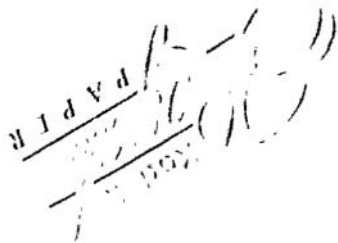
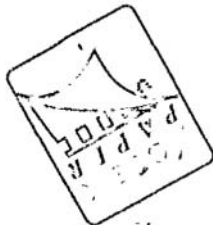


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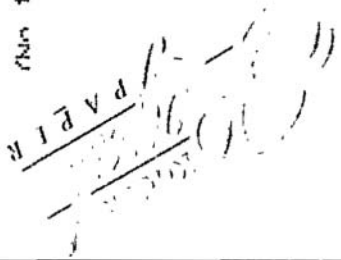
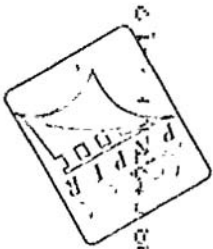
196c - NY - 074597 - 1A5



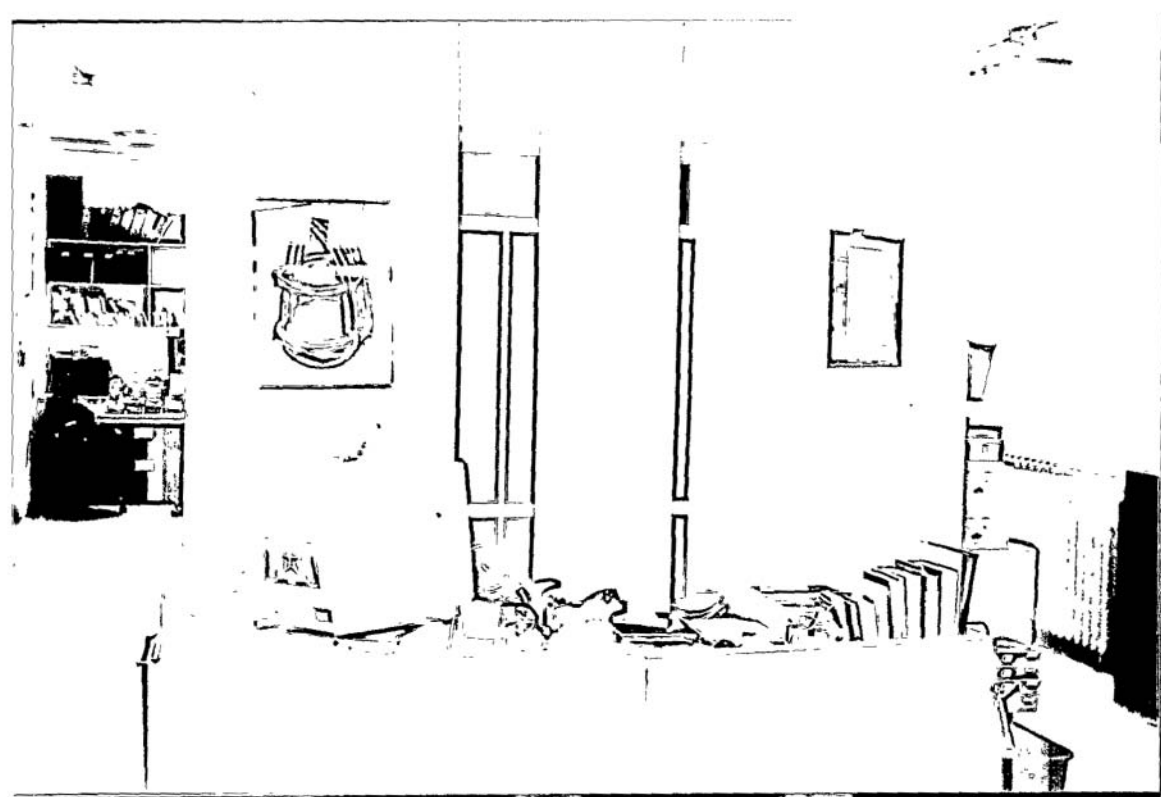
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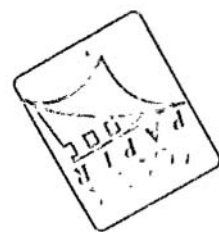
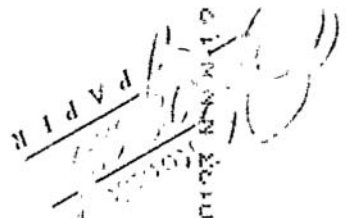


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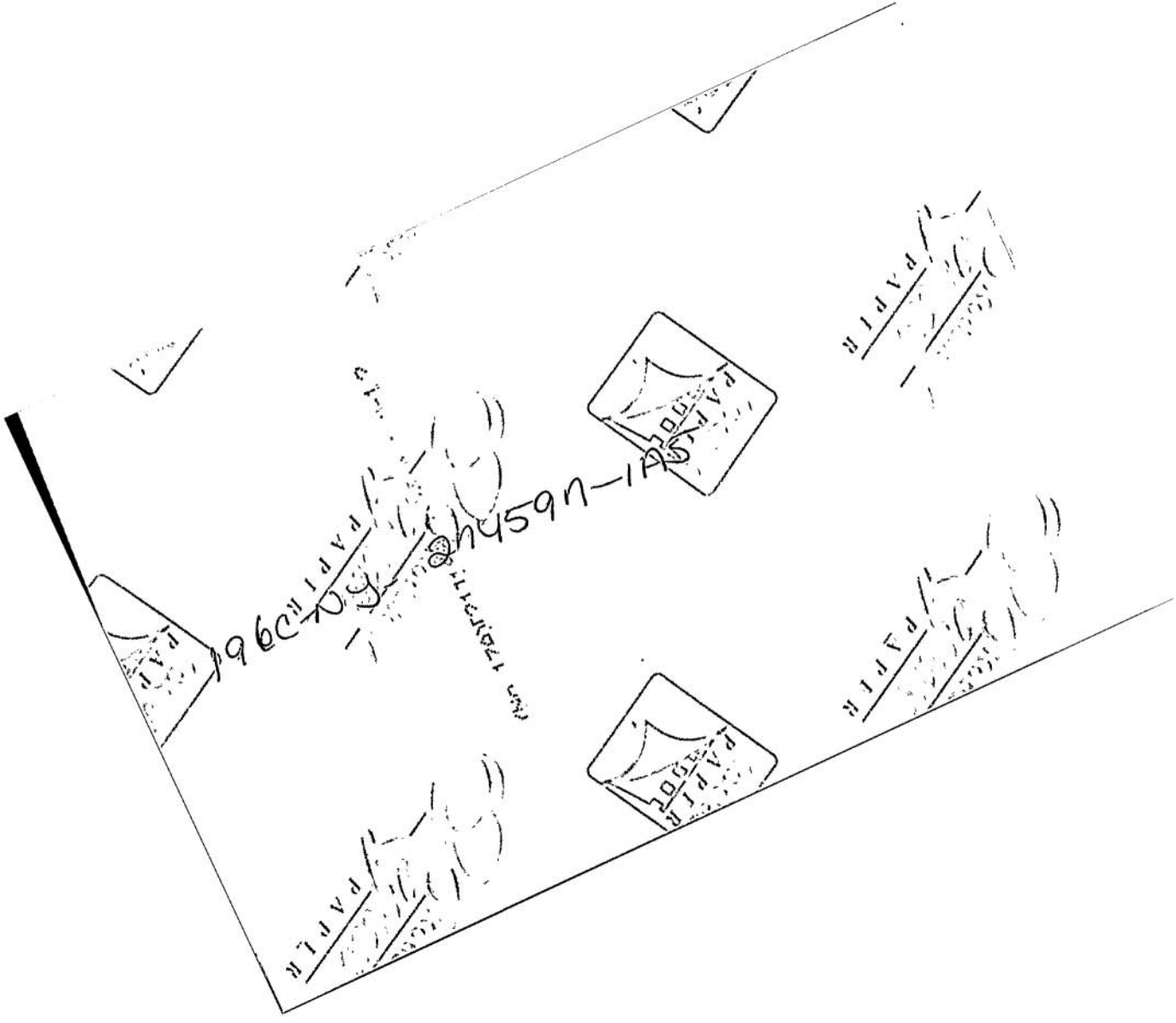


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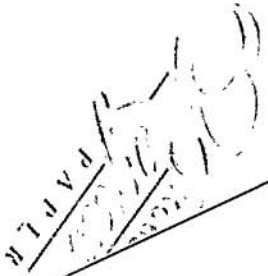
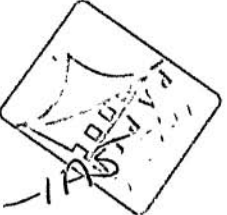
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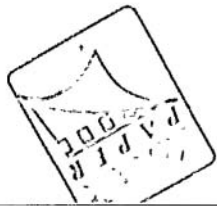




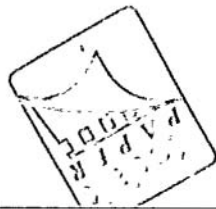
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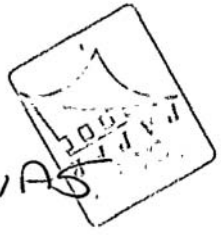
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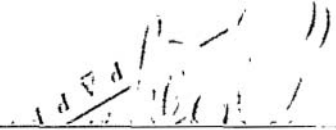
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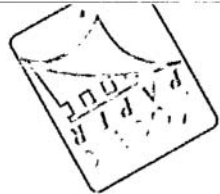
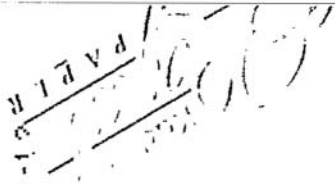
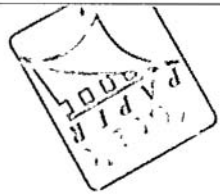
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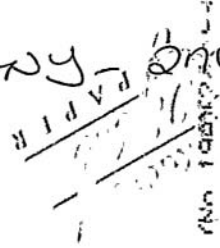




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1960 NY - 204597 - AS





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Mr. Tolson

Agency 254597-AS

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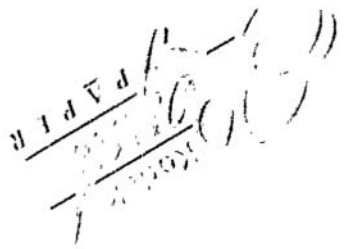
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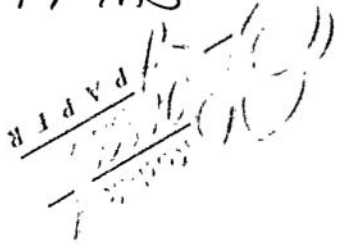
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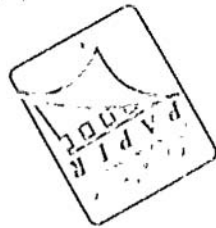
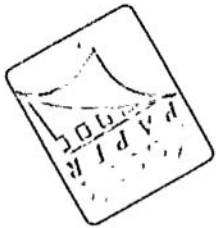


NY 204597-1A5

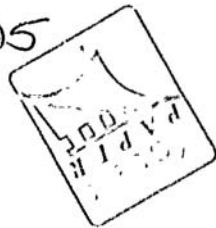
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1965-274597-1A5

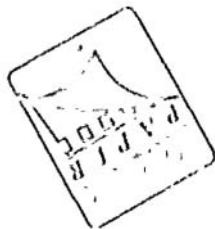
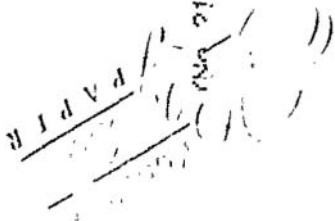




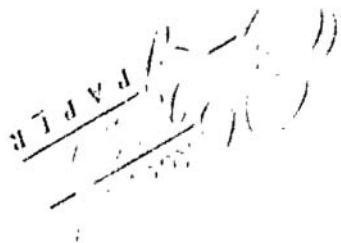


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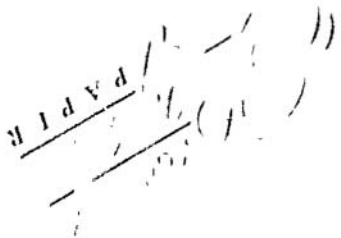
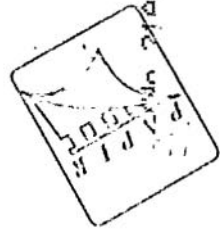
1966 NY - 224597-1A5







196c - NY - 74597 - AS



Universal Case File Number 196C-NY-274597-1A6

Field Office Acquiring Evidence _____

Serial # of Originating Document _____

Date Received 3/24/00

From _____
(Name of Contributor)

(Address of Contributor)

By SA _____
(Signature)

To Be Returned Yes No

Receipt Given Yes No

Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)

Federal Rules of Criminal Procedure

Yes No

Title: DANA GIARDINETTO ILS
THE CASSANDRA GROUP
SFA

Reference: _____
(Communication Enclosing Material)

Description: Original notes re interview of

PHOTOS FROM SEARCH OF 3/16/00 OF
561 BROADWAY STE. 3C, 12A

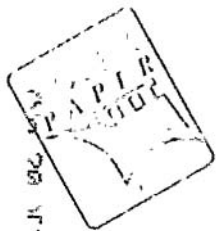
(ROLLS 1 AND 2 OF 4 ; AND NEGATIVES).

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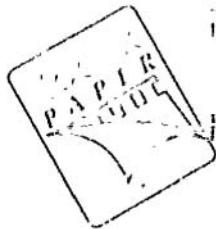


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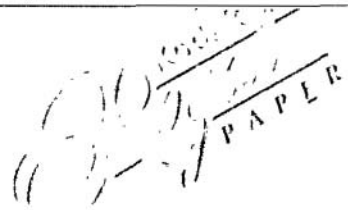
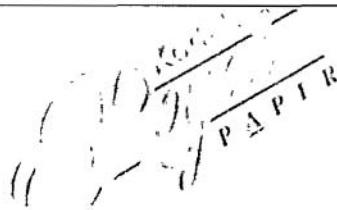


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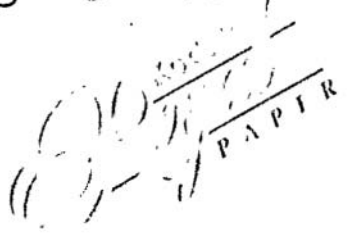


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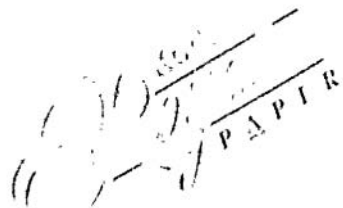


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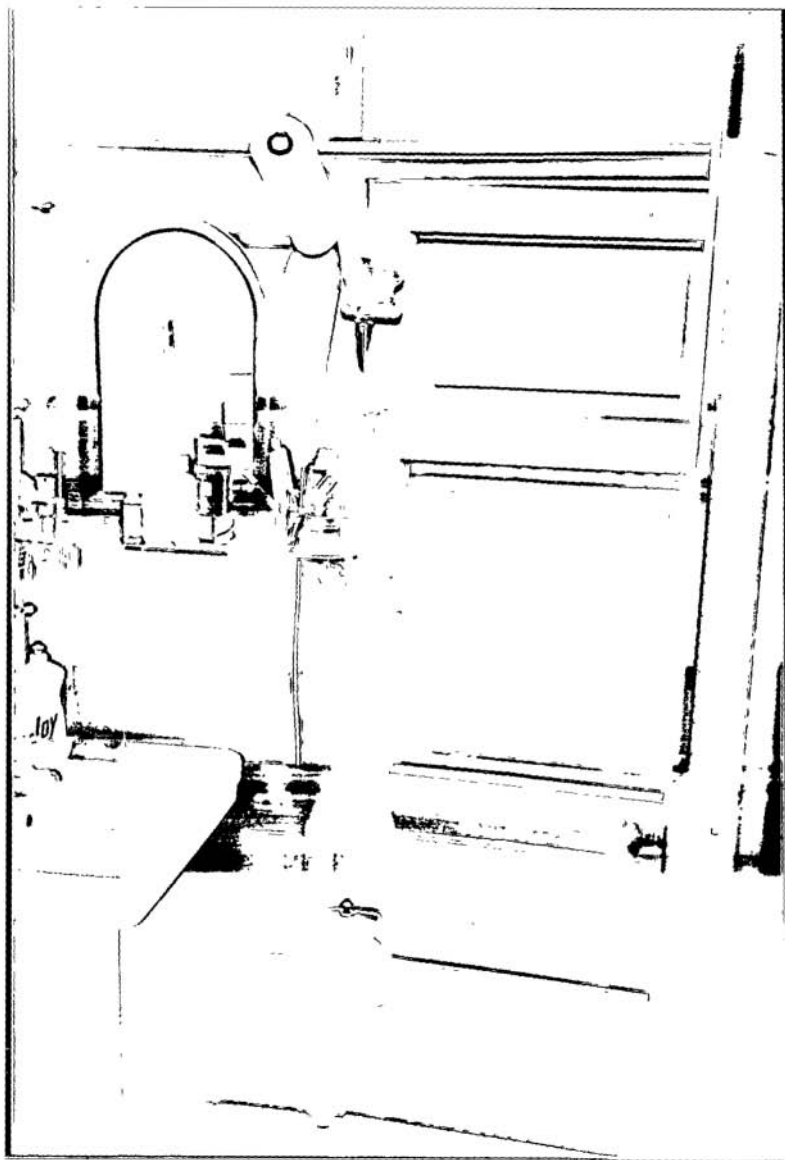






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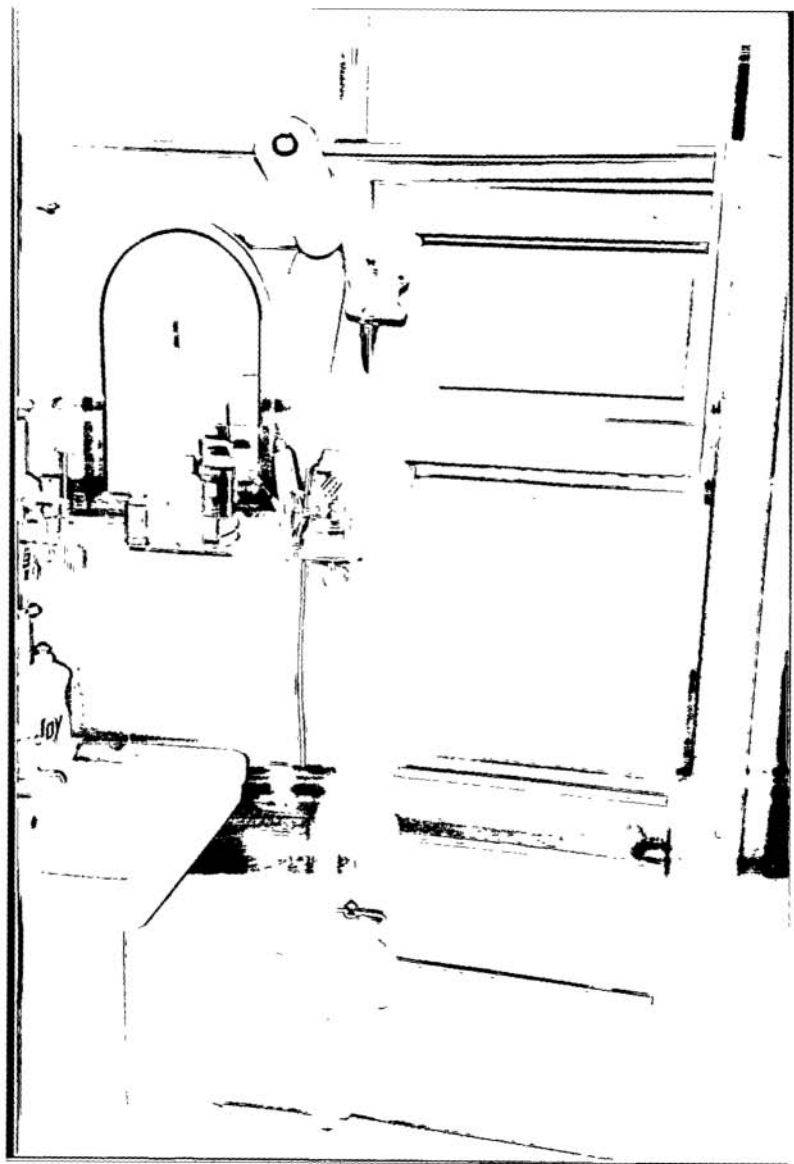




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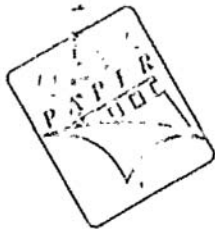


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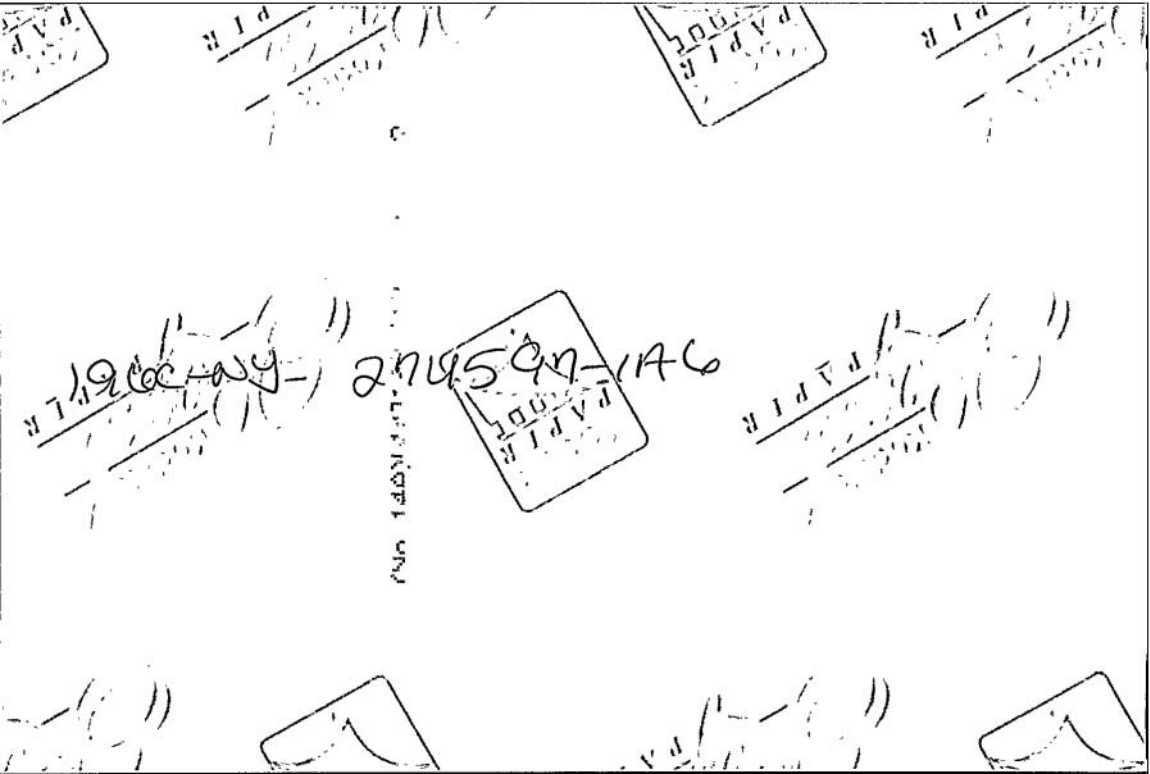
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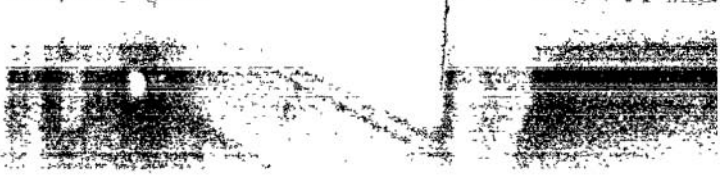




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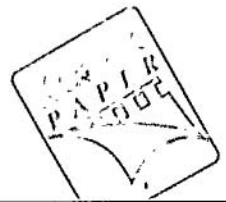




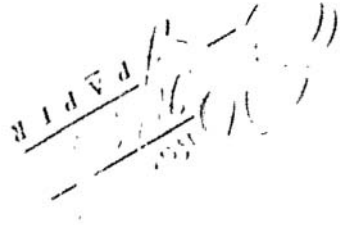
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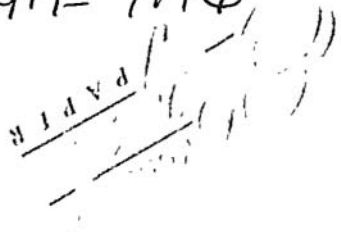
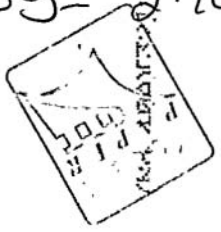






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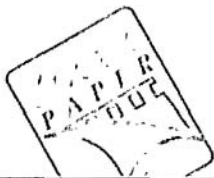
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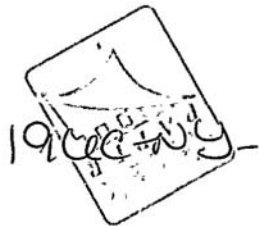
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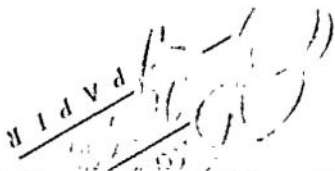




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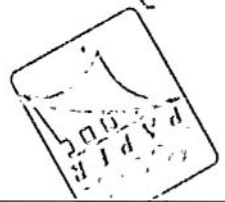
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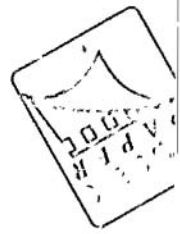






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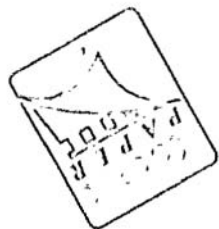
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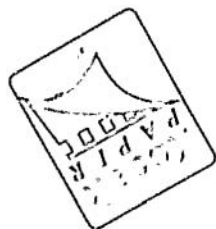
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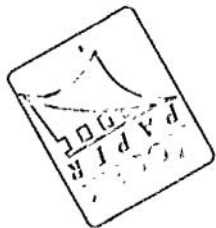
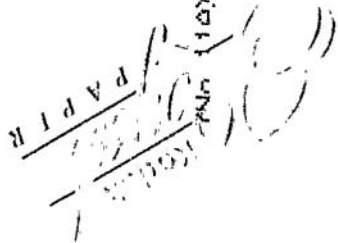
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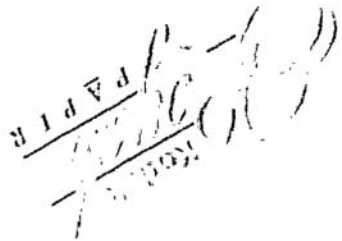
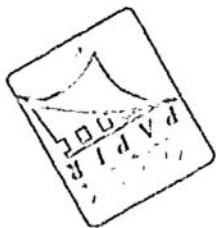




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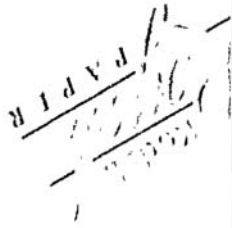
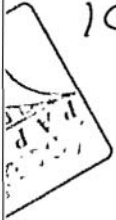


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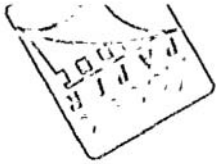
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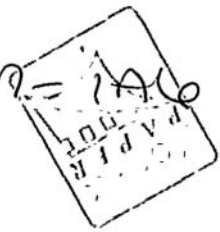
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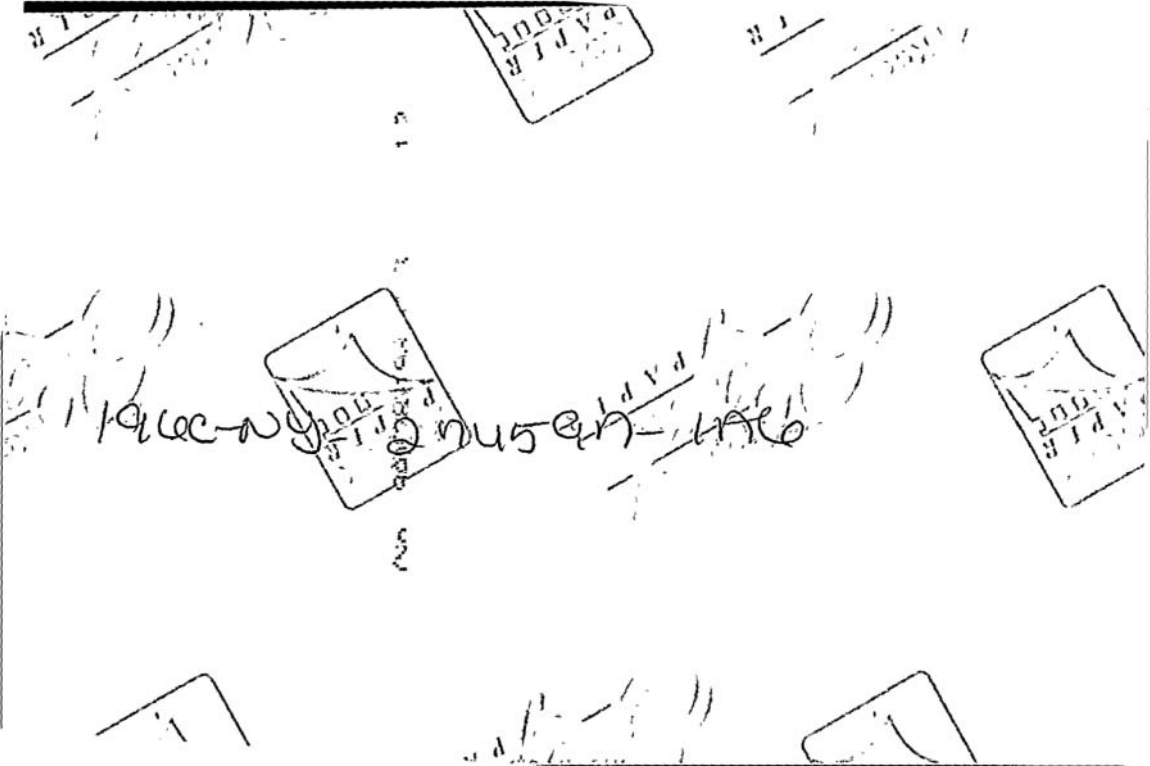
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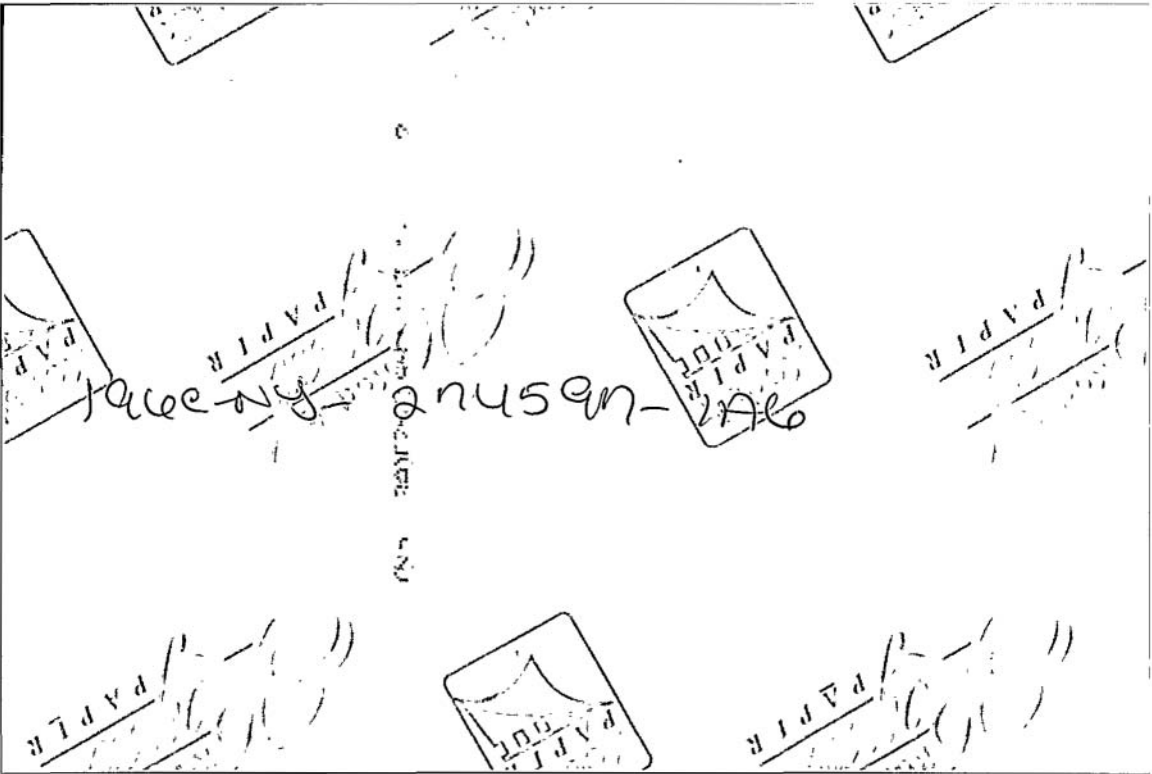
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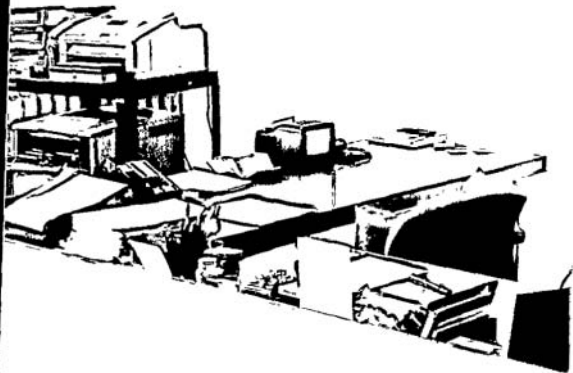
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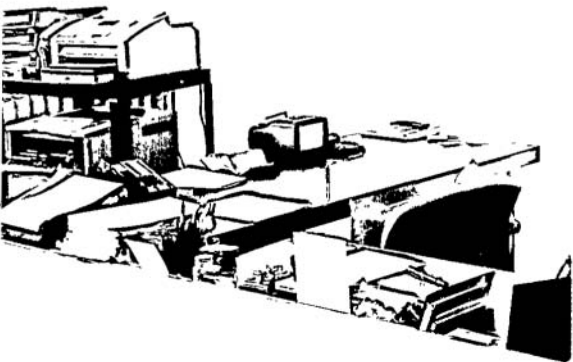


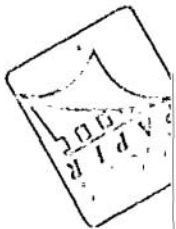
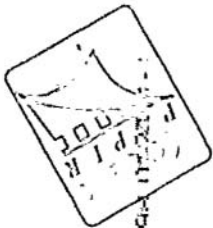


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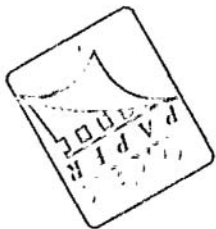




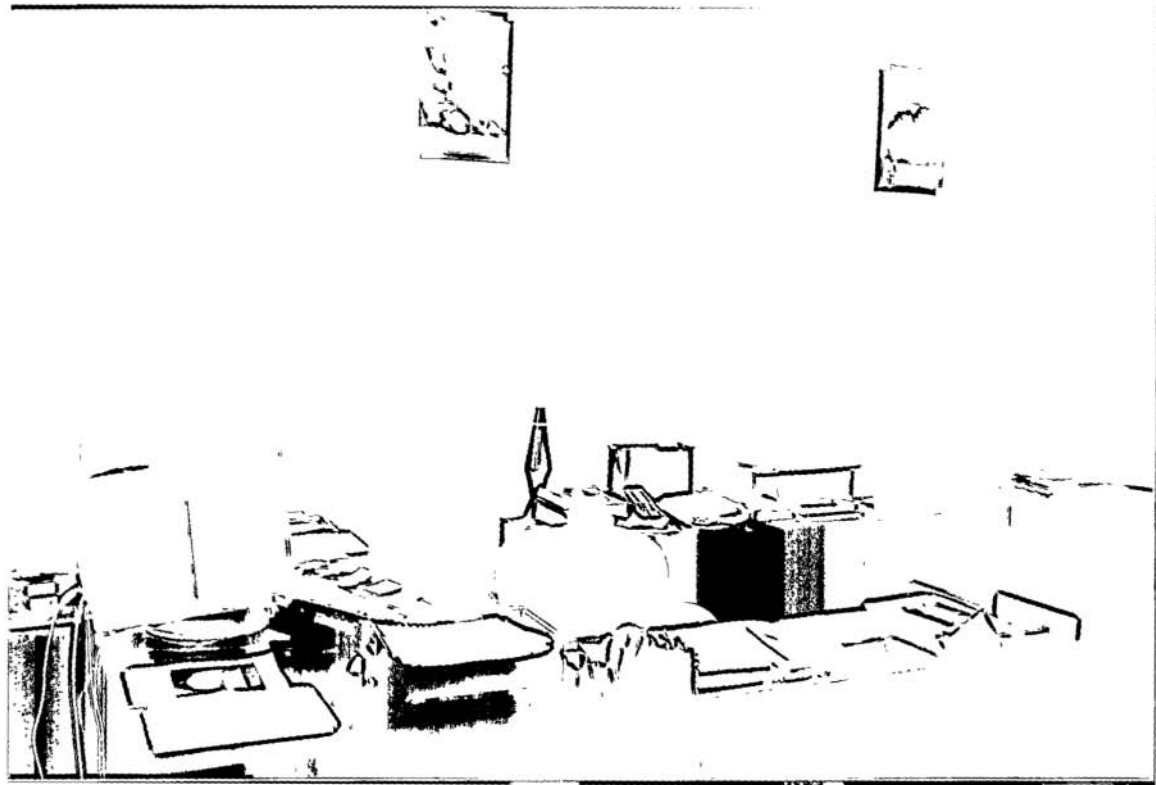


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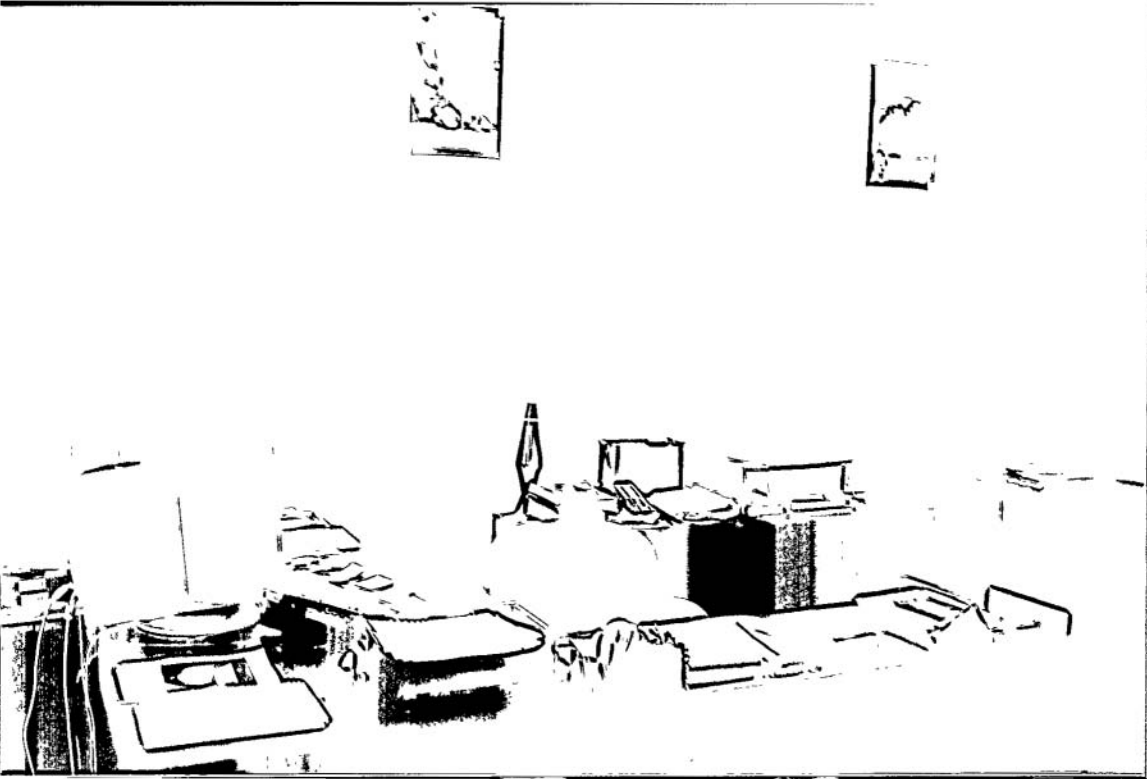


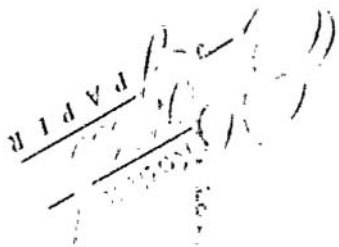
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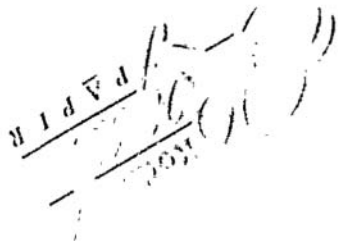
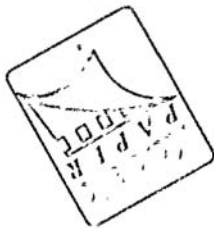




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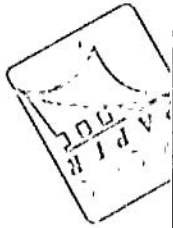
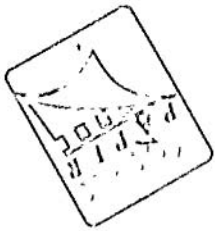


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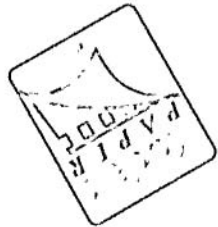
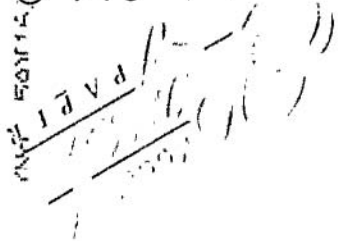
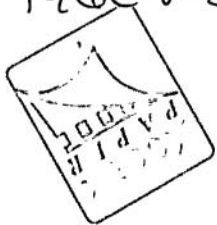
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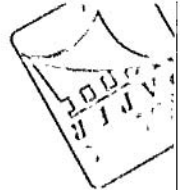
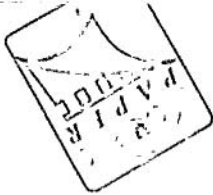
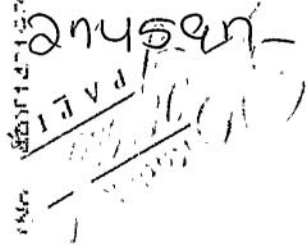


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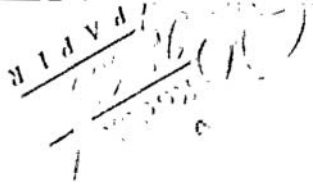


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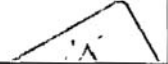
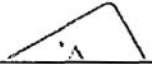
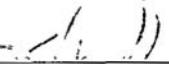
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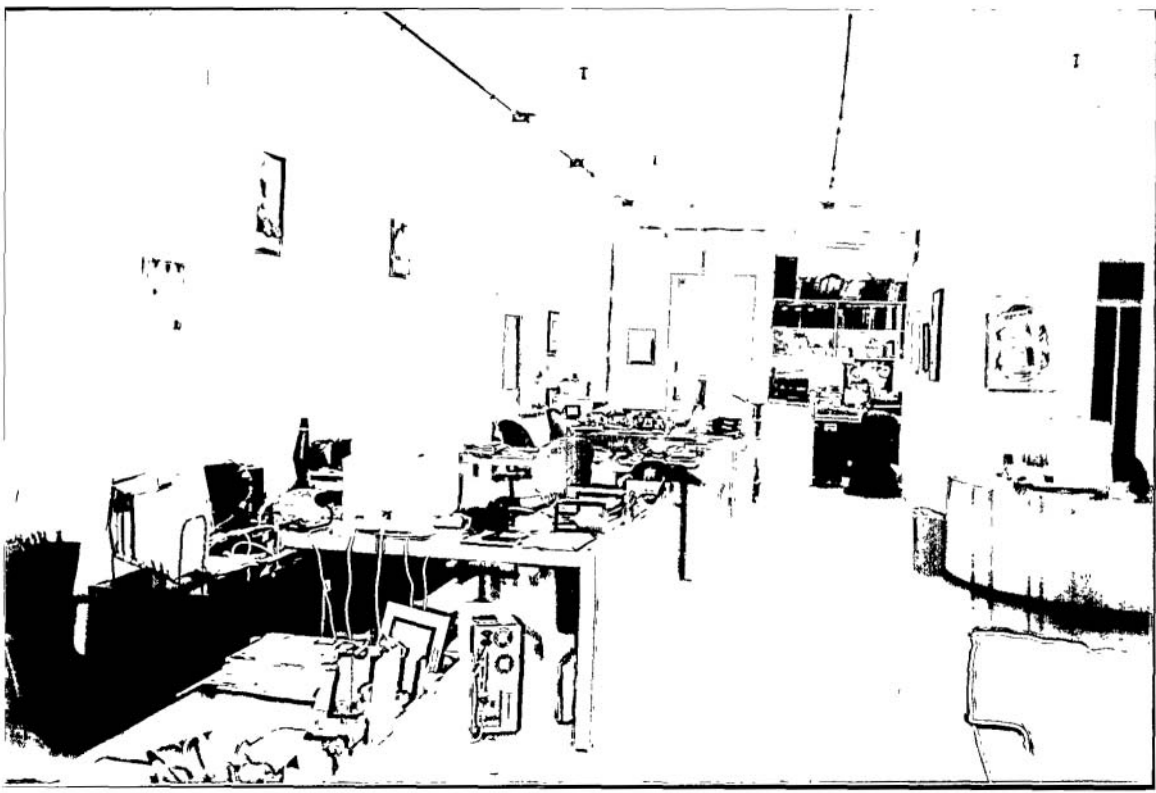


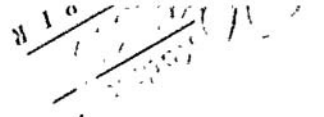


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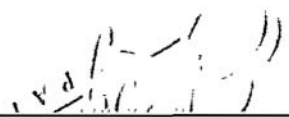


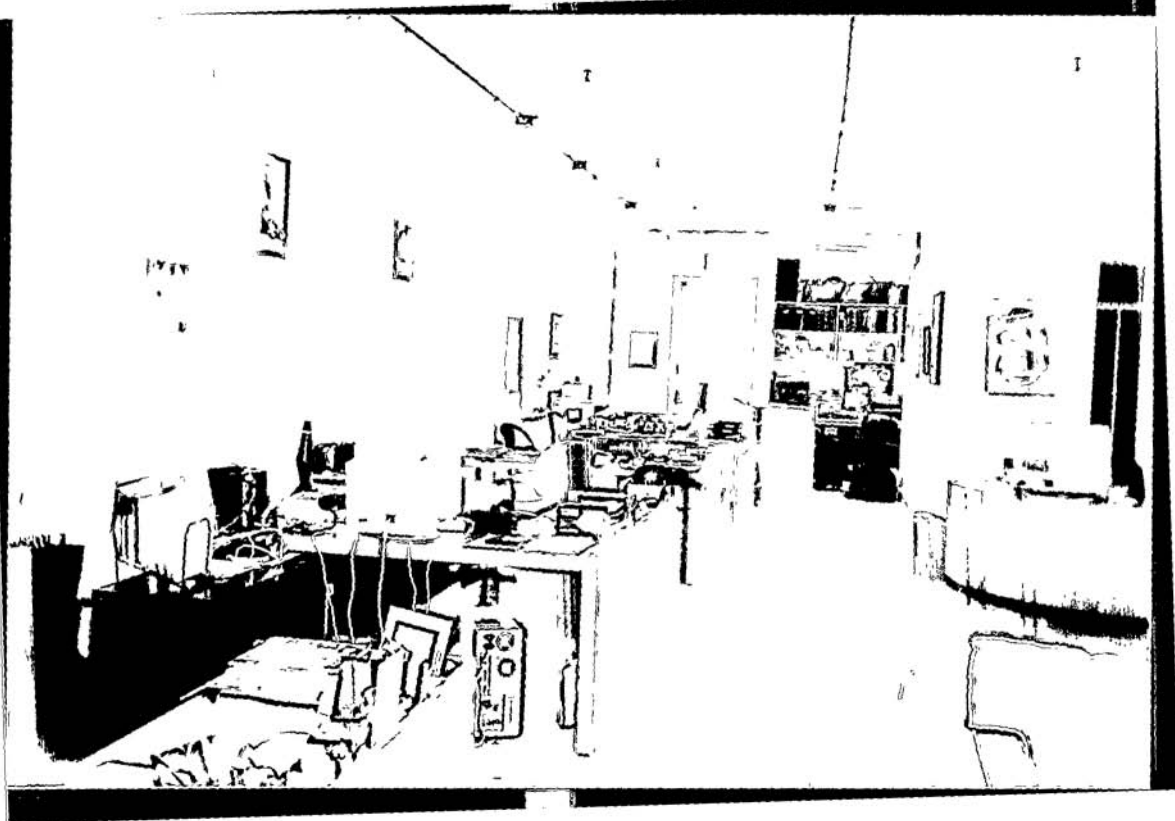
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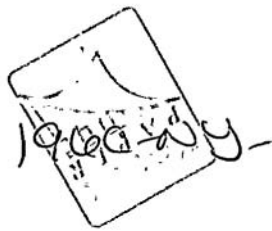
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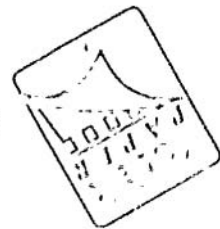
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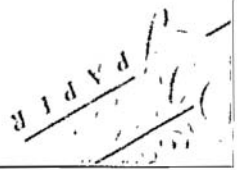
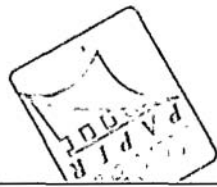




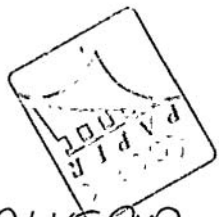


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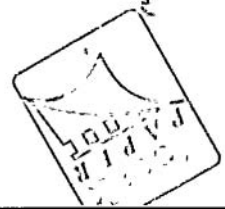


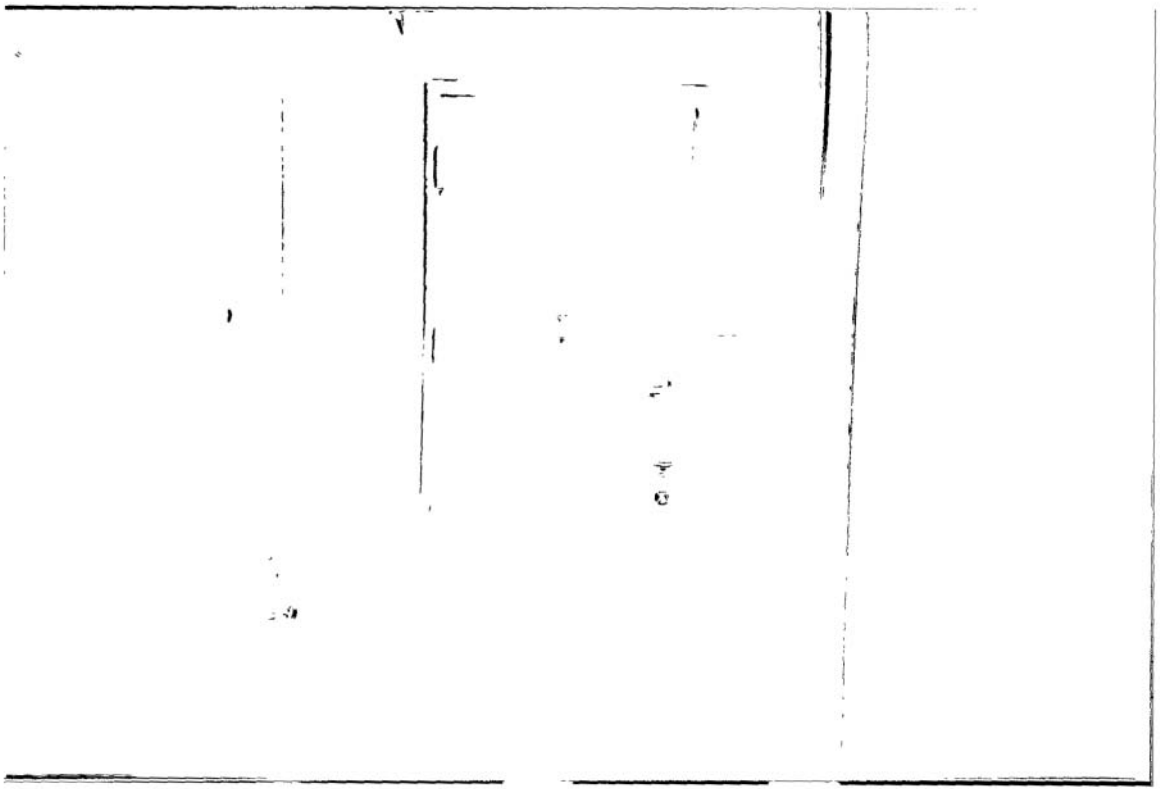


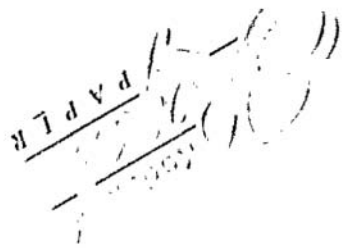


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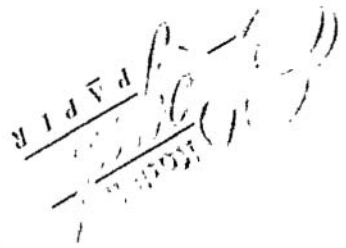
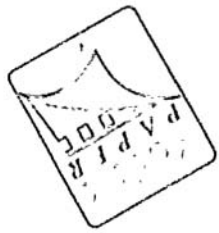
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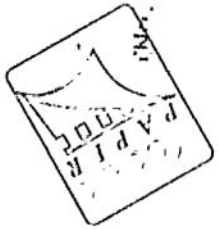




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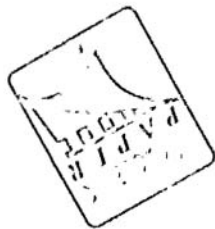


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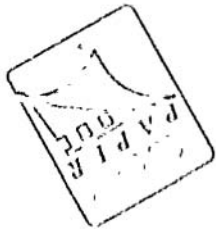
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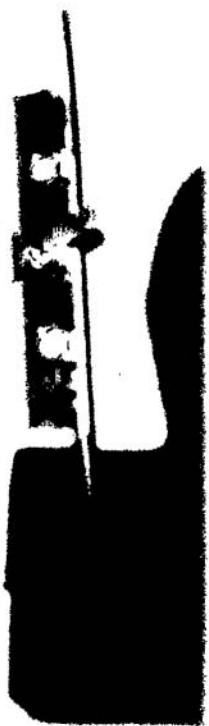


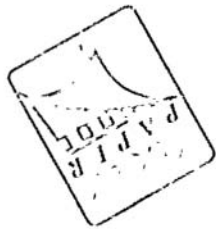
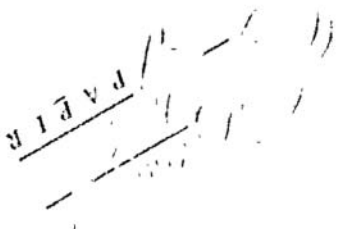
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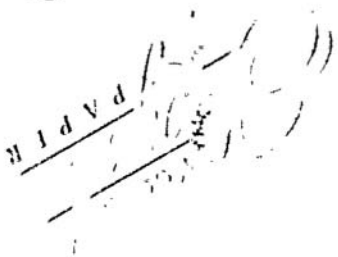


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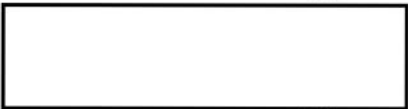


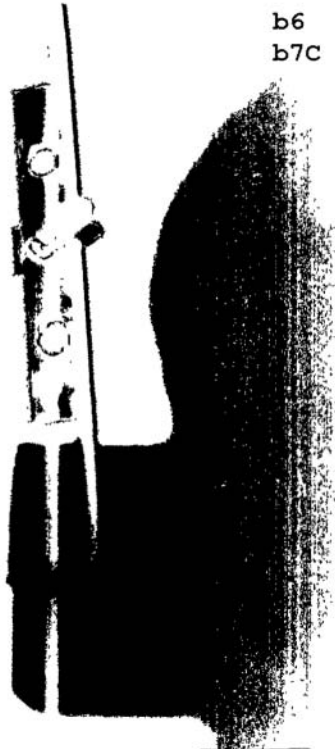
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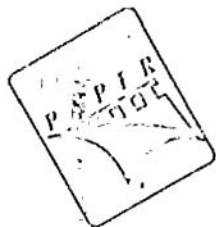
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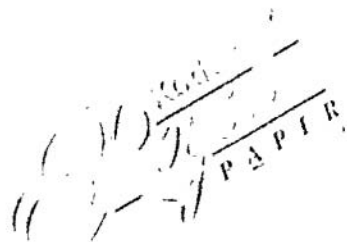
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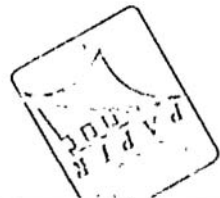


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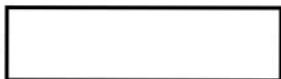
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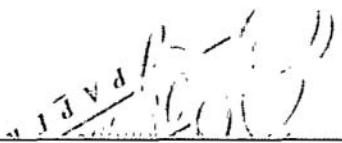
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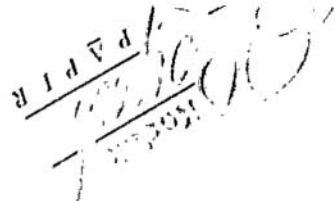
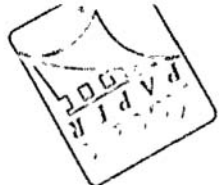
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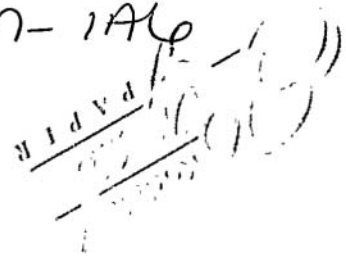
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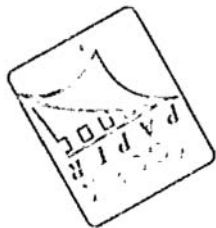
1960 NY - 274597 - 1A6



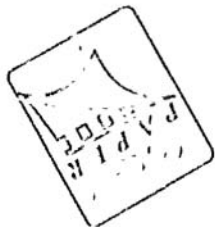
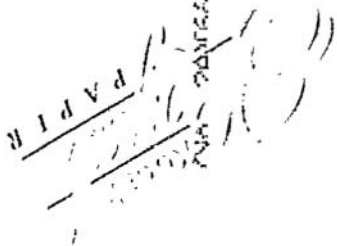


1960 NY - ANUSON - 176





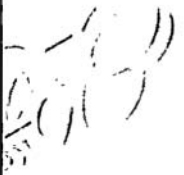
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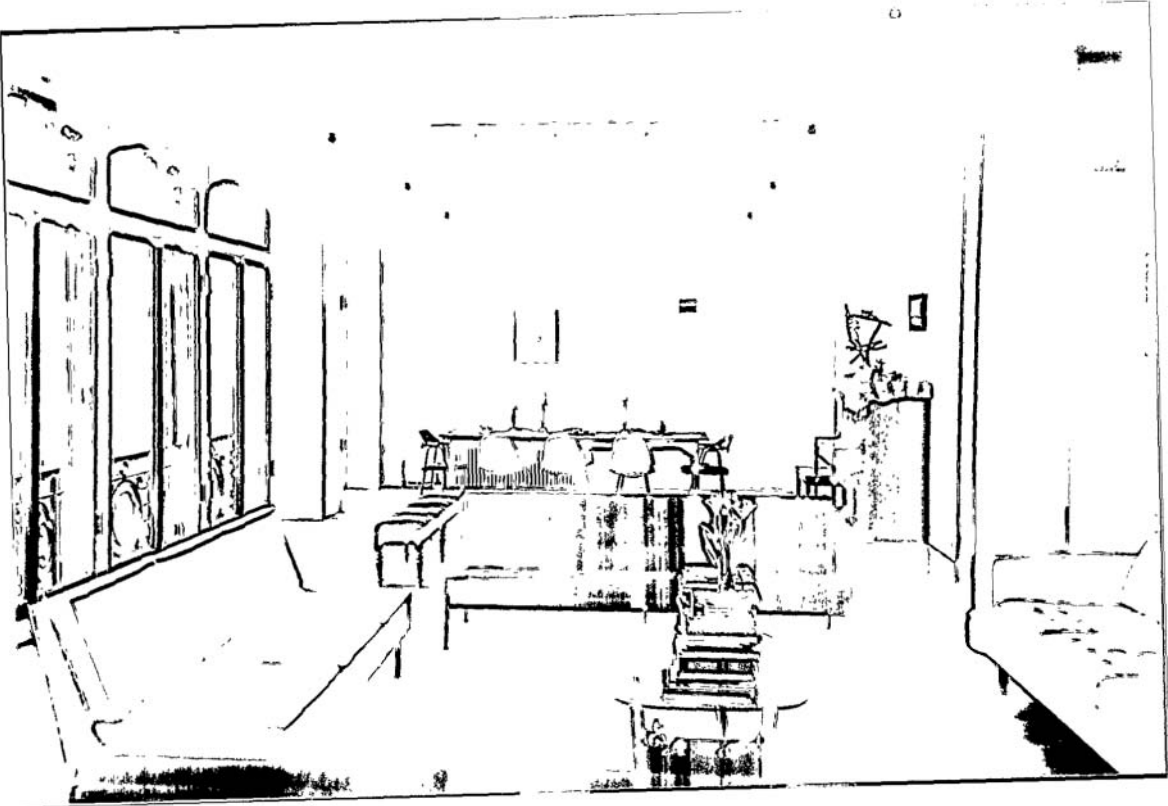


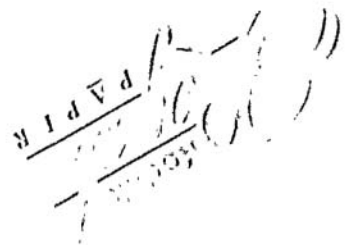




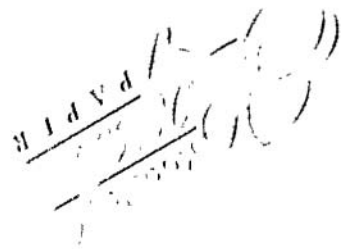
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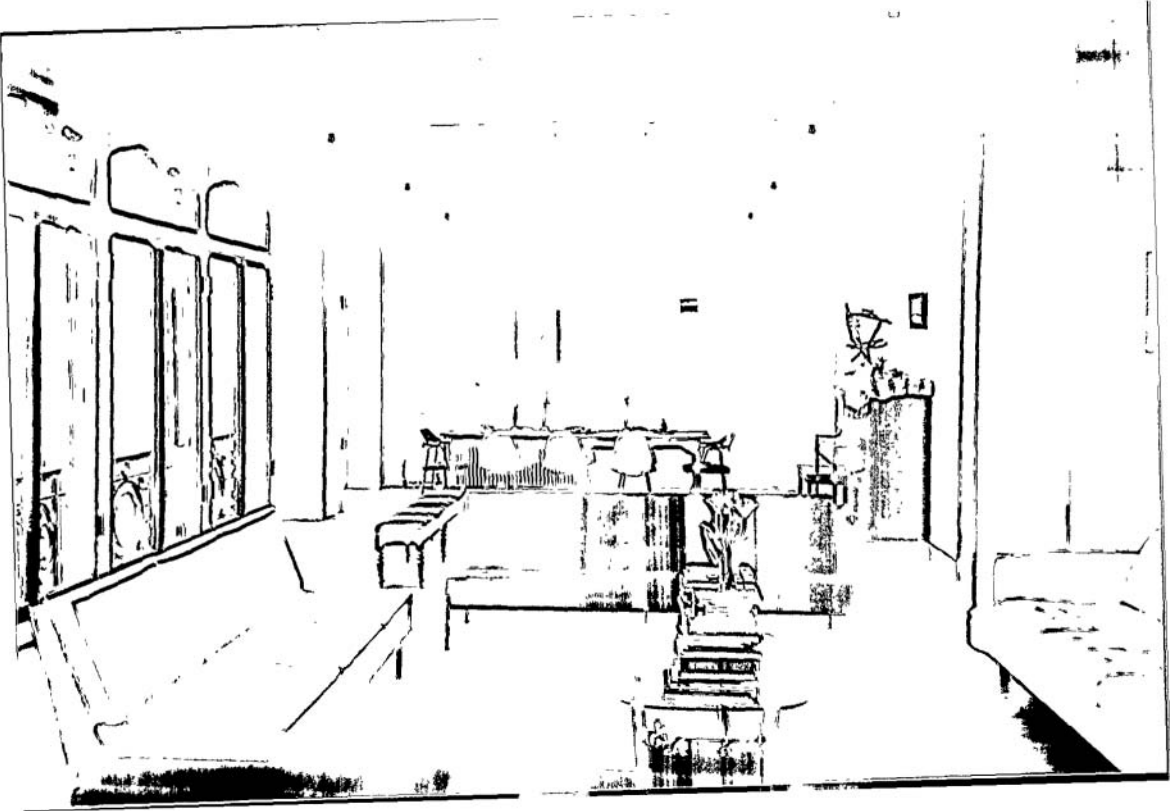






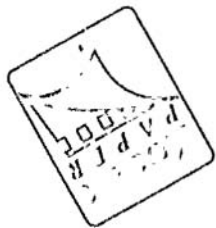
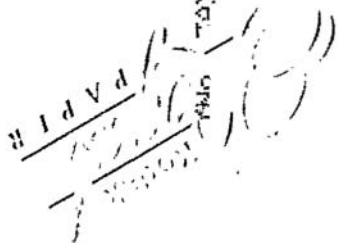
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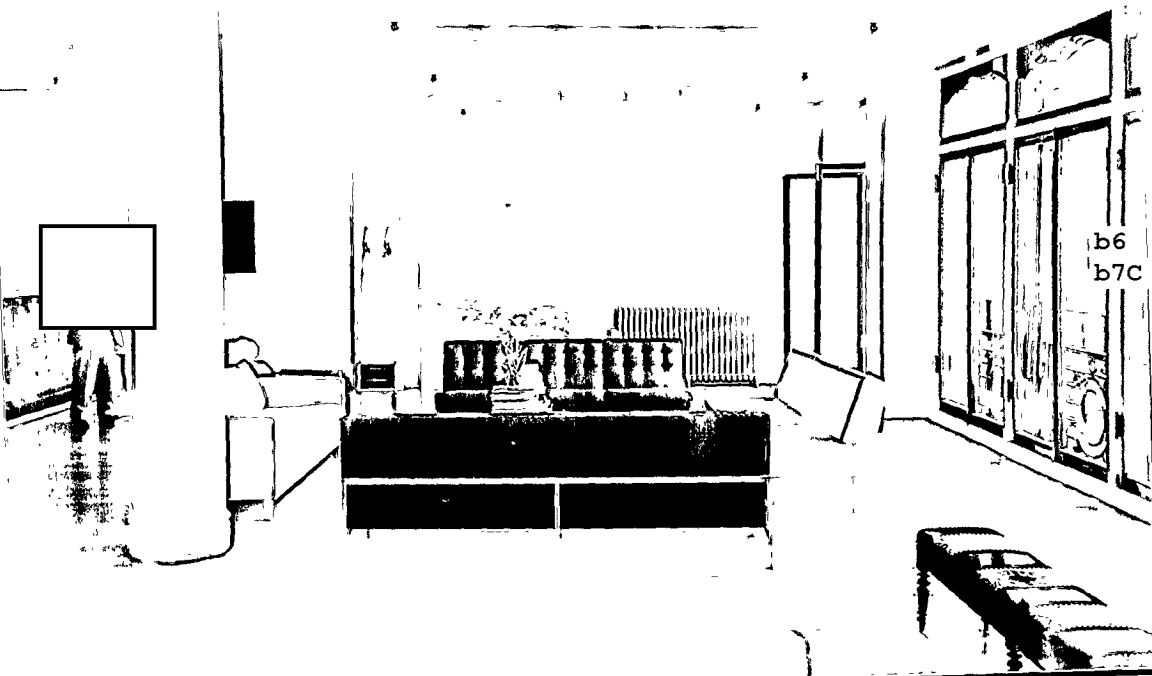






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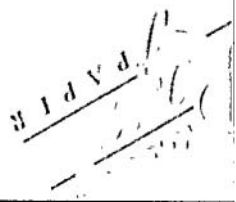
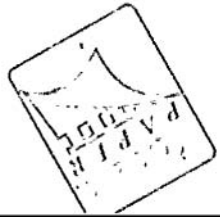
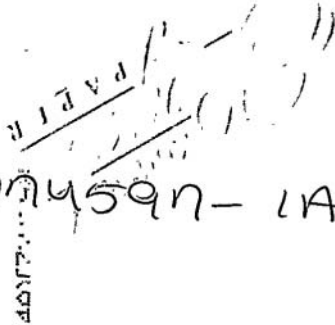


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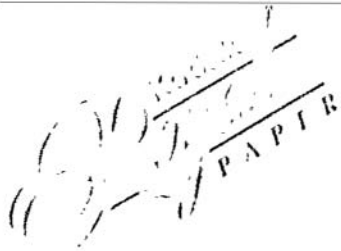


1960-61 204597-1AC





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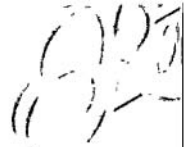
1966 NY-274597-1A6



61

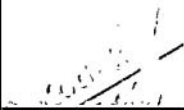
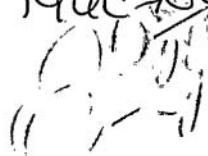






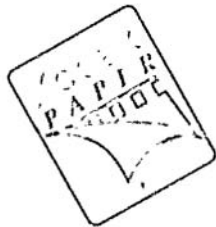
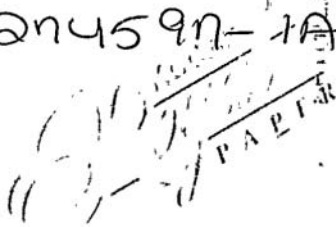
UNITED STATES GOVERNMENT

1946 NY 274597-1A





1966-09-274597-1A6







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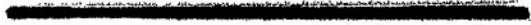


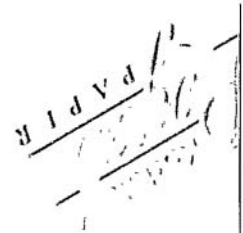
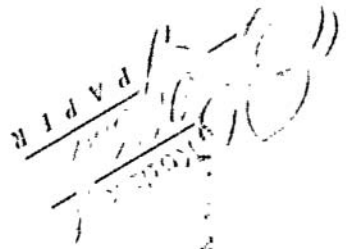
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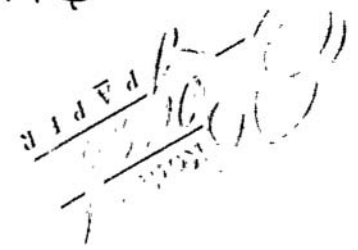
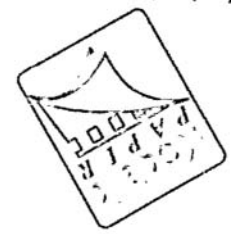




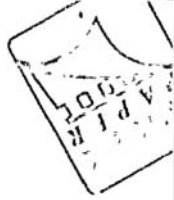


1966-70

274597-1A6



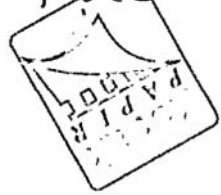




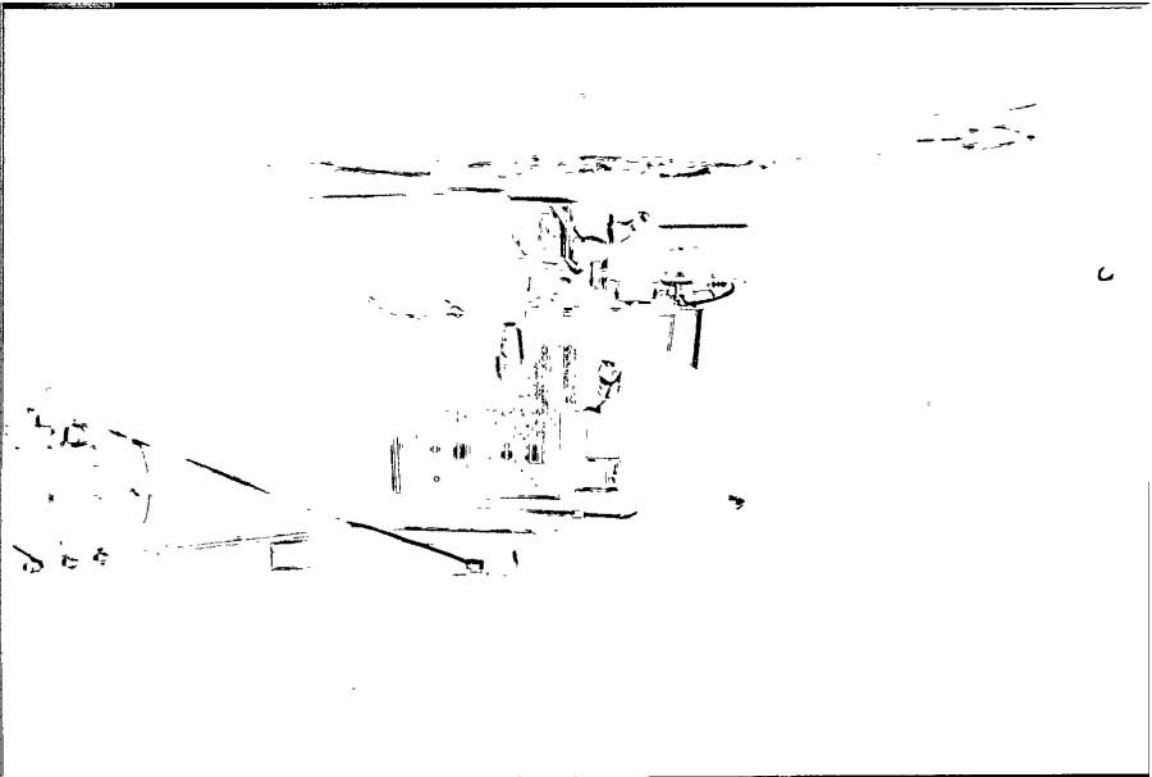
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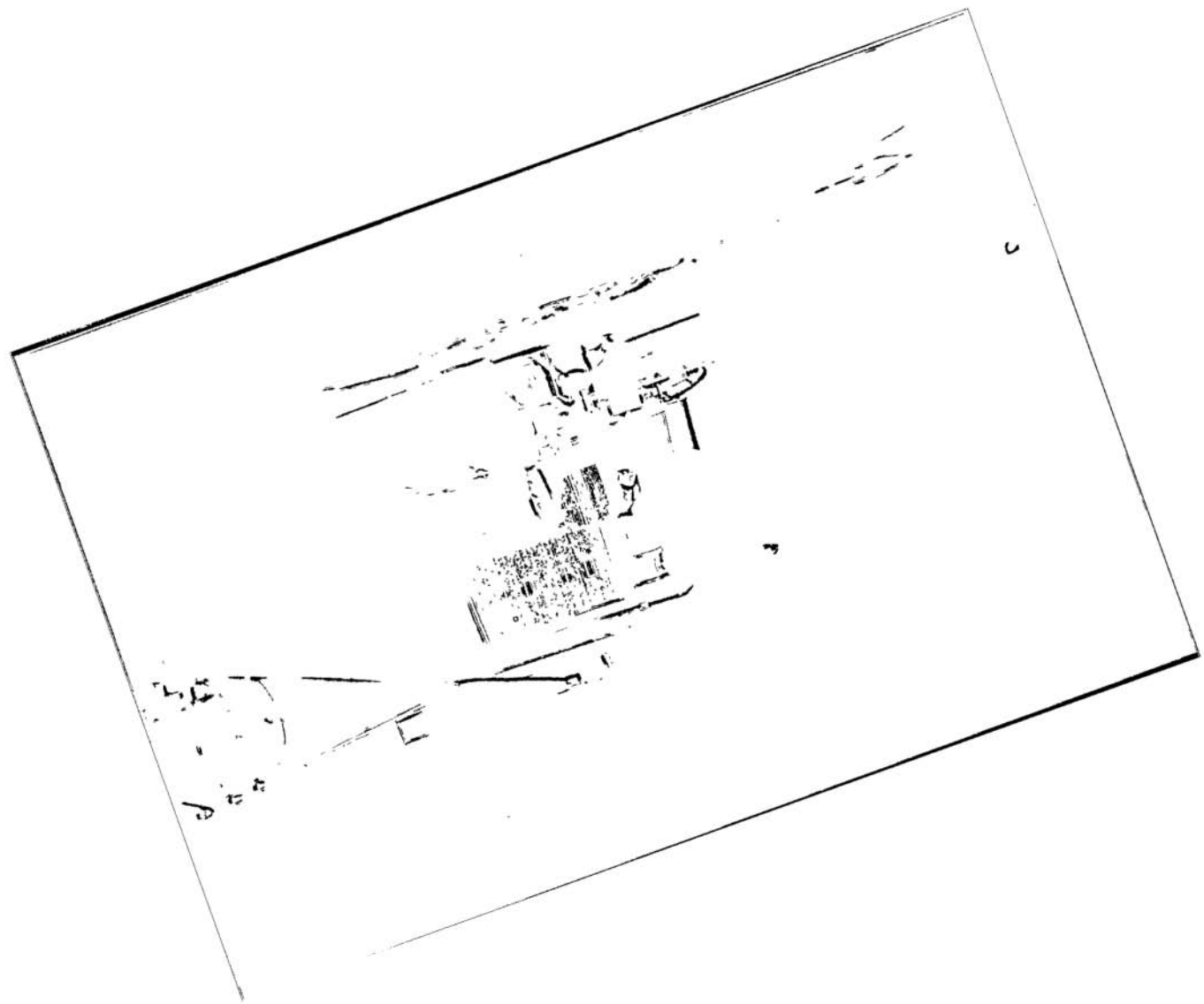


1960 NY 274597-1A6

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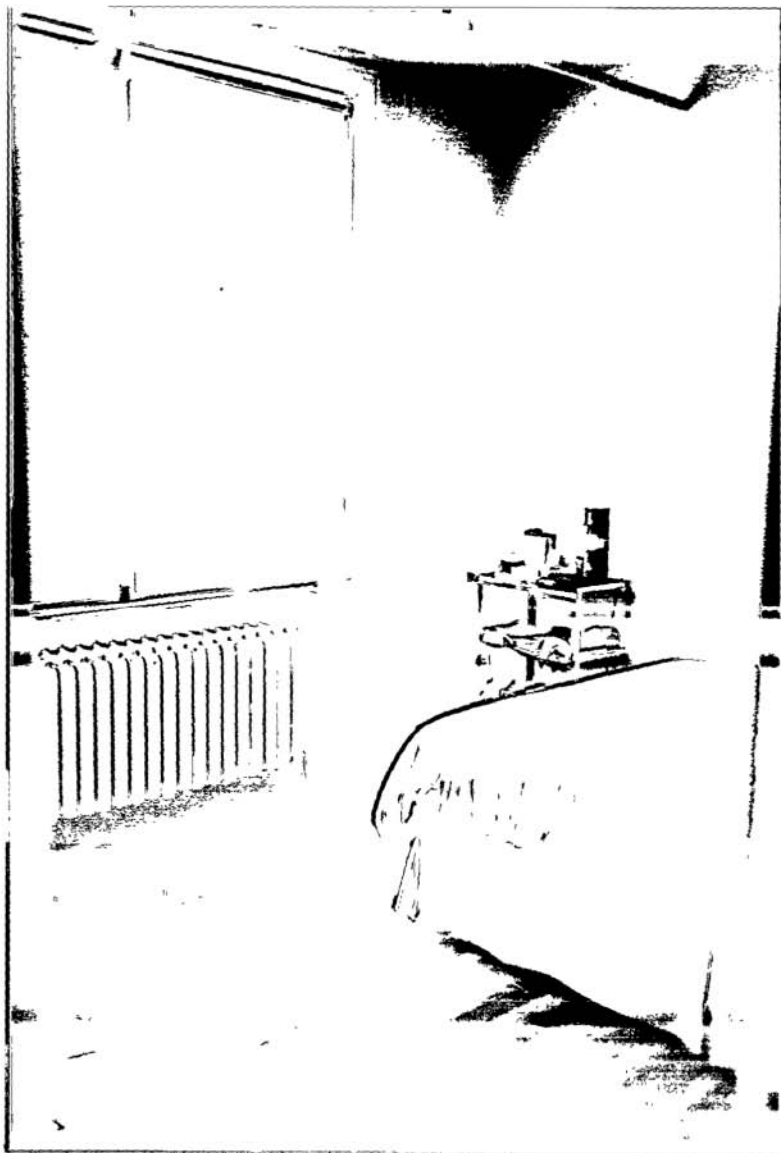


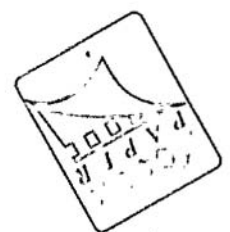
1960-ny-204597-1A6



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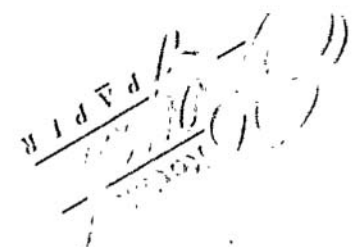


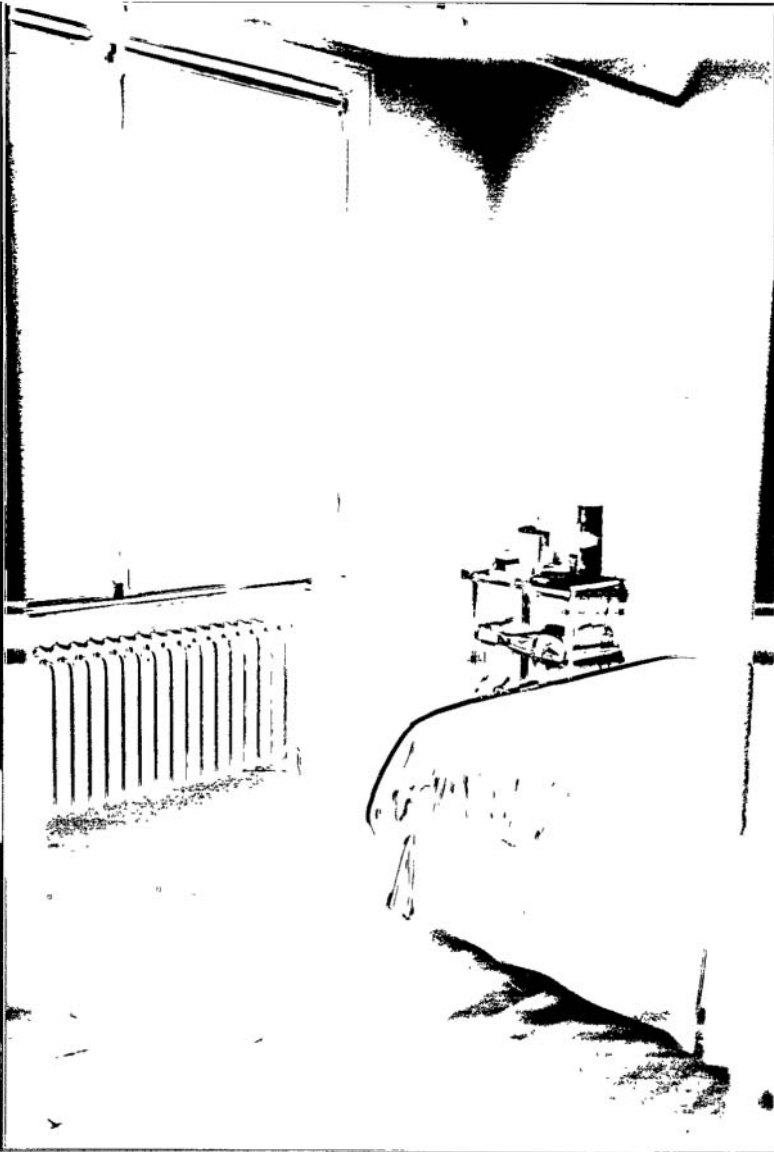


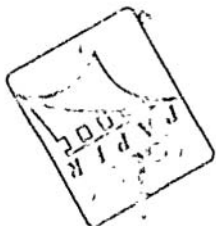


1966 NY - 074597 - 1A6

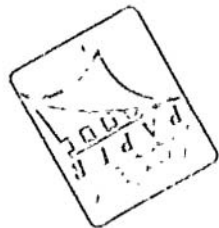
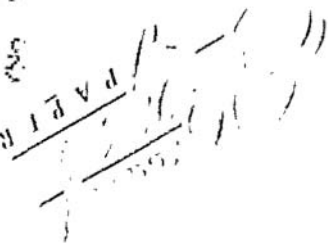
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NY 274597- 1A6



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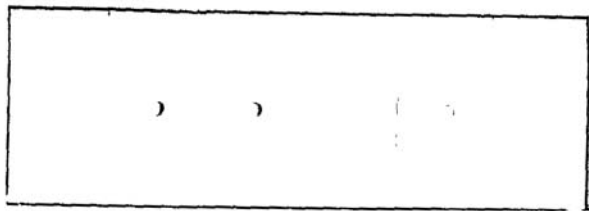


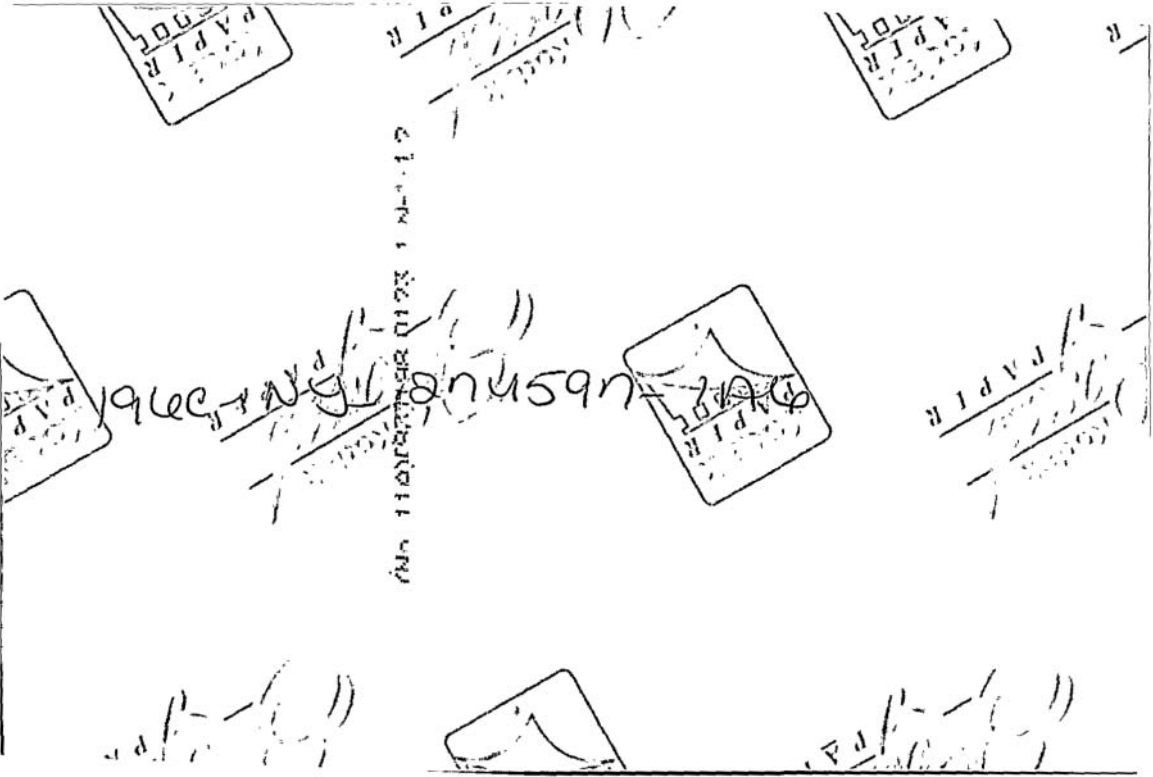


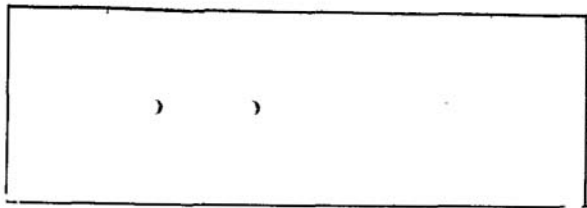
1966 NY 274597-1A6

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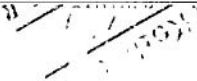
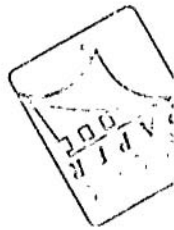


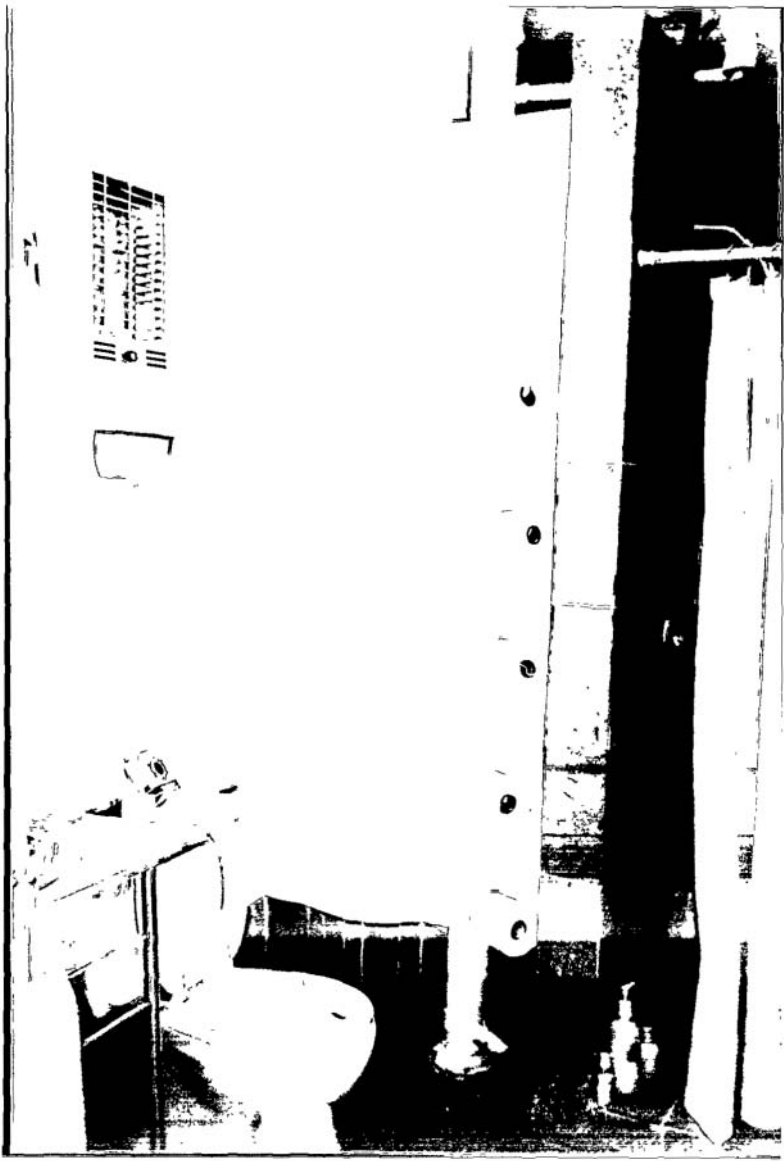


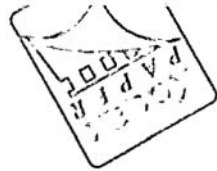
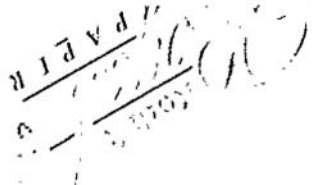
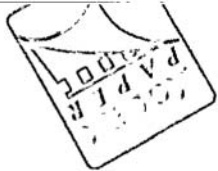


1960NY-274597-1A6

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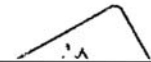


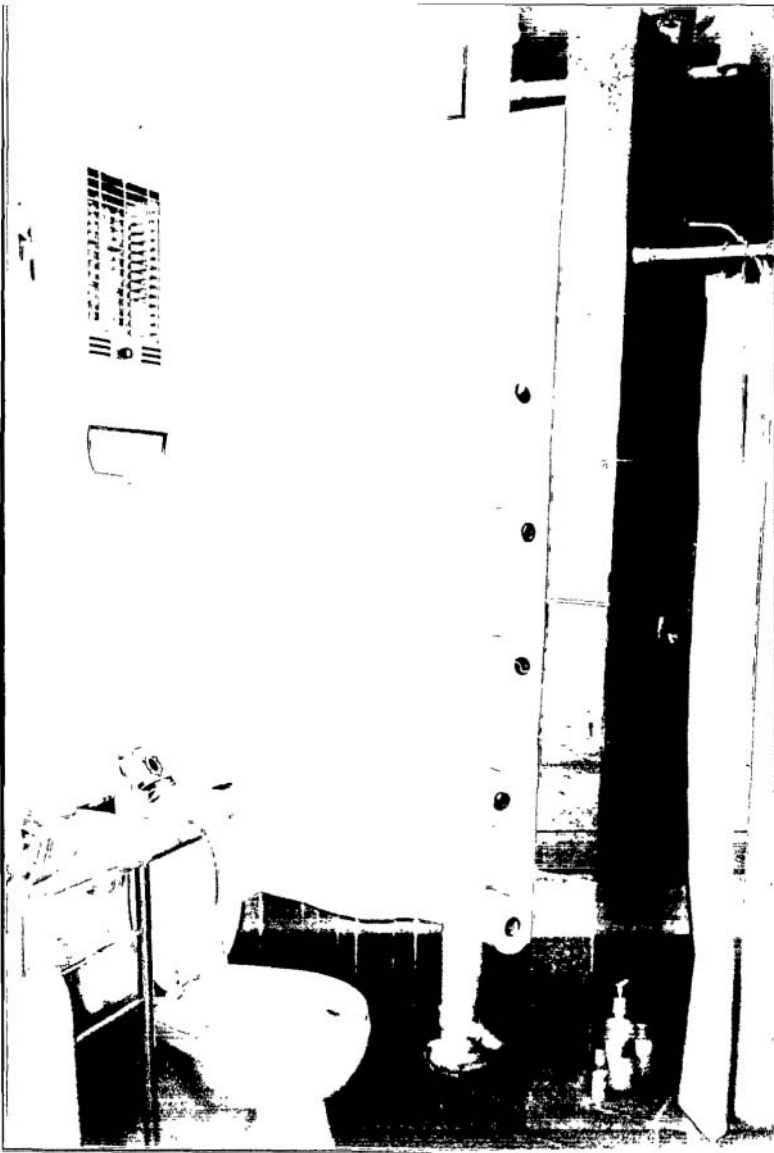


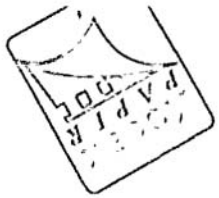
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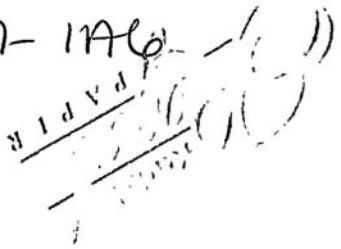


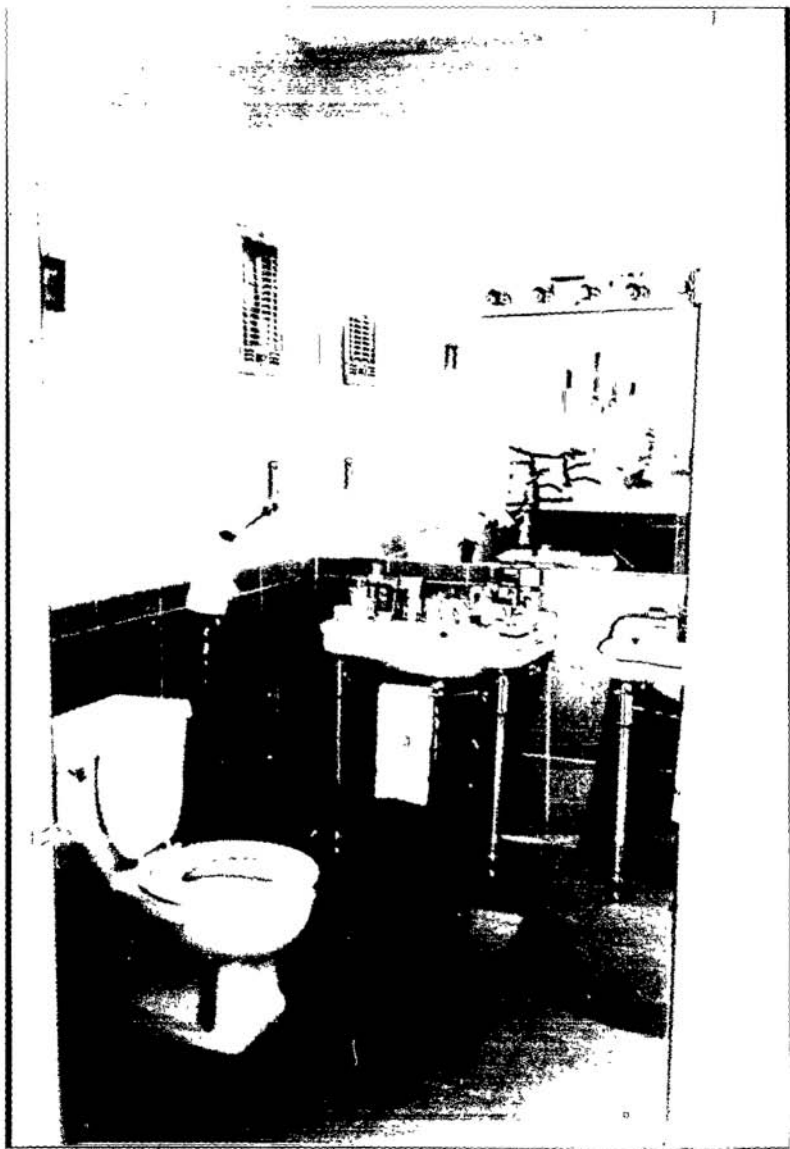


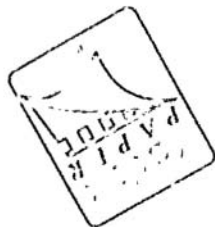
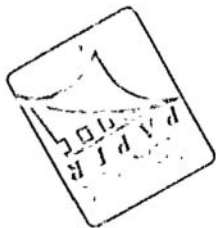


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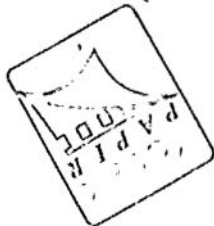
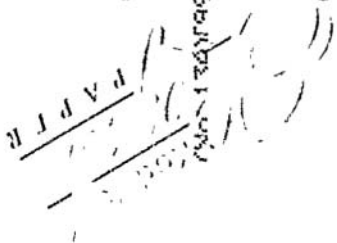
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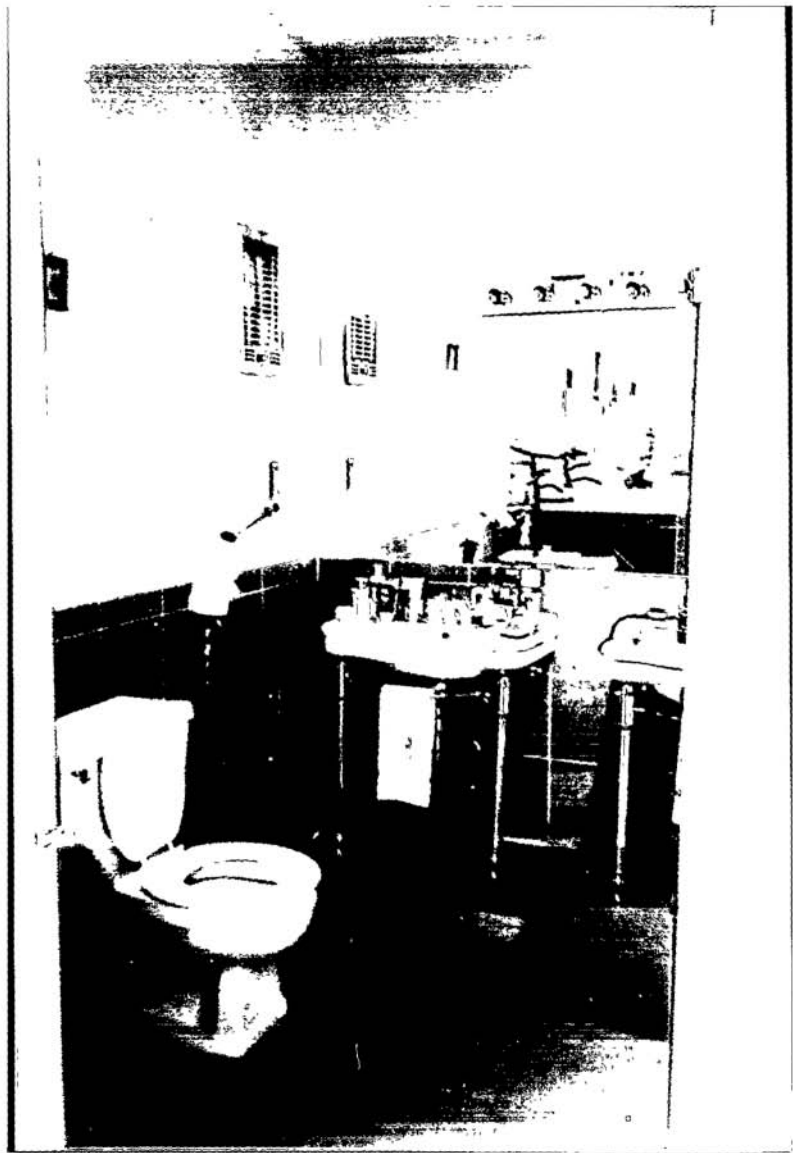




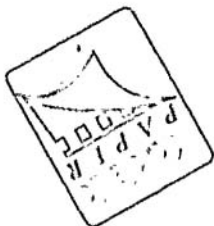


196CNY 274597-1A6



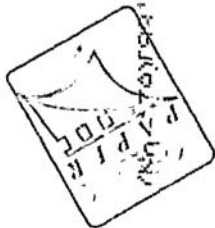


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1966 NY - 274597-1A6

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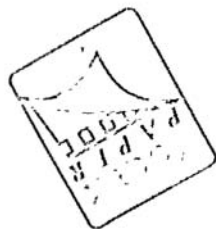
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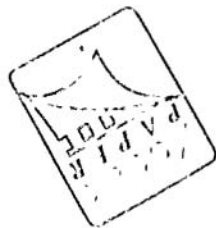
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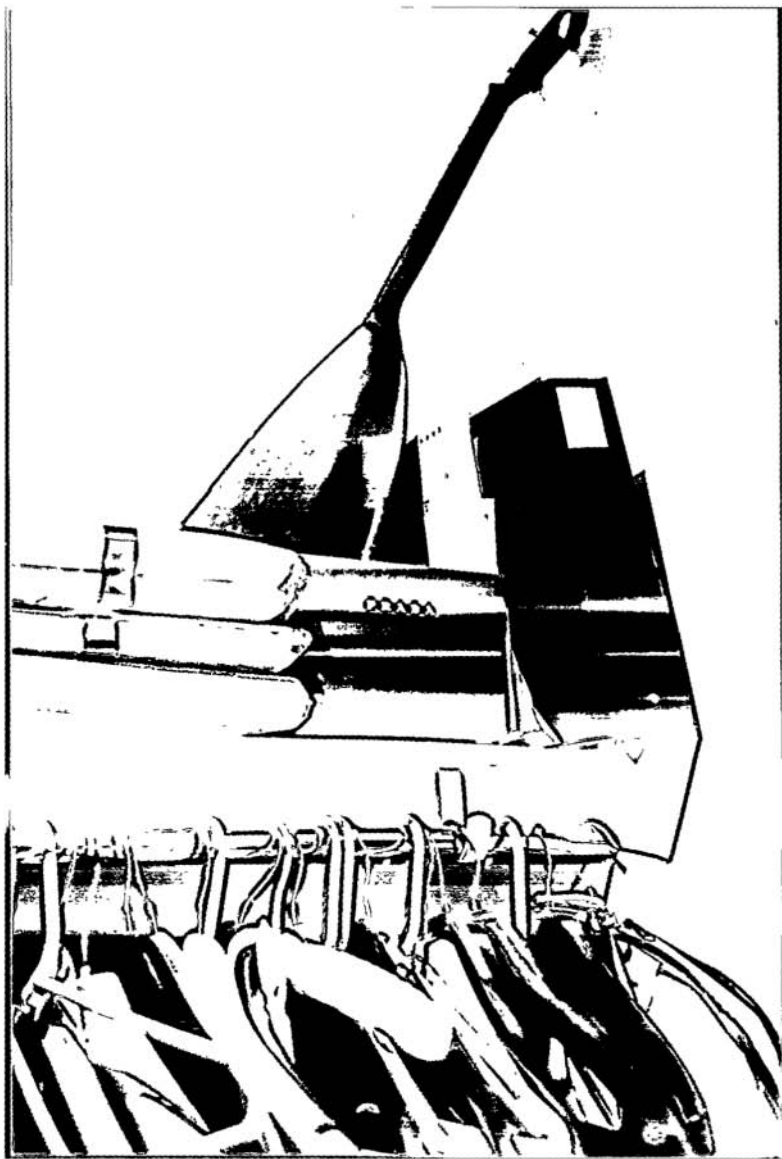
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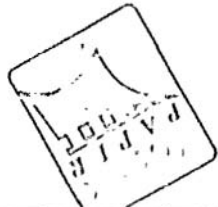
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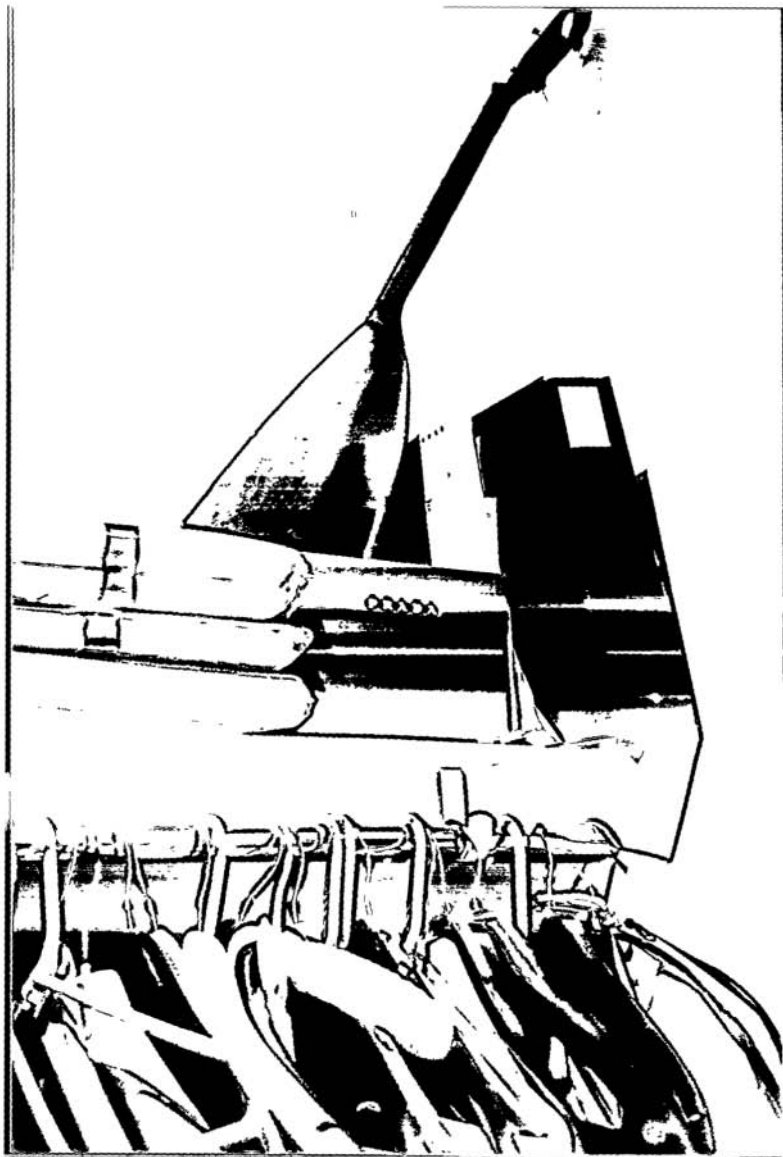


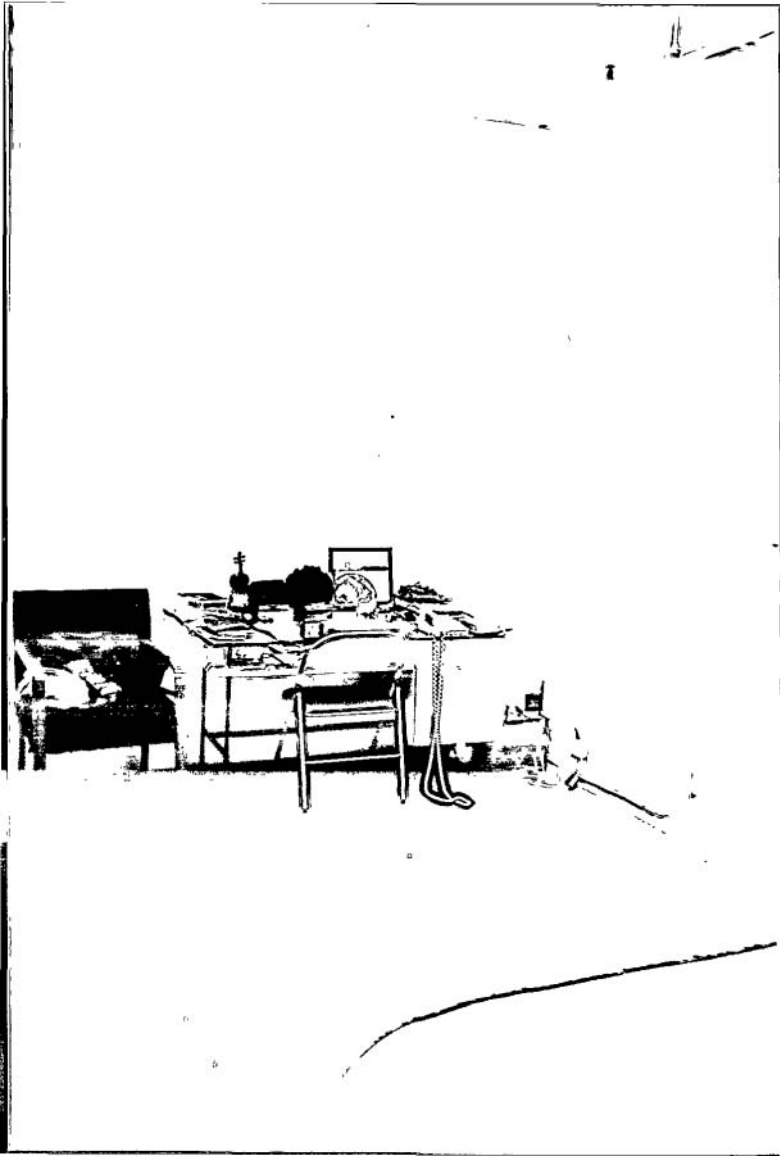


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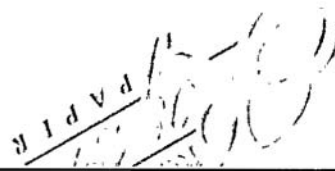






1966 NY-274597-1A6

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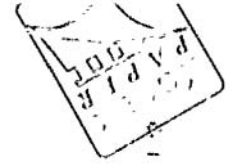
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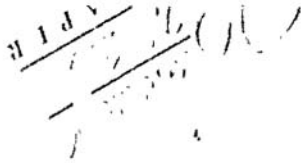


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NEW YORK



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1960-NY-274597-1A6





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1962 NY - 274597 - 1A5



Title and Character of Case:

GIACCHETTO, DANA, C
CASSANDRA GROUP INC

Date Property Acquired: 03/16/2000
Source from which Property Acquired:
RESIDENCE
561 BROADWAY, SUITES 8C, 12A
NEW YORK NY 10012

Anticipated Disposition: Acquired By: [Redacted] Case Agent: [Redacted]

Description of Property: 1B 1 Date Entered

ONE CELLOPHANE CONT., COMPAQ PRESARIO 4660 SERIAL
#6806BQS6E255 (AREA D), MACINTOSH PERFORMA 6400/180
SER# XB636165838 (AREA A BY FRONT DOOR), POWER MACINTOSH
9500/120 SER# XB5260VVZQH (AREA B), STARMAX 3000/180
SER# ST047301 (AREA A), TRAVAN-4 MINICARTRIDGE
SER# 0542051888 (AREA B), TRAVAN-4 MINICARTRIDGE
SER# 0432032598 (AREA B), TRAVAN-4 MINICARTRIDGE
SER# 0759032498 (AREA B), 35 MISC. 3.5" FLOPPY DISKS (AREA B
2 MISC. 3.5" FLOPPY DISKS LABELED "BROWN PASSWORDS 1-7-00 &
BROWN PASSWORD CONTROL LIST"

Barcode: E1227936 Location: ECR8 03/24/2000

Case Number: 196C-NY-274597
Owning Office: NEW YORK

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

Page _____ of _____

Box 14 #15
of 25

On (date) _____

Time: _____

item(s) listed below were:

- Received From
- Returned To
- Released To
- Seized

(Name) _____

(Street Address) _____

(City) _____

Description of Item(s):

COMPAQ PRESARIO 4660 Serial # 6806BQ56E255 (Area D)

MACINTOSH PERFORMA 6400/180 SER# XB636165838 (Area A By FRONTLOAD)

POWER MACINTOSH 9500/120 SER# XB5260VV2QH (Area B)

STARMAX 3000/180 SER# ST47301 (Area A)

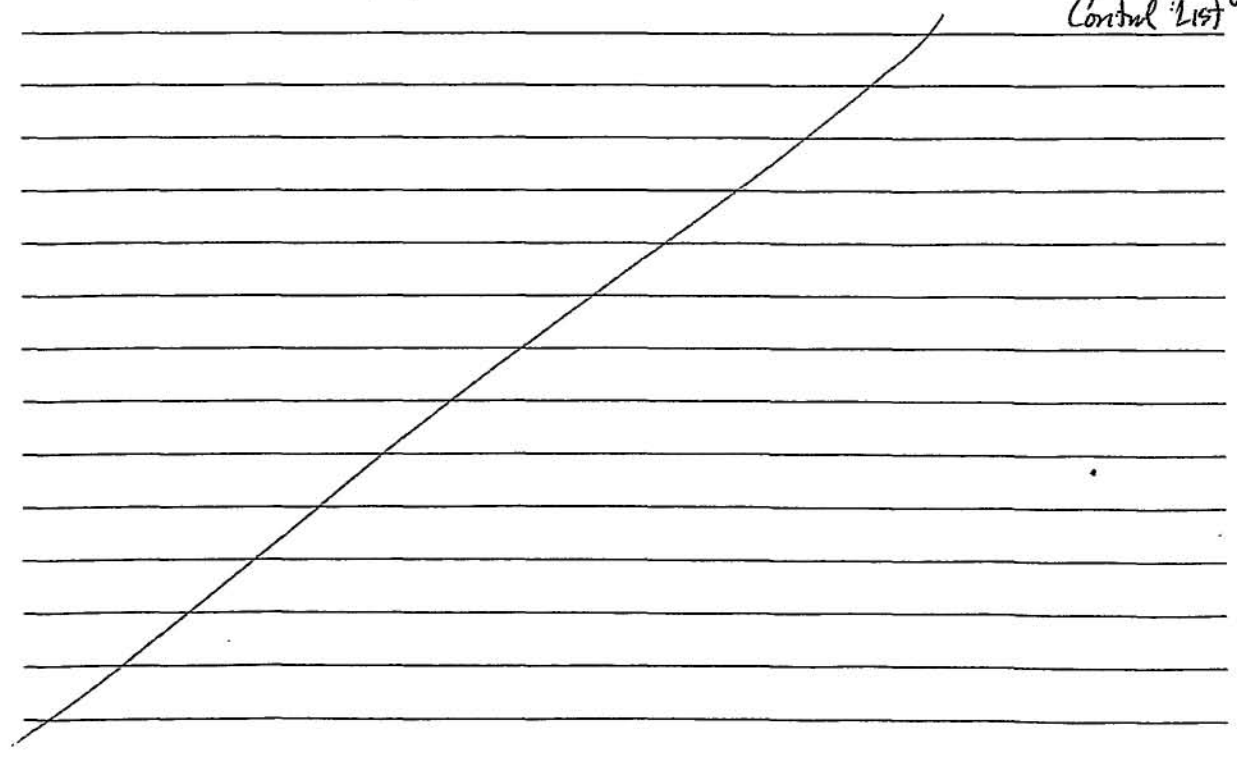
TRAVAN-4 MINICARTRIDGE SER# 0542051888 (Area B)

TRAVAN-4 MINICARTRIDGE SER# 0432032598 (Area B)

TRAVAN-4 MINICARTRIDGE SER# 0759032498 (Area B)

35 MISC 3.5" Floppy disks (Area B)

2 - MISC. 3.5" Floppy disks labeled "Brown Passwords 1-7 to + Brown Password Control List"



Received by: SA [Signature]
FBI (Signature)

Received from _____ (Signature)

Title and Character of Case:

GIACCHETTO, DANA, C
CASSANDRA GROUP INC

Date Property Acquired: 03/16/2000
Source from which Property Acquired: RESIDENCE
561 BROADWAY, SUITES 8C, 12A
NEW YORK NY 10012

Anticipated Disposition: Acquired By: Case Agent:

Description of Property: 1B 1 Date Entered

ONE CELLOPHANE CONT., COMPAQ PRESARIO 4660 SERIAL #6806BQS6E255 (AREA D), MACINTOSH PERFORMA 6400/180 SER# XB636165838 (AREA A BY FRONT DOOR), POWER MACINTOSH 9500/120 SER# XB5260VVZQH (AREA B), STARMAX 3000/180 SER# ST047301 (AREA A), TRAVAN-4 MINICARTRIDGE SER# 0542051888 (AREA B), TRAVAN-4 MINICARTRIDGE SER# 0432032598 (AREA B), TRAVAN-4 MINICARTRIDGE SER# 0759032498 (AREA B), 35 MISC. 3.5" FLOPPY DISKS (AREA B 2 MISC. 3.5" FLOPPY DISKS LABELED "BROWN PASSWORDS 1-7-00 & BROWN PASSWORD CONTROL LIST"

Barcode: E1227936 Location: ECR8 03/24/2000

Case Number: 196C-NY-274597
Owning Office: NEW YORK

196C-NY-274597

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Title and Character of Case:

GIACCHETTO, DANA, C
CASSANDRA GROUP INC

Date Property Acquired: 03/16/2000
Source from which Property Acquired: RESIDENCE
561 BROADWAY, SUITE 8C
NEW YORK NY

Anticipated Disposition: Acquired By: [Redacted] Case Agent: [Redacted]

Description of Property: 1B 2 Date Entered

ONE CELLOPHANE CONT., 12 DISKS IN CLEAR PLASTIC BOX-BOX 13,
18 DISKS IN PLASTIC ZIPLOCK "AREA A-BOX 13, "DANA PAYMENT"
DISK-BOX 24, "FIRST 13 AXYS ACCOUNTS" DISK-BOX 24, ONE
DISK- NO TITLE- BOX 1, ONE DISK-"MMA"- BOX 1

Barcode: E1639349 Location: ECR8 Date Entered: 03/30/2000

Case Number: 196C-NY-274597
Owning Office: NEW YORK

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[Handwritten mark]

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(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/30/2000

To: New York

Attn: Evidence Control Unit

From: New York

Squad C-1

Contact: SA [redacted] ext 3990

Approved By: [redacted]

Drafted By: [redacted] jho jhd

Case ID #: 196C-NY-274597 (Pending)

Title: DANA GIACCHETTO dba
THE CASSANDRA GROUP;
SFA

Synopsis: To submit an electronic communication relating to submission of a FD-192 and chain of custody for general evidence into the Evidence Control Unit after ten days of being acquired.

Details: Evidence was seized pursuant to a search warrant executed for the captioned case on March 16, 2000. The seized items constituting general evidence, was immediately put into storage at the offices of the United States Attorney's Office in the Southern District of New York (SDNY). Computer diskettes were subsequently turned over to Federal Bureau of Investigation (FBI) Special Agent [redacted] for submission to FBI's C.A.R.T. team.

The timing of the diskettes turnover by the SDNY, did not enable submission of the FD-192 and chain of custody forms within the ten day requirement by Evidence Control Unit.

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Title and Character of Case:

GIACCHETTO, DANA, C
CASSANDRA GROUP INC

Date Property Acquired: 04/18/2000
Source from which Property Acquired: FBI-CART

Anticipated Disposition: Acquired By:

Case Agent:

Description of Property:
1B 3

Date Entered

ONE CELLOPHANE CONT., ZIP 100: FLOPPY DISKS (15-78), M.O
2Z-DRIVE C VOL. 1 & 2, M.O.: COMPAQ PRESARIO Q79 CODE BLUE
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M.O.: CODE BLUE VOL. 1 SERVER Q1 & UNERASED, M.O.: CODE BLUE
VOL. 1 DRIVE D: Q2 AND CODE BLUE VOL 1 OF 2 Q7 C DRIVE,
M.O. CODE BLUE VOL. 1 OF 3 Q3, VOL. 2 OF 3 Q3, VOL. 3 OF 3
Q3, M.O. Q4 VOL. 1 UNERASED, M.O. Q7 C DRIVE VOL. 2 OF 2,
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Barcode: E01911097

Location: ECR8

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Case Number: 196C-NY-274597
Owning Office: NEW YORK

196C-NY-274597
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File Copy

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/16/2000

To: Los Angeles

Attention: SSA [redacted]

Criminal Investigative

Economic Crimes Unit
SSA [redacted]

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From: New York

Squad C1

Contact: [redacted]

Ext. 2943

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Approved By: [redacted]

Drafted By: [redacted]

Case ID #: 196C-NY-274597 (Pending)

Title: Dana C. Giacchetto dba
Cassandra Group Inc.;
SFA;

Synopsis: To advise Los Angeles Division that New York opened a parallel case file on captioned matter

Details: The captioned matter has been the subject of investigation by both the FBI Divisions in Los Angeles and New York, in conjunction with their respective United States Attorney's Offices. The matter was originally opened by the Los Angeles Division on 12/13/99 under case file number 196C-LA-221242.

Simultaneously to the Los Angeles-based investigation, the USAO, SDNY opened their own independent investigation utilizing in-house investigators. During the first week of January 2000, SDNY requested NYO to open an active investigation into Giacchetto and Cassandra Group. A review of ACS determined that FBI-LA already had an opened investigation into this matter. As such, NYO advised SDNY of the opened investigation and that NYO would not open a duplicate investigation at that time.

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BY George Curro
DATE 3/20/00

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MAD

To: Los Angeles From: New York
Re: 196C-NY-274597 (Pending) 03/16/2000

[REDACTED]

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FBI-NYO discussed this matter on several occasions with FBIHQ SSA [REDACTED] and FBI-LA SSA [REDACTED] and it was agreed that NYO would be involved in the investigation [REDACTED] [REDACTED] for the purpose of ensuring FBI presence in the case. It was also determined that the ultimate decision on where the matter would ultimately be prosecuted would be matter for the USAOs to resolve.

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In early March 2000, NYO advised LA Division that SDNY was contemplating executing a search warrant on the offices of Cassandra Group. It was agreed that if such a decision was made that NYO should assume responsibility for conducting the search. On March 16, 2000 search warrants were executed on the offices of Cassandra Group and residence of Giacchetto. The search warrants were sworn out in the SDNY.

NYO is expending considerable resources to this investigation and has made the decision to open a parallel investigation. This will allow for the proper documentation of investigative effort conducted. The understanding between LA and NYO is unchanged and if the decision is made by DOJ that this matter should be prosecuted in the Central District of California, then the NYO case file will be closed. NYO will continue to coordinate and share information with the LA case agent.

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From the February 28, 2000 issue of New York Magazine.

Prophet and Loss

A manic money manager with a lust for celebrity, Dana Giacchetto played with Leo and Ben, Cameron and Courteney, while their millions were in safe keeping with his Cassandra Group. But when the party spun out of control, Giacchetto was the last to get the message.

BY KEVIN GRAY WITH NIKKI FINKE

"Will everyone just shut up!" The Times Square ball had dropped, and a minute into the millennium, Dana Giacchetto was struggling to quell the pandemonium in his 3,000-square-foot SoHo loft. Clutching a microphone in one hand and a paperback anthology of Greek plays in the other, the beleaguered money manager had planned to mark the occasion by reading a few portentous words to the 50 guests at his New Year's Eve party. But Giacchetto, who had named his Cassandra Group investment firm after the unheeded prophet, refused to start until his guests were focused on him.

"Just read and they'll shut up," advised a woman in black. Anxiously tugging at his Dolce & Gabbana T-shirt, Giacchetto launched into a passage from Aeschylus' Agamemnon, in which Cassandra declares that despite the machinations of her enemies, her legend will endure. "I am not like a bird," he intoned, "scared at an empty bush, trembling for nothing. Wait: When you shall see my death atoned with death . . . then witness for me -- these and all my prophecies were utter truth."

The performance, an observer would later note, was "pure Dana," a melodramatic tour de force that the 37-year-old Giacchetto intended as a rebuke to his ever-widening circle of antagonists.

But most of the revelers, distracted by the televised vision of Dick Clark hugging a blonde, missed the analogy. Smiling weakly at the scattered applause, Giacchetto returned to D.J. duty, no doubt recalling that at last year's bash, it was rapper Q-Tip who was on hand to oversee the music. This time, Giacchetto told a guest, Q-Tip "couldn't make it." Neither could Winona Ryder, Matt Damon, Johnny Depp, or Ben Affleck, all of whom had been present last year. In fact, the lone celebrity in attendance was Alanis Morissette. "You know I'll never leave you," the singer cooed, wrapping her arms around her host. "You don't have to worry about me."

Dana Giacchetto was never the biggest money manager on Wall Street, but by the late nineties, the baby-faced broker was certainly among the most visible. Operating at the nexus of Wall Street and Hollywood, his SoHo-based Cassandra Group claimed to manage \$400 million in assets for celebrities on both coasts. At one point, his client list ranged from brat packers like Tim Roth, Cameron Diaz, and Tobey Maguire to art-world stars like Ross Bleckner and David Salle to musicians like Morissette and Michael Stipe. Uniformed in Prada and Helmut Lang, his pet cockatoo perched on his shoulder, the darling of CNBC's Squawk Box became a tabloid staple along with his clients. Courteney Cox flew him home to meet her parents. Leo DiCaprio took him to Cuba. Michael Ovitz whisked him around Italy on his yacht.

"I thought about it a lot, how all this could happen to me," he says. "You know, one day you're on top of the world, and the next, everyone's pissing on you."

Then, last autumn, the wunderkind whom GQ named the Rock-and-Roll Broker found himself in free fall. All summer long, there was growing buzz in New York

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and Hollywood that Giacchetto was in trouble. In early October, he was suddenly dumped by two of his closest allies, his partners in a \$100 million venture-capital fund backed by Chase Manhattan, triggering a wave of defections from his money-management firm. On December 4, the Los Angeles Times broke the news that top clients were defecting because of undefined financial irregularities, and the article triggered a stampede: Seventeen clients left during a single week.

But the worst blow was the suicide of his friend Jay Moloney in November. Against the advice of friends, Giacchetto had installed the talented but notoriously troubled agent as president of Paradise Music and Entertainment, a company Giacchetto funded with millions of his clients' dollars. Unable to overcome his addiction, Moloney had quietly stepped down last August; on November 16, he hung himself in the shower stall of his home. The night before Moloney's death, Giacchetto spent an hour on the phone with a "Page Six" reporter tearfully trying to kill an item about the agent's relapse.

"Jay's death nearly destroyed me," Giacchetto says. In the month after Moloney's funeral, he stopped going into the office and taking phone calls. Instead, he spent most of his time holed up in his apartment weeping over his mounting losses, both personal and professional. Then, just as his friends were planning an intervention, Giacchetto suddenly bounced back. "You can only lie back and take it for so long," he says. "At some point, you have to fight fire with fire."

Which is why, on a bitterly cold afternoon in January, Giacchetto is entertaining a reporter in his loft. Four minimalist couches form a square in the middle of the airy living room where his friend Leo once played video games before DiCaprio's attorney sent Dana a letter tersely cutting off all contact.

Keeping Dana company today are his new girlfriend, a pair of hyperactive cockatoos, and a newly hired publicist, Peter Brown, a sober, white-haired Brit who once represented the Beatles. "I thought about it a lot, how all this could happen to me," he says. "You know, one day you're on top of the world, and the next, everyone's pissing on you."

Even dressed in a conservative blue suit, he comes off like a precocious schoolboy, shifting in his seat and pulling on his hair as he makes the case that his troubles are a product of a "conspiracy" engineered by his former partners. "This was a power play," he tells me. "A campaign of misinformation against me by people I trusted. By people I thought were my friends."

The friends in question are Jeffrey Sachs and Sam Holdsworth, who were joined with Giacchetto in Cassandra-Chase Entertainment Partners, a \$100 million venture-capital fund.

On December 13, Giacchetto filed suit against Sachs, Holdsworth, Chase, and another Cassandra-Chase associate, Robert Egan, charging that they had conspired to eject him from the partnership by ruining his reputation. The suit seeks \$100 million in damages and the full dissolution of the Cassandra-Chase partnership, plus repayment of \$600,000 Giacchetto says he laid out in rent and expenses.

In his suit, Giacchetto charges that about a year ago, Sachs and Holdsworth started "intentionally, willfully and maliciously" spreading false rumors about him to Hollywood insiders such as DiCaprio's lawyer Steve Warren. He charges that Sachs told Warren and others that Giacchetto "was going to get arrested," that he was being investigated by both the SEC and the FBI. As a result, the suit continues, DiCaprio terminated his account at Cassandra.

"I've heard all kinds of slanderous rumors," Giacchetto says. "That I'm going to jail. That I'm about to be indicted. It's all lies! It's all so dark, I don't want to believe it's true."

Holdsworth and Sachs declined to discuss the charges, but their attorney, former governor Mario Cuomo, who was once Sachs's boss, filed papers last Friday asking the court to dismiss Giacchetto's suit. They claim Giacchetto's allegations are baseless and his problems self-created; they also demand repayment of \$950,000 loaned to Giacchetto when his troubles began.

In any case, it seems the manic money manager's troubles are far from over. New York has learned that the Securities and Exchange Commission recently spent six weeks poring over Giacchetto's books. A former vice-president at Cassandra was interviewed by the U.S. Attorney's office about alleged criminal activity at the Cassandra Group. The government's inquiry, says a source close to the situation, centers on charges that Giacchetto misdirected client funds and misled clients about the amount of money in their portfolios. Giacchetto angrily denies reports of any such investigation. The U.S. Attorney's office declines to comment.

But even his staunchest critics doubt he profited personally from his actions. After all, he considered himself an artist, serving creative soulmates. The consensus seems to be that at some point, Giacchetto, by all accounts a savvy and accomplished investor, lost his way, and unwilling to let down his high-profile clients, struggled to cover his tracks. "This is a naïve individual with very good intentions who simply went out of control," says one associate. "Dana didn't know how to put the brakes on, because he only has an accelerator."

Dana Giacchetto was raised in the Boston suburb of Medford, the oldest son of middle-class parents. His first business enterprise was selling magazines door-to-door when he was 11. "The very first door he knocked on, the woman said no and he ran back home crying," recalls his father, Cosmo, a real-estate broker. "I had to tell him, 'They're not rejecting you; they're rejecting what you're selling.' Dana is a real hustler, but he feels bad when people say no."

After showing early promise on the piano, Giacchetto took lessons and faithfully practiced on the family's upright thirties Fischer. By the time Dana was in his teens, he was staging concerts by his pop band in the family rec room and recording their songs on an eight-track. "He should have made it as a rock star," sighs his father. It wasn't for lack of trying: At the University of Massachusetts in the early eighties, Giacchetto fronted two successive bands that drew a large following in Boston. But his rock career never really took off.

Instead, Giacchetto landed a job as an analyst for the white-shoe Boston Safe & Deposit Company, trading by day and playing gigs late into the night. In a scathing article last December, the New York Observer reported that the company had no record of his employment there. But a spokesman for Boston Safe confirms that Giacchetto was employed there full-time from 1980 to 1987; his former boss, Donna Wong, now works as a systems analyst at Cassandra. The Observer was also unable to find any record of the business courses Giacchetto claimed he took at Harvard. As it turns out, Harvard does have a record of Giacchetto's attendance, but the courses were at Harvard's extension school, not its prestigious business school, as he had claimed.

When Giacchetto left Boston Safe in 1987 to strike out on his own, many of his devoted clients followed suit. Cassandra targeted creative types with a simple pitch: Since artists, actors, musicians, and filmmakers are paid only sporadically for their work, they require specialized investment strategies. Giacchetto's approach was long-term, ultraconservative. "I never started Cassandra thinking, I want to make tons of money," he says. "I started it because I really believe that most of the creative people I knew were ill-advised and didn't have any resources. I thought I could help them find a safe way to grow their money."

Though he'd given up performing, he still thought of himself as an artist, with money his new medium. "When I meet money managers who tell me they're technicians, or it's about science, that's bullshit," he says. "You don't know if a stock is going up or down tomorrow. It's an art, just like writing a song or doing a

painting."

To woo his artsy clients, he and his then girlfriend, Artemis Bradford Willis, held dance parties on the rooftop deck of his Back Bay apartment and followed up with a monthly newsletter that offered investment tips along with gallery listings and art reviews. By the early nineties, he was one of the best-known brokers in Boston, but typically, he was restless. Packing up his spreadsheets, client lists, and even the family's Fischer piano, Giacchetto moved to New York, and from his loft on Lafayette Street he began his most ambitious assault.

After relentlessly cold-calling the powerful PaceWildenstein Gallery, he wrangled an audience with its influential president, Marc Glimcher. Amused by the quirky hustler, Glimcher took Giacchetto under his wing, introducing him to art-world players like George Condo and Bleckner, who became his earliest clients.

It was his personality as much his business acumen that drew people to Giacchetto. "He'd stare adoringly into your eyes, loving everything you said," notes a former client. "He has this wonderment that disarms people. An innocence he exudes."

at By 1995, he had charmed his way to the core of New York's downtown demimonde. "I met him this birthday dinner for André Balazs," says another acquaintance. "There was James Truman, Lee Radziwill, and Dana. He was sitting across from this famous gossip columnist and telling him all about this money-management fund he'd started for musicians and artists who were friends of his."

On long weekend visits, Giacchetto set his sights on Hollywood, where he networked his way through a daisy chain of parties and premieres to the office of golden-girl producer Stacey Sher (Pulp Fiction, Get Shorty). Sher hung out with the under-30 crowd and dated a personal manager named Rick Yorn, who soon became one of Dana's closest friends.

Though most of Hollywood was paying Yorn little attention at the time, Giacchetto sized up the young manager's client base and recognized its potential. At the time, Yorn and his sister-in-law Julie Yorn had a lock on many young stars, including Cameron Diaz, Jennifer Lopez, Ed Burns, Matt Dillon, and Leonardo DiCaprio. In the face of Giacchetto's charm offensive, says one friend, "Rick didn't have a chance. Not only did Yorn invest his money with Cassandra, but he also encouraged each of his clients to do so as well."

Helped along by a spirited bull market, Giacchetto promised -- and frequently delivered -- returns of 40 percent and more for his clients. "Whatever he's doing, he's doing well for me," Courteney Cox gushed to the Post. "Every time everyone's panicking about the stock market going down, I just say, 'Go, Dana.'"

"When Dana began showing up on 'Page Six' more than I did," Ed Burns told a friend, "I knew it was time to get out of there."

As his clients' portfolios took off, so did Giacchetto's cachet. He earned a reputation as someone who could put the right people in the right room -- usually his own loft. What he wanted to create more than an investment club, he says, was a salon of his generation's most important artists, writers, actors, and musicians. It was a "community," Giacchetto says, where ideas could cross-pollinate between rock and painting, movies and performance art, and Giacchetto would play matchmaker. Indeed, in 1994, he put together a deal that would stagger the industry -- and reveal a sharp edge to Giacchetto's laid-back demeanor.

That year, Seattle's influential Sub Pop record label, which had nurtured such seminal grunge acts as Soundgarden and Nirvana, was looking for a major distribution deal. Acting as a high-paid auctioneer, Giacchetto frantically worked his Rolodex, talking up the label to David Geffen and Microsoft. "He'd have these meetings and say, 'If you don't want it, I've got three other people ready to take it right now,'" says a source close to the deal. "Then he'd turn around and start dialing the phone. He was a great negotiator that way. It's a certain magic and balls and timing."

After igniting a seven-month bidding war, Giacchetto delivered 49 percent of Sub Pop to Warner Music for \$20 million. "That was just a phenomenal deal," says another insider. "The company was worth a couple million. That deal made people look at him in a whole new light." As reports of his deal-making abilities spread, other labels came calling -- followed by modeling agencies, hoteliers, magazine publishers, and movie studios. "I had an incredible amount of power," he says. "I could deliver anyone to anyone with one phone call."

Though she stuck with him throughout his rise, by 1998, the relentless networking eventually got to his longtime girlfriend, Artemis Willis. The couple sparred often and loudly over his "need to hang with the right crowd," says one pal. "Artemis couldn't stand the people around him. The constant name-dropping and social climbing started to wear her out." Finally, she moved out.

By all accounts, Giacchetto was devastated by the breakup, but his friends helped take away some of the sting. Prime among them was DiCaprio, who, by early 1998, was practically living in Giacchetto's loft. "Leo would wander down around noon, check the Bloomberg, make some calls, and they'd go out to a long lunch," recalls one former Cassandra trader. "Or Gwyneth would come by, and it was all hugs and kisses and 'Love ya, babe.' He was developing this whole cult of personality."

Though he was a decade older than some of the guys in DiCaprio's posse, at night Dana gamely played Pied Piper through the city's downtown club scene, from Cafeteria to Moomba to Veruka and back again. "He was out a lot," recalls a friend. "He'd always be asking, 'Where do we go next?' This was at two in the morning."

Eventually, however, his frenetic socializing took a toll. Sometimes Giacchetto didn't show up to work until 1 p.m., and he became less interested in the day-to-day operation of the Cassandra office, which had by then descended into comic disarray. He bought two cockatoos, one for himself and another for DiCaprio, which he allowed to fly loose through the office. Visitors would find the two birds, Tiberius and Angel, perched on the office's Bloomberg machine, chewing at the wires.

Clients complained that their monthly statements arrived chronically late, or not at all. After a couple of bad deals, including a disastrous foray into the now-bankrupt Iridium, many of them suspected that he was more concerned with maintaining his social profile than with monitoring their investments. His blatant self-promotion had also become an increasing liability. Sources close to Matt Damon and Ben Affleck say the actors decided to pull out because they thought Giacchetto was trading on their names for his own benefit. Another client, Ed Burns, followed them out the door for the same reason. "When Dana began showing up on 'Page Six' more than I did, I knew it was time to get out," he told a friend.

By now, Giacchetto was even dropping the names of clients he didn't have. He once showed a friend a spreadsheet with Steven Spielberg's name on it and claimed to be managing \$7 million for the director. A source familiar with Spielberg's finances firmly denies he invested any money with Giacchetto. When informed of this, his pal laughs. "I knew that," he says. "Dana never thinks you'll like him enough."

Giacchetto denies he ever talks out of school about his clients and insists that complaints about his social life are wildly overblown. "Look," he says, "I party,

but mostly it was business. I'm not like a drug addict or anything. Far from it. I was here working my balls off every single day to make money for my clients and put deals together, and the proof is there. I finished all these deals. It's not like a smoke screen. I mean, I really did them. I'm really good at that."

Amid the circuslike environment, news that Giacchetto had taken on a new associate was greeted with some relief at Cassandra. A soft-spoken 47-year-old Richard Gere look-alike with an impressive political pedigree, Jeffrey Sachs was supposed to provide the ballast in Cassandra's flighty offices. Born to a Conservative Jewish family in the Five Towns and trained as a dentist, Sachs instead went into public service, landing high-profile jobs under governors Hugh Carey and Mario Cuomo.

Along the way, he developed a wealth of influential contacts. A close friend of John Kennedy Jr.'s (he was supposed to have been a passenger on JFK Jr.'s tragic last flight but canceled when he fell ill), he also helped Andrew Cuomo find help, the younger Cuomo's affordable-housing initiative.

At the time he and Giacchetto first discussed teaming up, Sachs was heading up a thriving consulting business that offered strategic planning for health-care groups, financial firms, and entertainment conglomerates, including Time Warner and NBC. "My biggest talent," he says, "was to make this happen or make that go away."

The two had known each other socially for a number of years, but by the summer of 1997, tired of consulting, Sachs says, he decided "to get into more transactional activities." He had heard a lot about Giacchetto's deal-making skills during the sale of Sub Pop to Warner Music and was impressed by his manic energy.

For his part, Giacchetto thought that if he fused his personal contacts with Sachs's institutional ones, they could build a powerhouse. To sweeten the arrangement, Giacchetto says, Sachs promised to deliver him a money manager's pot of gold, a lucrative pension fund from the state's health-and-hospital-workers' union, which was being run by Sachs's friend Dennis Rivera. (Sachs denies this.) Though the fund never materialized, in the summer of 1997, Giacchetto invited Sachs to move his operation into Cassandra's offices, where he joined former Billboard publisher Sam Holdsworth -- who would use his connections to look for promising entertainment start-ups -- and his old boss's son, Chris Cuomo, who would "lawyer" the deals.

In the beginning, at least, the partnership went as planned. Several months after arriving at Cassandra, Sachs introduced Giacchetto to his friend Mitchell Blutt, a high-powered executive partner at Chase Manhattan Corporation's \$2 billion venture-capital unit. Sachs knew that Blutt's division, Chase Capital Partners, was hungrily looking for alliances to help identify potentially explosive start-up companies in the entertainment field. Enter Dana.

In March, Giacchetto began squiring Chase's buttoned-up investment bankers around the tables of Moomba, where between Cosmos he and Blutt talked about putting together a partnership. Their first joint venture was a deal to underwrite the Standard Hotel in Los Angeles, a project of Giacchetto's friend André Balazs, who also owned the Chateau Marmont and New York's Mercer. Then, on October 9, 1998, Giacchetto, Blutt, Holdsworth, and Sachs formed Cassandra-Chase Entertainment Partners, a venture-capital firm backed by \$100 million from Chase. The fund's main objective was to ferret out entertainment start-ups and get a first look at the projects conceived by Giacchetto's famous clients. The partners stood to earn 15 to 20 percent of each venture.

Despite the Chase funding, not all was well between the partners. From the start, Giacchetto says, Sachs had trouble adjusting to Cassandra's hypercasual atmosphere. And to Cassandra's employees, who had prided themselves on

their outlaw attitude toward corporate America, Sachs and his buttoned-up team seemed suspiciously old guard. Sachs told Giacchetto he needed to hire people who were more professional. In November 1997, on his recommendation, Giacchetto hired as Cassandra's vice-president Soledad Bastiancich, a Yale-educated lawyer who had worked at the conservative Allen & Company. She is the girlfriend of John Howard, a multimillionaire Bear Stearns venture capitalist and a close friend of Jeff Sachs.

Though she was charmed by her madcap boss, Bastiancich was alarmed at the lax operation he ran. Backed by Sachs, she persuaded Giacchetto to authorize a \$250,000 audit of Cassandra. Bastiancich later outlined her concerns in a confidential four-page letter obtained by New York, which included a list of demands that Giacchetto had to meet if he wanted to keep her on. It's a strange document, which veers from fawning regard for Giacchetto's "vision" to anger over his shortcomings. "For all I know," she writes, "you may spit on this letter and tell me you never want to see me again (though I pray you don't ever feel that way)." She signed it with a smiley face.

The letter, which Giacchetto twice denied to me even existed, provides a glimpse inside Cassandra's chaotic offices and reveals an internal struggle over its future. In it, Bastiancich asks Giacchetto to "promise me that you will check with one of us about a client's account value and holdings prior to telling the client. TCG has had several hundred thousand dollars worth of trade errors during the past couple of years. We simply cannot afford anymore [sic]. It is okay not to always have awesome news."

She also complained that the company was paying Giacchetto's personal travel and entertainment expenses and had been making personal loans to clients that were not "professionally papered and at market rates."

Giacchetto denies that he lied about client accounts, and he says that his expenses were normal for someone who traveled frequently with clients. How about the trade errors? I ask. "Yeah, we had trade errors," he sighs. "There are always errors in trading, but I don't think I had any major problems. You call and say, 'Buy me 500 shares of Merck,' and somehow they'd buy 400 instead. That's a trade error. That's what she's addressing. But I don't think that's bad or negative or shocking. Soledad wanted power. All of them wanted power. They got in and they thought, I can do this better than you, because Dana's so flighty and creative and we're these top management people."

In fact, Bastiancich was seeking an equity stake in the company and asking to be named president, with the power to run daily operations and draw up a "conservative" budget to make the company profitable. Giacchetto angrily refused. She left Cassandra a few months later to write a novel.

Bastiancich and Giacchetto's partners in Cassandra-Chase were especially troubled by Giacchetto's involvement in a struggling firm called Paradise Music & Entertainment. In 1998, the company, which produced music videos, commercials, and albums, was about to be de-listed from the nasdaq because its assets were so dismally depleted. To Giacchetto, the company, little more than a shell operation at the time, presented a tempting opportunity. He agreed to pump \$6 million of client funds into Paradise to rebuild it into a powerful indie force that would serve as a vehicle for his clients' projects. "It was a shell where I thought I could bring together the kinds of things I always wanted to bring together," Giacchetto says. To run the company, he tapped Jesse Dylan (son of music legend Bob Dylan), a respected commercial producer and a Cassandra client. As president he chose his old friend Jay Moloney, who had, after several attempts at sobriety, been clean for months.

Skittish because of Moloney's drug relapses and rumors of earlier suicide attempts, some clients hesitated to bankroll Paradise, and even Moloney's friends worried that the pressure would send the fragile agent over the edge again. "He could barely hold a job," one friend notes, "much less run a public company." Equally troubling was Giacchetto's stake in the venture. The money manager was given a consultant's title and paid in stock options worth \$1.2

million. What made the arrangement problematic was that Cassandra traders were advising clients to trade shares in a company about which their boss possessed inside information.

Large financial firms install barriers between investment bankers and traders to prevent insider trading, but in Giacchetto's seven-member office the potential for abuse is enormous. "There was a potential conflict," Giacchetto says. "Absolutely. We were very careful. It's completely disclosed in the [SEC filings] that I owned stock. Everyone knew I owned it." John Heine, a spokesman for the Securities and Exchange Commission, says he can't comment on this case, but insists the issue is not clear-cut. "There's a possibility that his being a consultant and selling shares is a conflict of interest. Simple disclosure may not be enough." Giacchetto denies ever breaking any SEC rules. "If there was someone who has proof that I had, my former so-called partners would have picked it up during the first six months of this torture and put me in my grave."

By now the partners were also clashing over the operation of the Cassandra-Chase fund. Time and again, Giacchetto complains, Sachs and Holdsworth shot down deals he brought them involving major stars -- all of whom were Cassandra clients. There was Danny DeVito, looking for funding for an Internet start-up. There was Ovitz, wanting to put together a film-distribution company. There was DiCaprio, Martin Scorsese, and Q-Tip, who jointly planned to set up a film company. Finally, there was Larry Bathgate, the powerful former finance chair of the Republican National Committee, who had agreed to back a \$20 million merchandising firm called Artists Marketing Corp., which would market the names and likenesses of such stars as DiCaprio in the lucrative overseas markets. (The AMC deal, which was killed when Bathgate was informed that Giacchetto had used his clients' funds as collateral, a charge Giacchetto denies. It also antagonized Ovitz, whose management company handles DiCaprio.) "Why didn't they do those deals?" says Giacchetto. "I don't know. It was ridiculous. They wanted the glamour of having me tromp all those celebrities through the door of Chase, but they didn't want to work with my clients."

Sachs responds that deals brought in by other partners were frequently turned down as well. "For every hundred deals we looked at, maybe we'd do one," he says.

But Giacchetto believes that once they had used him to establish the partnership, Sachs and Holdsworth decided they no longer wanted him around. In early October, several clients and their attorneys began calling Giacchetto, he says, claiming that Sachs had told them disturbing things about Cassandra. At first, Giacchetto says, he didn't want to believe that Sachs had turned on him. "But people started calling me and saying, 'This guy is not your friend. He's trying to destroy you.' And I said, 'Why? Why?' " His face reddens perceptibly and his voice grows shrill. "The only answer I have is that he didn't understand [my business] and thought there really was bad stuff going on. I don't know. But there wasn't. And there isn't."

On October 21, his partners moved out of the office without informing Giacchetto and set up shop directly across the street. A few days later, Giacchetto received a terse letter informing him that he was being removed from the partnership and his one-third interest in the venture would be reduced to about 8 percent. "Dana went apeshit," a colleague says. "He kept crying and yelling that he'd pay them back."

Giacchetto filed his lawsuit a month later. "I think they hoped we'd all separate and I'd keep my reduced interest and life would go on. I'd be mad for a few days, but they'd keep the fund and I'd keep my clients and everything would be wonderful," says Giacchetto. "They were wrong."

Three weeks ago, Giacchetto hired a Greenwich money-management firm to shape up his back office but then promptly dismissed it because he feared its owners were trying to take advantage of his recent troubles. "They wanted too

much control and access to the star clients," he says. "And I'm never going to give that away again. "

In the meantime, Giacchetto says, he's back in the game. He has hired two new portfolio managers for his office; one of them, he lets slip, is Chloë Sevigny's brother. He says four of the seventeen clients who bolted last fall have returned to his firm. Eager to show that he's curbed his penchant for name-dropping, he won't say who they are. He also says he's currently in talks with two banks about backing a new venture-capital fund.

Last week, Giacchetto even surfaced at a screening of his old friend DiCaprio's movie *The Beach*, where he wandered the aisles kissing old friends. But when the house lights dimmed and he went in search of a seat, none was vacant. He wound up sitting cross-legged on the floor, right up against the screen.

Giacchetto's New Year's performance notwithstanding, the mythological character he's often compared to these days is not Cassandra but Icarus, who got burned flying too close to the sun. "I just had a suspicion it wouldn't last," says one intimate. "He was flying too high, had too many people signing on. You knew that if anything ever went wrong, they'd all start jumping ship. He was a New York Magazine article waiting to happen."

From the February 28, 2000 issue of New York Magazine.

SPC VAD

Date 03/15/2000

WCC BRANCH SEARCH PLAN

SQUAD: C1

ASAC Wes

CASE AGENT(s): ext. 3990

b6
b7C

CASE TITLE: DANA GIACCHETTO
THE CASSANDRA GROUP INC;
SECURITIES FRAUD

CAUTION STATEMENTS: NONE

SEARCH ADDRESS: 561 Broadway, Suite(s) 8C, 8D, 12A
New York, NY 10012

CASE SYNOPSIS: The above captioned case involves securities fraud and a possible ponzi scheme committed by Dana Giacchetto and The Cassandra Group (TCG), with possible involvement from other individuals and entities. Investigation to date has revealed that among other things, Giacchetto defrauded clients who have entrusted funds to the investment discretion of Giacchetto and TCG. In addition to making material misrepresentations and omission to clients, funds and assets were moved without consent of clients to whom those assets belong. Giacchetto and TCG failed to maintain books and records as required pursuant to federal securities laws. Giacchetto has made false statements to representatives of the Securities and Exchange Commission (SEC), and has withheld documents from the SEC.



b7E

(Handwritten mark)

Meeting Time and Driving Instructions: All agents will meet on Thursday March 16, 2000 at 8:45 AM on the 23rd floor of 26 Federal Plaza, in the C-1 area.

Search Team:



CART

196C-4-274597^{b6}
^{b7C}
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M

UPLOADED

WITH/TEXT _____
WITH/OUT TEXT _____
BY SP/JOY
DATE _____



SDNY Investigator
SDNY Investigator

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b7C

Emergency Notification:

- 1. New York OPS Center 212-384-3910 (Emergency: 212-384-2222)
- 2. SSA [redacted] Phone 212-384-2943; Cell [redacted]
Beeper [redacted]
- 3. SA [redacted] Phone 212-384-3990; Beeper [redacted]
Cell [redacted]
- 4. AUSA [redacted] Phone 212-637-2416
- 5. NYPD (1 Pct.) Phone 212-334-0611

b6
b7C

Case agent will notify NYPD (1 Pct.) upon execution of the search.

Date 03/15/2000

WCC BRANCH SEARCH PLAN

SQUAD: C1

CASE AGENT(S): ext. 3990

b6
b7C

CASE TITLE: DANA GIACCHETTO
THE CASSANDRA GROUP INC;
SECURITIES FRAUD

CAUTION STATEMENTS: NONE

SEARCH ADDRESS: 561 Broadway, Suite(s) 8C,8D,12A
New York, NY 10012

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b7E

Meeting Time and Driving Instructions: All agents will meet on Thursday March 16, 2000 at 8:45 AM on the 23rd floor of 26 Federal Plaza, in the C-1 area.

Search Team:



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UPLOADED

WITH/TEXT _____
WITH/OUT TEXT _____
BY _____
DATE 3/21/00



SDNY Investigator
SDNY Investigator

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Emergency Notification:

- 1. New York OPS Center 212-384-3910 (Emergency: 212-384-2222)
- 2. SSA [redacted] Phone 212-384-2943; Cell [redacted]
Beeper [redacted]
- 3. SA [redacted] Phone 212-384-3990; Beeper [redacted]
Cell [redacted]
- 4. AUSA [redacted] Phone 212-637-2416
- 5. NYPD (1 Pct.) Phone 212-334-0611

b6
b7C

Case agent will notify NYPD (1 Pct.) upon execution of the search.

KFBI HING DCJS
05541 FILE 15 TYPE 1 NAME SEARCH TO DCJS (AND NCIC) PUR/C & F
. OPERATOR/. LOG/KFBI. ~~CONFIDENTIAL~~ LOG/N
. PUR/C. REASON/CRI. ORI/NYFBINY01. CASE#/SI
. NAM/GIACCHETTO, DANA C . SEX/M. RAC/U. DOB/000000
. SKIN TONE/* . HGT/* . SOC/* . FBI/* . MNU/*
. ALIAS#1/*
. ALIAS#2/*
. ALIAS#3/*
. ALIAS#4/*
. ALIAS#5/*
. REQUESTOR'S NAME
. COMMENTS/NY FBI

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b7c

N 2304-2304 03/13/00 RDSQ# KFBI 49408 RDSQ# 01839225 PART 001 OF 001
NYSP HING DCJS KFBI 2305
FORWARDED TO DCJS ONLY

N 2304-2304 03/13/00 RDSQ# KFBI 49409 RDSQ# 01839227 PART 001 OF 001
NYSP PTST KFBI 2305
NYFBINY01
NO RECORD - NYSPIN WANTED PERSONS FILE
NAM/GIACCHETTO, DANA C
. SEX/M. RAC/U

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INSUFFICIENT DATA ENTERED FOR DCJS OR NCIC SEARCH

UPLOADED

WITH/TEXT _____
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BY _____
DATE 2/1/00

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NYSP PARQ KFBI 2305
NYFBINY01
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. SEX/M. RAC/U

N 2304-2305 03/13/00 RDSQ# KFBI 49411 RDSQ# 01839277 PART 001 OF 001
NYIS HING KFBI 2305
KFBI05541 NO SUSPECTS

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. SKIN TONE/* . HGT/* . SOC/* . FBI/* . MNU/*
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. ALIAS#4/*
. ALIAS#5/*
. REQUESTOR'S NAME
. COMMENTS/NY FBI

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N 2305-2305 03/13/00 ROSQ# KFBI 49412 RDSQ# 01840842 PART 001 OF 001
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NO RECORD - NYSPIN WANTED PERSONS FILE
NAM/GIACCHETTO, DANA C
. DOB/101562 . SEX/M. RAC/U

N 2305-2305 03/13/00 ROSQ# KFBI 49413 RDSQ# 01840853 PART 001 OF 001
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NO RECORD - NYSPIN PAROLE FILE
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. DOB/101562. SEX/M. RAC/U

N 2305-2305 03/13/00 ROSQ# KFBI 49414 RDSQ# 01841053 PART 001 OF 001
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N 2305-2305 03/13/00 ROSQ# KFBI 49415 RDSQ# 01840985 PART 001 OF 001
NYIS HINQ KFBI 2306
KFBI05542 NO SUSPECTS

N 2305-2305 03/13/00 ROSQ# KFBI 49416 RDSQ# 01841103 PART 001 OF 001
NCIC HINQ KFBI
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NYFBINY01
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(III) FOR NAM/GIACCHETTO, DANA C. SEX/M. RAC/U. DOB/19621015. PUR/C.
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KFBI HINQ DCJS
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. PUR/C. REASON/CRI. ORI/NYFBINY01. CASE#/SI
. NAM/GIACETITTO, DANA . SEX/M. RAC/U. DOB/000000
. SKIN TONE/* . HGT/* . SOC/* . FBI/* . MNU/*
. ALIAS#1/*
. ALIAS#2/*
. ALIAS#3/*
. ALIAS#4/*
. ALIAS#5/*
. REQUESTOR'S NAME
. COMMENTS/NY FBI

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N 2306-2306 03/13/00 ROSQ# KFBI 49417 RDSQ# 01843307 PART 001 OF 001
NYSP HINQ DCJS KFBI 2307
FORWARDED TO DCJS ONLY

N 2306-2306 03/13/00 ROSQ# KFBI 49418 RDSQ# 01843309 PART 001 OF 001
NYSP PTST KFBI 2307
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NO RECORD - NYSPIN WANTED PERSONS FILE
NAM/GIACETITTO, DANA
. SEX/M. RAC/U

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INSUFFICIENT DATA ENTERED FOR DCJS OR NCIC SEARCH

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NYSP PARQ KFBI 2307
NYFBINY01
NO RECORD - NYSPIN PAROLE FILE
NAM/GIACETITTO, DANA
. SEX/M. RAC/U

N 2306-2307 03/13/00 ROSQ# KFBI 49420 RDSQ# 01843344 PART 001 OF 001
NYIS HINQ KFBI 2307
KFBI05543 . NO SUSPECTS

*** MULTIPLE RECORDS FIT YOUR SEARCH ARGUMENT(S). ***
YOUR SEARCH ARGUMENT WAS GIACCHETTO, DANA

RECORD 1

[REDACTED]

DATE OF BIRTH [REDACTED]
SEX [REDACTED]

***CROSS REFERENCE**

b6
b7C

RECORD 2

GIACCHETTO, DANA, C
715 BOYLSTON ST 4FL
BOSTON MA 02116

DATE OF BIRTH 10/15/62
SEX [REDACTED]

RECORD 3

[REDACTED]

DATE OF BIRTH [REDACTED]
SEX [REDACTED]

RECORD 4

[REDACTED]

DATE OF BIRTH [REDACTED]
SEX [REDACTED]

NUMBER TO EXPAND, OR NEXT FUNCTION EXP#

TODAY'S DATE: 3/13/2000 TIME: 22:40:00
*RECORD EXPANSION FOR: GIACCHETTO,DANA,C

GIACCHETTO,DANA,C
715 BOYLSTON ST 4FL
BOSTON MA 02116

CLIENT ID#: 514909659
DOB: 10/15/1962 SEX: M
COUNTY: OUTS
MI #: G09018 84837 746608-62

NO NY LICENSE

***** CONVICTIONS/BAIL FORFEITURES *****
CONVICTION: DISOBEYED TRAF DEV
VIOLATION: 06/21/1998 CONVICTED ON: 08/31/1998
LOCATION: CLINTON COUNTY, TOWN OF BEEKMANTOWN
PENALTY: FINE- \$50 POINTS: 2
COMM VEH: UNKNOWN HAZMAT: UNKNOWN

*** END OF RECORD ***
*** ENTER NEXT FUNCTION CODE MENU ***

*** MULTIPLE RECORDS FIT YOUR SEARCH ARGUMENT(S). ***
YOUR SEARCH ARGUMENT WAS GIACCHETTO, DANA

RECORD 1

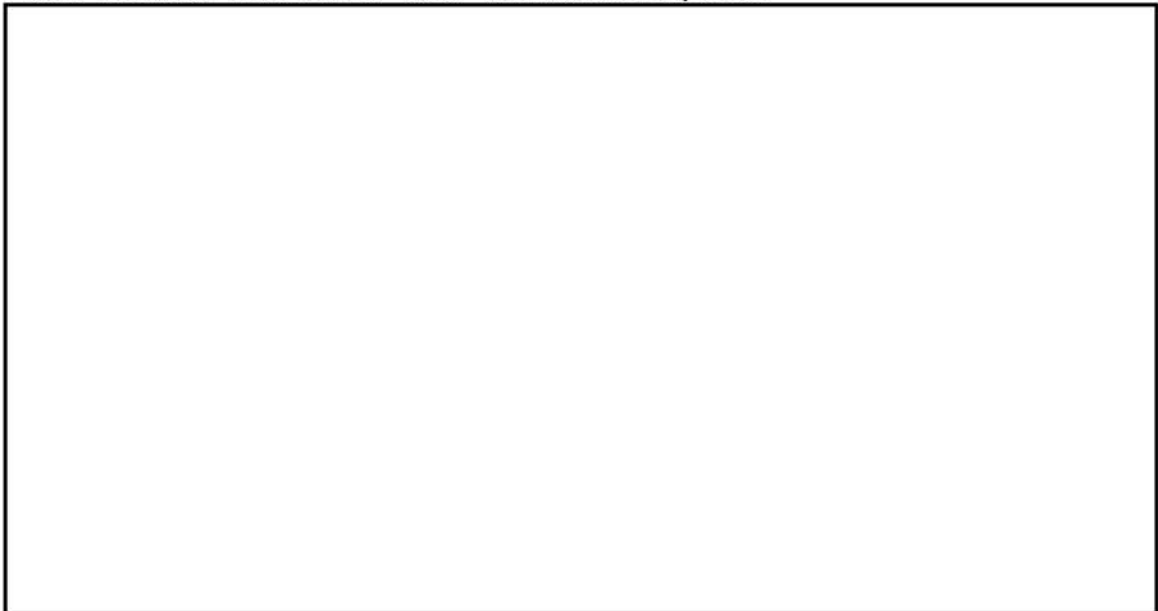
RECORD 2

RECORD 3

RECORD 4

RECORD 5

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NUMBER TO EXPAND, OR NEXT FUNCTION EXP# (MORE RECORDS IN RANGE AVAILABLE)

*** MULTIPLE RECORDS FIT YOUR SEARCH ARGUMENT(S). ***
YOUR SEARCH ARGUMENT WAS GIACCHETTO, DANA

RECORD 1

RECORD 2

RECORD 3

RECORD 4

RECORD 5

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NUMBER TO EXPAND, OR NEXT FUNCTION EXP# (MORE RECORDS IN RANGE AVAILABLE)

*** MULTIPLE RECORDS FIT YOUR SEARCH ARGUMENT(S). ***
YOUR SEARCH ARGUMENT WAS GIACCHETTO, DANA

RECORD 1



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NUMBER TO EXPAND, OR NEXT FUNCTION EXP#

YOUR SEARCH RESULTED IN A "NO-HIT" CONDITION.
YOUR SEARCH ARGUMENT WAS GIACETITTO,DANA
PRESS ENTER TO RETURN TO THE MENU.

YOUR SEARCH RESULTED IN A "NO-HIT" CONDITION.
YOUR SEARCH ARGUMENT WAS GIACETITTO,DANA
PRESS ENTER TO RETURN TO THE MENU.

RETURN

BY WITHOUT UPLOADED
GASE NUMBER:
3/17/00

DATE WARRANT RECEIVED	DATE AND TIME WARRANT EXECUTED	COPY OF WARRANT AND RECEIPT FOR ITEMS LEFT WITH
INVENTORY MADE IN PRESENCE OF		

INVENTORY OF PERSON OR PROPERTY TAKEN PURSUANT TO THE WARRANT

(This section contains faint, illegible text and markings, possibly bleed-through from the reverse side of the page.)

CERTIFICATION

I swear that this inventory is a true and detailed account of the person or property taken by me on the warrant.

Subscribed, sworn to, and returned before me this date.

APR 10 1988

U.S. Judge or Magistrate Judge

Date

196C-NY-274597-6

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UNITED STATES DISTRICT COURT

DISTRICT OF

00 MAG. 0523

In the Matter of the Search of

(Name, address or brief description of person or property to be searched)

(1) THE OFFICES OF THE CASSANDRA GROUP, INC., 561 BROADWAY, SUITES 8C & 8D, NEW YORK, NEW YORK, AND ANY CLOSED CABINETS OR CONTAINERS FOUND THEREIN; AND (2) THE RESIDENCE OF DANA C. GIACCHETTO, 561 BROADWAY, SUITE 12A, NEW YORK, NEW YORK, AND ANY CLOSED CABINETS OR CONTAINERS FOUND THEREIN

SEARCH WARRANT

CASE NUMBER:

TO: [Redacted] and any Authorized Officer of the United States

b6 b7c

Affidavit(s) having been made before me by [Redacted] who has reason to Affiant

believe that [] on the person of or [x] on the premises known as (name, description and/or location)

(1) THE OFFICES OF THE CASSANDRA GROUP, INC., 561 BROADWAY, SUITES 8C & 8D, NEW YORK, NEW YORK, AND ANY CLOSED CABINETS OR CONTAINERS FOUND THEREIN; AND (2) THE RESIDENCE OF DANA C. GIACCHETTO, 561 BROADWAY, SUITE 12A, NEW YORK, NEW YORK, AND ANY CLOSED CABINETS OR CONTAINERS FOUND THEREIN

in the SOUTHERN District of NEW YORK there is now concealed a certain person or property, namely (describe the person or property)

SEE ATTACHED RIDER

I am satisfied that the affidavit(s) and any record testimony establish probable cause to believe that the person or property so described is now concealed on the person or premises above-described and establish grounds for the issuance of this warrant.

YOU ARE HEREBY COMMANDED to search on or before March 21, 2000 Date

(not to exceed 10 days) the person or place named above for the person or property specified, serving this warrant and making the search (in the daytime -- 6:00 A.M. to 10:00 P.M.) (at any time in the day or night as I find reasonable cause has been established) and if the person or property be found there to seize same, leaving a copy of this warrant and receipt for the person or property taken, and prepare a written inventory of the person or property seized and promptly return this warrant to as required by law. U.S. Judge or Magistrate Judge

MAR 15 2000

3/15/00 5:15 P.M. Date and Time Issued

at New York, New York City and State

HON. MICHAEL H. DOLINGER United States Magistrate Judge Southern District of New York

THEODORE H. KATZ UNITED STATES MAGISTRATE JUDGE SOUTHERN DISTRICT OF NEW YORK

s/ Theodore H. Katz Signature of Judicial Officer

Rider

Evidence of the commission of crimes, including fraud under the Investment Advisers Act, securities fraud, mail fraud, wire fraud, and conspiracies to commit those offenses, in violation of Title 15, United States Code, §§ 77q(a), 77x, 78j(b), 78ff, 80b-6, and 80b-17, and Title 18 United States Code, §§ 371, 1341, 1343, and 2, specifically as follows.

a. Binders known as the "Wire Books" for the current year and all prior years since 1997, inclusive, containing or reflecting, among other things, records of transfers into our out of client accounts and private placements.¹

b. Client files for both current and past CASSANDRA clients, containing, among other things, statements of Client Accounts and Client Portfolios, correspondence, order tickets, confirmations, and other routine paperwork related to individual clients, for all clients who have had investments under CASSANDRA's management since 1997.

c. Files pertaining to private placements in which CASSANDRA's clients' funds have been invested or purportedly invested, including issuers called Global Source, Ford Models, Paper Magazine, Standard Hotels, Great Southern Waterworks, U.S. Utilities, and Good Machine.

d. Account statements from 1997 to date for the Brown CASSANDRA account and for accounts held by CASSANDRA elsewhere, as well as correspondence with the institutions at which CASSANDRA maintains such accounts.

¹ As used herein, the terms "books," "records," and "documents" means any and all tangible forms of expression, in any language or format, including drafts or finished versions, originals, copies, or annotated copies, however created, produced, or stored (manually, mechanically, electronically, electromagnetically, or otherwise), including, but not limited to: books, papers, files, writings, handwritten notes, typewritten notes, letters, correspondence, memoranda, notebooks, ledgers, term sheets, telexes, telefaxes, telephone message slips, tape recordings, magnetic tapes, electronic recordings, computerized records stored on computer hard-drives, computer disks, disk packs or in any other form, other electronic media, electronic mail messages, voice mail messages, microform, microfilm, microfiches, and storage devices, or any similar item, electromagnetic recordings, optical or digital recordings, and photographs.

e. Computers, laptop computers, hand-held computers, hard drives, diskettes and other magnetic storage media, and files, data and information contained thereon, used to store names, telephone numbers and addresses of co-conspirators, victims and potential witnesses, as well as drafts and final versions of documents and correspondence prepared in furtherance of such wrongdoing since 1997, including such items for the Bloomberg system, the AXYS system, and other systems, and including word processing files and spread sheets.

f. Banking and brokerage-firm account statements, checks, and transaction records, wire transfer instructions and similar documents concerning or reflecting movements of funds, account and account holder information, check numbers, account numbers and Federal Reserve routing numbers, used in collecting, transferring and secreting the proceeds of such wrongdoing, from 1997 to the present;

g. Correspondence, and other documents reflecting communications with co-conspirators and victims of such wrongdoing, and the location of funds and proceeds of such wrongdoing, from 1997 to the present;

h. Marketing and offering materials and brochures, investment agreements, financial statements, new account forms, and other documents concerning, relating to, or describing purported investments, or used to entice potential clients, from 1997 to the present.

196 C-NY-274597-

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MAR 27



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BY

DATE

3/28/00

March 2, 2000

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features
Prophet and Loss

A manic money manager with a lust for celebrity, Dana Giacchetto played with Leo and Ben, Cameron and Courteney, while their millions were in safe keeping with his Cassandra Group. But when the party spun out of control, Giacchetto was the last to get the message.

BY KEVIN GRAY WITH NIKKI FINKE

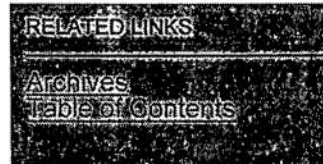


"Will everyone just shut up!" The Times Square ball had dropped, and a minute into the millennium, Dana Giacchetto was struggling to quell the pandemonium in his 3,000-square-foot SoHo loft. Clutching a microphone in one hand and a paperback anthology of Greek plays in the other, the beleaguered money manager had planned to mark the occasion by reading a few portentous words to the 50 guests at his New Year's Eve party. But Giacchetto, who had named his Cassandra Group investment firm after the unheeded prophet, refused to start until his guests were focused on him.

"Just read and they'll shut up," advised a woman in black. Anxiously tugging at his Dolce & Gabbana T-shirt, Giacchetto launched into a passage from Aeschylus' *Agamemnon*, in which Cassandra declares that despite the machinations of her enemies, her legend will endure. "I am not like a bird," he intoned, "scared at an empty bush, trembling for nothing. *Wait: When you shall see my death atoned with death . . . then witness for me -- these and all my prophecies were utter truth.*"

The performance, an observer would later note, was "pure Dana," a melodramatic tour de force that the 37-year-old Giacchetto intended as a rebuke to his ever-widening circle of antagonists. But most of the revelers, distracted by the televised vision of Dick Clark hugging a blonde, missed the analogy. Smiling weakly at the scattered applause, Giacchetto returned to D.J. duty, no doubt recalling that at last year's bash, it was rapper Q-Tip who was on hand to oversee the music. This time, Giacchetto told a guest, Q-Tip "couldn't make it." Neither could Winona Ryder, Matt Damon, Johnny Depp, or Ben Affleck, all of whom had been present last year. In fact, the lone celebrity in attendance was Alanis Morissette. "You know I'll never leave you," the singer cooed, wrapping her arms around her host. "You don't have to worry about me."

Dana Giacchetto was never the biggest money manager on Wall Street, but by the late nineties, the baby-faced broker was certainly among the most visible. Operating at the nexus of Wall Street and Hollywood, his SoHo-based Cassandra Group claimed to manage \$400 million in assets for celebrities on both coasts. At one point, his client list ranged from brat packers like Tim Roth, Cameron Diaz, and Tobey Maguire to art-world stars like Ross Bleckner and David Salle to musicians like Morissette and Michael Stipe. Uniformed in Prada and Helmut Lang, his pet cockatoo perched on his shoulder, the darling of CNBC's *Squawk Box* became a tabloid staple along with his clients. Courteney Cox flew him home to meet her parents. Leo DiCaprio took him to Cuba.



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Michael Ovitz whisked him around Italy on his yacht.

"I thought about it a lot, how all this could happen to me," he says. "You know, one day you're on top of the world, and the next, everyone's pissing on you."

Then, last autumn, the wunderkind whom *GQ* named the Rock-and-Roll Broker found himself in free fall. All summer long, there was growing buzz in New York and Hollywood that Giacchetto was in trouble. In early October, he was suddenly dumped by two of his closest allies, his partners in a \$100 million venture-capital fund backed by Chase Manhattan, triggering a wave of defections from his money-management firm. On December 4, the *Los Angeles Times* broke the news that top clients were defecting because of undefined financial irregularities, and the article triggered a stampede: Seventeen clients left during a single week.

But the worst blow was the suicide of his friend Jay Moloney in November. Against the advice of friends, Giacchetto had installed the talented but notoriously troubled agent as president of Paradise Music and Entertainment, a company Giacchetto funded with millions of his clients' dollars. Unable to overcome his addiction, Moloney had quietly stepped down last August; on November 16, he hung himself in the shower stall of his home. The night before Moloney's death, Giacchetto spent an hour on the phone with a "Page Six" reporter tearfully trying to kill an item about the agent's relapse.

"Jay's death nearly destroyed me," Giacchetto says. In the month after Moloney's funeral, he stopped going into the office and taking phone calls. Instead, he spent most of his time holed up in his apartment weeping over his mounting losses, both personal and professional. Then, just as his friends were planning an intervention, Giacchetto suddenly bounced back. "You can only lie back and take it for so long," he says. "At some point, you have to fight fire with fire."

Which is why, on a bitterly cold afternoon in January, Giacchetto is entertaining a reporter in his loft. Four minimalist couches form a square in the middle of the airy living room where his friend Leo once played video games before DiCaprio's attorney sent Dana a letter tersely cutting off all contact.

Keeping Dana company today are his new girlfriend, a pair of hyperactive cockatoos, and a newly hired publicist, Peter Brown, a sober, white-haired Brit who once represented the Beatles. "I thought about it a lot, how all this could happen to me," he says. "You know, one day you're on top of the world, and the next, everyone's pissing on you."

Even dressed in a conservative blue suit, he comes off like a precocious schoolboy, shifting in his seat and pulling on his hair as he makes the case that his troubles are a product of a "conspiracy" engineered by his former partners. "This was a power play," he tells me. "A campaign of misinformation against me by people I trusted. By people I thought were my *friends*."

The friends in question are Jeffrey Sachs and Sam Holdsworth, who were joined with Giacchetto in Cassandra-Chase Entertainment Partners, a \$100 million venture-capital fund.

("Prophet and Loss" 1 | 2 | 3 | 4 | 5)

From the February 28, 2000 issue of New York Magazine.

March 2, 2000

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On December 13, Giacchetto filed suit against Sachs, Holdsworth, Chase, and another Cassandra-Chase associate, Robert Egan, charging that they had conspired to eject him from the partnership by ruining his reputation. The suit seeks \$100 million in damages and the full dissolution of the Cassandra-Chase partnership, plus repayment of \$600,000

Giacchetto says he laid out in rent and expenses.

In his suit, Giacchetto charges that about a year ago, Sachs and Holdsworth started "intentionally, willfully and maliciously" spreading false rumors about him to Hollywood insiders such as DiCaprio's lawyer Steve Warren. He charges that Sachs told Warren and others that Giacchetto "was going to get arrested," that he was being investigated by both the SEC and the FBI. As a result, the suit continues, DiCaprio terminated his account at Cassandra.

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"I've heard all kinds of slanderous rumors," Giacchetto says. "That I'm going to jail. That I'm about to be indicted. It's all lies! It's all so dark, I don't want to believe it's true."

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Holdsworth and Sachs declined to discuss the charges, but their attorney, former governor Mario Cuomo, who was once Sachs's boss, filed papers last Friday asking the court to dismiss Giacchetto's suit. They claim Giacchetto's allegations are baseless and his problems self-created; they also demand repayment of \$950,000 loaned to Giacchetto when his troubles began.

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In any case, it seems the manic money manager's troubles are far from over. *New York* has learned that the Securities and Exchange Commission recently spent six weeks poring over Giacchetto's books. A former vice-president at Cassandra was interviewed by the U.S. Attorney's office about alleged criminal activity at the Cassandra Group. The government's inquiry, says a source close to the situation, centers on charges that Giacchetto misdirected client funds and misled clients about the amount of money in their portfolios. Giacchetto angrily denies reports of any such investigation. The U.S. Attorney's office declines to comment.

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But even his staunchest critics doubt he profited personally from his actions. After all, he considered himself an artist, serving creative soulmates. The consensus seems to be that at some point, Giacchetto, by all accounts a savvy and accomplished investor, lost his way, and unwilling to let down his high-profile clients, struggled to cover his tracks. "This is a naive individual with very good intentions who simply went out of control," says one associate. "Dana didn't know how to put the brakes on, because he only has an accelerator."

Dana Giacchetto was raised in the Boston suburb of Medford, the oldest son of middle-class parents. His first business enterprise was selling magazines door-to-door when he was 11. "The very first door he knocked on, the woman said no and he ran back home crying," recalls his father, Cosmo, a real-estate broker. "I had to tell him, 'They're not rejecting you; they're rejecting what

you're selling.' Dana is a real hustler, but he feels bad when people say no."

After showing early promise on the piano, Giacchetto took lessons and faithfully practiced on the family's upright thirties Fischer. By the time Dana was in his teens, he was staging concerts by his pop band in the family rec room and recording their songs on an eight-track. "He should have made it as a rock star," sighs his father. It wasn't for lack of trying: At the University of Massachusetts in the early eighties, Giacchetto fronted two successive bands that drew a large following in Boston. But his rock career never really took off.

Instead, Giacchetto landed a job as an analyst for the white-shoe Boston Safe & Deposit Company, trading by day and playing gigs late into the night. In a scathing article last December, the *New York Observer* reported that the company had no record of his employment there. But a spokesman for Boston Safe confirms that Giacchetto was employed there full-time from 1980 to 1987; his former boss, Donna Wong, now works as a systems analyst at Cassandra. The *Observer* was also unable to find any record of the business courses Giacchetto claimed he took at Harvard. As it turns out, Harvard does have a record of Giacchetto's attendance, but the courses were at Harvard's extension school, not its prestigious business school, as he had claimed.

When Giacchetto left Boston Safe in 1987 to strike out on his own, many of his devoted clients followed suit. Cassandra targeted creative types with a simple pitch: Since artists, actors, musicians, and filmmakers are paid only sporadically for their work, they require specialized investment strategies. Giacchetto's approach was long-term, ultraconservative. "I never started Cassandra thinking, *I want to make tons of money*," he says. "I started it because I really believe that most of the creative people I knew were ill-advised and didn't have any resources. I thought I could help them find a safe way to grow their money."

Though he'd given up performing, he still thought of himself as an artist, with money his new medium. "When I meet money managers who tell me they're technicians, or it's about science, that's bullshit," he says. "You don't know if a stock is going up or down tomorrow. It's an art, just like writing a song or doing a painting."

To woo his artsy clients, he and his then girlfriend, Artemis Bradford Willis, held dance parties on the rooftop deck of his Back Bay apartment and followed up with a monthly newsletter that offered investment tips along with gallery listings and art reviews. By the early nineties, he was one of the best-known brokers in Boston, but typically, he was restless. Packing up his spreadsheets, client lists, and even the family's Fischer piano, Giacchetto moved to New York, and from his loft on Lafayette Street he began his most ambitious assault.

After relentlessly cold-calling the powerful PaceWildenstein Gallery, he wrangled an audience with its influential president, Marc Glimcher. Amused by the quirky hustler, Glimcher took Giacchetto under his wing, introducing him to art-world players like George Condo and Bleckner, who became his earliest clients.

It was his personality as much his business acumen that drew people to Giacchetto. "He'd stare adoringly into your eyes, loving everything you said," notes a former client. "He has this wonderment that disarms people. An innocence he exudes."

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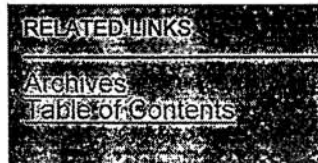
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By 1995, he had charmed his way to the core of New York's downtown demimonde. "I met him at this birthday dinner for André Balazs," says another acquaintance. "There was James Truman, Lee Radziwill, and Dana. He was sitting across from this famous gossip columnist and telling him all about this money-management fund he'd started for musicians and artists who were friends of his."

On long weekend visits, Giacchetto set his sights on Hollywood, where he networked his way through a daisy chain of parties and premieres to the office of golden-girl producer Stacey Sher (*Pulp Fiction*, *Get Shorty*). Sher hung out with the under-30 crowd and dated a personal manager named Rick Yorn, who soon became one of Dana's closest friends.

Though most of Hollywood was paying Yorn little attention at the time, Giacchetto sized up the young manager's client base and recognized its potential. At the time, Yorn and his sister-in-law Julie Yorn had a lock on many young stars, including Cameron Diaz, Jennifer Lopez, Ed Burns, Matt Dillon, and Leonardo DiCaprio. In the face of Giacchetto's charm offensive, says one friend, "Rick didn't have a chance. Not only did Yorn invest his money with Cassandra, but he also encouraged each of his clients to do so as well."



Helped along by a spirited bull market, Giacchetto promised -- and frequently delivered -- returns of 40 percent and more for his clients. "Whatever he's doing, he's doing well for me," Courtney Cox gushed to the *Post*. "Every time everyone's panicking about the stock market going down, I just say, 'Go, Dana.'"

"When Dana began showing up on 'Page Six' more than I did," Ed Burns told a friend, "I knew it was time to get out of there."

As his clients' portfolios took off, so did Giacchetto's cachet. He earned a reputation as someone who could put the right people in the right room -- usually his own loft. What he wanted to create more than an investment club, he says, was a salon of his generation's most important artists, writers, actors, and musicians. It was a "community," Giacchetto says, where ideas could cross-pollinate between rock and painting, movies and performance art, and Giacchetto would play matchmaker. Indeed, in 1994, he put together a deal that would stagger the industry -- and reveal a sharp edge to Giacchetto's laid-back demeanor.

That year, Seattle's influential Sub Pop record label, which had nurtured such seminal grunge acts as Soundgarden and Nirvana, was looking for a major distribution deal. Acting as a high-paid auctioneer, Giacchetto frantically worked his Rolodex, talking up the label to David Geffen and Microsoft. "He'd

have these meetings and say, 'If you don't want it, I've got three other people ready to take it right now,' " says a source close to the deal. "Then he'd turn around and start dialing the phone. He was a great negotiator that way. It's a certain magic and balls and timing."

After igniting a seven-month bidding war, Giacchetto delivered 49 percent of Sub Pop to Warner Music for \$20 million. "That was just a phenomenal deal," says another insider. "The company was worth a couple million. That deal made people look at him in a whole new light." As reports of his deal-making abilities spread, other labels came calling — followed by modeling agencies, hoteliers, magazine publishers, and movie studios. "I had an incredible amount of power," he says. "I could deliver anyone to anyone with one phone call."

Though she stuck with him throughout his rise, by 1998, the relentless networking eventually got to his longtime girlfriend, Artemis Willis. The couple sparred often and loudly over his "need to hang with the right crowd," says one pal. "Artemis couldn't stand the people around him. The constant name-dropping and social climbing started to wear her out." Finally, she moved out.

By all accounts, Giacchetto was devastated by the breakup, but his friends helped take away some of the sting. Prime among them was DiCaprio, who, by early 1998, was practically living in Giacchetto's loft. "Leo would wander down around noon, check the Bloomberg, make some calls, and they'd go out to a long lunch," recalls one former Cassandra trader. "Or Gwyneth would come by, and it was all hugs and kisses and 'Love ya, babe.' He was developing this whole cult of personality."

Though he was a decade older than some of the guys in DiCaprio's posse, at night Dana gamely played Pied Piper through the city's downtown club scene, from Cafeteria to Moomba to Veruka and back again. "He was out a lot," recalls a friend. "He'd always be asking, 'Where do we go next?' This was at two in the morning."

Eventually, however, his frenetic socializing took a toll. Sometimes Giacchetto didn't show up to work until 1 p.m., and he became less interested in the day-to-day operation of the Cassandra office, which had by then descended into comic disarray. He bought two cockatoos, one for himself and another for DiCaprio, which he allowed to fly loose through the office. Visitors would find the two birds, Tiberius and Angel, perched on the office's Bloomberg machine, chewing at the wires.

Clients complained that their monthly statements arrived chronically late, or not at all. After a couple of bad deals, including a disastrous foray into the now-bankrupt Iridium, many of them suspected that he was more concerned with maintaining his social profile than with monitoring their investments. His blatant self-promotion had also become an increasing liability. Sources close to Matt Damon and Ben Affleck say the actors decided to pull out because they thought Giacchetto was trading on their names for his own benefit. Another client, Ed Burns, followed them out the door for the same reason. "When Dana began showing up on 'Page Six' more than I did, I knew it was time to get out," he told a friend.

By now, Giacchetto was even dropping the names of clients he *didn't* have. He once showed a friend a spreadsheet with Steven Spielberg's name on it and claimed to be managing \$7 million for the director. A source familiar with Spielberg's finances firmly denies he invested any money with Giacchetto. When informed of this, his pal laughs. "I *knew* that," he says. "Dana never thinks you'll like him enough."

Giacchetto denies he ever talks out of school about his clients and insists that complaints about his social life are wildly overblown. "Look," he says, "I party, but mostly it was business. I'm not like a drug addict or anything. Far from it. I was here working my balls off every single day to make money for my clients and put deals together, and the proof is there. I *finished* all these deals. It's not like a smoke screen. I mean, I really did them. I'm really good at that."

Amid the circuslike environment, news that Giacchetto had taken on a new associate was greeted with some relief at Cassandra. A soft-spoken 47-year-old Richard Gere look-alike with an impressive political pedigree, Jeffrey Sachs was supposed to provide the ballast in Cassandra's flighty offices. Born to a Conservative Jewish family in the Five Towns and trained as a dentist, Sachs instead went into public service, landing high-profile jobs under governors Hugh Carey and Mario Cuomo.

Along the way, he developed a wealth of influential contacts. A close friend of John Kennedy Jr.'s (he was supposed to have been a passenger on JFK Jr.'s tragic last flight but canceled when he fell ill), he also helped Andrew Cuomo find help, the younger Cuomo's affordable-housing initiative.

At the time he and Giacchetto first discussed teaming up, Sachs was heading up a thriving consulting business that offered strategic planning for health-care groups, financial firms, and entertainment conglomerates, including Time Warner and NBC. "My biggest talent," he says, "was to make this happen or make that go away."

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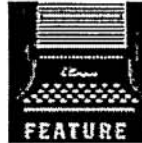
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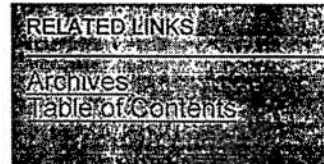
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The two had known each other socially for a number of years, but by the summer of 1997, tired of consulting, Sachs says, he decided "to get into more transactional activities." He had heard a lot about Giacchetto's deal-making skills during the sale of Sub Pop to Warner Music and was impressed by his manic energy.

For his part, Giacchetto thought that if he fused his personal contacts with Sachs's institutional ones, they could build a powerhouse. To sweeten the arrangement, Giacchetto says, Sachs promised to deliver him a money manager's pot of gold, a lucrative pension fund from the state's health-and-hospital-workers' union, which was being run by Sachs's friend Dennis Rivera. (Sachs denies this.) Though the fund never materialized, in the summer of 1997, Giacchetto invited Sachs to move his operation into Cassandra's offices, where he joined former *Billboard* publisher Sam Holdsworth — who would use his connections to look for promising entertainment start-ups — and his old boss's son, Chris Cuomo, who would "lawyer" the deals.

In the beginning, at least, the partnership went as planned. Several months after arriving at Cassandra, Sachs introduced Giacchetto to his friend Mitchell Blutt, a high-powered executive partner at Chase Manhattan Corporation's \$2 billion venture-capital unit. Sachs knew that Blutt's division, Chase Capital Partners, was hungrily looking for alliances to help identify potentially explosive start-up companies in the entertainment field. Enter Dana.



In March, Giacchetto began squiring Chase's buttoned-up investment bankers around the tables of Moomba, where between Cosmos he and Blutt talked about putting together a partnership. Their first joint venture was a deal to underwrite the Standard Hotel in Los Angeles, a project of Giacchetto's friend André Balazs, who also owned the Chateau Marmont and New York's Mercer. Then, on October 9, 1998, Giacchetto, Blutt, Holdsworth, and Sachs formed Cassandra-Chase Entertainment Partners, a venture-capital firm backed by \$100 million from Chase. The fund's main objective was to ferret out entertainment start-ups and get a first look at the projects conceived by Giacchetto's famous clients. The partners stood to earn 15 to 20 percent of each venture.

Despite the Chase funding, not all was well between the partners. From the start, Giacchetto says, Sachs had trouble adjusting to Cassandra's hypercasual atmosphere. And to Cassandra's employees, who had prided themselves on their outlaw attitude toward corporate America, Sachs and his buttoned-up team seemed suspiciously old guard. Sachs told Giacchetto he needed to hire people who were more professional. In November 1997, on his recommendation, Giacchetto hired as Cassandra's vice-president Soledad Bastiancich, a Yale-educated lawyer who had worked at the conservative Allen & Company. She is the girlfriend of John Howard, a multimillionaire Bear Stearns venture capitalist and a close friend of Jeff Sachs.

Though she was charmed by her madcap boss, Bastiancich was alarmed at the lax operation he ran. Backed by Sachs, she persuaded Giacchetto to authorize a \$250,000 audit of Cassandra. Bastiancich later outlined her concerns in a confidential four-page letter obtained by *New York*, which included a list of demands that Giacchetto had to meet if he wanted to keep her on. It's a strange document, which veers from fawning regard for Giacchetto's "vision" to anger over his shortcomings. "For all I know," she writes, "you may spit on this letter and tell me you never want to see me again (though I pray you don't ever feel that way)." She signed it with a smiley face.

The letter, which Giacchetto twice denied to me even existed, provides a glimpse inside Cassandra's chaotic offices and reveals an internal struggle over its future. In it, Bastiancich asks Giacchetto to "promise me that you will check with one of us about a client's account value and holdings prior to telling the client. TCG has had several hundred thousand dollars worth of trade errors during the past couple of years. We simply cannot afford anymore [sic]. It is okay not to always have awesome news."

She also complained that the company was paying Giacchetto's personal travel and entertainment expenses and had been making personal loans to clients that were not "professionally papered and at market rates."

Giacchetto denies that he lied about client accounts, and he says that his expenses were normal for someone who traveled frequently with clients. How about the trade errors? I ask. "Yeah, we had trade errors," he sighs. "There are always errors in trading, but I don't think I had any major problems. You call and say, 'Buy me 500 shares of Merck,' and somehow they'd buy 400 instead. *That's* a trade error. *That's* what she's addressing. But I don't think that's bad or negative or shocking. Soledad wanted power. *All of them* wanted power. They got in and they thought, *I can do this better than you, because Dana's so flighty and creative and we're these top management people.*"

In fact, Bastiancich was seeking an equity stake in the company and asking to be named president, with the power to run daily operations and draw up a "conservative" budget to make the company profitable. Giacchetto angrily refused. She left Cassandra a few months later to write a novel.

Bastiancich and Giacchetto's partners in Cassandra-Chase were especially troubled by Giacchetto's involvement in a struggling firm called Paradise Music & Entertainment. In 1998, the company, which produced music videos, commercials, and albums, was about to be de-listed from the nasdaq because its assets were so dismally depleted. To Giacchetto, the company, little more than a shell operation at the time, presented a tempting opportunity. He agreed to pump \$6 million of client funds into Paradise to rebuild it into a powerful indie force that would serve as a vehicle for his clients' projects. "It was a shell where I thought I could bring together the kinds of things I always wanted to bring together," Giacchetto says. To run the company, he tapped Jesse Dylan (son of music legend Bob Dylan), a respected commercial producer and a Cassandra client. As president he chose his old friend Jay Moloney, who had, after several attempts at sobriety, been clean for months.

Skittish because of Moloney's drug relapses and rumors of earlier suicide attempts, some clients hesitated to bankroll Paradise, and even Moloney's friends worried that the pressure would send the fragile agent over the edge again. "He could barely hold a job," one friend notes, "much less run a public company." Equally troubling was Giacchetto's stake in the venture. The money manager was given a consultant's title and paid in stock options worth \$1.2 million. What made the arrangement problematic was that Cassandra traders were advising clients to trade shares in a company about which their boss possessed inside information.

Large financial firms install barriers between investment bankers and traders to prevent insider trading, but in Giacchetto's seven-member office the potential for abuse is enormous. "There was a potential conflict," Giacchetto says. "Absolutely. We were very careful. It's completely disclosed in the [SEC filings] that I owned stock. Everyone knew I owned it." John Heine, a spokesman for the Securities and Exchange Commission, says he can't comment on this case, but insists the issue is not clear-cut. "There's a possibility that his being a

consultant and selling shares is a conflict of interest. Simple disclosure may not be enough." Giacchetto denies ever breaking any SEC rules. "If there was someone who has proof that I had, my former so-called partners would have picked it up during the first six months of this torture and put me in my grave."

By now the partners were also clashing over the operation of the Cassandra-Chase fund. Time and again, Giacchetto complains, Sachs and Holdsworth shot down deals he brought them involving major stars -- all of whom were Cassandra clients. There was Danny DeVito, looking for funding for an Internet start-up. There was Ovitz, wanting to put together a film-distribution company. There was DiCaprio, Martin Scorsese, and Q-Tip, who jointly planned to set up a film company. Finally, there was Larry Bathgate, the powerful former finance chair of the Republican National Committee, who had agreed to back a \$20 million merchandising firm called Artists Marketing Corp., which would market the names and likenesses of such stars as DiCaprio in the lucrative overseas markets. (The AMC deal, which was killed when Bathgate was informed that Giacchetto had used his clients' funds as collateral, a charge Giacchetto denies. It also antagonized Ovitz, whose management company handles DiCaprio.) "Why didn't they do those deals?" says Giacchetto. "I don't know. It was ridiculous. They wanted the glamour of having me tromp all those celebrities through the door of Chase, but they didn't want to work with my clients."

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Sachs responds that deals brought in by other partners were frequently turned down as well. "For every hundred deals we looked at, maybe we'd do *one*," he says.

But Giacchetto believes that once they had used him to establish the partnership, Sachs and Holdsworth decided they no longer wanted him around. In early October, several clients and their attorneys began calling Giacchetto, he says, claiming that Sachs had told them disturbing things about Cassandra. At first, Giacchetto says, he didn't want to believe that Sachs had turned on him. "But people started calling me and saying, 'This guy is not your friend. He's trying to destroy you.' And I said, 'Why? Why?'" His face reddens perceptibly and his voice grows shrill. "The only answer I have is that he didn't understand [my business] and thought there really was bad stuff going on. I don't know. But there wasn't. And there isn't."

On October 21, his partners moved out of the office without informing Giacchetto and set up shop directly across the street. A few days later, Giacchetto received a terse letter informing him that he was being removed from the partnership and his one-third interest in the venture would be reduced to about 8 percent. "Dana went apeshit," a colleague says. "He kept crying and yelling that he'd pay them back."

Giacchetto filed his lawsuit a month later. "I think they hoped we'd all separate and I'd keep my reduced interest and life would go on. I'd be mad for a few days, but they'd keep the fund and I'd keep my clients and everything would be wonderful," says Giacchetto. "They were wrong."

Three weeks ago, Giacchetto hired a Greenwich money-management firm to shape up his back office but then promptly dismissed it because he feared its owners were trying to take advantage of his recent troubles. "They wanted too much control and access to the star clients," he says. "And I'm never going to give that away again."

In the meantime, Giacchetto says, he's back in the game. He has hired two new portfolio managers for his office; one of them, he lets slip, is Chloë Sevigny's brother. He says four of the seventeen clients who bolted last fall have returned to his firm. Eager to show that he's curbed his penchant for name-dropping, he won't say who they are. He also says he's currently in talks with two banks about backing a new venture-capital fund.

Last week, Giacchetto even surfaced at a screening of his old friend DiCaprio's movie *The Beach*, where he wandered the aisles kissing old friends. But when the house lights dimmed and he went in search of a seat, none was vacant. He wound up sitting cross-legged on the floor, right up against the screen.

Giacchetto's New Year's performance notwithstanding, the mythological character he's often compared to these days is not Cassandra but Icarus, who got burned flying too close to the sun. "I just had a suspicion it wouldn't last," says one intimate. "He was flying too high, had too many people signing on. You knew that if anything ever went wrong, they'd all start jumping ship. He was a *New York Magazine* article waiting to happen."

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crews from *Entertainment Tonight*, *Extra*,
CNN, MSNBC and the Fox News Chan-
nel, their complementary Web sites and
other Web sites, the do-it-yourselfers trawling
parties with foreign press credentials
and digital cameras and there is very little

It's reminiscent of the scene in Road-
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The Rise and Fall of Dana Giacchetto: He Advised DiCaprio, Annoyed Ovitz

BY ROGER D. FRIEDMAN

Six months ago, you might have wanted
to be 37-year-old hard-partying money
manager Dana Giacchetto. The clients at
his Cassandra Group company included A-
list movie stars from Hollywood's younger
generation: Ben Affleck, Matt Damon, Ed-
ward Burns, Cameron Diaz, Tobey
Maguire and Heather Graham. Michael
Ovitz was his phone friend. Leonardo
DiCaprio was living in his SoHo loft
(located above the Cassandra offices at Broad-
way and Spring Street) and
photographed at his side dur-
ing many a night on the
town. But how things have
changed. In a matter of days,
Mr. Giacchetto lost 17 of his
clients, many of them now
managed by Mr. Ovitz's new
company, Artists Manage-
ment Group. Soon after that, he was the pro-
tagonist of journalistic horror stories in *Daily
Variety* ("Financial Whiz Kid's Stock
Falls" went the headline) and the *Los Angeles*

Times ("Problems of Style, Substance Cre-
ated Exodus From Giacchetto"). Next, Mr.
Giacchetto quietly put his money manage-
ment firm, the Cassandra Group Inc., up for
sale, sources said. He also filed a slander
suit against his ex-colleagues at the Cas-
sandra-Chase Entertainment
Partners L.L.C. And sud-
denly, you wouldn't have
wanted to be Mr. Giacchet-
to for all the best tables at
Balthazar.



DANA GIACCHETTO

And yet, there he was, still
standing on the night of Dec.
10, commanding the lobby
of the Cineplex Odeon
Beekman for the premiere of
The War Zone, a movie di-
rected by one of his clients,
actor Tim Roth. Mr. Giac-
chetto's shaggy hair was ex-
tremely blond that night. His
Prada pants were tight, and he was nuzzling
a Meg Ryan lookalike. Singer Nona
Hendryx was in his entourage.
"Where are we going?" Ms. Hendryx
asked after the movie. "Are we going to the
party?"

CONTINUED ON 8

I Promise Not to Ridicule Those Rich, Powerful Jerks

BY MICHAEL M. THOMAS

Scrooge isn't the only geezer to be vis-
ited by murmuring spirits at this time of
year. While I was rattling around the Sag
Harbor house the other day, these lines
came back to me: "I'm just
a whisper of smoke/I'm all
that's left of two hearts on
fire/That once burned out
of control/And took my
body and soul/I'm just a
ghost in this house."



Decade of Hyped Art Shows, But Not Much Good New Art

BY HILTON KRAMER

Looking back on the art world in the
1990's, what stands out as the mountain
peaks of artistic achievement has had re-
markably little to do with the accomplish-



ments of living artists. This
is not to say that there are no
gifted artists hard at work on
the current scene, but it is to
say that these aspiring tal-
ents have been condemned to
pursue their artistic ambitions in a cultur-
al environment that is now devoid of great
living masters. If there are exceptions to
be noted—Balthus, say, among the
painters, and Anthony Caro, among the
sculptors—even their highest achieve-
ments tend to be retrospective in charac-
ter. Which is to say that they represent the
culmination of their respective traditions

CONTINUED ON 23

INSIDE

- 3 The Transom: The Four Seasons serenades *New York Times* food critic.
- 5 Wise Guys: Terry Golway on the complex career of John Cardinal O'Connor.
- 6 Off the Record: It looks like trouble at *The Wall Street Journal's* weekend section.
- 17 Community Boards: Sounds like a digital

26, 35 Book reviews: Adam Begley on the first novel of a Sanskrit-chanting, yoga-instructing Luddite; D.F. Max on *Shakespeare's 21st-Century Economics*.

28, 33 Andrew Sarris and Rex Reed: Their movies of the year. Plus: Who is this Andy Kaufman fellow, and why did Miles Forman make a movie about him?

The Talented Mr. Giacchetto

CONTINUED FROM PAGE 1

"No, no," said Mr. Giacchetto. "We'll go someplace else."

The implication: someplace hotter, better than the Lava Lounge, where the rest of the audience was headed. But 20 minutes later, a comedown: Mr. Giacchetto had been forced to go to the Lava Lounge, since Mr. Röth was obligated to go there.

"I'm only staying a few minutes," Mr. Giacchetto said, giving no indication that he was in any way bothered by the exodus of his clients; the press attention, or the suicide of his friend and colleague, Jay Moloney, the Creative Artists Agency agent with a drug problem.

Mr. Giacchetto's run of bad luck can partly be traced back to investments he made for his clients in three companies: Digital Entertainment Network Inc., still thought to be a potential leader in Internet videos; Paradise Music & Entertainment Inc., a wobbly amalgam of video and music production; and Iridium L.L.C., a Motorola-backed global satellite system.

But perhaps the hipster money manager's recent woes have more to do with the knotted business and personal relationships he has with Mr. Ovitz, Mr. Ovitz's Artists Management Group partner Rick Yorn and the hunk of *Titanic* himself, Mr. DiCaprio. First off, Mr. Giacchetto introduced Mr. Ovitz to Mr. Yorn, thereby helping to bring along the partnership that would become Artists Management Group. Among Mr. Yorn's client roster was Mr. DiCaprio, whose star power gave legitimacy to the fledgling management company and attracted others to the Ovitz fold. So all was happy among Messrs. Giacchetto, Ovitz, Yorn and DiCaprio for a time—until that Far East deal, according to industry sources.

Last summer, Mr. Giacchetto opened negotiations to merchandise the DiCaprio name and likeness in the Far East, where the matinee idol had been making *The Beach*. "He was making a deal that would have paid Leo \$25

has said that he worked for the now-defunct Boston Safe Deposit & Trust Company, which was a division of Shearson until it was sold with its corporate parent, to Mellon Bank.

No one at Mellon Bank in Boston contacted by *The Observer*, including those who worked in personal banking during the Boston Safe Deposit days, had any memory or record of Mr. Giacchetto. Mr. Giacchetto also told *GQ* magazine that he was a few credits shy of a Harvard M.B.A. The Harvard Business School has no record of him, however.

"Dana likes to embellish," said one lawyer who has worked with him.

According to Nasdaq records, Mr. Giacchetto failed the only test he ever took, for a Series 2 license to make interstate deals, in 1996. Nasdaq also has no employment his-

Mr. Sachs introduced Mr. Giacchetto to Mitchell Blutt, of Chase Partners. "Dana started involving himself in transactions," said someone who witnessed the beginnings of the short-lived Chase-Cassandra partnership.

The investment in Digital Entertainment Network was the partnership's first unlucky turn. Digital Entertainment Network founder Marc Collins-Rector left the company after a lawsuit filed against Digital Entertainment Network accused him of molesting a teenage boy. A planned initial public offering was sidelined.

While trouble was brewing between Mr. Giacchetto and Mr. Sachs et al., he was facing a challenge within Cassandra Group. Soledad Bastiancich, a graduate of Yale Law School who joined the SoHo company in '97, convinced him to conduct an out-



Celebrity money manager Dana Giacchetto, right, in better times, earlier this year, with

eye



MARION CURTIS/DM

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MARION CURTIS/DM

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MARION CURTIS/DM

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GRAC KERR/EPAC

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to merchandise the DiCaprio name and likeness in the Far East, where the matinee idol had been making *The Beach*. "He was making a deal that would have paid Leo \$25 million," said one business source, "and Dana would get \$100,000 a month."

But there was a problem with the would-be deal: It had Mr. Giacchetto functioning less like a mere money manager and more like, well, a manager. In addition, sources said, Mr. Giacchetto had not consulted Mr. Ovitz and Mr. Yorn about the whole thing. And when Mr. Ovitz found out about it, the sources said, he was not pleased. The short version: He retaliated by cutting off Mr. Giacchetto and taking away his clients. "He had to teach him a lesson," said a source.

Mr. Ovitz had no comment on the matter of the Far East deal. Neither did Artists Management Group spokesman Howard Rubinstein. Mr. Yorn was traveling and could not be reached for comment. Mr. Giacchetto did not return phone calls left at his office or with any of his representatives, including former Beatles publicist Peter Brown and attorney Kent Karlsson.

If the attempted Far East deal delivered the knockout blow to the Giacchetto-Ovitz relationship, then that May 9 *New York Times* Magazine profile of Mr. Ovitz softened it up. Mr. Giacchetto made an amazing cameo appearance in the piece, written by Lynn Hirschberg, in which he gave unwise-seeming quotes, such as: "You want to know about Michael. Well, everyone wants to know about Michael. Everyone wants to know about his money. The whole world is interested in this moronic little management company. All I can say is that it makes me realize that Michael Ovitz is the best agent that ever lived. I don't think he even knows what his company is going to be, and yet the whole world is interested." In the presence of the writer, he also barked out things to an assistant: "Get me Leo," was one such jewel; "Get me Michael!" was another.

Apparently, "Leo" is no longer taking Mr. Giacchetto's calls. "He hung out there all the time," said one former Cassandra Group staff member of Mr. DiCaprio. "And he literally lived in Dana's apartment." And as recently as two months ago, Mr. DiCaprio was seen with Mr. Giacchetto at the Mercer Kitchen restaurant. Now, however, their friendship has been ruptured, sources said.

Mr. Giacchetto, until recently, was also handling investments for Mr. Ovitz and Mr. Yorn. An industry source said Mr. Ovitz did not lose money because of Mr. Giacchetto's investing.

As recently as July, Mr. Yorn was a believer in Mr. Giacchetto, telling CNN-FN cable network that he was "an incredible money manager ... He's probably one of the few guys that I know that can analyze a spreadsheet as well as run A&R [artists and repertory] at a record company."

Which brings us to a simple but baffling question: Who is Dana Giacchetto? His friends say he was reared in the lower-middle-class town of Medford, Mass. For three years, from 1980 to 1983, he attended the University of Massachusetts in Boston. What Mr. Giacchetto has omitted from interviews with fawning reporters is that he dropped out of school in 1983, a year shy of graduation. This is where his past becomes somewhat murky. In a 1992 *Boston Herald* interview, he said that he'd gone to work at age 21 for Shearson American Express in Boston. To the *New York Post* and others, he

Celebrity money manager Dana Giacchetto, right, in better times, earlier this year, with R.E.M. singer Michael Stipe.

tory on record for Mr. Giacchetto at all. A Nasdaq spokesman said: "I'd be suspicious if someone held this experience out to me and we had no record of him."

Another thing from Mr. Giacchetto's back pages: He returned to the University of Massachusetts for one year, in 1989-90, to get his bachelor of arts degree in English, according to university records.

Mr. Giacchetto also claimed in interviews that he had control over more than \$400 million through the Cassandra Group. But a March filing with the State Attorney General's office shows that the figure was actually \$100.2 million.

Sometime around 1987, Mr. Giacchetto started doing business in New York and became a regular visitor at the then-new and terribly chic Royalton Hotel. He began to meet people who could help him, starting with Artemis Willis, who went to Wellesley College and came from a *Mayflower* family. Mr. Giacchetto, according to friends, started investing the Willis' money. Ms. Willis, who also declined to be interviewed for this article, was apparently his girlfriend for several years.

In 1990, Mr. Giacchetto circulated a flier for a roommate in Boston's Back Bay neighborhood and ended up moving in with Craig Kanarick, a student at the Massachusetts Institute of Technology's labs with ambitions of his own. Within a couple of years, Mr. Kanarick himself would move to New York and start Razoffish Inc., the hugely successful Web site design firm.

"He used to have meetings on our dining room table," Mr. Kanarick said. "From the beginning, Cassandra was like an investing club."

In 1991, Mr. Giacchetto started cold-calling art galleries in New York, looking for someone who would cotton to his idea of helping artists with their cash. His charms worked on the Pace Gallery. Soon he was meeting the artists who sold their work to the stars through Pace. Some of his earliest clients were Pace artists George Condo and David Salle. Soon he was fervently networking the artists and stars and making regular trips to Los Angeles.

By 1993, he was organizing Sweet Relief Musicians Fund, a charity for musicians in need of health insurance. Victoria Williams, the popular alternative country singer who'd been diagnosed with multiple sclerosis, became one of his clients through Sweet Relief.

"He's been very helpful soliciting pledges from people," said Ms. Williams. "He was very caring, too. And maybe in a strange way, he was star struck."

Along the way he built up his star-studded client roster. In 1995, he moved to New York. In 1998, he merged elements of Cassandra Group with a Chase Manhattan Bank investment division called Chase Capital Partners. The result? The short-lived Cassandra-Chase Entertainment Partners L.L.C. The group had its roots in the friendship between Mr. Giacchetto and Jeffrey Sachs, a 48-year-old Democratic Party operative and friend of the Kennedy clan with a D.D.S. Mr. Sachs was supposed to be on that fatal flight with John F. Kennedy and the Bessette sisters, but canceled at the last minute, according to friends.

side audit, according to company sources. When the outside auditors turned up only minor mistakes, she negotiated her way out of the company. (Ms. Bastiancich had no comment.) No Cassandra client interviewed for this article seemed to know about last winter's audit—and the fact that Mr. Giacchetto turned up clean.

Things were still chugging along for the talented Mr. Giacchetto. He made Moomba his home base. He gave a wild party on Oscar weekend at the Standard in Los Angeles, a restaurant owned by his friend Andre Balazs.

In June, the Sweet Relief fund held a fifth-anniversary celebration at the Hollywood Athletic Club. The invitation read in part: "Paying tribute to Dana Giacchetto, the founding director." Art Alexakis of Everclear and the group General Public were among those who performed. Mr. DiCaprio was in attendance while Mr. Giacchetto worked the room in a black suit.

Over the summer, it seemed that Mr. Giacchetto had in fact supplanted magician David Blaine as Mr. DiCaprio's most photogenic companion. Medford, Mass., where his parents Cosmo and Alma Giacchetto live close to a cemetery, must have seemed very far away.

"I just hope the people who pledged money stick to their promises now," said Ms. Williams, the singer involved in Sweet Relief.

All along, Mr. Giacchetto had hoped to turn Paradise around by investing \$2 million for himself and for clients like Mr. DiCaprio, who got 50,000 shares. He installed Jay Moloney, the former C.A.A. agent with a drug problem (and Mike Ovitz's onetime assistant) as president for \$1 million a year. In May, Paradise's stock peaked at 8 on Nasdaq. But by Nov. 1, it had fallen to 3. After a sharp rise for a week, Paradise then fell to 2, where it has remained. Everyone lost money on it, from Mr. DiCaprio to Ms. Williams.

On Nov. 16, Moloney hanged himself. That same week, Mr. DiCaprio bailed out of Cassandra, and the exodus began. Mr. Giacchetto gave money back to any client who asked for it.

By Thanksgiving, Mr. Giacchetto—who still had the Cassandra Group—got his walking papers from the joint Cassandra-Chase Bank venture, according to his legal complaint. One friend of Mr. Giacchetto's said, dryly, "Dana had a bad month in November."

Mr. Giacchetto's complaint, in which he claims that the Chase-Cassandra partners "slandered [his] professional name and reputation," was filed this month in State Supreme Court in Manhattan. It asks for \$50 million to \$100 million in damages from Mr. Sachs and Chase's Samuel Holdsworth and Robert Egag. The new, Giacchetto-less version of the venture firm is called Chase Capital Entertainment Partners.

"It's like a lovers' spat," said one employee who has worked with both Mr. Giacchetto and Mr. Sachs.

"They'll probably make a movie out of it," said Ms. Williams. But what will she do with her money now that she's no longer one of Mr. Giacchetto's clients? "I'm moving it into land," she said. "Real estate!"

196C-NY-274597-9

SEARCHED _____	INDEXED _____
SERIALIZED <u>2</u>	FILED <u>2</u>
MAR 27 2000	
FBI - NEW YORK	

(01/26/1998)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/24/2000

To: New York

From: New York

Squad C-1

Contact: SA [redacted] x3990

Approved By: [redacted]

Drafted By: [redacted] jho

Case ID #: 196C-NY-274597 (Pending)

Title: Dana C. Giacchetto dba
The Cassandra Group Inc.;
SFA;

Synopsis: To open subfile (Sub 302) for FD-302's.

Details: Open subfile, 196C-NY-271947 Sub 302, to hold FD-302's.

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DATE 3/24/00 _____

196C-NY-274597-10

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FEDERAL BUREAU OF INVESTIGATION

Precedence: PRIORITY

Date: 03/15/2000

To: New York

Attn: CART

From: New York

Squad C-1

Contact: SA [redacted] x3990

b6
b7c

Approved By: [redacted]

Drafted By: [redacted] jho *jho*

Case ID #: 196C-LA-221242 (Pending)

Title: DANA GIACCHETTO
THE CASSANDRA GROUP;
SECURITIES FRAUD

(X)
jld

Synopsis: To request CART assistance on a search taking place on Thursday, March 16, 2000 relating to the captioned case.

Details: The above captioned case involves securities fraud and a possible ponzi scheme committed by Dana Giacchetto and The Cassandra Group (TCG), with possible involvement from other individuals and entities. Investigation to date has revealed that among other things, Giacchetto defrauded clients who have entrusted funds to the investment discretion of Giacchetto and TCG. In addition to making material misrepresentations and omission to clients, funds and assets were moved without consent of clients to whom those assets belong. Giacchetto and TCG failed to maintain books and records as required pursuant to federal securities laws. Giacchetto has made false statements to representatives of the Securities and Exchange Commission (SEC), and has withheld documents from the SEC.

The premises of Dana Giacchetto's residence and offices of The Cassandra Group located at 561 Broadway Suite 12A, 8C & 8D, New York, will be searched for items not limited to but including any books, business records, bank account records, financial and/or legal documents, and computer files pertaining to the crimes listed above.

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196C-NY-274597-11

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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/30/2000

To: New York

Attn: Evidence Control Unit

From: New York

Squad C-1

Contact: SA [redacted] ext 3990

b6
b7c

Approved By: [redacted]

Drafted By: [redacted] jho jls

Case ID #: 196C-NY-274597 (Pending)

Title: DANA GIACCHETTO dba
THE CASSANDRA GROUP;
SFA

Synopsis: To submit an electronic communication relating to submission of a FD-192 and chain of custody for general evidence into the Evidence Control Unit after ten days of being acquired.

(X)
jls

Details: Evidence was seized pursuant to a search warrant executed for the captioned case on March 16, 2000. The seized items constituting general evidence, was immediately put into storage at the offices of the United States Attorney's Office in the Southern District of New York (SDNY). Computer diskettes were subsequently turned over to Federal Bureau of Investigation (FBI) Special Agent [redacted] for submission to FBI's C.A.R.T. team.

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The timing of the diskettes turnover by the SDNY, did not enable submission of the FD-192 and chain of custody forms within the ten day requirement by Evidence Control Unit.

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FEDERAL BUREAU OF INVESTIGATION

Precedence: PRIORITY

Date: 04/11/2000

To: Denver
Honolulu
Las Vegas
Los Angeles

Attn: SSA [redacted]

Attn: SSA [redacted]

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JRO/TR

From: New York
Squad C1
Contact: [redacted]

Ext. 2943

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b7C

Approved By: [redacted]

Drafted By: [redacted]

Case ID #: 196C-NY-274597 (Pending)

Title: DANA GIACCHETTO - Fugitive;
dba CASSANDRA GROUP;
SFA;

ESCAPE RISK

Synopsis: To advise receiving offices of fugitive status of captioned individual and set leads for Los Angeles and Honolulu Divisions.

Details: On April 4, 2000; DANA GIACCHETTO was arrested in New York on a complaint charging multiple counts of fraud. GIACCHETTO, doing business as CASSANDRA GROUP acted as an investment advisor to the "Hollywood and music" crowd. His clients included such individuals as [redacted]

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[redacted] The criminal complaint filed against Giacchetto cited potential investor losses of approximately ten million dollars. The investigation is continuing in the efforts to determine what monies were stolen by Giacchetto and what losses are attributed to poor investments. Giacchetto was heavily engrossed in the fast paced lifestyle of "rich and the famous" and was often seen traveling and vacation with some of his clients. When his famous client's account began to lose money, he would provide false information to the clients to make it appear that the accounts were profitable.

Giacchetto was arrested and processed in the Southern District of New York on Tuesday, April 4, 2000. He was released on bond with specific travel restrictions. The restricted him to the Eastern and Southern Districts of New York, travel to

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Honolulu

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4/11/00
LA

To: Denver From: New York
Re: 196C-NY-274597, 04/11/2000

Massachusetts to visit family and other travel only with the approval of the government.

On April 10, 2000; it came to the attention of the government and the receiver put in place over Giacchetto's business that he had moved monies around and had apparently fled the Districts of New York. Information had been obtained that Giacchetto transferred funds from his bank account to his American Express account. These funds were then used to purchase an a series of airline tickets on United Airlines. According to information provided by [redacted] Giacchetto purchased a ticket from LaGuardia Airport in New York departing Monday, April 10 at 6:05 A.M. to Denver, Colorado. He then had a connecting flight to Las Vegas and then on to Los Angeles. From Los Angeles he was to continue on to Honolulu with a final destination of Narita, Japan.

b7D

At the present time, [redacted] had confirmed that Giacchetto had used the tickets taken him as far as Las Vegas. It was uncertain if he was on the connecting flight to LAX. The flight would had been a smaller commuter plane and at this time [redacted] has been unable to determine with any certainty that he was on or not on the flight. [redacted] further advised that the tickets purchased were First Class and this would make it more difficult to track. According to [redacted] Giacchetto could use his UNITED First Class ticket with any of the major airlines if he were to attempt to changes flights. It is of the understanding that while he could switch carriers that he would not be able to change the destinations.

b7D

As part of his conditions of bail, Giacchetto did surrender his Passport (#154614767) and it was confirmed with the State Department that was the only (U.S.) passport issued to Giacchetto. Based on this information, it is unclear on how Giacchetto plans to exit Honolulu on a flight to Japan.

While many of his victims reside in the Los Angeles, California area and that it would be unclear as to how certain of his ex-clients and prior associates would react if Giacchetto was to contact them. It is feasible that he would still have a few friends that would be sympathetic and might offer assistance to Giacchetto.

NYO will provide any future updates as to Giacchetto's location.

To: Denver From: New York
Re: 196C-NY-274597, 04/11/2000

Descriptive Data:

Main Subject

Name -

Last: GIACCHETTO

First: DANA

Middle: CALOGERO

DDN:

Race: W

Sex: M

DOB: 10/15/1962

POB: Boston, MA

FBI: 12799NB5

PNO: 154614767

SOC: 033-54-3639

NCIC: W360638545

To: Denver From: New York
Re: 196C-NY-274597, 04/11/2000

LEAD (s):

Set Lead 1:

DENVER

AT DENVER, COLORADO

For informational purposes only. Read and Clear.

Set Lead 2:

HONOLULU

AT HONOLULU, HAWAII

Make contact with [redacted] at the Honolulu Airport and attempt to determine if Giacchetto's name appears on any manifests for any UNITED flights since Monday, April 10.

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Set Lead 3:

AT HONOLULU, HAWAII

Through appropriate means ensure that all airline carriers at Honolulu International Airport are aware of the fugitive status of Dana Giacchetto and that a stop placed in their computer systems for Giacchetto if he attempts to purchase a ticket or board a flight.

Set Lead 4:

AT HONOLULU, HAWAII

Conduct logical investigation to determine if Giacchetto is presently staying at a Honolulu hotel, while keeping in mind that he most frequently stays at "five star" establishments.

Set Lead 5:

LAS VEGAS

AT LAS VEGAS, NEVADA

Make contact with [redacted] at the Las Vegas Airport and attempt to determine if Giacchetto was on the Monday, April 10th flight from Las Vegas to LAX. The scheduled departing time of the flight was 11:00AM.

b7D

To: Denver From: New York
Re: 196C-NY-274597, 04/11/2000

Set Lead 6:

LOS ANGELES

AT LOS ANGELES, CALIFORNIA

Contact [REDACTED] at LAX and attempt to determine if Giacchetto's name appears on any incoming or outgoing manifests for United flights since April 10, 2000.

b7D

Set Lead 7:

AT LOS ANGELES, CA

Through appropriate means ensure that all airline carriers at LAX International Airport are aware of the fugitive status of Dana Giacchetto and that a stop placed in their computer systems for Giacchetto if he attempts to purchase a ticket or board a flight.

Set Lead 8:

AT LOS ANGELES, CA

Conduct logical investigation to ascertain if Giacchetto has traveled and presently residing in Los Angeles.

ESCAPE RISK

♦♦

FEDERAL BUREAU OF INVESTIGATION

Precedence: Routine

Date: 04/12/2000

To: Denver
Honolulu
Las Vegas
Los Angeles

Attn: SSA [redacted]

Attn: SSA [redacted]

SA [redacted] (LAX RA)

Attn: SSA [redacted]

Newark

From: New York

Squad C1

Contact: [redacted] Ext. 2943

Approved By: [redacted]

Drafted By: [redacted]

Case ID #: 196C-NY-274597 (Pending)

Title: DANA GIACCHETTO - Fugitive;
dba CASSANDRA GROUP;
SFA;

ESCAPE RISK

Synopsis: To advise receiving offices of arrest of captioned individual and to clear leads previously set for receiving offices.

Details: On April 11, 2000; a bench warrant was issued for DANA GIACCHETTO for violating his conditions of release as set by the Federal court in the Southern District of New York, Giacchetto had been arrested on April 4, 2000 on fraud related charges and as a condition of his release his travel was restricted to the Eastern and Southern Districts of New York. All other travel needed prior approval of the courts.

Giacchetto violated these terms by purchasing airline tickets departing the New York area with the ultimate destination being Frankfort, Germany. Leads had previously been set for receiving offices to conduct logical investigation to ascertain if Giacchetto had traveled into the respective territories. On Tuesday evening April 11, after agents attempted to interview [redacted] defense counsel for Giacchetto contacted the United States Attorney's Office and was advised of the issuance of the bench warrant and the government's knowledge of Giacchetto's travel. Defense counsel then advised that Giacchetto was in Las Vegas and would arrange for his return to New York.

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WITH/ WITHOUT
BY
DATE 4/12/00

LEAD/ASSIGNMENT/COVERED
DATE 4/12/00
ASSIGN TO Denver

LEAD/ASSIGNMENT/COVERED
DATE 4/12/00
ASSIGN TO Honolulu

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DATE 4/12/00
ASSIGN TO Las Vegas

LEAD/ASSIGNMENT/COVERED
DATE 4/12/00
ASSIGN TO Los Angeles

Leads
196C-NY-274597-14
4/12/00
bc

APR 12 2000

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SA [redacted] Newark Division was able to verify that Giacchetto was in transit on a Continental flight from Las Vegas to Newark, New Jersey. Arrangements were made with Port Authority Police to assist NYO agents in the arrest of Giacchetto as he deplaned in Newark. At approximately 2:00AM, Giacchetto was placed under arrest and transported back to New York.

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All leads set forth in prior EC pertaining to the locating and arrest of Giacchetto are to be discontinued.

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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 04/17/2000

To: ~~New York~~

Attn: Squad C1

SSA [redacted]

From: ^{msc/jvy} Honolulu

Squad 5

Contact: SA [redacted] (808) 566-4449

Approved By: [redacted]

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b7C

Drafted By: [redacted]:jvp

Case ID #: 196C-NY-274597 (Pending) -15

Title: DANA GIACCHETTO - Fugitive;
dba CASSANDRA GROUP;
SFA

Synopsis: To report results of lead.

Details: On 4/11/00 Honolulu received three leads in the captioned case. Upon receiving the leads, the following investigation was conducted:

[redacted] Supervisor was contacted at approximately 1:30 pm. At that time [redacted] confirmed that Dana Giacchetto had flown from New York to Denver the day before and had boarded United flight 2703 from Denver to Las Vegas, arriving in Las Vegas at 10:05 am. Giacchetto failed to show for his flight to Los Angeles, however, and did not appear on any United outbound flight at that time. Giacchetto's name also did not appear on any manifest of any United flight coming into Honolulu on 4/11/00.

b6
b7C

[redacted] noted that, in addition to the New York, Denver, Las Vegas, Los Angeles, Honolulu, and Narita legs of his ticket, Giacchetto had also purchased an open ticket from Narita to Singapore on Singapore Airlines and an open ticket from Singapore to Frankfurt, Germany on Lufthansa Airlines. Both airlines have a code-sharing arrangement with United. The ticket had been purchased using an American Express credit card, account number [redacted] (note: account may be missing one digit); in purchasing the ticket, Giacchetto had given an address of "The Cassandra Group, 561 Broadway Apartment 8C, New York, New York 10012."

b6
b7C

LEAD ASSIGNED/COVERED
DATE 4/24/00
ASSIGN TO Honolulu

196C-NY-274597-15
SEARCHED INDEXED
SERIALIZED FILED
APR 21 2000
[redacted]

b6
b7C

To: New York From: Honolulu
Re: 196C-NY-274597, 04/17/2000

[redacted] also advised that United Airlines' two outbound flights from Honolulu to Tokyo--flight 8225 to Narita and flight 8237 to Nagoya--were done through code sharing with ANA.

b6
b7C

[redacted] stated that she would mark Giacchetto's name in United's computer system and call the investigating agents if it appeared on any inbound flight's manifest. [redacted] also suggested that the investigating agents check with Hawaiian Airlines, as they have a daily direct flight from Las Vegas to Honolulu.

b6
b7C

On 4/11/00 [redacted] Security, Hawaiian Airlines, was contacted regarding Giacchetto. [redacted] stated that he would review all manifests of incoming flights from Las Vegas to Honolulu and alert the investigating agents if Giacchetto's name appeared.

b6
b7C

On 4/11/00 the United States Customs Service in Honolulu was also advised that a federal arrest warrant existed for Dana Giacchetto, date of birth 10/15/62, SSAN 154-61-4767. Customs agents in Honolulu subsequently agreed to place a detainer on Giacchetto if he arrived in Honolulu on a foreign carrier. At that time Customs also advised that Giacchetto had flown from Narita to Los Angeles on 4/3/00.

On 4/12/00 Honolulu was advised that Giacchetto had surrendered earlier that morning; as such, Honolulu considers the three referenced leads covered.

◆◆

PRIORITY "A" and "B" Fugitives - Synopsis of Crime.

UNLOADED
WITH TEXT _____
WITH CUTTER _____
BY _____
DATE 4/24/76

1966 NY 274597
9 2 2 1
16

INSTRUCTIONS

1. **Caution (MKE)** - Check applicable caution type block(s) indicated. The caution statement must also appear in Miscellaneous block, e.g., "armed and dangerous".
2. **Name (NAM)** - Place name in this block. Aliases are not to be entered in this block but are to be placed in Aliases block.
3. **Sex (SEX)** - Sex will be designated by one letter, M (male) or F (female).
4. **Race (RAC)** - Race will be described by one letter, A (Asian or Pacific Islander), I (American Indian or Alaskan Native), B (Black), W (White), U (Unknown).
5. **Place of Birth (POB)** - Indicate city and state or, if foreign born, city and country. Where multiple birthplaces are reported, list verified birthplace or that which appears most logical in this block.
6. **Birth Date (DOB)** - Enter as month, day and year. Where multiple birth dates are reported, enter verified birth date or that which appears most logical in this block. Place other dates of birth in Additional Identifiers block.
7. **Date of Emancipation (DOE)** - Must be filled in if individual is a juvenile. Otherwise leave blank.
8. **Height (HGT)** - Express in feet and inches, e.g., 6'0". Round off fractions to nearest inch.
9. **Weight (WGT)** - Express in pounds. Omit fractions.
10. **Eye Color (EYE)** - Use appropriate three-character symbol.
11. **Hair Color (HAI)** - Use appropriate three-character symbol.
12. **Skin Tone (SKN)** - Use appropriate three-character symbol.
13. **Scars, Marks, Tattoos, (SMT), and Other Characteristics** - Place in this block only appropriate NCIC coding for scars, marks, tattoos, birthmarks, deformities, missing body parts and artificial body parts as defined in NCIC Code Manual. If more than one SMT is to be entered, use Additional Identifiers block for additional appropriately coded items. Use Miscellaneous block to describe all scars, marks, tattoos, and other characteristics, which are not defined in the NCIC Code Manual and to more fully describe SMT's which have been entered in SMT block. For example, an appendectomy scar, not being readily visible, would be described in the Miscellaneous block. A tattoo on right arm, shown as TAT R ARM in block, might be further described in Miscellaneous block as a rose tattoo on inside of lower right arm.
14. **NCIC Fingerprint Classification (FPC)** - Enter NCIC fingerprint classification.
15. **Other Identifying Number (MNU)** - Miscellaneous numbers may be entered with appropriate identifiers (prefixes). For first miscellaneous identifying number, use MNU block. When military service number is in fact Social Security Account Number, the number should be entered in both MNU and SOC blocks. Additional Identifying numbers are placed in Additional Identifiers block. The identifier (prefix) should precede the number and be separated from the number by use of a hyphen.
16. **Social Security Number (SOC)** - Place subject's Social Security Account Number in this block.
17. **Operator's License Number** - Place subject's operator's license number in OLN block. Also show licensing state (OLS) and year license expires (OLY).
18. **Warrant Issued By-On-(DOW)** - Enter date warrant issued in DOW block. For juvenile offenders, enter the date of violation.
19. **Miscellaneous (MIS)** - Enter additional pertinent information in this block. If caution statement used, basis for statement must be set forth as first item in this block.
20. **License Plate and Vehicle Information** - Place information concerning license plate and/or vehicle known to be in the possession of subject in appropriate blocks under License Plate and Vehicle Information heading.
21. **Additional Identifiers** - Enter information concerning additional license plates (number, state, year expires, and where applicable, type); Social Security Numbers; operator's license number, state and year expires; vehicle information (VIN, VYR, VMA, VMO, VST, VCO); MNU's (see list in item 14 above); visible scars, marks, tattoos, and other characteristics; and dates of birth. Clearly identify what data is being set forth; e.g., Social Security # 423-56-3294; Michigan operator's license 234567, expires 1999; DOB's 4/5/32, 5/3/32; etc.
22. By making an III inquiry, the entering agency may become knowledgeable of additional DOBs, AKAs, and other significant information which may aid in the location and/or apprehension of wanted persons.
23. Changes and deletions should be so indicated in the appropriate blocks.

Director, FBI

Att: Criminal Investigative Division
Violent Crime/Fugitive Unit

Date:

4/11/00

INSTRUCTIONS - Reverse Side

NOTE: Priority "A" and "B" Fugitives - With initial submission, set forth a synopsis of crime on reverse side.

From: ADIC
SAC7 New York

Subject: Dana Giacchetto, dba
Cassandra Group

- III Inquiry
- Initial Submission
- Initial Submission - Parental Kidnaping
- Supplements FD-65 dated _____

Indicate Fugitive Priority

- A
- B
- C
- D (Parental Kidnaping)

CHECK APPLICABLE WARNINGS

Caution		<input type="checkbox"/> Armed and Dangerous	<input type="checkbox"/> Suicidal Tendencies	<input type="checkbox"/> Known to Abuse Alcohol	MKE
<input checked="" type="checkbox"/> Escape Risk	<input type="checkbox"/> Known to Use Narcotics	<input type="checkbox"/> Other			
Name	NAM	Sex	SEX	Race	RAC
Dana Calogero Giacchetto		M		W	
Place of Birth	POB	Birth Date	DOB	Date of Emancipation	DOE
Boston MA		10/15/62			
Eye Color	EYE	Hair Color	HAI	FBI No.	FBI
blue		blond		12999 NB5	
Scars, Marks, Tattoos, and Other Characteristics					SMT
SCAR - Appendix					
NCIC Fingerprint Classification	FPC	Other Identifying Number	MNU	Social Security #	SOC
		Passport # 154614767		033-54-3639	
Operator's License Number	OLN	Operator's License State	OLS	Year Expires	OLY
Offense Charged					OFF
Violation of BAIL Conditions					
U. S. Code, Title and Section					
18 USC 3148					
Warrant Issued By			DOM	F.O. File#	OCA
US Magistrate James Francis			4/11/00	196C-NY-274597	
Miscellaneous Including Bond Recommended					(MIS)
no bond - flight risk					

LICENSE PLATE AND VEHICLE INFORMATION

License Plate Number	LIC	State	LIS	Year Expires	LIY	License Plate Type	LIT
Vehicle Identification #	VIN	Year	VYR	Make	VMA	Model	VMO
						Style	VST
						Color	VCO

Aliases	Additional Identifiers

NCIC #	NIC
W360638545	

2 - FBIHQ (1 - VC/FU)
1 - Savannah ITC

(e-i)

Handwritten signatures and stamps:

4/11/2000

W360638545

~~Post~~ Pretest

KFBD HING DCJS
 00167 FILE 15 TYPE 1 NAME SEARCH TO DCJS (AND NCIC) PUR/C & F
 . OPERATOR/. LOG/KFBD. ~~CONFIDENTIAL~~ LOG/N
 . PUR/C. REASON/CR. ORI/NYFBINY03. CASE#/I196CNY274
 . NAM/GIACCHETTO, DANA CALOGERO . SEX/M. RAC/W. DOB/101562
 . SKIN TONE/*. HGT/* . SOC/* . FBI/* . MNU/*
 . ALIAS#1/*
 . ALIAS#2/*
 . ALIAS#3/*
 . ALIAS#4/*
 . ALIAS#5/*
 . REQUESTOR'S NAME
 . COMMENTS/196CNY274597 SECURITIES COMMODITIES FRAUD

b6
b7c

N 1649-1649 04/11/00 ROSQ# KFBD 02077 RDSQ# 03459006 PART 001 OF 001
 NYSP PTST KFBD 1650
 NYFBINY03
 NO RECORD - NYSPIN WANTED PERSONS FILE
 NAM/GIACCHETTO, DANA CALOGERO
 . DOB/101562 . SEX/M. RAC/W

N 1649-1649 04/11/00 ROSQ# KFBD 02078 RDSQ# 03459014 PART 001 OF 001
 NYSP PARQ KFBD 1650
 NYFBINY03
 NO RECORD - NYSPIN PAROLE FILE
 NAM/GIACCHETTO, DANA CALOGERO
 . DOB/101562. SEX/M. RAC/W

N 1649-1650 04/11/00 ROSQ# KFBD 02079 RDSQ# 03459250 PART 001 OF 001
 NCIC PTST KFBD 1650
 NYFBINY03
 NO NCIC WANT NAM/GIACCHETTO, DANA CALOGERO DOB/19621015 RAC/W SEX/M

N 1649-1650 04/11/00 RDSQ# KFBD 02080 RDSQ# 03459066 PART 001 OF 001
NYIS HINQ KFBD 1650
KFBD00167 NO SUSPECTS

N 1651-1651 04/11/00 RDSQ# KFBD 02081 RDSQ# 03464387 PART 001 OF 001
NCIC HINQ KFBD
ACK
NYFBINY03

THIS NCIC INTERSTATE IDENTIFICATION INDEX RESPONSE IS THE RESULT OF YOUR
INQUIRY ON NAM/GIACCHETTO, DANA CALOGERO SEX/M RAC/W DOB/19621015 PUR/C

NAME	FBI NO.	INQUIRY DATE
GIACCHETTO, DANA CALOGERO	12799NB5	2000/04/11

SEX	RACE	BIRTH DATE	HEIGHT	WEIGHT	EYES	HAIR	BIRTH PLACE	PHOTO
M	W	1962/10/15	511	155	BLU	BLN	MASSACHUSETTS	N

FINGERPRINT CLASS	PATTERN CLASS
	WU WU RS WU WU WU LS LS WU LS RS

SCARS-MARKS-
TATTOOS SOCIAL SECURITY
SC ABDOM 033-54-3639

IDENTIFICATION DATA UPDATED 2000/04/07

THE CRIMINAL HISTORY RECORD IS MAINTAINED AND AVAILABLE FROM THE
FOLLOWING:

FBI - FBI/12799NB5

THE RECORD(S) CAN BE OBTAINED THROUGH THE INTERSTATE IDENTIFICATION
INDEX BY USING THE APPROPRIATE NCIC TRANSACTION.

END

KFBD WENT

00168 FILE 5 FBI NEW YORK OFFICE NYBFINY03

APR 11-00

TO APB

:MKE/C :URI/NYFBINY03:NAM/GIACCHETTO, DANA CALOGERO :SEX/M

:RAC/W:DOB/10151962:SID/* :CCH/*:SOC/033543639

:POB/MA:HGT/511:WGT/155:EYE/BLU:HAI/BLN:SKN/LGT

:LCD/ :LCT/F:OFF/5013:EXT/Z:RCV/*:PFL/*:VIC/*:RSP/*

:OCA/KFBD00168 :WTP/1:WAR/* :DKT/* :DOW/041100

:MIS/ESCAPE RISK/WILL EXTR/NO BOND/196CNY274597/CONTACT SSA [REDACTED] SQD C1

b6
b7C

AT 2123841000

:FBI/12799NBS :MNU/* :SMT/* :FPC/*

:OLN/* :OLS/* :OLY/*

:LIC/* :LIS/* :LIY/* :LIT/*

:VIN/* :VYR/* :VMA/* :VMD/* :VSI/* :VCO/*

ADDITIONAL COMMENTS

AUTH SSA [REDACTED] [REDACTED] 4-56P

b6
b7C

N 1659-1659 04/11/00 RDSQ# KFBD 02082 RDSQ# 03495044 PART 001 OF 001
NYSP KFBD
ACK SEQ NUM 00168
WENT NAM/GIACCHETTO, DANA CALOGERO OCA/KFBD00168
WPR/6970511

N 1700-1700 04/11/00 RDSQ# KFBD 02083 RDSQ# 03495316 PART 001 OF 001
NYIS WENT KFBD
ACK 00168
NYFBINY03

DCJS & NCIC ENTRY RESULTS

ENTERED ON BOTH FILES
NAM/GIACCHETTO, DANA CALOGERO OCA/KFBD00168 WPR/6970511 NIC/W360638545

KFBD WTST
ORI/. * .NAM/GIACCHETTO, DANA CALOGERO
.SEX/M. RAC/W. DOB/10151962.
INQ/ *. MIS/SSA [REDACTED] C1

b6
b7c

N 1701-1701 04/11/00 ROSQ# KFBD 02084 RDSQ# 03499666 PART 001 OF 001
NYSP WTST KFBD 1701
NYFBINY03
NAM/GIACCHETTO, DANA CALOGERO
.SEX/M. RAC/W. DOB/101562

** CAUTION ADVISED **
CONFIRM RECORD WITH ORIGINATOR

MKE/WANTED PERSON
ORI/NYFBINY03 - NY FIELD OFFICE US FBI 212-384-1000
NAM/GIACCHETTO, DANA CALOGERO SEX/M RAC/W DOB/101562
SID/. CCH/. SOC/033543639 POB/MA
HGT/511 WGT/155 EYE/BLU HAI/BLN SKN/LGT
LCD/ LCT/F OFF/5013 CONDIT RELEASE VIOLATION-
WST/1 - ACTIVE
WTP/1 - ARREST WARRANT
EXT/2- WITHIN AND OUTSIDE NEW YORK STATE
NRCV/. PFL/. VIC/. RSP/.
OCA/KFBD00168 WAR/. DKT/. DOW/041100
MIS/ESCAPE RISK/WILL EXTR/NO BOND/196CNY274597/CONTACT SSA [REDACTED] SQD C1
AT 2123841000
FBI/12799NB5 MNU/. SMT/. FPC/.
OLN/. OLS/. OLY/.
LIC/. LIS/. LIY/. LIT/.
VIN/. VYR/. VMA/. VMO/. VST/. VCO/.
ARI/. ACA/. DOA/. RES/.
WPR/6970511

b6
b7c

N 1701-1701 04/11/00 ROSQ# KFBD 02085 RDSQ# 03499682 PART 001 OF 001
NYSP PARQ KFBD 1701
NYFBINY03
NO RECORD - NYSPIN PAROLE FILE
NAM/GIACCHETTO, DANA CALOGERO
.SEX/M. RAC/W. DOB/101562

N 1702-1702 04/11/00 RDSQ# KFBD 02086 RDSQ# 03502914 PART 001 OF 001
NCIC WTST KFBD 1701
NYFBINY03

MKE/WANTED PERSON - CAUTION

ORI/NYFBINY03 NAM/GIACCHETTO, DANA CALOGERO SEX/M RAC/W POB/MA DOB/19621015
HGT/511 WGT/155 EYE/BLU HAI/BLN FBI/12799NB5 SKN/LGT
SOC/033543639

OFF/CONDIT RELEASE VIOLATION

DOW/20000411 OCA/KFBD00168

MIS/ESCAPE RISK/WILL EXTR/N0 BOND/196CNY274597/CONTACT SSA SQD C1

MIS/ 2123841000

NIC/W360638545 DTE/20000411 1659 EDT

A7b6
b7c

KFBD WMOD
00169 FILE 5 FBI NEW YORK OFFICE NYBFINY03 APR 11-00 ADDED INFO
TO COMPUTER

REF

WANTED PERSON MODIFICATION

:MKE/*:ORI/NYBFINY03
:NAM/GIACCHETTO, DANA CALOGERO :OCA/KFBD00168
.SMT/SC ABDOM.

ADDITIONAL COMMENTS

AUTH SSA 5-05P

b6
b7c

N 1708-1708 04/11/00 RDSQ# KFBD 02087 RDSQ# 03523381 PART 001 OF 001
NYSP KFBD
ACK SEQ NUM 00169
WMOD NAM/GIACCHETTO, DANA CALOGERO OCA/KFBD00168
WPR/6970511

N 1708-1708 04/11/00 RDSQ# KFBD 02088 RDSQ# 03524725 PART 001 OF 001
NYIS WMOD KFBD
ACK 00169
NYBFINY03

DCJS & NCIC MODIFY RESULTS

MODIFIED ON DCJS FILE ONLY
NAM/GIACCHETTO, DANA CALOGERO OCA/KFBD00168
DATA MODIFIED: SMT

NCIC UNAVAILABLE. MODIFY WILL BE MADE WHEN NCIC BECOMES AVAILABLE.

YOUR RECORD AS IT NOW APPEARS ON FILE WILL FOLLOW.

N 1708-1708 04/11/00 RDSQ# KFBD 02089 RDSQ# 03524792 PART 001 OF 001
NYIS WMOD KFBD
ACK 00169
NYFBINY03

DCJS & NCIC MODIFY RESULTS

* * CAUTION ADVISED * *

WANTED PERSON

ORI/NYFBINY03 FBI - NYC FIELD OFF
NAM/GIACCHETTO, DANA CALOGERO SEX/M RAC/W DOB/101562
SOC/033543639 POB/MA HGT/511 WGT/155 EYE/BLU HAI/BLN SKN/LGT SMT/SC ABDOM
LAW CAT/F NCIC OFF/5013 CONDIT RELEASE VIOLATION
OCA/KFBD00168 WARRANT TYPE/ARREST WARRANT
WARRANT STATUS/ACTIVE
DOW/041100 EXT/Z
FBI/12799NBS
MIS/ESCAPE RISK/WILL EXTR/NO BOND/196CNY274597/CONTACT SSA
SQD C1 AT 2123841000

WPR/6970511 NIC/W360638545

THE WANTING AGENCY HAS INDICATED IT WILL EXTRADITE THROUGHOUT
NEW YORK STATE AND OUTSIDE THE STATE.

b6
b7c

KFBD WTST
ORI/. * . NAM/GIACCHETTO, DANA CALOGERO
. SEX/M. RAC/W. DOB/10151962.
INQ/*. MIS/SSA [REDACTED]

b6
b7c

N 1710-1710 04/11/00 ROSQ# KFBD 02090 RDSQ# 03532124 PART 001 OF 001
NYSP WTST KFBD 1711
NYFBINX03
NAM/GIACCHETTO, DANA CALOGERO
. SEX/M. RAC/W. DOB/101562

** CAUTION ADVISED **
CONFIRM RECORD WITH ORIGINATOR

MKE/WANTED PERSON
ORI/NYFBINX03 - NY FIELD OFFICE US FBI 212-384-1000
NAM/GIACCHETTO, DANA CALOGERO SEX/M RAC/W DOB/101562
SID/. CCH/. SOC/033543639 PUB/MA
HGT/511 WGT/155 EYE/BLU HAI/BLN SKN/LGT
LCD/ LCT/F OFF/5013 CONDIR RELEASE VIOLATION-
WST/1 - ACTIVE
WTP/1 - ARREST WARRANT
EXT/Z- WITHIN AND OUTSIDE NEW YORK STATE
RCV/. PFL/. VIC/. RSP/.
OCA/KFBD00168 WAR/. DKT/. DOW/041100
MIS/ESCAPE RISK/WILL EXTR/NO BOND/196CNY274597/CONTACT SSA [REDACTED] SQD C1
AT 2123841000
FBI/12799NBS MNU/. SMT/SC ABDOM FPC/.
OLN/. OLS/. OLY/.
LIC/. LIS/. LIY/. LIT/.
VIN/. VYR/. VMA/. VMO/. VST/. VCO/.
ARI/. ACA/. DOA/. RES/.
WPR/6970511

b6
b7c

N 1710-1710 04/11/00 RDSQ# KFBD 02091 RDSQ# 03532142 PART 001 OF 001
NYSP PARQ KFBD 1711
NYFBINY03
NO RECORD - NYSPIN PAROLE FILE
NAM/GIACCHETTO, DANA CALOGERO
.SEX/M. RAC/W. DOB/101562

N 1710-1711 04/11/00 RDSQ# KFBD 02092 RDSQ# 03532348 PART 001 OF 001
NCIC WIST KFBD 1711
NYFBINY03

MKE/WANTED PERSON - CAUTION
ORI/NYFBINY03 NAM/GIACCHETTO, DANA CALOGERO SEX/M RAC/W POB/MA DOB/19621015
HGT/511 WGT/155 EYE/BLU HAI/BLN FBI/12799NB5 SKN/LGT
SOC/033543639
OFF/CONDIT RELEASE VIOLATION
DOW/20000411 OCA/KFBD00168
MIS/ESCAPE RISK/WILL EXTR/NW BOND/196CNY274597/CONTACT SSA [REDACTED] SQD C1 AT^{b6}
MIS/ 2123841000 b7c
NIC/W360638545 DTE/20000411 1659 EDT

KFBD WTST
ORI/. * .NAM/GIACCHETTO, DANA CALOGERO
.SEX/M. RAC/U. DOB/10151962.
INQ/*. MIS [REDACTED] C1

b6
b7c

N 1439-1439 04/12/00 RDSQ# KFBD 02596 RDSQ# 00962058 PART 001 OF 001
NYSF WTST KFBD 1439
NYFBINY03
NAM/GIACCHETTO, DANA CALOGERO
.SEX/M. RAC/U. DOB/101562

** CAUTION ADVISED **
CONFIRM RECORD WITH ORIGINATOR

MKE/WANTED PERSON
ORI/NYFBINY03 - NY FIELD OFFICE US FBI 212-384-1000
NAM/GIACCHETTO, DANA CALOGERO SEX/M RAC/W DOB/101562
SID/. CCH/. SOC/033543639 POB/MA
HGT/511 WGT/155 EYE/BLU HAI/BLN SKN/LGT
LCD/ LCT/F OFF/5013 CONDIT RELEASE VIOLATION-
WST/1 - ACTIVE
WTP/1 - ARREST WARRANT
EXT/Z- WITHIN AND OUTSIDE NEW YORK STATE
.RCV/. PFL/. VIC/. RSP/.
OCA/KFBD00168 WAR/. DKT/. DOW/041100
MIS/ESCAPE RISK/WILL EXTR/NO BOND/196CNY274597/CONTACT SSA [REDACTED] SQD C1
AT 2123841000
FBI/12799NB5 MNU/. SMT/SC ABDOM FPC/.
OLN/. OLS/. OLY/.
LIC/. LIS/. LIY/. LIT/.
VIN/. VYR/. VMA/. VMO/. VST/. VCO/.
ARI/. ACA/. DOA/. RES/.
WPR/6970511

b6
b7c

N 1439-1439 04/12/00 RDSQ# KFBD 02597 RDSQ# 00962083 PART 001 OF 001
NYSP PARQ KFBD 1439
NYFBINY03
NO RECORD - NYSPIN PAROLE FILE
NAM/GIACCHETTO, DANA CALOGERO
.SEX/M. RAC/U. DOB/101562

N 1439-1439 04/12/00 RDSQ# KFBD 02598 RDSQ# 00962117 PART 001 OF 001
NCIC WTST KFBD 1439
NYFBINY03

WANTED PERSON - CAUTION
ORI/NYFBINY03 NAM/GIACCHETTO, DANA CALOGERO SEX/M RAC/W POB/MA DOB/19621015
HGT/511 WGT/155 EYE/BLU HAI/BLN FBI/12799NB5 SKN/LGT SMT/SC ABDOM
SOC/033543639
OFF/CONDIT RELEASE VIOLATION
DOW/20000411 OCA/KFBD00168
MIS/ESCAPE RISK/WILL EXTR/N0 BOND/196CNY274597/CONTACT SSA [REDACTED] SQD C1 AT
MIS/ 2123841000
NIC/W360638545 DTE/20000411 1659 EDT

b6
b7c

KFBD WTST

ORI/* * .NAM/GIACCHETTO, DANA CALOGERO

.SEX/M. RAC/U. DOB/10151962.

INQ/* MIS C1

b6
b7c

N 1440-1440 04/12/00 ROSQ# KFBD 02601 RDSQ# 00966765 PART 001 OF 001

NYSP WTST KFBD 1441

NYFBINY03

NO RECORD - NYSPIN WANTED PERSONS FILE

NAM/GIACCHETTO, DANA CALOGERO

.SEX/M. RAC/U. DOB/101562

N 1440-1440 04/12/00 ROSQ# KFBD 02602 RDSQ# 00966773 PART 001 OF 001

NYSP PARO KFBD 1441

NYFBINY03

NO RECORD - NYSPIN PAROLE FILE

NAM/GIACCHETTO, DANA CALOGERO

.SEX/M. RAC/U. DOB/101562

N 1440-1440 04/12/00 ROSQ# KFBD 02603 RDSQ# 00966783 PART 001 OF 001

NCIC WTST KFBD 1441

NYFBINY03

NO NCIC WANT NAM/GIACCHETTO, DANA CALOGERO DOB/19621015 RAC/U SEX/M

KFBD WCAN

00198 FILE 5 FBI NEW YORK OFFICE NYFBIN03
TO APB

APR 12-00

CANCEL

VOID

WANTED PERSON CANCELLATION

:MKE/*:ORI/NYFBIN03:NAM/GIACCHETTO,DANA CALOGERO
:OCA/KFBD00168 :RSN/Z.

ADDITIONAL COMMENTS

AUTH

[REDACTED]

[REDACTED]

b6
b7c

N 1440-1440 04/12/00 RDSQ# KFBD 02599 RDSQ# 00966083 PART 001 OF 001
NYSP KFBD
ACK SEQ NUM 00198
WCAN NAM/GIACCHETTO,DANA CALOGERO OCA/KFBD00168
WPR/6970511

N 1440-1440 04/12/00 RDSQ# KFBD 02600 RDSQ# 00966290 PART 001 OF 001
NYIS WCAN KFBD
ACK 00198
NYFBIN03

DCJS & NCIC CANCEL RESULTS

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196C-NY-274597-17

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APR 26 1963	

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BY 9/18/63
DATE 9/18/63



CAUGHT: Instead of Rome, Giacchetto goes to federal court.

DANA'S FLIGHT CANCELED

THE FALL OF CELEBRITY BROKER DANA Giacchetto has gone from Greek tragedy to Hollywood comedy. On April 12, the mop-topped money manager — who stands accused of looting at least \$6 million from such

celeb investors as Leonardo DiCaprio, Matt Damon and Courteney Cox Arquette (see *US weekly*, April 24) — was thrown in jail after jetting to Las Vegas with \$44,000 in first-class airline tickets, \$4,000 in cash and an altered passport.

Giacchetto, 37, had been released April 4 on \$1 million bail; his parents had put up their \$500,000 Medford, Massachusetts, home as bond collateral. At a hearing after his April 12 arrest, Giacchetto's attorney, Andrew Levander, insisted his client wasn't fleeing, just taking his girlfriend, Allegra Brasco, to Italy. "He wanted to propose and thought Rome would be a great place," Levander said in court.

Federal authorities were not buying it. "That's patently absurd," said Assistant U.S. Attorney David Lewis. According to the terms of his bail, Giacchetto was allowed to travel to Los Angeles to start a career as a talent agent but was ordered not to leave the country and to surrender his passport. He was apprehended carrying an old passport with a doctored expiration date, 80 plane tickets to destinations such as Tokyo and Frankfurt and a bag stuffed with \$5 and \$10 bills. After hearing this, U.S. Magistrate James C. Francis IV called Giacchetto "a substantial flight risk" and sent him to Manhattan's Metropolitan Correctional Center. If convicted on multiple counts of fraud, Giacchetto could be sentenced to up to 20 years in prison. **JD HEYMAN**



MCCARTNEY AND MILLS

In the Courts

Heather Mills, Paul McCartney's girlfriend, an ex-model and activist for the disabled, announced April 13 that she'd been awarded \$318,700 in an out-of-court settlement with London's police department, stemming from the 1993 police motorcycle accident in which she lost her left leg.

Robert Urich, 53, has filed a lawsuit against Castle Rock Television, alleging that the company canceled his 1996 NBC TV series, *Lazarus Man*, and refused to pay him after he was diagnosed with synovial cell sarcoma, a rare joint cancer, now in remission. Urich is seeking the \$1.47 million that his contract would have paid. Castle Rock responds, "We worked closely with him and with reluctance

concluded that we were unable to continue" the show.

Bo Diddley, 71, filed a lawsuit in Manhattan Federal Court, April 12, against Nike, claiming the sneaker maker used the legendary guitar player's name and image without permission. Diddley says a 1989 T-shirt deal featuring the phrase YOU DON'T KNOW DIDDLEY expired in 1991. Nike began negotiating in 1999 to reissue the shirts but, Diddley alleges, started selling them before finalizing an agreement. He is seeking \$500,000 in punitive damages.



GAVIN ROSSDALE

Recovering

Gavin Rossdale, 32, lead singer of the band Bush, after reportedly collapsing for unknown reasons at a concert in Mount Pleasant, Michigan, on April 13.

Birthdays

- APRIL 24
Barbra Streisand, 58
- APRIL 25
Al Pacino, 50
- APRIL 28
Elyse Gougeon, 50
- APRIL 29
Andrea Vesali, 30
Gary Sinise, 45
- APRIL 30
Kristen Dunst, 18



April 25
Renée Zellweger, 31

CLOCKWISE FROM LEFT: LUIGI C. RIBEIRO/NEW YORK POST/CORBIS SYGMA; MICKI CORBIS SYGMA; SCOTT GRIES/OD/PRESSLINE; FRANK TRAPPER/CORBIS SYGMA

WARRANT FOR ARREST

United States District Court		SOUTHERN DISTRICT OF NEW YORK	
UNITED STATES OF AMERICA v. Dana C. Giacchetto		DOCKET NO.	MAG. CASE NO. 00 Mag. 649
		NAME AND ADDRESS OF INDIVIDUAL TO BE ARRESTED	
WARRANT ISSUED ON THE BASIS OF: <input checked="" type="checkbox"/> Order of Court <input type="checkbox"/> Indictment <input type="checkbox"/> Information <input type="checkbox"/> Complaint		Dana C. Giacchetto 561 Broadway, Apartment 12A New York, New York	
		DISTRICT OF ARREST Southern District of New York	
		CITY New York, New York	

to: UNITED STATES MARSHAL OR ANY OTHER AUTHORIZED OFFICER

YOU ARE HEREBY COMMANDED to arrest the above-named person and bring that person before the nearest available magistrate to answer to the charge(s) below.

DESCRIPTION OF CHARGES

Violation of bail conditions

(Handwritten mark)

IN VIOLATION OF	UNITED STATES CODE TITLE	SECTION
	18	3148
BAIL FIXED BY COURT	OTHER CONDITIONS OF RELEASE	
ORDERED BY James C. Francis IV, U.S. Magistrate Judge	SIGNATURE (JUDGE ¹ /MAGISTRATE) <i>JCF</i>	DATE 4/11/00
CLERK OF THE COURT	(BY) DEPUTY CLERK	DATE ISSUED 4/11/00

RETURN

This warrant was received and executed with the arrest of the above-named person.

DATE RECEIVED	NAME AND TITLE OF ARRESTING OFFICER	SIGNATURE OF ARRESTING OFFICER
DATE EXECUTED		

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BY
DATE United States Judge of a State Court of Record

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Investor to stars indicted in \$9M theft

By DEVLIN BARRETT

A high-flying investor to the stars stole from famous clients to bankroll a lifestyle of lavish parties, hotel suites, and helicopter rides — and even loan millions to his glitterati friends, prosecutors said yesterday.

Dana Giacchetto, 37, was formally indicted yesterday in Manhattan federal court on charges he stole a total of \$9 million and then jumped bail after he was caught.

Giacchetto allegedly swiped money from investment accounts of Ben Stiller, Courteney Cox, Matt Damon, and others — including a \$4.8 million chunk from the rock band Phish.

The indictment charges Giacchetto blew over \$120,000 of the money on hotel bills, \$55,000 on restaurant tabs, \$8,000 for helicopter trips, and \$30,000 on high-tech stereo and computer equipment, artwork and clothes.

He also "loaned" huge sums of money to friends and associates, the indictment charges.

Giacchetto had been out on \$1 million bond, but was re-arrested April 4 at Newark Airport because prosecutors feared he was about to flee the country.

NY Post 3/6

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BUSINESS

DEN EXECS QUIT ON EVE OF IPO

By JESSE ANGELO

INDICES

04/05/00 12:40[ET]

DJIA	11107.80	-57.10	↓
NASDAQ	4166.70	17.90	↑
S&P 500	1484.49	-10.24	↓
NYSE	649.10	-3.20	↓
AMEX	940.70	-1.82	↓

The three co-founders of an Internet start-up about to go public hastily resigned yesterday amid questions about their extravagant compensation and lifestyle.

The creators of the Digital Entertainment Network - who still own over 70 percent of the company - announced they were leaving the fledgling operation early yesterday evening, after the company was asked about their status by The Post.

Marc Collins-Rector, chairman of the board, stepped down along with Executive Vice-President and co-founder Chad Shackley.

Eighteen-year-old Brock Pierce - a director and executive vice president who helped develop the idea of the company - also left the company.

As The Post reported earlier this month, Hollywood insiders were buzzing about the high salaries at the start-up when SEC filings revealed the top four execs at the company paid themselves a combined \$3.7 million a year, not including bonuses, warrants, stock options and advances.

The 146-employee company - which makes TV-style shows for its own website - has lost \$27 million since its inception and has not pulled in a single dollar of revenue, the filing said.

Chase Manhattan's Chase Capital Partners and the Cassandra Group - run by Dana Giacchetto, the financial adviser to stars like Leonardo DiCaprio - have put significant investments into the company through an entertainment venture capital partnership.

Cassandra and Chase each own 8.09 percent of the company and have representation on the



the company and have representation on the board.

Sources have told The Post the buttoned-down types on the board were less than pleased with the free-spending ways and Hollywood lifestyle of Shackley, 24, and Collins-Rector, 39.

The pair live together in a mansion in Encino that used to belong to notorious Death Row records exec Suge Knight, who is now in jail.

"I've spent some time at the Playboy mansion and this place makes it look like a trailer," said one insider.

A spokesman for DEN said she had not heard of any dissatisfaction with the three departed execs on the part of the board.

Jim Ritts, formerly head honcho of the Ladies Professional Golf Association and now CEO of DEN, will replace Collins-Rector as chairman of the board.

In a statement, the company said Collins-Rector - who also started Concentric Networks - had left to pursue another start-up.

A spokesman for the company did not know if the departing trio would receive severance pay.

Pierce - who hooked up with Shackley and Collins-Rector when he was 17 - was on a yearly salary of \$250,000 and had signed an agreement with the company to stay until 2002.

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Hollywood or bust

Dana Giacchetto at Cassandra shoots to profit for his A-list clients

By Staff Writer Alex Frew McMillan
July 17, 1999: 9:11 a.m. ET

NEW YORK (CNNfn) - On a sunny midsummer morning, Sandra Bullock is shooting *28 Days* on Broadway outside Dana Giacchetto's SoHo loft. It could be a perfect time for Giacchetto -- money manager to the stars and Leonardo DiCaprio's lad about town when he comes to the Big Apple -- to troll for clients.

But he's blasé about the bustle on his doorstep. Giacchetto is holed up in the eighth floor office of his investment boutique, The Cassandra Group Inc., flitting from phone to laptop, keeping tabs on his trades and the stock market.

Though he isn't out scouring the set, you might think you've stumbled onto another performance as you settle in and eavesdrop on a conversation you can't quite help but overhear.

With a rattle of ice, Giacchetto sets down his iced Starbucks and stands up, a cool-meets-conservative blur of navy blue suit, steel-rimmed glasses and feathered blond hair. A clip-boarded assistant enters stage left.



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world markets
currencies
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commodities
industrywatch
finance
tech stocks
wall st research
earnings
estimates

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power shopper
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*Money manager Dana Giacchetto at
Cassandra*

"You've got \$12 million here, we've got 400,000 shares. How much did we send them, \$4 million? So we need more," Giacchetto rapid fires as he studies the spreadsheet. "So we put in Ben Affleck, Courteney Cox, Matt Damon ... if we took 500,000 shares, maybe that would be right."

"That sounds safer," the assistant says on cue. They're done, end of scene, and Giacchetto strides over to his computer. It's the perfect opening shot of his fast-lane life. It races from Wall Street, through the worlds of art and music, right out to Sunset Boulevard and Mulholland Drive.

Giacchetto, 36, is president and founder of 10-year old Cassandra, an investment advisory firm that he says manages or advises on some \$430 million for 305 clients. They're mostly artists and entertainers, with a smattering of athletes and entertainment executives, not least of them Artists Management Group (AMG) founders Michael Ovitz and Rick Yorn.

"He's an incredible money manager" and a savvy assessor of artistic talent, said Yorn, a former Wall Street executive. "He's probably one of the few guys that I know that can analyze a spreadsheet as well as run A&R [artists and repertory] at a record company."

Giacchetto is a charmer and a shaker whose laid-back bicoastal drawl slips off a silver tongue. His clients, some of them breaking the big time and coming to him with their first \$100,000, praise him for patiently breaking down the basics of stocks and bonds.

"Demystifying the capital markets," is how he describes his mission. As a bonus, through his parties, vacation trips and connections, some hope he can boost their careers.

"It's a salon," Giacchetto said. "I put together artists, filmmakers, directors, agents, screenwriters." He introduced Yorn, a top movie-star manager, to former Creative Artists Agency head Ovitz, sowing the seeds of AMG after Ovitz left Disney. Yorn returned the favor, hooking him up

Online

stories

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quotes

Merck

AT&T

American
Express

Intel

Abbott
Laboratories

Pfizer

Chase
Manhattan

Walt Disney

Coca-Cola

America Online

sites

Chase Capital
Partners

Artist Direct

Digital
Entertainment
Network

with DiCaprio, Cameron Diaz and Claire Danes, all now Cassandra Group clients.

From a list that started in the '80s art world with painters such as David Salle and George Condo, Giacchetto has networked his way through record labels like Matador and Nirvana's Sub Pop to movies, giving him a roster divided among the visual arts, music and film.

He has two or three meetings with prospective clients a day and takes on those he thinks have potential. It's an impressive Rolodex of top-bill or top-bill-potential young talent. So impressive that it attracted Chase Capital Partners to bankroll an entertainment venture-capital fund with Giacchetto, Cassandra Chase Entertainment Partners, with Chase investing up to \$100 million. Chase is hoping not just for returns on its investment but entree, through Giacchetto, to Ovitz and other entertainment industry power-brokers, people familiar with the investment said.

Giacchetto's holdings

Merck (MRK)

AT&T (T)

American Express (AXP)

Intel (INTC)

Abbott Laboratories (ABT)

Pfizer (PFE)

Chase Manhattan (CMB)

Walt Disney (DIS)

Coca-Cola (KO)

America Online (AOL)

The fund is distinct from Giacchetto's investment advisory business. It has cut six deals so far, funding music marketer Artistdirect, recapitalizing Paradise Music & Entertainment (PDSE), a music production company, and splitting a \$26 million stake in Digital Entertainment Network, an interactive TV company, with Dell, Microsoft and Lazard Freres. Giacchetto says other deals are pending, the biggest of them forming a production company with a director and actor he declined to name.

Giacchetto wants, through the investment banking role, to give artists more control of their product.

"I'm encouraging artists to take equity instead of cash in things, because often artists end up with no equity. They get exploited and they get a paycheck and they think it's great because they need the money, and they realize they don't own anything."

Giacchetto says his desire to give artists more control over their finances -- through their investments and equity stakes in entertainment companies - does not win him many friends on Wall Street.

It's too early to tell how the venture-capital fund's investments are performing, and Giacchetto is little-known among bankers on Wall Street. One investment banker at Lazard, for example, said he didn't know Giacchetto and dealt with Chase investment bankers on the Digital Entertainment deal.

"But they're going to hear about him right now," Yorn said.

Giacchetto, the son of a novelist-radio script writer and a registered nurse, was born near Boston and grew up in a pleasantly middle-class Italian family before he studied English and economics at the University of Massachusetts. After he graduated, he cut his investing teeth at Boston Safe Deposit & Trust, a respected money management firm that moved him to New York.

He left after it sold out and the market crashed in 1987, when he says "by force and sheer luck" he was short the market and made enough money to start his own company. He had been playing in punk bands by night and hanging out at art galleries.

Though his musical career was short-lived, he saw a way to mesh his training and his passions.

"I had this wacky idea that I would start an investment bank for artists," he recalls.

GQ magazine paints a picture of him cold calling galleries and band managers, "peeling off his suit and donning hipster mufti for late-night sit-downs with rockers."

Through his early contacts in art and an interest in collecting, Giacchetto met Jay Moloney, then a top agent who helped ensure his palm met the right hands in Hollywood. Giacchetto filled a void for his clients.

"He introduces them to a whole new world they're not in," Yorn said, noting even entertainment-world figures with

finance training don't have the time to manage their money. "It's madness over here. Without Dana I don't know what would happen with my finances."

Giacchetto's strategies are simple. He's stuck with 20 or so blue-chip stocks over 10 years and typically puts his clients, whose accounts Cassandra manages individually, into 10 at any one time. Right now he's split 50-50 between bonds and stocks, with around 10 percent of his equity stakes in each of nine U.S. companies, including his partner Chase (CMB), his only entertainment holding Disney (DIS), and 4 percent of his portfolio in America Online (AOL).

Other than AOL, he thinks the Internet is too risky for his clients, who often invest for income and have unpredictable earnings and career trajectories. He tries to be politically correct and won't invest in defense, oil or tobacco stocks, but he doesn't really push that angle. Most socially conscious funds are just marketing gimmicks, he thinks.

To pick stocks, he looks at three things -- technical charts of the stock's historical movement, the company's record on hitting earnings projections and the "beta," which measures how volatile a stock is.

"And then there's the intangible or the ephemeral element, which is how do you feel about this?"

He sets price targets and sticks to them. His favorite stock right now is Merck, which he plans to sell when it hits 100. The Dow will hit 12,500 in the near term and by next July, it'll crash to 9,500, he predicts.

"But first we're going to 12,500. And then I'll move to about 10, 15 percent in cash. On the downside, if we break 11,000 I'll move to about 25 to 35 percent cash. And I will increase my fixed-income position and decrease my stock position. Probably if you come in here in December, I will be 25 percent cash, 50 percent corporate debt and 25 percent stock. Which will be my most conservative weighting since 1995."

Giacchetto is an endearing blend of frankness and ego, and old money slash New Age.

"I'm a Libra. Balance," he said. He talks freely and at length, albeit with a slightly rehearsed air of a salesman. He gets most animated and, well, real when he talks about his extensive art collection, which he

clearly loves.

***"I'm a very serious financial person.
I am social, but this is a business
that relies on relationships."***

Still, despite the glitz, he's often frank and solicitous.

"I don't know, what do you think?" he sometimes asks, and he wants to know. It helps set besieged new stars at ease. Yes, his investment strategies are simple; he admits. Yes, his clients could do this on their own. "I think they could. But most people don't know about it."

Either they're daunted by investing or they throw money at mutual or hedge funds they don't understand.

"I say, 'Why are you doing all these things? Why do you need to be invested in short options in Turkey, when you can just buy AT&T stock in the U.S. and get a 15 or 20 percent return?'"

Cassandra takes 1.5 percent a year of the assets under management. It's had just one down year, 1992, but has been around only during the current bull market. Several clients such as Yorn and Moloney are happy with his performance.

"First and foremost they come to me to make money. And if they're not making money, they fire me and get another money manager," Giacchetto said. Only after his stock picking, he said, is it that he "adds value" with his connections and social links.

Later this year, he and his "Cassandra team," with DiCaprio likely a part of it, will vacation in Africa, maybe Zimbabwe. And that won't be the last of those candid photo ops with an arm around Leo's shoulder. They went to Cuba last year.

But if Giacchetto thrives on that image, at least it's a symbiotic relationship. He provides the one thing entertainment industry bows to.

"My primary focus is making money, and I think I've done a good job of that. Hah!" And he giggles and looks up. ▶



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By JAMES BATES, PAUL LIEBERMAN, Times Staff Writers

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NEW YORK--A stocking cap pulled to his nose to hide his face, Dana Giacchetto surrendered to FBI agents Tuesday in New York City to face federal fraud charges while his lawyers argued that the Gen-X Hollywood money manager should be allowed to continue to use his "schmooze factor" as a "finder" of deals for entertainment clients.

Giacchetto, 37, charged with three criminal counts for allegedly looting more than \$6 million of his clients' funds, gave himself up shortly before noon. News photographers captured the bizarre sight of Giacchetto in the stretched-out stocking cap being led by FBI agents. According to reporters on the scene, Giacchetto made an obscene hand gesture at photographers trying to take his picture.

At an afternoon hearing, Giacchetto was released on a \$1-million personal bond secured by his parents' signatures and their \$500,000 home in Medford, Mass.

A onetime money manager to such stars as Ben Affleck, Matt Damon, Ben Stiller, Leonardo DiCaprio and Courteney Cox Arquette as well as entertainment power broker Michael Ovitz, Giacchetto was named in a criminal complaint Monday that alleged he funneled some \$20 million of client funds through his own account as part of an elaborate fund-kiting scheme. He also is being accused of lying to the U.S. Securities and Exchange Commission.

Authorities allege he used the money to finance a posh lifestyle that often involved traveling the world to hang out with DiCaprio and other celebrities. They also claim he used the funds to cover the tracks of his failed investments and even what authorities allege was outright theft by paying off one group of defrauded clients with funds from other clients. Giacchetto was out of the country at an undisclosed location Monday when the complaint was filed.

Dressed in a brown sport coat, the boyish Giacchetto appeared nervous at the hearing, frequently glancing back at his parents who were



sitting in the packed courtroom. Giacchetto spoke only to confirm to U.S. Magistrate Andrew Peck that he understood his rights.

Giacchetto's lawyer, Andrew Levander, argued at Monday's hearing that Giacchetto should be allowed to travel and earn money through "finder's fees" in a vaguely described business of introducing his Hollywood contacts to people. Giacchetto needed to be able to travel to Los Angeles to use "the schmooze factor" to personally introduce his contacts to each other. "He has made lots of contacts over the years with people who still have confidence in him," Levander said.

The work, said his attorney, would not involve giving investment advice or handling money. Levander also argued that Giacchetto is not a flight risk, citing his voluntary return to the U.S. to face the charges.

Assistant U.S. Atty. David Raymond Lewis expressed skepticism, citing "a pattern of extraordinary brazenness by Mr. Giacchetto with other people's money" and Giacchetto's alleged use of forged documents.

Peck, who expressed skepticism that anyone would do business with Giacchetto at this point, said a court order freezing Giacchetto's assets would prevent him from escaping.

"Assuming Mr. Giacchetto can get on a Greyhound bus and stay in a Motel 6 with the last suit he owns on his back, to go schmooze with someone in California in the business, why should we all care?" Peck said.

Lieberman reported from New York. Bates reported from Los Angeles.



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Wednesday April 5, 5:42 am Eastern Time

Financial Adviser Accused of Theft

By LARRY NEUMEISTER
Associated Press Writer

NEW YORK (AP) -- Dana Giacchetto, who was hauled into court this week to answer federal swindling charges, wants a new career as an entertainment agent.

At a hearing Tuesday where Giacchetto was released on \$1 million bail, U.S. Magistrate Judge Andrew J. Peck suggested that no one "in their right mind will make a deal with him with the current charges."

However, Peck agreed to let Giacchetto travel around the country if he first obtains permission from the government, observing that "a lot of the business is based on the schmooze factor."

Giacchetto, 37, allegedly stole as much as \$5 million from the band Phish and \$1 million more from others while misappropriating as much as \$20 million entrusted to him.

Some of the money allegedly went to support a lavish lifestyle that Assistant U.S. Attorney David Lewis said demonstrated "a pattern of extraordinary brazenness by Mr. Giacchetto with other people's money."

He is charged with securities fraud and with making false statements to the Securities and Exchange Commission. If convicted, he could face a decade in prison and \$12 million in fines.

He allegedly committed the crimes while serving celebrities including Matt Damon, Cameron Diaz and singer Alanis Morissette with an investment business, The Cassandra Group, run from a SoHo loft. He explained to reporters last year that he founded the business to help "friends" in the entertainment business who were unfamiliar with investing.

Lewis said it was an "alarming proposition" that Giacchetto could make his living as an entertainment agent charging substantial fees.

But Andrew Levander, Giacchetto's lawyer, said his client was trying "to put his life back together" by using contacts in the entertainment business to help actors and actresses get movie deals or other business.

Noting that Giacchetto's assets have been frozen, the judge was reluctant to interfere.

He added: "Assuming Mr. Giacchetto can get on a Greyhound bus, stay in a Motel 6 with the last suit he owns on his back, go schmooze with someone in California in the business, why should we all care?"

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Tuesday April 04 04:41 PM EDT

Money Man Charged in Celeb Scam

Hey Matt Damon, can I buy you a drink? Don't worry, it's on you...

Such is the alleged M.O. for Dana Giacchetto, the hipster financial guru for celebs like Damon, Ben Stiller, Cameron Diaz and Hollywood power broker Michael Ovitz who has been charged with stealing at least \$6 million from his own people.

In yet another case of "my investment broker has a bigger house than me," authorities say the hard-partying, name-dropping Friend of Leo shuffled some \$20 million from clients' accounts into his own, while his New York investment company, the Cassandra Group, has been bleeding red ink since 1997.

In charges filed Monday in U.S. District Court in Manhattan, the feds accused Giacchetto of running his own Ponzi scheme to keep his company afloat, while supporting a very un-bean-counter-like lifestyle. Authorities say he routinely pulled money from celebrities' accounts to pay off other account debts--all while telling people their cash was being invested conservatively.

But his business began falling apart at the end of last year, when clients like Damon and Ben Affleck grew skeptical of his dealings and couldn't get straight answers about where their money went. Others grew wary of his rock 'n' roll ways. "I want a button-down financial adviser who's always watching the ticker tape," one agent told *Time* magazine. "Not someone who's flying off to hang with Leo in Thailand."

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The biggest victims in his alleged pilfering could be the Vermont hippie rockers, Phish. Court papers reportedly show that Giacchetto took some \$3 million from the band's account. (He later promised to pay them \$4.7 million after admitting his mishandling.)

The criminal complaint alleges securities fraud, investment advisory fraud and lying to the U.S. Securities and Exchange Commission.

Giacchetto's lawyer, Andrew Levander, did not immediately return a call for comment.

Giacchetto's expected to surrender to the FBI today, and he could face 20 years in prison and millions of dollars in fines if convicted.

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Tuesday April 4 8:22 PM ET


Giacchetto Released, Plans New 'Finders' Business

By Gail Appleson, Law Correspondent

NEW YORK (Reuters) - Money manager Dana Giacchetto, charged with allegedly stealing \$6 million from his celebrity clients, was released on a \$1 million bond Tuesday after announcing plans to start a new business "finding" actors for producers and studios.

Giacchetto, owner of the Cassandra Group investment firm that once touted a star-studded clientele of rock bands, actors and artists, surrendered to authorities late Tuesday morning. He later appeared at a bond hearing in Manhattan federal court looking disheveled in a brown pinstriped suit and pastel checkered shirt.

At the hearing, his lawyer Andrew Levander said Giacchetto would agree to post a \$1 million personal recognizance bond if he could travel within the United States to promote his new business as a "finder" in the entertainment industry.

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"He has lots of contacts over the years with people who still have confidence in him," Levander said.

Giacchetto's bond was secured by his parents' \$500,000 home in Massachusetts. He will be allowed to travel only after getting permission from the court's pretrial services department and submitting his travel plans to prosecutors.

Although the government argued that Giacchetto could flee if allowed to travel, U.S. Magistrate Judge Andrew Peck said that a court order issued on Monday freezing his assets except for living expenses would prevent him from escaping.

"Assuming Mr. Giacchetto can get on a Greyhound bus and stay in a Motel 6 with the last suit he owns on his back to go schmooze with someone in California in the business, why should we all care?" Peck said.

On Monday, Giacchetto, 37, was charged in a criminal complaint filed by the federal prosecutors and a civil suit filed by the U.S. Securities and Exchange Commission with orchestrating a scheme in which he allegedly siphoned off clients' funds to pay for everything from loft space in New York's trendy Soho district for Cassandra's operations, to his own personal expenses for travel, dining and entertainment.

The charges allege that Giacchetto also used money to make unauthorized donations, including \$90,000 to the New York Arts Academy and \$12,000 to a law enforcement officer for a down payment on a Mercedes Benz.

Once, Giacchetto was a top financial adviser to the Hollywood and New York jet set. His client list had included superagent Michael Ovitz, the rock group Phish and actors Matt Damon, Leonardo DiCaprio, Ben Affleck and Cameron Diaz.

But the list began to dwindle when allegations surfaced last fall that he was mishandling money and was under investigation by federal authorities.

Assistant U.S. Attorney David Lewis told Peck that the government was also concerned that provisions of the bond would allow Giacchetto to commit new crimes by starting the "finders fee" business.

He said that evidence against the money manager shows a "pattern of extraordinary brazenness by Mr. Giacchetto with other people's money." Lewis said that Giacchetto allegedly continued to break the law even after his home was searched by authorities last month.

Defense lawyer Levander argued that the business Giacchetto proposes would involve taking finder's fees for his services, not managing other people's money.

Peck questioned why Giacchetto would need to travel saying he thought that much of the entertainment business is "based on the schmooze factor" and could be accomplished on the phone.

But Levander said personal contact is essential in that field. "The schmooze factor is the business...it is the essence of that business."

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Tuesday, April 4, 2000 | Print this story

Advisor to Stars Charged With Stealing Millions

By JAMES BATES, CLAUDIA ELLER, Times Staff Writers

Dana Giacchetto, the boyish New York City money manager renowned for his ability to ingratiate himself with such young stars as Leonardo DiCaprio, Matt Damon and Ben Affleck and Hollywood power broker Michael Ovitz, was charged Monday with three criminal counts for allegedly stealing at least \$6 million of his clients' funds.

"Wholesale looting" is how authorities described the way Giacchetto allegedly shuffled more than \$20 million belonging to such clients as Damon, Affleck, Ovitz, actors Ben Stiller and Courteney Cox Arquette and the rock group Phish into his own account. Giacchetto, who is expected to surrender to the FBI in New York today, faces a maximum of 20 years in prison, as well millions of dollars in fines, if convicted.

Andrew Levander, Giacchetto's lawyer, did not return calls.

Hollywood celebrities have a long history of being hustled by confidence men who take advantage of their bank accounts by exploiting their personal insecurities and ignorance of their own financial affairs. Despite scores of stories of business managers stealing from their star clients, Giacchetto was allegedly successful in pulling off a garden-variety scam.

Giacchetto, 37, allegedly used the stolen money to fund a lavish lifestyle. Some of his star clients were eventually paid off with money taken from other clients' accounts, court papers allege.

A Boston native, Giacchetto is president of the investment firm the Cassandra Group, housed in his trendy loft in New York's SoHo district. DiCaprio and other

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district. DiCaprio and other A-list clients often stayed in the loft. Giacchetto sold himself to Hollywood as a savvy, conservative investor, becoming "Hollywood's Gen-X money manager." He was especially close to agents at Creative Artists Agency, including the late Jay Moloney, who committed suicide last year after struggling with drug addiction. Giacchetto also charmed his way into New York's art world, befriending and advising such artists as George Condo, David Salle and Ross Bleckner.

Not Just a Money Man but a 'Life Advisor'

Blond and slender with wire-rim glasses, Giacchetto grew up middle-class outside Boston in Medford, Mass., the son of a radio writer and a nurse. At one time, he was an aspiring rock keyboard player and vocalist.

Giacchetto the money manager relished hanging out with stars, visiting DiCaprio on film sets and dropping the names of Hollywood figures whenever a reporter was within earshot. In a New York Times Magazine story, Giacchetto is quoted as yelling commands to an out-of-sight assistant to "Get me Leo!" as in DiCaprio, and "Get me Michael!" as in Ovitz.

Giacchetto became especially close to Ovitz and Rick Yorn, Ovitz's partner in Artists Management Group who represents such stars as Cameron Diaz and DiCaprio. In an interview last year with Manhattan File magazine, Ovitz called Giacchetto "a life advisor. He's very full of ideas and very connected to a lot of people who I find stimulating."

But Giacchetto's operation began unraveling late last year. In December, The Times reported that droves of clients were leaving, including Damon and Affleck, complaining that they were unable to get answers to questions about their investments, that financial statements were slow to come and that Giacchetto had made risky moves with their money.

The criminal complaint, involving securities fraud, investment advisory fraud and lying to the U.S. Securities and Exchange Commission, was filed by the U.S. attorney's office in New York, supplemented by a civil suit filed by the SEC that resulted

in a freezing of Giacchetto's funds and the appointment of a receiver for his operation.

Giacchetto's alleged lies to the SEC include statements that he graduated in 1984 from the University of Massachusetts and did two years of graduate course work at Harvard University. The SEC says he only took undergraduate extension courses at Harvard that he applied toward his bachelor's degree at Massachusetts, which he finally earned in 1990.

Among the allegations is that through Cassandra, Giacchetto engaged in an elaborate check kiting routine similar to a Ponzi scheme in which he reimbursed money taken from the accounts of some clients with money from the accounts of others.

As an example, Giacchetto allegedly took \$250,000 from Gordon Baird to help cover a \$251,033 check he had already written to "Erin Brockovich" producer Stacy Sher. In another case, Giacchetto allegedly took \$75,000 from Margaret Martin to cover a \$39,275 payment he had made to Stiller, using most of the remaining money to pay credit card bills.

Court papers also state that starting in June 1997, and continuing until as recently as two weeks ago—even after authorities served him with a search warrant—Giacchetto ordered 58 checks from his clients' accounts at the investment firm Brown & Co. without their permission. Giacchetto allegedly did so even though his promotional literature claimed that he did not have custody of any of his clients' money "for maximum safety" which "assures the client security of his or her account."

Giacchetto allegedly had the checks sent to him personally via Federal Express, endorsing them without authorization. As an example, Giacchetto allegedly had \$100,000 taken out of the account of Damon, star of such films as "The Talented Mr. Ripley" and "Good Will Hunting."

Giacchetto told authorities from the SEC who later questioned him that Damon had endorsed the checks, and that the money went into an investment. But the check bears only Giacchetto's signature, and was deposited



into a Cassandra bank account, court papers show.

Court papers allege that Giacchetto frequently told clients that the missing money had been used to purchase conservative investments such as AT&T bonds. The New York production company Good Machine, producers of such films as "The Ice Storm," discovered \$150,000 missing from the profit-sharing plan Giacchetto structured and managed for the company. Giacchetto said it was used to invest in AT&T bonds, going so far as to show co-founder Ted Hope what authorities allege was a phony purchase order.

In fact, the SEC alleges, the Good Machine money had helped pay off other clients whose money Giacchetto had taken.

Good Machine was then paid back with money taken from the account of the band Phish, authorities said. According to the SEC, Giacchetto "maintained his charade by writing 'AT&T 7.125%' " on the check issued to Good Machine to make it appear as if it had been used to buy bonds.

Phish Allegedly Lost Millions

Phish's account appears to be one of the largest tapped by Giacchetto, according to court papers.

After the group's accountant discovered the withdrawals and demanded the money back, Giacchetto told him he was sending replacement checks that never arrived. Instead, the SEC alleges, Giacchetto withdrew even more money from Phish, bringing the total to \$3 million. After band members complained, Giacchetto agreed in writing to pay the group and the group's manager \$4.7 million he had taken from them, admitting in writing that Cassandra had misappropriated the money, SEC documents show.

Far from being an investment success, court papers now show that Giacchetto's operation was hemorrhaging red ink since 1997 and was insolvent by late last year. Giacchetto is known to have invested money in such risky investments as Iridium, which is liquidating, and Paradise Music & Entertainment, whose stock sank after he bought it

for clients.

One of the more risky ventures Giacchetto put his clients' money into was the Pickens Capital Fund, headed by Tom Pickens, son of corporate raider T. Boone Pickens Jr. Giacchetto had apparently promised Tom Pickens that he would raise as much as \$80 million for the fund, which bought up small water utility companies in the South under the holding company Great Southern Water Works.

Sources said Giacchetto wound up raising only \$5 million.

While it is unclear how many of his clients invested in Great Southern, one investor estimates it may be a group of 15 to 20.

Moloney, for one, invested hundreds of thousands of dollars in the fund.

According to the accountant for the Jay Moloney Trust, Moloney invested \$346,000 in the fund. When the accountant questioned Giacchetto about the original amount and current status of Moloney's investment, "Dana wasn't sure." He told him he thought Moloney had invested about \$340,000 and it was now worth \$600,000. "If I send you \$600,000 would you stop digging around?" the accountant recalled Giacchetto asking him. "He sent me a rounded off, clean \$600,000."

The Moloney Trust accountant said that all told, Giacchetto had managed around \$2 million of the former agent's money, which was invested in various other ventures.

Daniel Duval, the outside corporate counsel for Great Southern Water Works, said, "The company is cooperating with the SEC and U.S. attorney's office. We are trying to access whether or not this has had any impact on the company and it's too early to tell."



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Filed at 9:02 p.m. EDT

By The Associated Press

NEW YORK (AP) -- Actors Leonardo DiCaprio, Matt Damon, Ben Affleck and singer Alanis Morissette are among the rich and famous clients of an investment adviser accused of stealing millions to support a lavish lifestyle.

Dana C. Giacchetto, a 37-year-old New Yorker, allegedly diverted \$20 million from clients. The band Phish -- along with their manager -- may have lost as much as \$5 million.

Giacchetto is also accused of failing to return at least \$4 million in money maneuvered through the accounts in his investment business, The Cassandra Group, which he ran from a loft in the city's chic Soho section.

Federal prosecutors brought criminal securities charges against Giacchetto in U.S. District Court in Manhattan while the Securities and Exchange Commission charged him in a civil lawsuit and obtained a freeze of his assets.

In court papers unsealed Monday, prosecutors and the SEC said Giacchetto stole from clients to pay for his apartment, hotels, travel, dining and entertainment. Giacchetto is also accused of using money belonging to entertainment's A-list to make unauthorized donations such as \$90,000 to the New York Arts Academy and \$5,000 to the New York Police Scholarship Fund.

For at least the last three years, he "sought to attract clients from the arts and entertainment industry, many of whom lacked financial sophistication," the SEC said.

Company literature promised a "conservative investment strategy" focused on large companies but he "knowingly or recklessly" deposited more than \$20 million of his clients' money in bank accounts permitting him to pay the expenses of his business and

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himself, the SEC said.

The SEC accused him of issuing fake portfolio statements or other false documents to clients who wanted proof of their purchases.

Giacchetto's lawyer, Andrew Levander, told Judge Lawrence McKenna on Monday that his client was returning from a trip abroad. Outside court, Levander said he couldn't comment further because he had not yet had a chance to read the court papers or talk to his client.

He said his client was expected back in New York on Tuesday and that Giacchetto sent a letter to his customers a week ago telling them he was getting out of the investment business.

As for his client's next move, Levander said to "stay tuned."

U.S. Attorney Mary Jo White said the case demonstrated that "no one is immune from any kind of scheme, securities or otherwise."

Giacchetto was the sole owner, president, chief investment officer and treasurer of his company, Cassandra Group, since the time he registered with the SEC in April 1991.

Federal prosecutors charged Giacchetto with securities fraud, fraud and making false statements to the SEC. They said in court papers that he signed an affidavit in December admitting that he misappropriated \$3.9 million from the band Phish and its members and another \$968,900 from accounts held by the band's manager. They said he pocketed more than \$6 million illegally.

If convicted, Giacchetto faces a maximum of 10 years in prison on the most serious charge and \$1 million or twice the gross gain or loss resulting from the crime.

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Entertainment Headlines



Monday April 3 11:27 PM ET

Adviser to the stars charged with theft

By Gail Appleson, Law Correspondent

NEW YORK (Reuters) - High-flying money manager Dana Giacchetto, whose Cassandra Group advised such entertainers as rock group Phish and actor Matt Damon, was charged Monday with illegally transferring \$20 million out of celebrity clients' accounts and stealing at least \$6 million of it.

Giacchetto, 37, was charged in a criminal complaint filed by the Manhattan U.S. Attorneys Office and a civil suit filed by the U.S. Securities and Exchange Commission with orchestrating a scheme in which he siphoned off clients' funds to pay for everything from loft space in New York's trendy Soho district for Cassandra's operations, to his own personal expenses for travel, dining and entertainment.

The charges allege that Giacchetto also used money to make unauthorized donations, including \$90,000 to the New York Arts Academy and \$12,000 to a law enforcement officer for a down payment on a Mercedes Benz.

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When clients began complaining about activity in their accounts, Giacchetto paid them off with other investors' funds in a Ponzi-type scheme, authorities alleged.

The criminal complaint charges him with three counts of securities fraud and lying to the SEC. If convicted of all counts, Giacchetto would face a possible maximum prison term of 20 years and fines of \$1.5 million.

During a court hearing later Monday, a federal judge granted a request by the SEC to freeze accounts belonging to both Giacchetto and Cassandra. He also appointed a receiver to oversee the funds.

Andrew Levander, Giacchetto's lawyer, told the judge that his client notified investors in a March 23 letter that "He's getting out of the business of being an investment advisor."

He told the court that his client was out of the country but was on his way back to the United States. Levander would not comment further to reporters.

The criminal complaint did not identify investors who were allegedly defrauded by Giacchetto and Cassandra, which specializes in clients from the arts and entertainment industry. However, papers filed along with the SEC suit named at least three: Phish, Damon and actor Ben Stiller.

Once, Giacchetto was a dazzling financial star with the Hollywood and New York jet set who bragged he managed up to \$1 billion belonging to hundreds of elite clients. His client list had included superagent Michael Ovitz and actors Leonardo DiCaprio, Ben Affleck and Cameron Diaz.

But the list began to dwindle when allegations surfaced last fall that he was mishandling money and

was under investigation by federal authorities.

SEC papers allege that Giacchetto had overstated the amounts Cassandra managed in its 1998 filings with the commission. In those filings the defendant allegedly said the firm managed 351 portfolios containing assets with a market value of \$315 million. However the SEC said that based on commissions reported in Cassandra's tax returns, the firm would have managed assets of about \$110 million.

The suits allege that Giacchetto promoted his services by claiming Cassandra followed a conservative investment strategy. He claimed that Cassandra never took custody of client assets but left them instead in the hands of an independent custodian.

From September 1997 until the present, Giacchetto unlawfully gained possession of \$20 million of investors' funds by transferring them from clients accounts to brokerage accounts held by Cassandra, authorities alleged. The SEC documented at least 100 such wrongful transfers from dozens of client accounts, including those held by Ovitz.

While he used some of the money to make investments for clients, Giacchetto diverted at least \$6 million for his own personal expenses and his firm's operating costs, law enforcement agencies charged.

Authorities alleged that Giacchetto stole money by diverting checks issued from his clients' individual accounts at Brown & Co., which served as the independent custodian for most of Cassandra's clients.

He allegedly directed Brown to issue checks payable to particular Cassandra clients, drawing on those funds held in clients' accounts at Brown.

Rather than having those checks sent to the unsuspecting clients who were the named payees, Giacchetto caused Brown to deliver the checks to Cassandra, authorities alleged. Giacchetto then allegedly endorsed the checks himself, in his own name, and deposited the funds in Cassandra's corporate banks accounts.

In recent months as some clients began to question activity in their accounts, Cassandra allegedly paid complaining clients with funds stolen from other clients.

Reuters/Variety

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Crimes And Trials Headlines

Monday April 03 08:10 PM EDT

Broker to Stars Busted on Fraud Charges

NEW YORK (APBnews.com) -- The former money manager for A-list celebrities such as Leonardo DiCaprio, Matt Damon and Ben Stiller was charged today with securities fraud and other financial crimes, officials said.

Dana C. Giacchetto, 37, of Manhattan, allegedly misused more than \$6 million of his clients' money to pay personal and company expenses, then tried to cover up his deeds when investigators from the Securities and Exchange Commission (SEC) came calling.

Mary Jo White, the U.S. attorney for the Southern District of New York, announced the charges in a statement today.

As of this afternoon, however, Giacchetto was still a free man.

"He has not been taken into custody yet," said Marvin Smilon, a spokesman for the U.S. attorney's office. "Possibly tomorrow."

Boutique for celebrity investors

Giacchetto is the president and owner of the Cassandra Group Inc., a boutique personal investment firm that caters to a long list of celebrity clients, including the band Phish and the actor Ben Affleck.

While representing himself as a conservative investment strategist, Giacchetto allegedly endorsed checks drawn on client accounts and used the money to pay for his company's SoHo loft, payroll expenses and entertainment costs.

The criminal complaint against the money manager contends that at least 15 Cassandra clients have confirmed that they were victims of unauthorized transfers from their accounts. In total, investigators say, there were more than 100 unapproved transfers from dozens of client accounts, totaling more than \$20 million.

Not all the money went to Giacchetto, but he allegedly used some client funds to pay his own loft rent, take out cash advances and pay his personal credit card bills, which included travel and entertainment costs.

Hobnobbed in hot spots

A self-employed financial consultant since 1989, the young, blond Giacchetto spent the late 1990s hobnobbing with his celebrity clientele in Manhattan hot spots. But as the financial manipulations went deeper, prosecutors charge that Giacchetto often used the money of one client to repay the pillaged

account of another.

Some of Giacchetto's other alleged financial hijinks included giving more than \$12,000 to a law enforcement officer to furnish the down payment for a new Mercedes-Benz and loaning millions of dollars in client funds to his own friends and associates.

Indicted for securities fraud, giving fraudulent investment advice and lying to the SEC, Giacchetto faces up to 20 years in prison and maximum possible fines of either \$1 million or double the amount he's accused of swindling -- theoretically a fine of more than \$12 million.

Maintained his innocence

Giacchetto maintained his innocence when SEC investigators visited Cassandra's offices in December and January. He showed the SEC a balance sheet that showed the company owed no money when in fact the company was insolvent by more than \$2.2 million, prosecutors charge.

At the time of the SEC visit, Giacchetto also hid the fact that his company owed millions to the rock band Phish, its members and associates. After the band discovered unauthorized transfers in its accounts, it threatened legal action against Giacchetto. The money manager relented and signed a confession of wrongdoing, making him liable for the full \$4.7 million.

Despite the legal agreement, however, "Giacchetto and Cassandra have repaid to the Phish clients only a small fraction of those misappropriated funds," according to a legal memo the SEC has filed in the case.

Kent Karlsson, an attorney for Giacchetto, did not return a call for comment. The Cassandra Group also did not return a call for comment.

By Joe Beard, an APBnews.com staff writer.

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Wednesday April 5 5:42 AM ET

Financial Adviser Accused of Theft

By LARRY NEUMEISTER, Associated Press Writer

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NEW YORK (AP) - Dana Giacchetto, who was hauled into court this week to answer federal swindling charges, wants a new career as an entertainment agent.

At a hearing Tuesday where Giacchetto was released on \$1 million bail, U.S. Magistrate Judge Andrew J. Peck suggested that no one "in their right mind will make a deal with him with the current charges."

However, Peck agreed to let Giacchetto travel around the country if he first obtains permission from the government, observing that "a lot of the business is based on the schmooze factor."

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Giacchetto, 37, allegedly stole as much as \$5 million from the band Phish and \$1 million more from others while misappropriating as much as \$20 million entrusted to him.

Some of the money allegedly went to support a lavish lifestyle that Assistant U.S. Attorney David Lewis said demonstrated "a pattern of extraordinary brazenness by Mr. Giacchetto with other people's money."

He is charged with securities fraud and with making false statements to the Securities and Exchange Commission. If convicted, he could face a decade in prison and \$12 million in fines.

He allegedly committed the crimes while serving celebrities including Matt Damon, Cameron Diaz and singer Alanis Morissette with an investment business, The Cassandra Group, run from a SoHo loft. He explained to reporters last year that he founded the business to help "friends" in the entertainment business who were unfamiliar with investing.

Lewis said it was an "alarming proposition" that Giacchetto could make his living as an entertainment agent charging substantial fees.

But Andrew Levander, Giacchetto's lawyer, said his client was trying "to put his life back together" by using contacts in the entertainment

``to put his life back together" by using contacts in the entertainment business to help actors and actresses get movie deals or other business.

Noting that Giacchetto's assets have been frozen, the judge was reluctant to interfere.

He added: ``Assuming Mr. Giacchetto can get on a Greyhound bus, stay in a Motel 6 with the last suit he owns on his back, go schmooze with someone in California in the business, why should we all care?"

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Off to a fresh start?

By REUTERS, April 5, 2000

NEW YORK — Money manager Dana Giacchetto, charged with allegedly stealing \$6 million from his celebrity clients, was released on a \$1 million bond Tuesday and announced plans to start a new business of "finding" actors for producers and studios.

Giacchetto, owner of the Cassandra Group investment firm that once touted a star-studded clientele of rock bands, actors and artists, surrendered to authorities Tuesday morning. He later appeared at a bond hearing in Manhattan Federal Court looking disheveled in a brown pinstriped suit and pastel checkered shirt.

At the hearing, his lawyer, Andrew Levander, said Giacchetto would agree to post a \$1 million personal recognizance

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bond if he could travel within the United States to promote his new business as a "finder" in the entertainment industry.

"He has lots of contacts over the years with people who still have confidence in him," Levander said.

Parents bailed him out

Giacchetto's bond was secured by his parents' \$500,000 home in Massachusetts. He will be allowed to travel only after getting permission from the court's pretrial services department and submitting his travel plans to prosecutors.

Although the government argued that Giacchetto could flee if allowed to travel, U.S. Magistrate Judge Andrew Peck said that a court order issued Monday freezing his assets except for living expenses would prevent him from escaping.

"Assuming Mr. Giacchetto can get on a Greyhound bus and stay in a Motel 6 with the last suit he owns on his back to go schmooze with someone in California in the business, why should we all care?" Peck said.

On Monday, Giacchetto, 37, was charged — in a criminal complaint filed by the federal prosecutors and a civil suit filed by the U.S. Securities and Exchange Commission — with orchestrating a scheme in which he

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allegedly siphoned off clients' funds to pay for everything from loft space in New York's trendy Soho district for Cassandra's operations to his own personal expenses for travel, dining and entertainment.

The charges allege that Giacchetto also used money to make unauthorized donations, including \$90,000 to the New York Arts Academy and \$12,000 to a law enforcement officer for a down payment on a Mercedes-Benz.

Once, Giacchetto was a top financial adviser to the Hollywood and New York jet set. His client list had included superagent Michael Ovitz, the rock group Phish and thespians Matt Damon, Leonardo DiCaprio, Ben Affleck and Cameron Diaz.

But the list began to dwindle when allegations surfaced last fall that he was mishandling money and was under investigation by federal authorities.

Fear of more crimes

Assistant U.S. Attorney David Lewis told Peck that the government was also concerned that provisions of the bond would allow Giacchetto to commit fresh crimes by starting the "finder's fee" business.

He said evidence against the money manager shows a "pattern of extraordinary brazenness by Mr. Giacchetto with other people's money." Lewis said Giacchetto allegedly continued to break the law even after his home was searched by authorities last month.

Defense lawyer Levander argued that the business Giacchetto proposes would involve taking finder's fees for his services, not managing other people's money.

Peck questioned why Giacchetto would need to travel, saying he thought that much of the entertainment business is "based on the schmooze factor" and could be accomplished on the phone.

But Levander said personal contact is essential in that field. "The schmooze factor is the business ... it is the essence of that business."

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Stars' finance guru charged with fraud

By MICHAEL FLEMING, April 4, 2000

NEW YORK — Dana Giacchetto, the 37-year-old high-profile Gotham-based financier who invested funds for movie stars and Hollywood dealmakers, has been charged with securities fraud in a federal criminal complaint that alleges a scheme in which he misappropriated at least \$6 million in client funds.

The three-count complaint, unsealed Monday in Manhattan Federal Court, also charges Giacchetto with fraud under the Investment Advisers Act as well as lying to the U.S. Securities and Exchange Commission.

If convicted on all charges, Giacchetto faces up to 20 years in prison and a fine of \$1.5 million.

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Separately, in a civil action unveiled by the SEC Monday, the commission charged Giacchetto with diverting \$20 million from the accounts of his clients and stealing more than \$4 million of it.

Giacchetto was out of the country Monday and is expected to fly back to New York as early as today to turn himself in, at which time he will be arrested and formally charged, the U.S. Attorney's Office said.

Meanwhile, a U.S. District Court judge granted an SEC request to freeze assets of Giacchetto and his financial firm the Cassandra Group Inc., and appointed a receiver to manage the accounts of any clients with money still controlled by Cassandra. Another hearing is scheduled for April 12. A spokesman for Giacchetto said he had no comment.

The federal complaint is the latest blow in a downward spiral for Giacchetto that began last year (Daily Variety, Dec. 6) when he abruptly lost as many as 17 high-profile clients from a list that once included Matt Damon, Ben Affleck, Leonardo DiCaprio, Tobey Maguire, Edward Burns, Cameron Diaz, Heather Graham, directors like Brian Gibson, dealmakers like Mike Ovitz and Rick Yorn and a host of other managers, producers and studio executives.

According to the charges unveiled Monday

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by the SEC, Giacchetto and his Cassandra Group unlawfully gained possession of at least \$20 million in client funds, diverting more than \$4 million to pay Cassandra's operating expenses as well as Giacchetto's own living expenses. The SEC charged Giacchetto with using those funds to repay other clients who had been defrauded earlier.

Much of the contents of the criminal and civil complaints is similar, but the criminal complaint goes into explicit detail on how Giacchetto allegedly misappropriated millions in client funds.

The particulars

While the identities of specific clients were kept secret, the complaint provides details on eight out of 15 instances of misappropriation, plus another one after a search warrant was executed at Cassandra offices and Giacchetto's apartment on March 16. In that instance, Giacchetto is alleged to have diverted \$121,850 from an unsuspecting client to Cassandra's account to pay for Cassandra's operating expenses.

The feds also charged Giacchetto with lying to SEC examiners by fraudulently providing a portion of Cassandra's balance sheet altered to appear as an entire balance sheet. It falsely represented no liabilities for Cassandra and more than \$1 million in capital, when Cassandra actually had more than \$9.3 million in liabilities and was insolvent by more than \$2.2 million, per the federal complaint.

Giacchetto also used more than \$12,000 in client funds for a downpayment on a Mercedes-Benz provided for a law enforcement officer, according to the SEC and the U.S. Attorney's Office. Lead federal prosecutor Assistant U.S. Attorney David Raymond Lewis said he was "not in a position to elaborate" on the relationship between Giacchetto and the law enforcement official.

Unauthorized

This kind of direct, unauthorized access to client money was entirely inappropriate, per the charges, since Cassandra touted itself as never taking custody of client assets, but

rather bestowing them on an independent entity to safeguard against the very improprieties of which Giacchetto is accused.

Giacchetto is charged with stealing money by diverting checks issued from client accounts at Brown & Co., the independent custodian. He is alleged to have gotten Brown to issue checks payable to particular Cassandra clients that went into the coffers of the firm instead. Giacchetto endorsed the checks in his own name, and deposited them in Cassandra's corporate bank accounts at U.S. Trust Co., per the federal complaint.

Both the SEC and the U.S. attorney essentially charge that Giacchetto engaged in an "asset-kiting" scheme, with Giacchetto using one unwitting client's funds to pay another who complained about inconsistent investment reports.

While reports were rife about sloppy and inconsistent accounting practices back when Daily Variety and the Los Angeles Times published the first articles, Alex Vasilescu, senior trial counsel for the SEC, indicated there was more at issue than undisciplined bookkeeping.

"An investment adviser who advertises himself by touting that he does not have custody of their funds to emphasize how safe it is to invest with him, should not be signing his own name to checks," Vasilescu said. "This is not a situation where maybe somebody cut a corner for an innocent purpose. This is an extensive scheme that goes back to 1997 to steal people's money."

False representations

Advisers, said Vasilescu, who want direct access to client funds must meet strict criteria to ensure money is protected. "He represented to the SEC and to his clients that he wasn't going down that road because he didn't want to have to do all those things."

The investigation uncovered that Giacchetto allegedly concealed this diversion of funds by telling clients Cassandra had invested their monies in securities transactions that never took place; and that monies had been put in "private placements" when they actually were held by Cassandra.

Giacchetto also allegedly provided false order tickets and portfolio statements to some clients who asked pointed questions about where their money was going. He also, according to the indictment, falsely stated that client funds were held in "trust" or "escrow" accounts that didn't exist.

Musician's notes

Giacchetto is a former musician who learned the investment ropes at an old-money Boston bank and ascended in Hollywood by applying conservative investment tactics to the portfolios of young stars and dealmakers who found themselves flush with cash with little idea of how to grow that money.

As his reputation for picking winning investments grew, Giacchetto's client list swelled — and so did his glamorous reputation. He became a staple of gossip columns for his hard-partying travails with the Damons and DiCaprios, was oft photographed for magazine articles with a bird perched on his shoulder and made ill-advised mogul-in-the-making comments in a New York Times Magazine article about Mike Ovitz.

Last year, Giacchetto was profiled in GQ magazine as the coolest money cat on the block, "donning hipster mufti for late-night sit-downs with rockers." CNNfn's rhapsodic portrait of Giacchetto described him as "an endearing blend of frankness and ego and old money / New Age," wrapping up with his plans for a Zimbabwe vacation, certain to provide "candid photo ops with an arm around Leo's shoulder. They went to Cuba last year."

Speculative investments

While clients tired of those antics, many grew particularly wary when Giacchetto strayed from blue-chip investments and put many of his customers into speculative investments like a telecommunications satellite venture that went bankrupt. Worse, according to the SEC, he put them into speculative investments in which he had a personal stake.

According to the SEC and U.S. Attorney's Office, Giacchetto led clients into such

high-risk securities as Paradise Music & Entertainment, engaging in a blatant conflict of interest because he had a personal stake in stock and warrants in the troubled enterprise that briefly was headed by former CAA agent Jay Moloney, who committed suicide last year.

Giacchetto is alleged to have bought Paradise securities at escalated market prices for clients who had told him they did not want a stake in the company even at the substantially lower prices that had been available in a private placement.

The SEC investigation, Vasilescu said, was completed despite Giacchetto's unwillingness to be cooperative. "One thing that developed in the course of the investigation was that it was clear that Mr. Giacchetto was not maintaining or refused to provide financial records that advisers are required to maintain."

Asked if the rumors were true that high-profile clients lost large amounts of money and that Giacchetto might have engaged in cherry-picking winning investments to show high returns to bigger clients while lesser investors were stuck with the bad bets, Vasilescu replied only that they will exhibit in court exactly what monies were taken in, how they were invested and what funds were ultimately paid out.

"Various of his clients are likely to figure out that they lost money, and they'll take whatever course they want to take," he said. "The exhibits speak for themselves, in terms of who was getting money back."

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Feds: Financial Adviser to Celebs Stole \$9M

THE ASSOCIATED PRESS

A financial adviser to young celebrities cheated his clients out of more than \$9 million, giving millions to friends and associates and splurging on hotels and helicopters, federal prosecutors charged yesterday.

In an indictment, the prosecutors said Dana C. Giacchetto, 37, misappropriated the money through Cassandra, a company he ran from a SoHo loft. Federal prosecutors had earlier put the amount stolen at \$6 million.

In the last year alone, Giacchetto

allegedly spent at least \$8,000 on helicopters, \$3,400 on limousines, \$12,000 to lease a new Mercedes Benz and more than \$30,000 on stereos, computers, art and clothing, according to the indictment filed in U.S. District Court in Manhattan.

He allegedly rang up more than \$120,000 in hotel bills, including one stint at a Hollywood hotel that cost more than \$80,000 for 10 suites, the indictment said. Restaurant bills added another \$55,000.

The comforts allegedly supported his ability to flash the pearls of suc-

cess at Hollywood parties where he could pad a client list that included Leonardo DiCaprio, Ben Stiller and Courteney Cox Arquette.

The indictment said Giacchetto promised clients he employed a conservative investment strategy and did not take custody of their money although he actually was looting the accounts.

When federal authorities noticed, he allegedly lied to them, altering a crucial portion of a Cassandra balance sheet from examiners for the Securities and Exchange Commission,

which has alleged he misappropriated as much as \$20 million.

Giacchetto surrendered and was released on bail last month, only to be later ordered held without bail after prosecutors said he was caught at an airport with an expired passport, a bag of cash and \$44,000 in airplane tickets.

If convicted, he faces a maximum sentence on a securities fraud count of 10 years in prison and a fine of up to \$18 million.

Andrew Levander, Giacchetto's lawyer, did not immediately return a telephone message for comment.

NEWSDAY, WEDNESDAY, APRIL 26, 2000

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Giacchetto, Financial Adviser to Stars, Is Charged With Securities Fraud, Lying

By FRANCES A. McMORRIS

Staff Reporter of THE WALL STREET JOURNAL
NEW YORK—Dana Giacchetto, a financial adviser and club-hopping crony to young movie stars such as Matt Damon, Ben Affleck and Leonardo DiCaprio, was hit with criminal and civil charges that he illegally transferred \$20 million of his clients' money and stole about \$6 million of that amount.

Mr. Giacchetto, 37 years old, was charged by federal prosecutors here with securities fraud and lying to the Securities and Exchange Commission, both criminal offenses.

In addition to his star-studded client list, Mr. Giacchetto was known for an entertainment-investment venture he formed in 1998 with Chase Manhattan Corp.'s private-equity arm. The joint venture, Cassandra Chase Entertainment Partners Fund, at first added greatly to Mr. Giacchetto's credibility, but Chase soon began to have worries about its partner and severed its relationship with him in September. During roughly the same period, many of his celebrity clients began to distance themselves from him.

Neither Chase Manhattan nor its restructured Chase Capital Entertainment Partners fund were named in either the criminal or civil government actions, which didn't refer to the activities of the short-lived Cassandra Chase fund. A Chase spokeswoman declined to comment, citing the pending litigation.

A federal judge here froze the assets of Mr. Giacchetto and his firm, Cassandra Group Inc., which also is named as a defendant in the SEC's separate civil lawsuit. A receiver was appointed as well. More than \$4 million of client money remains unaccounted for, the SEC said.

Mr. Giacchetto couldn't be reached to comment yesterday. His lawyer, Andrew Levander, said in a court hearing on the civil issue of asset freezing that his client was out of the country, but flying back. Mr. Levander didn't directly address in court his client's culpability, and the lawyer didn't return a telephone call seeking comment. Mr. Levander said in court that he hadn't had a chance to talk to his client about the indictment and civil allegations. The defendant "has begun to close down his advisory business," the attorney added in court.

Mr. Giacchetto, the sole owner and president of Cassandra Group, built his celebrity clientele by portraying himself as someone who spoke the language of the entertainment community but favored safe investments. Among the other glamorous clients whose business and friendship put him in the gossip columns were actors Courtney Cox and Ben Stiller and musicians such as Fred Schneider, the lead

singer of the B-52s, and two members of the Smashing Pumpkins rock group.

In their court papers, federal prosecutors painted a different portrait. The government alleged that from June 1997 until last month, Mr. Giacchetto, or his firm, made "over 100 wrongful transfers from dozens of client accounts, totaling more than \$20 million." He called Boston-based Brown & Co., where clients had custodial accounts, and had client checks sent to him, the government alleged. Mr. Giacchetto then allegedly endorsed those checks and deposited them into Cassandra Group's main account.

For example, 12 checks from the accounts of the rock band Phish, totaling about \$3 million, were issued from the client accounts and endorsed and deposited by Mr. Giacchetto in November and December 1999, prosecutors contended. But, the band's accountant allegedly told law-enforcement agents that those transfers weren't authorized. In fact, Phish had sued Mr. Giacchetto last year, and he had quietly signed two judgments acknowledging he unlawfully took \$3.9 million from the band members and an additional \$968,900 from the band's manager. He unlawfully failed to disclose those judgments to other clients and to the SEC, the government alleged.

Since 1997, Mr. Giacchetto's firm "became little more than an asset-kiting scheme, as Mr. Giacchetto paid complaining clients with funds stolen from other clients," the SEC alleged in its suit.

Mr. Giacchetto faces 10 years in prison on the securities fraud count and at least \$1 million in fines in the criminal case.

U.S. Attorney Mary Jo White called the case "a stark reminder to professional investment advisors that they will be held to the strict fiduciary standard applicable to issuers, brokers, accountants and other securities professionals."

As of last year, Cassandra Group managed 305 client securities portfolios with an aggregate market value of more than \$100 million, rather than the \$300 million that Mr. Giacchetto claimed, the SEC said.

In addition to the stars he had as clients, Mr. Giacchetto also handled investments for Hollywood agents and managers: Michael Ovitz of Artists Management Group at one point had nearly \$300,000 invested with Mr. Giacchetto's advice, although he withdrew the money in the summer. Mr. Ovitz declined to comment on the charges against Mr. Giacchetto.

Similarly, representatives of the stars once affiliated with Mr. Giacchetto either didn't return calls or had no comment.

—Bruce Orwell in Los Angeles
contributed to this article.

Investment Adviser to Stars Faces Stock Fraud Charges

By JOHN SULLIVAN

As recently as a year ago, Dana C. Giacchetto was an investment adviser to the stars, counting actors, rock bands and artists among his clients. He moved in a world of high-powered entertainment deals, and his boyish face stared from the pages of national magazines.

But his small investment company began losing a string of clients during the winter, and in March federal agents searched his home and office. Yesterday, federal prosecutors in Manhattan charged that Mr. Giacchetto, 37, looted more than \$6 million from clients and lied to securities investigators about financial problems at his company, the Cassandra Group.

Although prosecutors would not identify which clients lost money, Mr. Giacchetto, who was charged with stock fraud, has listed Matt Damon, Ben Stiller and the rock group Phish among his clientele, according to records filed in court. Mr. Giacchetto's company managed more than \$100 million for 305 clients in 1999, according to records filed with the Securities and Exchange Commission.

Yesterday, a federal judge granted a request by securities officials to freeze his company's assets.

S.E.C. lawyers say that Mr. Giacchetto billed himself as a safe and conservative money manager to appeal to artists and entertainers who had considerable wealth but lacked financial sophistication.

The company's brochures said that the Cassandra Group never had direct custody of its clients' money, and therefore "assures the client security of his or her account."

Instead, the company deposited the money with a separate company.

Mr. Giacchetto was allowed to make stock trades with the money, but he was never supposed to take custody of the money.

But Mr. Giacchetto did not abide by the terms of the bargain, federal prosecutors from the Southern District of New York said.

They said that from 1997 until March 20, 2000, Mr. Giacchetto improperly transferred \$20 million from his clients' bank accounts into his company's accounts.

Once it was there, prosecutors charged, Mr. Giacchetto took about \$6 million in various ways. He used

some of the money to pay Cassandra's business expenses, and other money to pay his own bills, including travel, dining and rent at his SoHo loft, the prosecutors said. Other money was used to repay clients whose money had previously been taken, they said.

Prosecutors also charged that Mr. Giacchetto made hundreds of thousands of dollars in unauthorized loans to friends. They said he also donated \$90,000 to the New York Arts Academy and \$5,000 to the New York Police Scholarship Fund. Mr. Giacchetto also took \$12,000 to make a down payment for a leased Mercedes Benz, prosecutors said.

Examiners from the Securities and Exchange Commission began to uncover problems at the Cassandra Group during an examination in December, said Wayne Carlin, associate regional director for the S.E.C. Officials would not say why they conducted the examination, but several newspapers published articles about the company at about the same time. During the review, examiners were struck by the lack of financial records.

"A lot of the basic financial records Mr. Giacchetto either claimed he did not have or failed to make available," Mr. Carlin said.

He said that the S.E.C. eventually obtained the records from clients or from a search warrant that the F.B.I. executed on Mr. Giacchetto's home and office in March.

Mr. Carlin said that Mr. Giacchetto did not stop making the transfers once the S.E.C. examiners began work. In fact, he said, Mr. Giacchetto made transfers even after the F.B.I. searched his business.

Mr. Giacchetto, who did not appear in court yesterday, was out of the country and was expected to return today, his lawyer, Andrew J. Levander, said.

Mr. Levander would not comment on the criminal case, saying he has not had a chance to speak with his client or fully read the documents. If convicted on all charges, Mr. Giacchetto would face up to 10 years in federal prison.

Other points of view
on the Op-Ed page
seven days a week.

The New York Times

72,000 slots cut for summer school

By ALISON GENDAR
DAILY NEWS STAFF WRITER

Interim Schools Chancellor Harold Levy yesterday slashed the Board of Education's ambitious summer school program by 72,000 seats, citing an expected shortage of teachers.

"This is triage; don't get it wrong," Levy said at a news conference at Board of Education headquarters in Brooklyn. "The alternative is not running a summer program at all, and that is unacceptable."

Levy said this year's program would serve 250,000 students instead of the 322,000 initially estimated. And he left open the possibility that it would be trimmed further before summer begins.

The cuts won't affect failing students who will be held back under the board's tough new promotion policy unless their performance improves. Those students will get seats in the five-week summer program, Levy said.

But students in grades 3 through 8 who narrowly escape

falling, the majority of special education students and high achievers seeking extra courses will be excluded.

Levy also booted between 10,000 and 11,000 private and parochial students who traditionally attend public school summer classes free.

"Who do I help first? The kid who is drowning or the kid who is already learning to swim?" Levy asked.

By providing seats to the lowest-performing students, Levy said he preserved the board's promotion policy, which blocks promotion of students who don't pass coursework and exams.

Levy said the system should be able to hire the 14,000 to 15,000 teachers needed for the program by aggressively recruiting public, private, retired and out-of-state teachers.

Saying chances of reviving talks between City Hall and the teachers union over an incentive package are "slim," Levy yesterday directed superintendents to

begin hiring summer teachers at the current rate of \$33 an hour. Randi Weingarten, president of the United Federation of Teachers, said given the city's "bad-faith bargaining," Levy had no choice but to reduce the program.

Deputy Mayor Tony Coles, referring to the cutbacks, said the board "seems to be trying to lower expectations for students in summer school." But he applauded Levy's willingness to recruit outside the public schools.

Six superintendents contacted said they thought they would be able to find the number of teachers they need.

Many teachers, though, were more skeptical of the city's ability to attract staff without incentives.

"Summer camps are always looking for certified teachers, and if you teach there, your children can attend camp for free. There is no shortage of summer jobs out there," said Barbara Tepper, a librarian at Lower East Side Preparatory High School.



SACRILEGE In Bayside, Queens, Our Lady of the Blessed Sacrament Church's 200-pound statue of the Blessed Mother and Child was thrown from pedestal and found on its side in bushes.

Revered Queens statues attacked

By EMILY GEST
and ALICE McQUILLAN
DAILY NEWS STAFF WRITERS

Statues of the Blessed Virgin were toppled outside a Catholic church and a parish school in separate sections of Queens last weekend, police said yesterday.

Investigators don't believe the incidents are related to a larger string of 11 anti-Catholic statue desecrations in Brooklyn since September.

On Saturday afternoon, a gardener at Our Lady of the Blessed Sacrament Church in Bayside discovered a stone statue of the Blessed Mother and Child thrown from its pedestal. Then on Sunday morning a

side Our Lady of Miraculous Medal School in Ridgewood was tossed off its stand and broken.

In the Bayside case, detectives yesterday arrested a 12-year-old boy for etching a swastika and a tag name into drying cement outside the church convent. The tag name led police to the boy. However, police don't believe he was responsible for toppling the statue. His name was withheld because he is a juvenile, but a source said he does not attend the parish or school.

At Blessed Sacrament Church, the 200-pound statue did not shatter but was found on its side in bushes out-

Msgr. Vincent Keane. "It was a shocking thing for us — that somebody would do that on church property. I don't know why somebody would do something like this. Shocking."

"The statue, he said, "is venerated." In May, parishioners crown it with flowers.

A police source said the two Queens cases were being investigated as possible bias incidents, but cops suspect they were committed by neighborhood kids and are not linked to each other.

In Brooklyn, elusive vandals have desecrated Catholic statues in a string of attacks. There is a \$76,000 reward for information leading to an arrest and conviction in these incidents.

HOLLYWOOD HOODWINK

STARS

WHO LOST WHAT

According to U.S. Securities and Exchange Commission documents, Dana Giacchetto's victims include:

Courteney Cox Arquette, actress

► \$825,000 of her money went into a Cassandra general fund, where it was allegedly used to pay bills and cover losses in other investors' accounts. It's not clear how much money, if any, she recovered.



Ben Stiller, actor

◀ Giacchetto allegedly used \$250,000 of his money to buy artwork. Not clear from court papers whether Stiller was paid back from funds of other clients.

Fred Schneider of the B-52's

► Giacchetto allegedly used \$226,000 of his money to lease a Mercedes, pay American Express bills and other fees. Status of any reimbursement unknown.

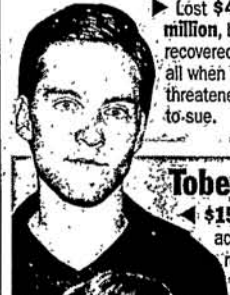


Lauren Holly, actress

◀ \$300,000 of her money went into another investor's account. Status of any reimbursement unknown.

Phish, rock band

► Lost \$4.7 million, but recovered it all when they threatened to sue.



Tobey Maguire, actor

◀ \$150,000 went into another investor's account. Status of any reimbursement unknown.



Ben Affleck, actor

► \$20,000 of his money to pay American Express bills. Status of any reimbursement unknown.



Matt Damon, actor

◀ \$100,000 of his money to pay Bell Atlantic and other bills and cover losses in other accounts. Status of any reimbursement unknown.

By Alison Gendar, Daily News

BILKED OF \$6 MIL

Feds rap fund manager in fraud

By GREG B. SMITH
DAILY NEWS STAFF WRITER

A high-living Wall Street broker to the stars was charged yesterday with stealing \$6 million from his celebrity clients to pay for an intoxicating international lifestyle.

Dana Giacchetto, 37, once the hottest financial guru to young Hollywood, was scheduled to appear in Manhattan Federal Court today to face securities fraud charges that could net him 10 years in prison.

The Prada-suit-wearing fund manager allegedly took up to \$20 million from accounts without telling clients such as actors Matt Damon, Ben Affleck, Ben Stiller and Tobey Maguire, actresses Courteney Cox Arquette and Lauren Holly, artist David Salle and disgraced Wall Street tycoon Ivan Boesky's daughter, Marianne.

The one-time rock musician also took nearly \$5 million from the accounts of the rock band Phish and smaller amounts from Fred Schneider of the B-52's, Smashing Pumpkins' guitarist James Iha and bass player D'Arcy Wretzky-Brown, according to documents filed by the Securities and Exchange Commission.

Investigators said that \$825,000 of Cox Arquette's money went into a general fund, operated by Giacchetto, where it was used to pay bills and cover losses in the accounts of other Giacchetto investors.

Salle saw \$200,000 of his funds used to pay bills or transferred into other investors' accounts, including those of singer Alanis Morissette, according to the SEC. Nearly \$200,000 of Marianne Boesky's money allegedly was used to pay bills or was transferred to other investors' accounts.

Claiming he was two credits shy of a Harvard MBA when in fact he had only graduated with a bachelor's degree from the University of Massachusetts, Giacchetto charmed his way into the fast-paced world of movies, music and art celebrity.

He promised high-profile clients he would invest their money only conservatively, but

regulators said he turned to high-risk investments and began losing big bucks.

According to the charges, he then tried to hide losses by using the funds of one client to pay off others — akin to a Ponzi scheme. As more clients grew suspicious and pulled out, his glittering empire crumbled, investigators said.

Later yesterday, the SEC asked a federal judge to appoint a receiver, saying Giacchetto's Cassandra Group has \$6 million in assets and \$9 million in liabilities. Judge Lawrence McKenna said he would rule soon.

According to SEC documents, Salle lost all his money, but it was not clear how much, if any, the other victims recovered. The complaint dates to 1997, but court papers include only a sampling of transfers in 1999.

Giacchetto's lawyer, Andrew Levander, said his client was overseas when the charges were unsealed by Assistant U.S. Attorney David Lewis.

Levander declined to comment, except to tell McKenna that Giacchetto last week notified his clients he would no longer be investing their money.

The criminal and civil complaints filed by the SEC and Manhattan U.S. Attorney Mary Jo White mark a drastic turning point for a man whose name was often in the gossip columns more than his clients'.

Giacchetto was photographed nightclubbing with clients like actor Leonardo DiCaprio, actress Cameron Diaz and Morissette.

But court papers filed by the SEC charge that while Giacchetto was dropping the celebs' names, he was looting their accounts.

It appears the rock band Phish suffered the most — \$4.7 million, all of which Giacchetto paid back in a confession of judgment last fall, when the band inquired about its money.

From others, says the SEC complaint, he made secret six-figure withdrawals to pay off Cassandra Fund's bills and fuel an opulent lifestyle, which included a penthouse loft in SoHo, dinners, hotels and American Express bills incurred around the world.

Morissette — who was listed only as receiving money into her account in 1999, Boesky, Cox Arquette, Phish, Damon, Affleck and the members of Smashing Pumpkins had no comment.

Representatives for Salle, Holly, Stiller, Schneider and Maguire could not be immediately reached for comment.

With Emily Gest



Dana Giacchetto was a nightclubber who became chummy with the rich and famous he allegedly stole from.

PATRICK McMULLAN

Tipster lived high life with celeb pals

By CHRISENA COLEMAN
DAILY NEWS STAFF WRITER

Dana Giacchetto was known for his roster of high-profile clients and friends, including Leonardo DiCaprio, Gwyneth Paltrow, Ben Affleck, Q-Tip and Tinseltown agent Michael Ovitz.

Giacchetto, 37, who lived and worked out of his Manhattan loft, had become so chummy with celebrities that many of them, including DiCaprio, Affleck, Cameron Diaz and Matt Damon, visited him regularly to solicit stock tips and seek

advice for investing their millions.

Known for using his charm and wit to lure clients and friends, Giacchetto has been part of DiCaprio's party-all-night posse.

Actress Courteney Cox Arquette, another of his financial clients, took him on vacation with her family; Ovitz invited him to sail around Italy on his yacht.

He also was friends with singers Alanis Morissette and REM's Michael Stipe. Giacchetto, who wears wire-framed glasses and often dresses in black ap-

pears from time to time with his pet cockatoo perched on his shoulder.

But his world began to crumble seven months ago, when word spread that he was the subject of a federal investigation. Giacchetto lost more than a dozen of his glitzy clients and hired a publicist to polish his tarnished image as part of an effort to reclaim business.

Before forming the New York-based Cassandra Group in 1987, the native of Medford, Mass., worked as a rock keyboard player.

DAILY NEWS

Tuesday, April 4, 2000

CELEB-SCAM SUSPECT: FREE AGENT



HAT TRICK: Dana Giacchetto wears a knit cap to shield his face as FBI agents lead him to federal court (right) yesterday but later (above) he was ready to face the press. The disgraced money manager, who allegedly stole more than \$6 million from his celeb clients, now wants to be a Hollywood agent.

Dana Giacchetto wears a knit cap to shield his face as FBI agents lead him to federal court (right) yesterday but later (above) he was ready to face the press. The disgraced money manager, who allegedly stole more than \$6 million from his celeb clients, now wants to be a Hollywood agent.

N.Y. Post: W.A. Funches Jr. (right); Joey Nowfield (above)



By DEVLIN BARRETT

A celebrity broker accused of swindling millions from his Hollywood star clients now wants to pursue a new role while he's free on bail: an agent in Tinseltown.

Money manager Dana Giacchetto was released on \$1 million bond yesterday after appearing in Manhattan federal court on fraud charges.

Giacchetto allegedly swiped more than \$6 million — and perhaps much more — from the accounts of his famous clients, including actors Courteney Cox, Matt Damon and Ben Stiller and the rock band Phish.

His lawyer, Andrew Levander, told the judge yesterday that his client wants to reinvent himself as an agent and “get on with his life.”

The new career path left a surprised Magistrate Andrew Peck suggesting that “nobody” in their right mind would make a deal with him in light of the recent charges.

But Levander said Giacchetto was beginning a new business of “introducing” actors to movie directors and studios in exchange for a “finder’s fee.”

Prosecutor David Lewis vehemently opposed the idea, saying the accused swindler would be doing work similar to what led to his big-bucks fraud charges, and asked the judge not to allow him to travel to California for the

proposed business.

Levander said it was essential for Giacchetto to mingle with the beautiful people in Southern California.

“The schmooze factor is the business... it is the essence of that business,” Levander argued.

But Lewis said bank records show “a pattern of extraordinary brazenness by Mr. Giacchetto with other people’s money,” including “truly lavish spending” on himself.

Peck then suggested that Giacchetto’s finances could be monitored so that he could still “schmooze” without living extravagantly.

Giacchetto’s lawyer said his client is interested only in “getting back on his feet, paying back whatever obligations he has and getting on with his life.”

The judge finally relented to Giacchetto’s unusual request, but said Giacchetto would have to check with probation officials each time he left New York City.

The broker’s parents, who put up their home to free their son, will make the decision whether he should travel coach or first class, the judge said.

“This is showbiz, guess,” laughed an entertainment industry executive close to some of Giacchetto’s former clients. “Crazier things have happened.”

Court upholds commuter-tax KO

ALBANY — The state’s top court yesterday upheld repeal of the New York City commuter tax.

In a unanimous decision, the Court of Appeals also ruled that making commuters from New Jersey and Connecticut pay the city tax while exempting New York residents violates the U.S. Constitution.

The decision affects more than 800,000 daily commuters — and means a loss of \$360 million annually for the city.

The city will have to refund \$105 million to New Jersey and Connecticut commuters since the tax was repealed for in-state residents in July.

The city is not expected to appeal. Mayor Giuliani, speaking after a campaign stop on Long Island, said he had expected to lose the battle, but defended the city’s position.

“I’m hopeful at some point when everybody settles their political differences, they’ll restore something,” Giuliani said.

In the 16-page decision written by Judge Richard Wesley, the Court of Appeals rejected the city’s contention that the state could not repeal the tax without a prior request from the City Council.

Marc Carey, a spokesman for the state Tax Department, said “there will be a concerted effort to inform people,” but added it will be mostly up to commuters to make sure they fill out their tax forms if they want to receive refunds.

Kenneth Lovett

A Special Breakfast For A Special Day

FREE MANUFACTURER'S COUPON **FREE**
EXPIRES 04/16/00

FREE EGGS

(UP TO \$0.99)

When you buy any Minute Maid Premium Orange Juice (64 oz. or larger) AND any Jimmy Dean Product (excluding the 3.0-4.5 oz. Single Serve Breakfast Sandwich).

\$1M Bond for Stars' Money Man

By Patricia Hurtado

STAFF WRITER

A high-flying money manager accused of ripping off actors, artists and musicians was released on \$1-million bond yesterday after announcing he wants to reinvent himself as a "finder" for the stars.

Dana Giacchetto, 37, surrendered at the FBI's lower Manhattan headquarters yesterday morning after returning home from a vacation in France. His parents agreed to put up their \$500,000 home in Medford, Mass. and co-signed Giacchetto's personal-recognition bond.

Giacchetto, a boyish-looking man who bears a striking resemblance to Microsoft's Bill Gates, was arraigned before U.S. Magistrate Judge Andrew Peck.

Assistant U.S. Attorney David Lewis charged in a federal complaint unsealed Monday that Giacchetto and The Cassandra Group, an investment firm he ran from a Soho loft, looted more than \$6 million from the accounts of his celebrity clients and illegally transferred at least \$20 million of their funds between various accounts to cover up his crimes.

A debate erupted yesterday when Giacchetto's lawyer, Andrew Levander, told Peck that his client was seeking a new kind of employment as a "finder," or agent and wanted to travel freely in the U.S. and abroad.

"The nature of the business would entail a great deal of travel in the U.S. and even internationally," Levander said. "There are still people in the business that have faith in him."

Levander said his client, as a finder, would meet with celebrity A and celebrity B to put them together in an entertainment deal for a fee. Lewis objected, saying Giacchetto's travel should be limited to New York. He also objected to Giacchetto's proposed line of work, given the accusations of fraudulent practices. Lewis noted that the criminal complaint against Giacchetto charges that he illegally misapplied and spent client's funds.



Dana Giacchetto, center, accused of bilking celebrity clients out of millions of dollars, sports a low-visibility look yesterday as he surrenders to the FBI at their lower Manhattan headquarters.

"We continue to come across documents of truly lavish spending of money that is not Mr. Giacchetto's," Lewis said.

Peck evoked laughter several times when he wondered aloud why Giacchetto needed to travel when he could easily use the phone "except for the fact that a lot of the [Hollywood] business has to do with the 'schmooze factor.'"

Peck also asked Lewis why he was objecting to Giacchetto's new line of work, saying, "Are you say-

ing he can't do it, or nobody in their right mind would let him?"

Peck granted the prosecution's request on travel restrictions and ordered Giacchetto to seek prior approval from his Federal Pretrial Services officer and notify prosecutors before taking a trip.

If convicted, Giacchetto faces as much as 10 years in prison and \$12 million in fines. He refused comment as he left the courthouse.

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Celebrity money manager charged

LOS ANGELES, April 4 – A New York City money manager, whose clients include actor Leonardo DiCaprio and Hollywood power broker Michael Ovitz, has been charged with stealing at least \$6 million of his clients' funds.



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Rubbing shoulders with the stars, Giacchetto gained their trust. See how he cheated stars of millions of dollars.

Dana Giacchetto, 37, was charged Monday in New York with three criminal counts and is expected to surrender to the FBI today, a local newspaper reported. His lawyer was not available for comment.

"Wholesale looting," is how authorities described the way Giacchetto allegedly shuffled more than \$20 million belonging to clients that also included actors Matt Damon, Ben Stiller and Courteney Cox Arquette into his own account, the paper reported.

And the rock group Phish's account appears to be one of the largest allegedly tapped by Giacchetto, according to court papers.

A Boston native, Giacchetto is president of the investment firm the Cassandra Group, based in his trendy loft in New York's SoHo district.

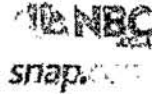
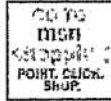
DiCaprio and other A-list clients often stayed in the loft, and Giacchetto allegedly sold himself to Hollywood as a savvy, conservative investor, becoming "Hollywood's Gen-X money manager," the newspaper reported.

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Reno Meets With Relatives, But
No Immediate Solution / Page A3

NASDAQ

Tech Stocks Plummet 7.1 Percent
As Index Turns Bearish / Page A7

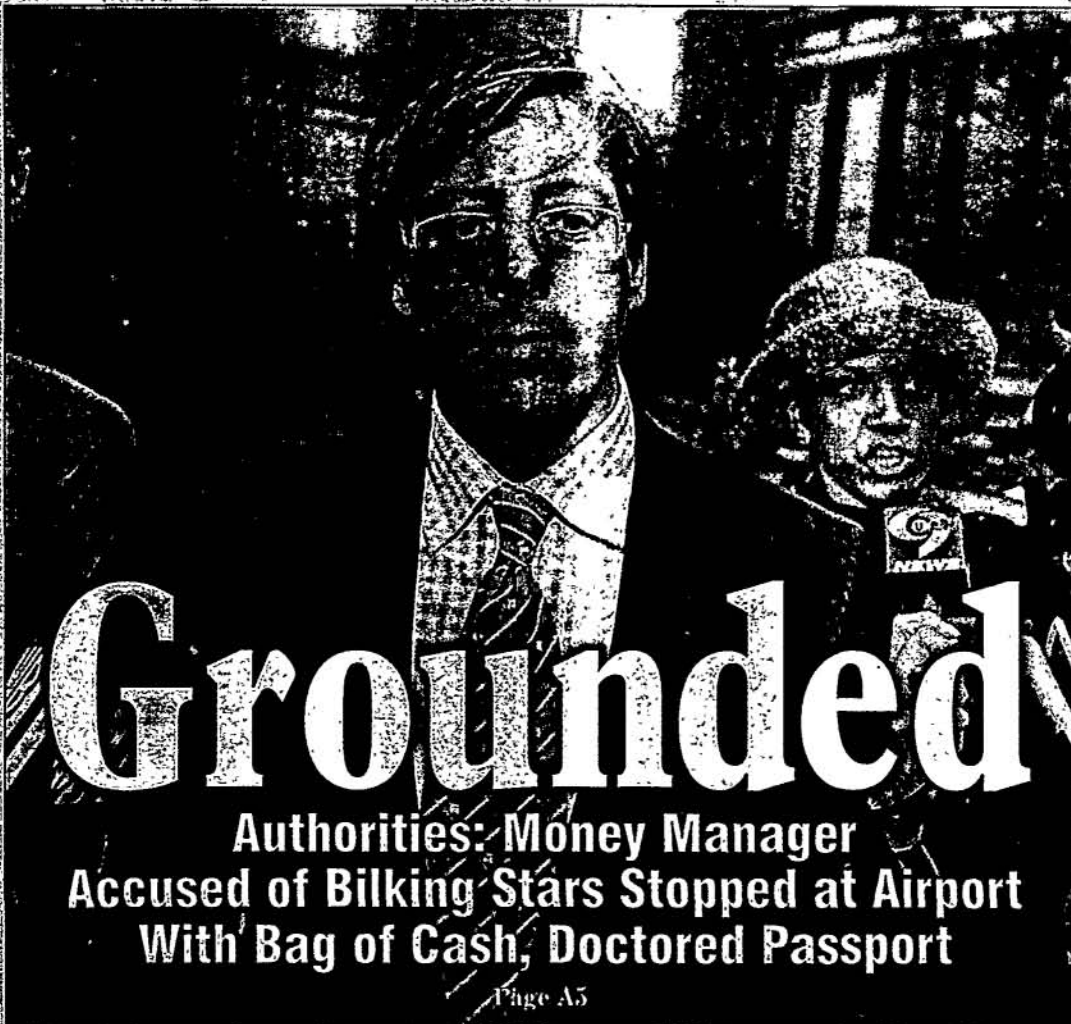
SPORTS

Newsday

<http://www.newsday.com>

THURSDAY, APRIL 13, 2000

50¢



Grounded

**Authorities: Money Manager
Accused of Bilking Stars Stopped at Airport
With Bag of Cash, Doctored Passport**

Page A5

Dana Giacchetto, outside Manhattan Court after appearing last week, is now being held without bail.

AP Photo.

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New York 04/11/00

Financier Grounded

Accused of jumping bond, cash in hand

By Patricia Hurtado

STAFF WRITER

Dana Giacchetto, the high-flying money manager accused of looting millions of dollars from his celebrity clients, was jailed yesterday after prosecutors said he was caught with a doctored passport, a bag of cash and scores of airline tickets for foreign destinations.

His arrest on charges of violating the terms of his \$1-million bail bond was the latest twist in the saga of a money manager who befriended and allegedly bilked young stars such as Leonardo DiCaprio, Ben Affleck, Matt Damon and members of the music group Phish.

Federal magistrate James Francis ordered Giacchetto, 37, to jail after prosecutor David Lewis complained of the defendant's "extraordinary conduct," which he said began soon after his release last week on securities fraud charges.

But Giacchetto's lawyer said his client wasn't trying to flee prosecution. He just wanted to go to Rome as a romantic backdrop to propose marriage to his girlfriend, the lawyer said.

"He was shocked to find he was wanted, and he returned to face the music," defense lawyer Andrew LeVander said.

The prosecutor retorted that the explanation did not "meet the straight-face test."

Giacchetto, who lives in a SoHo loft, was ordered jailed until a trial, no date was set. He was in the Metropolitan Correctional Center in lower Manhattan last night, said Deputy U.S. Marshal Tim Hogan.

Giacchetto, who was wearing a rumpled lavender neck sweater and jeans in court, showed no expres-



AP Photo

Dana Giacchetto

Tokyo, Singapore and Frankfurt, Lewis said.

He said Giacchetto also had two more first-class Alitalia tickets worth \$7,600 for travel from Los Angeles to Kennedy Airport, then to Rome. They were in the name of Giacchetto and his girlfriend, Allegra Brocco, who has not been charged with wrongdoing, the prosecutor said.

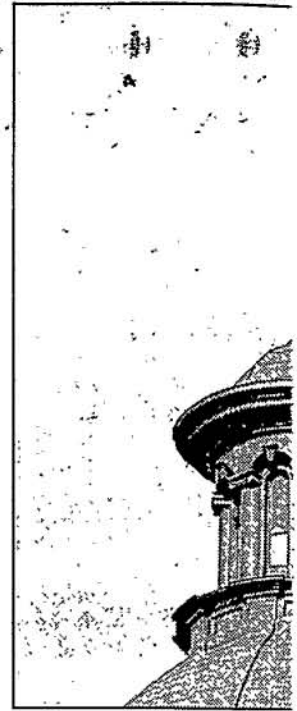
Lewis said that Giacchetto had somehow bought the United and Alitalia tickets with assets that were already frozen as a result of the charges against him.

When he was arrested, Lewis said, Giacchetto was carrying a bag containing \$4,000 in \$10 and \$5 bills and that the plane tickets were worth more than

sion as he was led away by marshals.

Lewis said the FBI arrested Giacchetto yesterday at 1:50 a.m. as he landed at Newark Airport from Las Vegas. He was carrying at least 80 unused airline tickets, including a newly purchased \$8,500 United Airlines ticket that would have allowed him to travel to seven destinations, including Los Angeles, Honolulu,

See GIACCHETTO on A67



The Confederate flag flies a house, but its days there ma

S.C. V To Re Rebel

State Sena bill; House

THE ASSOCIATED PRESS

Columbia, S.C. — Sout terday took the first step ate flag from atop the Sta years after the first shots

South Carolina is the o above its statehouse, an for the Advancement of C tourism boycott of the sta

"I think it's a great day, sacrificing their special i best for the people of So Sen. McKinley Washingto vote to take down the fla

The bill is up for final a Democratic-controlled Sei ally a procedural matter, would then head to the Re

In 1994, the House adja a Senate-approved plan to Hodges, a Democrat, sup

"The hour has come, as and the Army of Northern

Sheppard Case Closed

Ohio jury rejects wrongful imprisonment claim

THE ASSOCIATED PRESS

Cleveland — A jury yesterday rejected the claim of Dr. Sam Sheppard's son that his father was wrongfully imprisoned for his mother's 1954 beating death.

The decision is a major victory for prosecutors who believe Sheppard killed his wife in one of America's most notorious slayings.

The jury's decision means the couple's son, Sam Reese Sheppard, failed to meet the burden of proof in his civil lawsuit against the state of Ohio. To win, Sheppard needed to convince the jurors in Cuyahoga County Common Pleas Court that the majority of evidence showed his father was innocent.

Dr. Sheppard claimed he was sleeping downstairs at the time of the murder and awoke to his wife's cries. He ran to help her but was knocked unconscious by a bushy-haired intruder, he said.

The case of the wealthy, handsome doctor on trial for murder riveted the nation. A jury convicted Sheppard, and he spent nearly a decade in prison.

But the U.S. Supreme Court overturned the verdict, ruling that the trial judge failed to shield jurors and witnesses from a crush of negative media reports.

Sheppard was acquitted at a retrial in 1966 but the public remained divided on whether he was guilty. He died four years later.

Stars' Money Man Grounded

GIACCHETTO from A5

\$44,000. He said the most significant item recovered from Giacchetto was an expired passport that had been mutilated, with the expiration date altered and a page ripped out.

Lewis charged that Giacchetto had also violated travel restrictions, noting that Giacchetto had been ordered to notify federal court officials about his travel outside New York and obtain prior approval from prosecutors. Giacchetto had merely left messages on the agency's answering machine that he was going to Las Vegas, Los Angeles and possibly Washington, D.C., and made no mention of foreign travel, Lewis said.

He said that Giacchetto had also violated a \$100-a-day spending cap a federal judge imposed in a civil case brought by the Securities and Exchange Commission.

And, the prosecutor continued, Giacchetto tried unsuccessfully to withdraw money from accounts fro-

zen under court order, using an ATM at LaGuardia Airport Sunday night.

Levander, Giacchetto's lawyer, urged that his client be allowed to remain free, saying, "I think the government has overreacted."

Levander said his client was using the old passport for identification purposes only and had been on a business trip for his new vocation as a talent agent. Giacchetto returned voluntarily, he said. Lewis, the prosecutor, responded by noting that Giacchetto had been previously ordered to surrender all travel documents as part of the terms of his release.

"Clearly, Mr. Giacchetto violated the conditions of this bail," Lewis said. "This kind of behavior demonstrates that there are no conditions which could ensure his return."

Magistrate Francis agreed, saying that the amount of cash Giacchetto was carrying was troubling, adding, "small bills in a bag indicate behavior that is not consistent with a business trip."

S.C. Senate Vote: Take Down Flag

FLAG from A5

20 feet. That element was added to satisfy black lawmakers and other flag opponents who did not want the flag in a position prominent to passers-by.

The bill also would remove the Confederate flags hanging in the House and Senate chambers, and it would protect all monuments, memorials and buildings erected or named in honor of the Confederacy or civil-rights movement.

Opponents of the flag say it is a racist symbol, while supporters say it represents Southern heritage and honors Confederate war dead.

Not all senators were on board.

"Race relations will not be the same in this state in my lifetime if you take that flag down," said Republican Sen. Harvey Peeler. He said "the rebels would yell" if the flag was removed because they do not want to be told what to do.

Hundreds of people with Confederate regalia lined up to get inside the Senate gallery for the debate.

"We need a nonpartisan binding referendum," Steven Roark said. "The people who lost their lives for that flag didn't know anything about politics. They just knew they had to pick up the squirrel gun and fight for the farm."

NEWSPAPER, THURSDAY, APRIL 13, 2000

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Celebrity broker has bail yanked

By GREG B. SMITH
DAILY NEWS STAFF WRITER

A broker to the stars charged with cheating his glittering clients was in jail last night after he was busted for skipping town with 80 airline tickets, \$4,000 in small bills and an altered passport in hand.

Dana Giacchetto, 37, allegedly bought nine of the tickets to places like Tokyo, Singapore and Rome after he was charged last week in Manhattan with stealing \$6 million from clients such as Courteney Cox and Ben Stiller.



Dana Giacchetto

A federal magistrate, rejecting Giacchetto's explanations that he was planning to propose marriage to his girlfriend in Rome, quickly revoked Giacchetto's \$1 million bail and tossed him into jail.

Giacchetto's attorney, Andrew Levander, said the government was "over-reacting" by pulling the bail.

"He's a confused young man that made an error of judgment," Levander said.

But Giacchetto's conduct after April 3, when he was charged with massive securities fraud, was "absolutely extraordinary," said Assistant U.S. Attorney David Lewis.

Although Giacchetto's assets were frozen to the point of allowing him only a \$100 daily allow-

ance, that didn't stop him from several unsuccessful tries to make automated-teller machine withdrawals last weekend in amounts ranging from \$300 to \$1,000.

About 8 p.m. Sunday, while at LaGuardia Airport, he allegedly bought \$8,500 worth of tickets for a round-the-world trip: from Denver to Las Vegas to Los Angeles to Honolulu to Tokyo to Singapore to Frankfurt.

An hour later, he charged a \$7,622 trip from Los Angeles through New York to Rome for a flight leaving Tuesday. Prosecutors tracked him to a hotel in Las Vegas, and on his lawyer's instructions, he quickly flew back to New York.

When he was arrested, agents found \$4,000 in cash in a bag, plus 71 more tickets to global locales that had been purchased before the fraud charges.

Although Giacchetto had been ordered to surrender his passport after his arrest, agents also found a passport with the page showing the expiration date removed.

Late yesterday, Giacchetto, who once lunched with Leonardo DiCaprio and partied with Matt Damon, was remanded to the Metropolitan Correctional Center in Manhattan.

Hil to skip Arab dinner because Israelis left out

By KENNETH R. BAZINET
DAILY NEWS WASHINGTON BUREAU

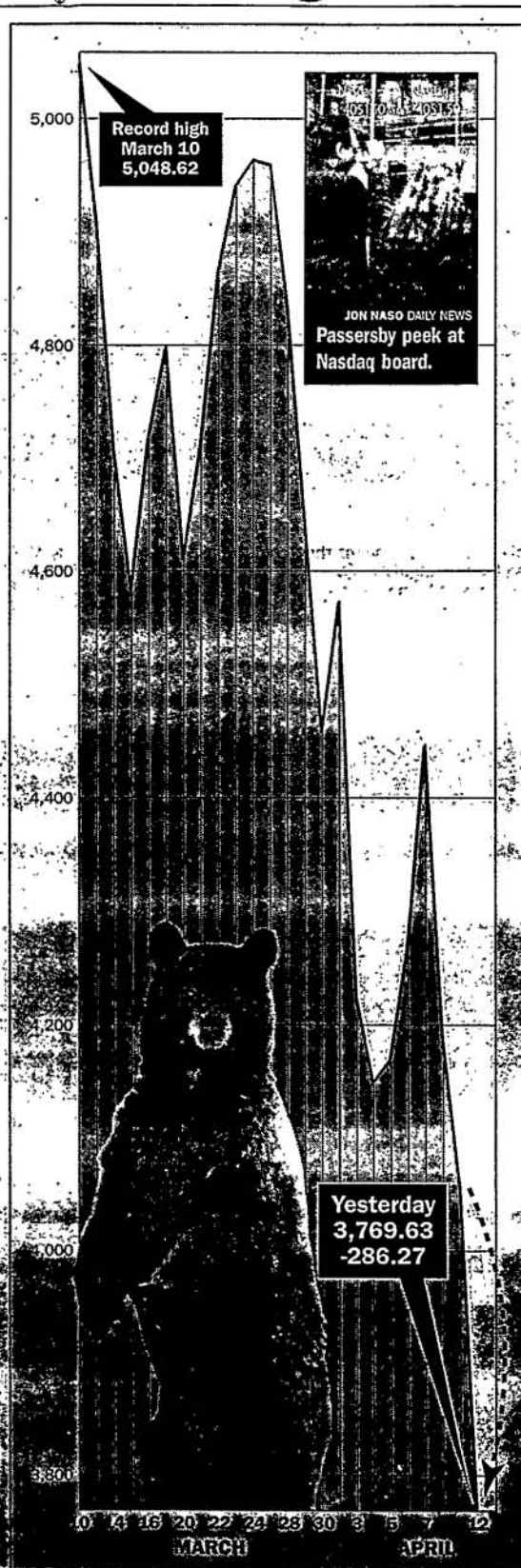
WASHINGTON — Hillary Rodham Clinton tried to head off a new crisis with the Jewish community last night when she abruptly withdrew as honorary chairwoman of an Arab-American charity dinner because Israelis were not invited.

The First Lady has supported the charity work of the Mosaic

Giuliani's campaign called the action "blatantly political."

Mrs. Clinton invited this group to the White House in '98, attended their dinner last year, so her decision to flip-flop seems to be motivated more by politics than by principle, as usual, said Kim Seratin, a spokeswoman for the mayor.

Clinton stepped into the equiv-



JON NASO DAILY NEWS
Passersby peek at Nasdaq board.

Nasdaq takes dive and drags down Dow

By MONIQUE EL-FAIZY
DAILY NEWS BUSINESS WRITER

The bleeding on the Nasdaq accelerated yesterday, putting it deep in bear market territory and also pulling down the Dow Jones industrial average.

Investors deserted the once highflying, tech-heavy Nasdaq after a key analyst cut his revenue forecast for Microsoft.

That set off a stampede. When the dust settled, the Nasdaq had plummeted 286.27 points, or about 7.1%, to 3,769.63, its second-biggest point drop ever.

Things weren't much better on the old-economy Dow, which began bleeding itself. After being up by more than 170 points early in the day, the Dow fell 161.95 points, off about 1.4%, to close at 11,125.13.

"It was a continuation of the correcting that we've had in Nasdaq, and it finally took the lid off of the Dow because it was a really big decline," said Charles Pradilla, chief investment strategist at S.G. Cowen.

The drop left the Nasdaq 25.3% lower than its March 10 peak of 5,048.62 — well beyond the 20% decline that Wall Street defines as a bear market. The Nasdaq closed below 4,000 for the first time since Jan. 31. The broader Standard & Poor's 500 slipped 33.40 to 1,467.19.

"We're clearly in a bear market, but I don't think we're in a sustainable bear market," said Phil Orlando, chief investment officer at Value Line Asset Management. "This just provides a long-term buying opportunity."

Among the stocks that took big hits were Microsoft, Cisco Systems, Qualcomm, Intel and Nextel.

"Folks are saying, 'Wait a minute, if Microsoft isn't going to be able to exceed expectations, we'll stay on the sidelines,'" said Michael Manns, senior portfolio manager at American Express Financial Advisors.

"Much of the enthusiasm we saw last year and early this year was based on the apparent inevitability of tech stocks rising," said Charles Lemonides, chief investment officer at M&R Capital.

"What we've seen happen over the past six weeks is a growing consensus that there are not only market risks but business risks at these companies. All of a sudden companies that seemed bullet-proof and invulnerable are now

MOVIES

What a Total Psychopath

Bret Easton Ellis's state-of-the-art killer lives on

BY DAVID ANSEN

IN THE WORLD OF THE NARCIS-
sistic lady-killer Patrick Bateman
(Christian Bale), appearance is
everything, whether it's the perfectly
designed nouvelle cuisine he consumes at
the chic Yuppie restaurant du jour or his
own sculpted and pampered body, as
gleaming and flawless as a Calvin Klein
ad. In Mary Harron's bold, coolly satiric
adaptation of Bret Easton Ellis's infam-
ous novel "American Psycho," we are
wittily plunged back into the soulless ex-
cesses of Reagan-era Wall Street, where
the reigning emotions are greed and dis-
gust, and the "inside no longer matters."

Our tour guide is Bateman himself, a
white-collar serial killer who flies into a
panic when a colleague produces a busi-
ness card with better lettering than his own
but is curiously unruffled when he must

carve up his latest victim
with a chain saw. Harron
("I Shot Andy Warhol"),
who adapted the book
with Guinevere Turner, is

American Psycho
Lions Gate
Opens April 14

smart to tone down the book's violence and
play up the dark humor. Her stylish movie
has the sleek, chilly design of those mini-
malist offices favored by the masters of the
universe. Bale plays the blankly beautiful
Bateman with just the right tone of vapid
menace. But after an hour of dissecting the
'80s culture of materialism, narcissism and
greed, the movie begins to repeat itself. It
becomes more grisly and surreal, but not
more interesting. Conceptually, this savage
cartoon ends up as trapped in surfaces as
its shallow antihero: it's all dressed up with
nowhere to go.

Completely cut: Bale in fierce fighting form



Masked man: FBI agents
escort Giacchetto to court

W.A. FUNCHES—NEW YORK POST/CORBIS

HOLLYWOOD

Take the Money and Run

An alleged con man to the stars surrenders to the FBI

BY TARA WEINGARTEN AND
JEFF GILES

LEONARDO DICAPRIO USED TO
hang out at Dana Giacchetto's loft.
Courteney Cox took him on vaca-
tion. Everyone—Ben Affleck, Cam-
eron Diaz, Alanis Morissette—gave the hip
investment adviser money. Giacchetto
promised to invest it conservatively. "A lot
of numbers make me nervous," Cox said
once, "but Dana really cares about helping
me understand how it works." According to
the Securities and Exchange Commission,
Giacchetto borrowed \$825,000 from Cox's
portfolio, apparently to pay office bills and
cover losses on other accounts. He proba-
bly never explained that part to Cox—that
would have made her *really* nervous.

Last week Giacchetto, 37, surrendered
to authorities at the FBI office in Man-
hattan. The Feds say that the money
manager, who ran an investment compa-
ny called the Cassandra Group, illegally
took control of about \$20 million in
client funds. At least some people got
their money back, but Giacchetto still
faces a \$1.25 million fine and 15 years in
prison. Giacchetto's lawyer declined to
comment. The SEC says the investment
guru managed a Ponzi scheme in which
celebrities he deemed important enough
were paid with money stolen from less fa-
mous clients. "Dana was someone who'd
do *anything* to salvage his relationships
with his clients," says a source familiar
with Giacchetto. "He saw Brad Pitt as
more important than the president."

In 1998 Giacchetto formed a \$100 million
partnership with Chase Manhattan, and
allegedly began funneling his clients' money
into risky investments. Clients began asking
questions about inconsistencies in their finan-
cial statements. Late last year at least 17 of
them dropped him. According to court papers,
the Cassandra Group is \$2.2 million in the
red. Giacchetto is believed to be penniless. "He
is an investment adviser with no long-term
planning for himself," says the source. Not to
worry. The government has plans for him. ■

Cash He 'Borrowed'

Phish recouped their money. The others?
Unclear. Some of what's reportedly at stake:



Phish, rockband
Returned: \$4.8 mil.



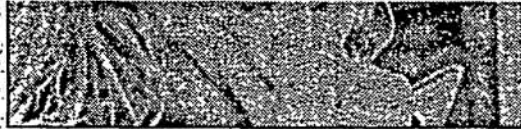
Ben Stiller, actor
Lost? \$250,000



Matt Damon, actor
Lost? \$100,000



Lauren Holly, actor
Lost? \$300,000



WHO WALLOPED WHOM? A witness testified yesterday that he never saw Ron Perelman hit his wife, Patricia Duff — but saw her clobber him.

ting the other with charges of physical abuse. The first full day of testimony in the long-delayed court battle between the billionaire and his ex-wife over their 5-year-old daughter started off with Perelman lawyer Adria Hillman mocking Duff's claims that she was a battered wife — and presenting a witness who said it was Perelman who was physically attacked. In an affidavit filed late Tuesday, Duff — who turned

his husband, he would destroy both of us," she court papers. "He said, 'You are both going to get w claims. Duff said Perelman also pushed her, ki pulled her hair out at various times duri relationship. But Hillman told Manhattan Supreme Co leen Bransten the "ridiculous" allegations i — which was accompanied by two psychiatr conclude she

woman — a desperate attempt to ready dragger.

She said pointed expe ability Duff i has found the tions to be "u

The first w called to the mer Perelma Durman, who saw Perelma did see the st ite sock it to tycoon on thr Durman, a Ronald R worked for seven years, Duff hit Pere vate plane in

He said the an argument upset Perel away from the back of j up yelling him.

"He wasn't tion to her, s him in the be daughter Ca said.

Perelman'd he was carry "Ouch! Don't nan recalled.

On anothe the plane, Perelman ha and another they were v each other v just slapped j face," Durman

Durman als as a foul-mo who would b and a wicke who would man's 9-year whom he he maven Clau former wife.

Duff lawye man said I mony "was f siderable f. noted that v paid \$700,0C Perelman an million seven last year.

The testim first in the ground to a cember 1998 sten ordered port hearing trial.

Hillman se Duff as a h today.

Dana bids to take flight, but lands in jail, feds say

By DEVLIN BARRETT

Accused celebrity swindler Dana Giacchetto was caught trying to flee the country with \$44,000 in airline tickets yesterday, prosecutors charged — but his lawyer insisted he was just looking for love in all the wrong places.

"He wanted to propose to his girlfriend and thought Rome would be a great place," Giacchetto lawyer Andrew Levander said in Manhattan federal court.

Giacchetto, a former money manager to the stars, is awaiting trial on charges he stole at least \$4 million from his movie idol and rocker clients, including actors Matt Damon, Ben Stiller and the band Phish.

He has been out on bail for the past week — on condition that he get permission from authorities before he travels anywhere in the United States and does not leave the country.

He was arrested around 2 a.m. at Newark Airport, carrying \$44,000 worth of first-class airline tickets — 80 in all, to airports ranging from Tokyo to Germany to Rome, officials said.

He even had an old passport that had been "mutilated" to look like it was still valid, said Assistant U.S. Attorney David Lewis.

The passport had a page missing and someone had added a bogus expiration date of October 2002, Lewis said. Giacchetto had been forced to surrender his current passport when he

made bail last week.

Stunned prosecutors said Giacchetto somehow managed to buy an \$8,500 combination ticket that would have taken him to Denver, Las Vegas, Los Angeles, Honolulu, Tokyo, Singapore, and Frankfurt.

He also bought a ticket for two to Rome for himself and his girlfriend, Allegra Broscio. That flight was to leave last night, but Giacchetto ended up instead in the cold embrace of the FBI.

The feds became alarmed over the weekend when Giacchetto left a message on bail officers' voice mail saying he would be out of town for several days.

Levander told Judge James Francis the investigators were "overreacting."

But Francis quickly clipped Giacchetto's wings and ordered him straight to jail, saying he had obviously violated his bail and could not be trusted.

At one point during the hearing, Lewis had to stifle a laugh at defense arguments that Giacchetto needed the old passport because he didn't have a driver's license.

"That's just a patently absurd position," Lewis said. "His conduct is absolutely extraordinary."

Levander declined to comment outside court.

More on Giacchetto / Business: Page 37



HE CAN'T ROME: Accused celeb-scammer Dana Giacchetto is escorted into Manhattan federal court yesterday after allegedly trying to flee to Rome — where his lawyer said he wanted to propose to his girlfriend.

N.Y. Post: Luiz C. Ribeiro

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KEITH BEDFORD

DEEPER TROUBLE Dana Giacchetto, who allegedly took investment funds belonging to actors such as Ben Stiller and Matt Damon, after arraignment downtown earlier this month.

SPENDING OTHER PEOPLE'S MONEY

Broker to the stars Dana Giacchetto allegedly used his celebrity clients' money to fuel his jet-set life. The feds yesterday provided some examples of his largess:

- An **\$80,000** bill for 10 hotel suites in a luxurious Hollywood hotel.
- A **\$15,000** tab for a party at the Flamingo East restaurant in the East Village.
- A **\$10,000** first-class ticket on the Concorde.
- **\$8,000** for helicopter service.
- **\$3,400** for limo service.
- **\$30,000** for personal expenses such as artwork, stereo equipment and suits.

Celeb ripoff put at 9M

Broker facing new charges over spending

By GREG B. SMITH
DAILY NEWS STAFF WRITER

When it came to illegally spending his clients' cash, stock broker-to-the-stars Dana Giacchetto was a generous man, prosecutors said yesterday.

In new charges against Giacchetto, authorities allege he once rented out 10 suites at a Hollywood hotel for a jaw-dropping \$80,000.

The allegations surfaced yesterday as a Manhattan federal grand jury indicted Giacchetto on expanded charges. He was charged April 3 with stealing \$6 million from his high-profile clients; yesterday's indictment increased the total to \$9 million. The indictment alleges he ran

up \$55,000 in restaurant bills, including a \$15,000 one-night check at the trendy East Village bistro Flamingo East.

He allegedly spent \$100,000 on airline tickets, including \$10,000 round-trip international flights on the Concorde.

He dropped \$8,000 on helicopter flights and \$12,000 to lease a Mercedes-Benz under an employee's name, the indictment claims.

Giacchetto, 37, was charged by Manhattan U.S. Attorney Mary Jo White with removing funds from the investment accounts of big-name clients, like the rock band Phish, actors Ben Stiller and Matt Damon, and actress Courteney Cox.

He allegedly used the money to cover gaping investment losses, but also spent a wad of it on personal expenses, according to papers filed by Assistant U.S. Attorney David Raymond Lewis.

The one-time pal of actor Leonardo DiCaprio was initially released on \$1 million bail after he promised he would not leave the country.

In a separate civil action brought by the Securities and Exchange Commission, his bank accounts were frozen and he was restricted to spending no more than \$100 a day.

But April 12, prosecutors got word Giacchetto was using credit cards to buy airline tickets. He was tracked down to Las Vegas

and when he returned to New York, the FBI found 80 airline tickets in his bag, including some to international destinations such as Rome and Singapore.

Also found was a passport with the expiration date page missing.

Yesterday, Giacchetto was facing another charge of altering a passport.

Giacchetto's bail was revoked, and he is being held at the Metropolitan Correctional Center in Manhattan.

He faces up to 10 years in prison on securities fraud and other charges.

His attorney Andrew Levander did not return calls seeking comment.

Brick suspect's alibi: I was with cons

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. NAM/GIACCHETIO, DANA . SEX/M. RAC/U. DOB/101562
. SKIN TONE/*. HGT/* . SOC/* . FBI/* . MNU/*
. ALIAS#1/*
. ALIAS#2/*
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. COMMENTS/192C-NY-274597 SECURITIES/COMMODITIES FRAUD

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NAM/GIACCHETIO, DANA

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NAM/GIACCHETIO, DANA

. DOB/101562. SEX/M. RAC/U

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.NAM/GIACCHETIO,DANA

.FBI/12799NB5 .SID/*

.AGENCY/* .BUILDING/*

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THIS INTERSTATE IDENTIFICATION INDEX RESPONSE IS THE RESULT OF YOUR
RECORD REQUEST FOR FBI/12799NB5. THE FOLLOWING WILL RESPOND TO YOUR
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NAME	FBI NO.	DATE REQUESTED
GIACCHETTO, DANA CALOGERO	12799NB5	2000/04/27

SEX	RACE	BIRTH DATE	HEIGHT	WEIGHT	EYES	HAIR	BIRTH PLACE
M	W	1962/10/15	511	155	BLU	BLN	MASSACHUSETTS

PATTERN CLASS	CITIZENSHIP
WU WU RS WU RS WU LS LS WU LS WU	UNITED STATES

1-ARRESTED OR RECEIVED 2000/04/04
AGENCY-FBI NEW YORK (NYFBINY00)
CHARGE 1-TITLE 18 SECURITIES FRAUD

2-ARRESTED OR RECEIVED 2000/04/12
AGENCY-FBI NEW YORK (NYFBINY00)
NAME USED-GIACCHETTO, DANA C
CHARGE 1-18 USC 3148 - VIOLATION OF A RELEASE CONDITION

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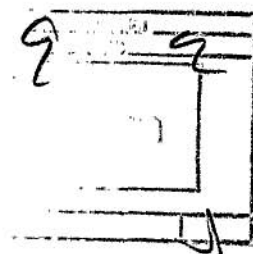
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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES DIVISION
CLARKSBURG, WV 26306

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SPECIAL AGENT IN CHARGE
FEDERAL BUREAU INVEST
23RD FLOOR
26 FEDERAL PLAZA
NEW YORK, NY 10278-0004

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES DIVISION
CLARKSBURG, WV 26306

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NAME	FBI NO.	DATE REQUESTED
GIACCHETTO, DANA CALOGERO	12799NB5	2000/04/20

SEX	RACE	BIRTH DATE	HEIGHT	WEIGHT	EYES	HAIR	BIRTH PLACE
M	W	1962/10/15	511	155	BLU	BLN	MASSACHUSETTS

PATTERN CLASS	CITIZENSHIP
WU WU RS WU WU LS LS WU LS RS	UNITED STATES

1-ARRESTED OR RECEIVED 2000/04/04
AGENCY-FBI NEW YORK (NYFBINY00)
CHARGE 1-TITLE 18 SECURITIES FRAUD

2-ARRESTED OR RECEIVED 2000/04/12
AGENCY-FBI NEW YORK (NYFBINY00)
NAME USED-GIACCHETTO, DANA C
CHARGE 1-18 USC 3148 - VIOLATION OF A RELEASE CONDITION

RECORD UPDATED 2000/04/20

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2

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 05/03/2000

To: New York

Attn: SSA

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From: Los Angeles
WCC-4

Contact: SA Ext 3912

Approved By: *[Signature]*

Drafted By: :lle

Case ID #: 196C-LA-221242 (Closed)

Title: Dana C. Giacchetto dba
Cassandra Group Inc.;
FBW; MF; SF

Synopsis: Request the closure of the above referenced file number and to advise New York of action.

Details: It is requested that the above referenced file number be closed due to the pending investigation being conducted by the New York Division which has resulted in the arrest of captioned subject on April 4, 2000. All further documentation concerning captioned subject will be forwarded to file number 196C-NY-274597.

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WITH/OUT TEXT
BY *[Signature]*
DATE *5/18/00*

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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 02/25/2000

To: New York

Attn: ✓ SSA [redacted]
Squad C-1

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From: Los Angeles
WCC-4

Contact: SA [redacted] (310) 996-3912

Approved By: [redacted] *[Signature]*

Drafted By: [redacted] lle

Case ID #: 196C-LA-221242 (Pending)

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Title: Dana C. Giacchetto;
dba The Cassandra Group Inc.;
Cassandra-Chase Entertainment Partners;
FBW; MF; Securities Fraud

Synopsis: Set lead to attend [redacted]
[redacted]

Reference: Tel call from SSA [redacted] to SSA [redacted] on
02/23/00.

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Details: Captioned subject is a New York based investment and financial advisor doing business as The Cassandra Group Inc. (Cassandra). Giacchetto claimed to have over 600 clients and \$300 million to \$400 million under management. At one point, Giacchetto's client list included numerous high-profile clients.

Investor complaints have surfaced which include Giacchetto's speculative investment practices and the possible misappropriation of customer funds.

The New York office of the Securities and Exchange Commission (SEC) commenced an examination of the office of Giacchetto/Cassandra in mid-December 1999. The audit is ongoing and numerous witness interviews are being conducted. [redacted]

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[redacted]
Assistant United States Attorney [redacted] has been contacted by [redacted]

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[redacted] at the offices of the United States Attorney, Southern District of New York. Also present will be [redacted] of the SEC. It is requested that an Agent from the New York office of the Federal Bureau of Investigation be present for this interview.

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BY *[Signature]*
DATE 6/6/00

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MAC-04-274511
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OH

To: New York From: Los Angeles
Re: 196C-LA-221242, 02/25/2000

LEAD (s):

Set Lead 1:

NEW YORK

AT NEW YORK CITY

Attend [REDACTED]

[REDACTED]
[REDACTED] Contact AUSA [REDACTED] for details.

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(Indicate page, name of newspaper, city and state.)

(Mount Clipping in Space Below)

Date: 7/20/2000
Edition: NY Post

Title: DANA: awaiting trial

Character:
or
Classification:
Submitting Office:



DANA: awaiting trial

IF you're tired of giving money to breast cancer or AIDS research, we've got a real charity case for you. Disgraced investment guru **Dana Giacchetto** is soliciting donations for his legal defense fund. The accused swindler lists instructions for would-be benefactors on his website, www.giacchetto.com, reports Inside.com. Those who give more than \$100 to Giacchetto's cause will receive a copy of either Dana's father's book, "When the Act Accuses Him," or Dana's rock album, "Australian Coffee."

Indexing:
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 BY _____
 DATE 7/25/00

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Cassandra Group goes bust

By TRACY CONNOR

The investment fund run by accused swindler-to-the-stars Dana Giacchetto has filed for bankruptcy — and named a slew of A-list celebs as potential creditors.

The Cassandra Group said in court papers filed in Manhattan Bankruptcy Court that it has assets of less than \$25,000.

The filing included a 16-page list of unsecured creditors — the rich and famous clients of the firm, which allegedly looted millions from accounts, Variety reported today.

Those named include movie stars Leonardo DiCaprio, Ben Affleck, Cameron Diaz, Courtney Cox Arquette and Matt Damon.

Directors Kathryn Bigelow and Ed Burns are on the list, along with two of Bob Dylan's kids, filmmaker Jesse Dylan and singer Jakob Dylan.

Other creditors include Christopher Cuomo, son of former Gov. Mario Cuomo, artist Ross Bleckner, hotelier Andre Balazs and rockers from the Afghan Whigs and Phish.

Some of Cassandra's prominent clients were not listed — including actors Ben Stiller, Tobey Maguire and Lauren Holly, artist David Salle and Hollywood exec Mike Ovitz.

It was unclear if they were left off because they recovered the money they invested with Giacchetto. If they did lose money,



GOING DOWN: Cassandra Group, run by accused swindler Dana Giacchetto listed "Titanic" star Leonardo DiCaprio (above) among its creditors.

Giacchetto - Michael Nercia, DiCaprio - W.A. Funches Jr., both, N.Y. Post

they can make a claim against the firm.

The filing did not list the amounts owed to the creditors, but at his height, Giacchetto managed \$100 million for about 300 clients.

He was indicted in Manhattan federal court in April on charges he swiped \$9 million from the accounts to finance a lavish life-



style and "loans" to his celeb pals.

Prosecutors say he was running an elaborate shell game, moving money out of some accounts to cover deficits in others, while his firm hemorrhaged cash.

For example, he allegedly took \$500,000 from singer Alanis Morissette's funds to pay back Phish,

which lost \$5 million in the scheme.

Initially free on \$1 million bond, Giacchetto was re-arrested at Newark Airport and tossed behind bars in April after prosecutors claimed he planned to flee the country.

He has pleaded not guilty to the federal charges. The case is set to go to trial in September.

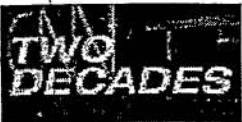
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Hollywood or bust

Dana Giacchetto, a Cassandra shareholder, sets to profit for his A-list clients

By Staff Writer Alex Frew McManis
July 17, 1999: 9:11 a.m. ET

NEW YORK (CNNfn) - On a sunny midsummer morning, Sandra Bullock is shooting *28 Days* on Broadway outside Dana Giacchetto's SoHo loft. It could be a perfect time for Giacchetto -- money manager to the stars and Leonardo DiCaprio's lad about town when he comes to the Big Apple -- to troll for clients.

But he's blasé about the bustle on his doorstep. Giacchetto is holed up in the eighth floor office of his investment boutique, The Cassandra Group Inc., flitting from phone to laptop, keeping tabs on his trades and the stock market.

Though he isn't out scouring the set, you might think you've stumbled onto another performance as you settle in and eavesdrop on a conversation you can't quite help but overhear.

With a rattle of ice, Giacchetto sets down his iced Starbucks and stands up, a cool-meets-conservative blur of navy blue suit, steel-rimmed glasses and feathered blond hair. A clip-boarded assistant enters stage left.



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*Money manager Dana Giacchetto at
Cassandra*

"You've got \$12 million here, we've got 400,000 shares. How much did we send them, \$4 million? So we need more," Giacchetto rapid fires as he studies the spreadsheet. "So we put in Ben Affleck, Courteney Cox, Matt Damon ... if we took 500,000 shares, maybe that would be right."

"That sounds safer," the assistant says on cue. They're done, end of scene, and Giacchetto strides over to his computer. It's the perfect opening shot of his fast-lane life. It races from Wall Street, through the worlds of art and music, right out to Sunset Boulevard and Mulholland Drive.

Giacchetto, 36, is president and founder of 10-year old Cassandra, an investment advisory firm that he says manages or advises on some \$430 million for 305 clients. They're mostly artists and entertainers, with a smattering of athletes and entertainment executives, not least of them Artists Management Group (AMG) founders Michael Ovitz and Rick Yorn.

"He's an incredible money manager" and a savvy assessor of artistic talent, said Yorn, a former Wall Street executive. "He's probably one of the few guys that I know that can analyze a spreadsheet as well as run A&R [artists and repertory] at a record company."

Giacchetto is a charmer and a shaker whose laid-back bicoastal drawl slips off a silver tongue. His clients, some of them breaking the big time and coming to him with their first \$100,000, praise him for patiently breaking down the basics of stocks and bonds.

"Demystifying the capital markets," is how he describes his mission. As a bonus, through his parties, vacation trips and connections, some hope he can boost their careers.

"It's a salon," Giacchetto said. "I put together artists, filmmakers, directors, agents, screenwriters." He introduced Yorn, a top movie-star manager, to former Creative Artists Agency head Ovitz, sowing the seeds of AMG after Ovitz left Disney. Yorn returned the favor, hooking him up

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with DiCaprio, Cameron Díaz and Claire Danes, all now Cassandra Group clients.

From a list that started in the '80s art world with painters such as David Salle and George Condo, Giacchetto has networked his way through record labels like Matador and Nirvana's Sub Pop to movies, giving him a roster divided among the visual arts, music and film.

He has two or three meetings with prospective clients a day and takes on those he thinks have potential. It's an impressive Rolodex of top-bill or top-bill-potential young talent. So impressive that it attracted Chase Capital Partners to bankroll an entertainment venture-capital fund with Giacchetto, Cassandra Chase Entertainment Partners, with Chase investing up to \$100 million. Chase is hoping not just for returns on its investment but entree, through Giacchetto, to Ovitz and other entertainment industry power-brokers, people familiar with the investment said.

Giacchetto's holdings

Merck (MRK)

AT&T (T)

American Express (AXP)

Intel (INTC)

Abbott Laboratories (ABT)

Pfizer (PFE)

Chase Manhattan (CMB)


Walt Disney (DIS)

Coca-Cola (KO)

America Online (AOL)

The fund is distinct from Giacchetto's investment advisory business. It has cut six deals so far, funding music marketer Artistdirect, recapitalizing Paradise Music & Entertainment (PDSE), a music production company, and splitting a \$26 million stake in Digital Entertainment Network, an interactive TV company, with Dell, Microsoft and Lazard Freres. Giacchetto says other deals are pending, the biggest of them forming a production company with a director and actor he declined to name.

Giacchetto wants, through the investment banking role, to give artists more control of their product.



"I'm encouraging artists to take equity instead of cash in things, because often artists end up with no equity. They get exploited and they get a paycheck and they think it's great because they need the money, and they realize they don't own anything."

Giacchetto says his desire to give artists more control over their finances -- through their investments and equity stakes in entertainment companies - does not win him many friends on Wall Street.

It's too early to tell how the venture-capital fund's investments are performing, and Giacchetto is little-known among bankers on Wall Street. One investment banker at Lazard, for example, said he didn't know Giacchetto and dealt with Chase investment bankers on the Digital Entertainment deal.

"But they're going to hear about him right now," Yorn said.

Giacchetto, the son of a novelist-radio script writer and a registered nurse, was born near Boston and grew up in a pleasantly middle-class Italian family before he studied English and economics at the University of Massachusetts. After he graduated, he cut his investing teeth at Boston Safe Deposit & Trust, a respected money management firm that moved him to New York.

He left after it sold out and the market crashed in 1987, when he says "by force and sheer luck" he was short the market and made enough money to start his own company. He had been playing in punk bands by night and hanging out at art galleries.

Though his musical career was short-lived, he saw a way to mesh his training and his passions.

"I had this wacky idea that I would start an investment bank for artists," he recalls.

GQ magazine paints a picture of him cold calling galleries and band managers, "peeling off his suit and donning hipster mufti for late-night sit-downs with rockers."

Through his early contacts in art and an interest in collecting, Giacchetto met Jay Moloney, then a top agent who helped ensure his palm met the right hands in Hollywood. Giacchetto filled a void for his clients.

"He introduces them to a whole new world they're not in," Yorn said, noting even entertainment-world figures with

finance training don't have the time to manage their money. "It's madness over here. Without Dana I don't know what would happen with my finances."

Giacchetto's strategies are simple. He's stuck with 20 or so blue-chip stocks over 10 years and typically puts his clients, whose accounts Cassandra manages individually, into 10 at any one time. Right now he's split 50-50 between bonds and stocks, with around 10 percent of his equity stakes in each of nine U.S. companies, including his partner Chase (CMB), his only entertainment holding Disney (DIS), and 4 percent of his portfolio in America Online (AOL).

Other than AOL, he thinks the Internet is too risky for his clients, who often invest for income and have unpredictable earnings and career trajectories. He tries to be politically correct and won't invest in defense, oil or tobacco stocks, but he doesn't really push that angle. Most socially conscious funds are just marketing gimmicks, he thinks.

To pick stocks, he looks at three things -- technical charts of the stock's historical movement, the company's record on hitting earnings projections and the "beta," which measures how volatile a stock is.

"And then there's the intangible or the ephemeral element, which is how do you feel about this?"

He sets price targets and sticks to them. His favorite stock right now is Merck, which he plans to sell when it hits 100. The Dow will hit 12,500 in the near term and by next July, it'll crash to 9,500, he predicts.

"But first we're going to 12,500. And then I'll move to about 10, 15 percent in cash. On the downside, if we break 11,000 I'll move to about 25 to 35 percent cash. And I will increase my fixed-income position and decrease my stock position. Probably if you come in here in December, I will be 25 percent cash, 50 percent corporate debt and 25 percent stock. Which will be my most conservative weighting since 1995."

Giacchetto is an endearing blend of frankness and ego, and old money slash New Age.

"I'm a Libra. Balance," he said. He talks freely and at length, albeit with a slightly rehearsed air of a salesman. He gets most animated and, well, real when he talks about his extensive art collection, which he

clearly loves.

***"I'm a very serious financial person.
I am social, but this is a business
that relies on relationships."***

Still, despite the glitz, he's often frank and solicitous.

"I don't know, what do you think?" he sometimes asks, and he wants to know. It helps set besieged new stars at ease. Yes, his investment strategies are simple, he admits. Yes, his clients could do this on their own. "I think they could. But most people don't know about it."

Either they're daunted by investing or they throw money at mutual or hedge funds they don't understand.

"I say, 'Why are you doing all these things? Why do you need to be invested in short options in Turkey, when you can just buy AT&T stock in the U.S. and get a 15 or 20 percent return?'"

Cassandra takes 1.5 percent a year of the assets under management. It's had just one down year, 1992, but has been around only during the current bull market. Several clients such as Yorn and Moloney are happy with his performance.

"First and foremost they come to me to make money. And if they're not making money, they fire me and get another money manager," Giacchetto said. Only after his stock picking, he said, is it that he "adds value" with his connections and social links.

Later this year, he and his "Cassandra team," with DiCaprio likely a part of it, will vacation in Africa, maybe Zimbabwe. And that won't be the last of those candid photo ops with an arm around Leo's shoulder. They went to Cuba last year.

But if Giacchetto thrives on that image, at least it's a symbiotic relationship. He provides the one thing entertainment industry bows to.

"My primary focus is making money, and I think I've done a good job of that. Hah!" And he giggles and looks up. ■



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Ex-Adviser to DiCaprio, Diaz, Damon Pleads Guilty

By JEANNE
KING, Reuters

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NEW YORK--A
former financial
adviser to

Hollywood stars
such as
Leonardo
DiCaprio and
Cameron Diaz
admitted that he
skimmed off \$10
million of his
clients' money to
support his own
lavish lifestyle.

Money
manager Dana
Giacchetto, 37,
owner of the
Cassandra
Group
investment firm,
broke down in
tears several
times before U.S.
District Judge
Robert Patterson
as he pleaded
guilty to one
count of
defrauding his
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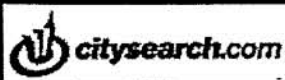
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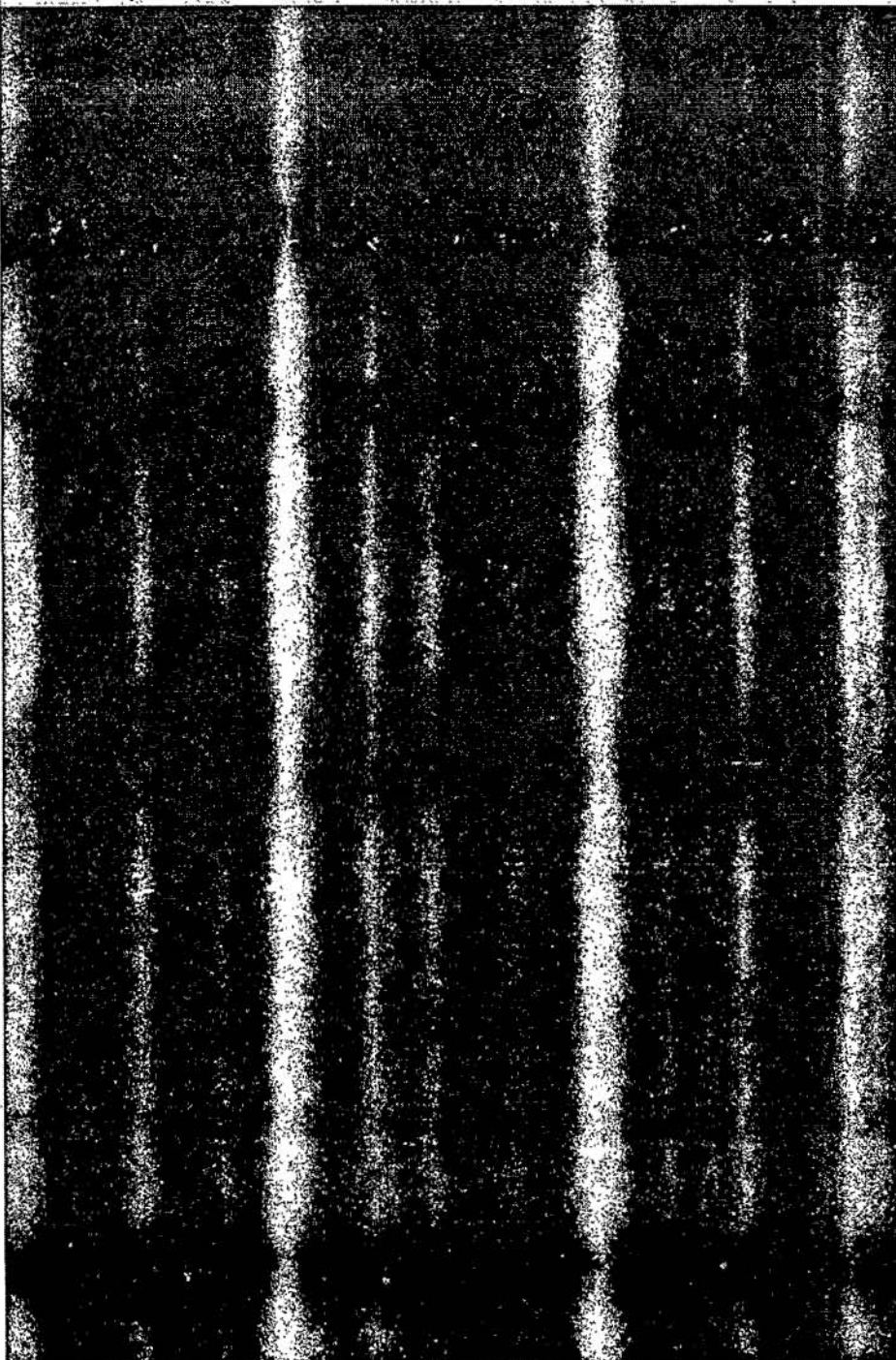
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the plea agreement, he will get between 46 and 57 months in prison when sentenced on Nov. 3.

Giacchetto promised "everyone would get paid back."

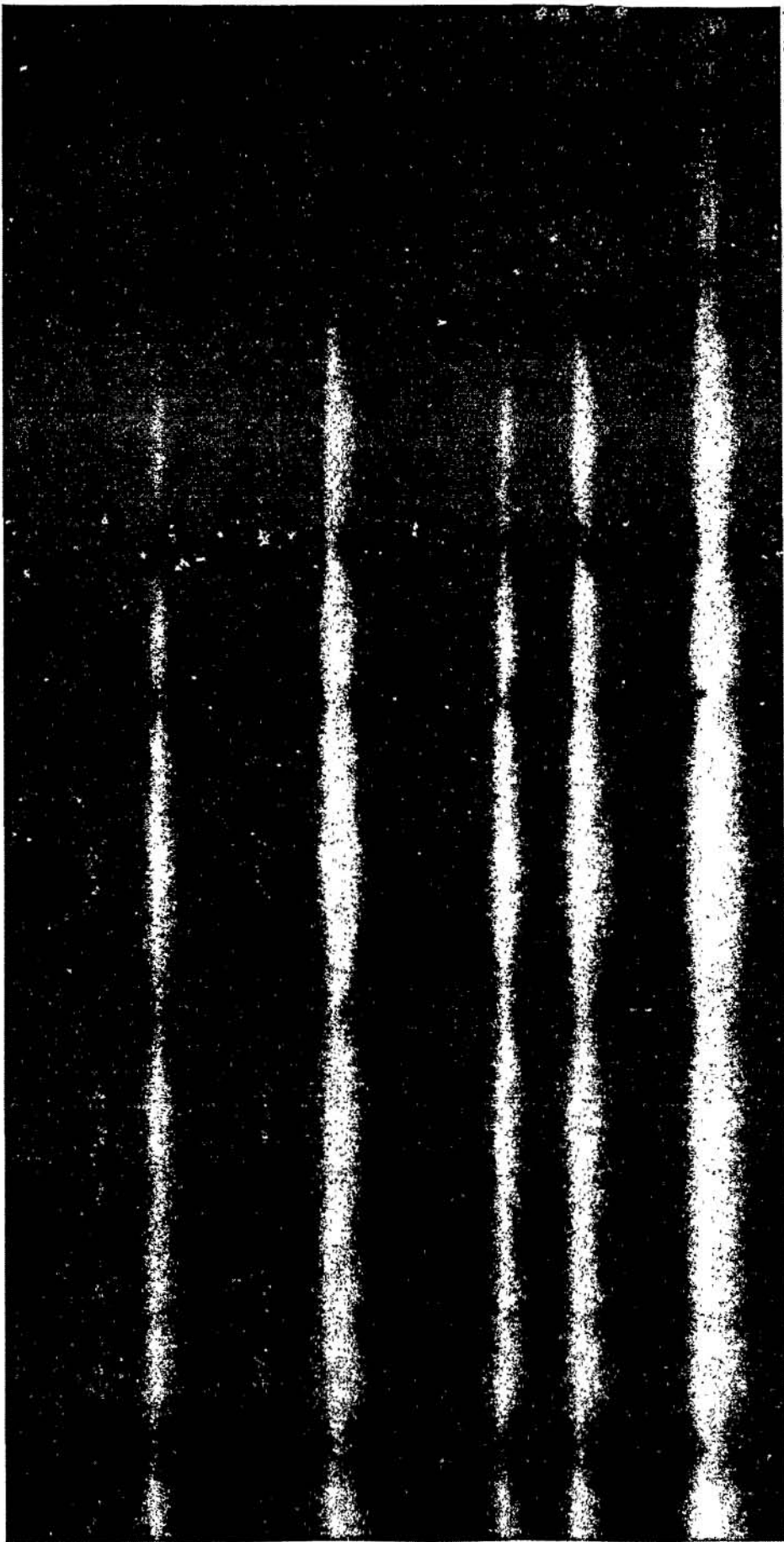
"This is a terrible day in my life," he said, his voice cracking with emotion.

"Ever since I was a little boy I thought I was put on this planet to do good things," he added before admitting using some of his clients funds to pay his bills.

"We will make repatriations, and no one will lose any money. ... I knew I was violating the laws. I did it knowingly and willfully," he said.

Besides DiCaprio and Diaz, his A-list roster of clients included actors Matt Damon and Ben Affleck and the rock group Phish.

Giacchetto also admitted using his clients' money to donate \$90,000 to the New York Arts Academy, make a \$12,000 down payment on a Mercedes Benz and buy more



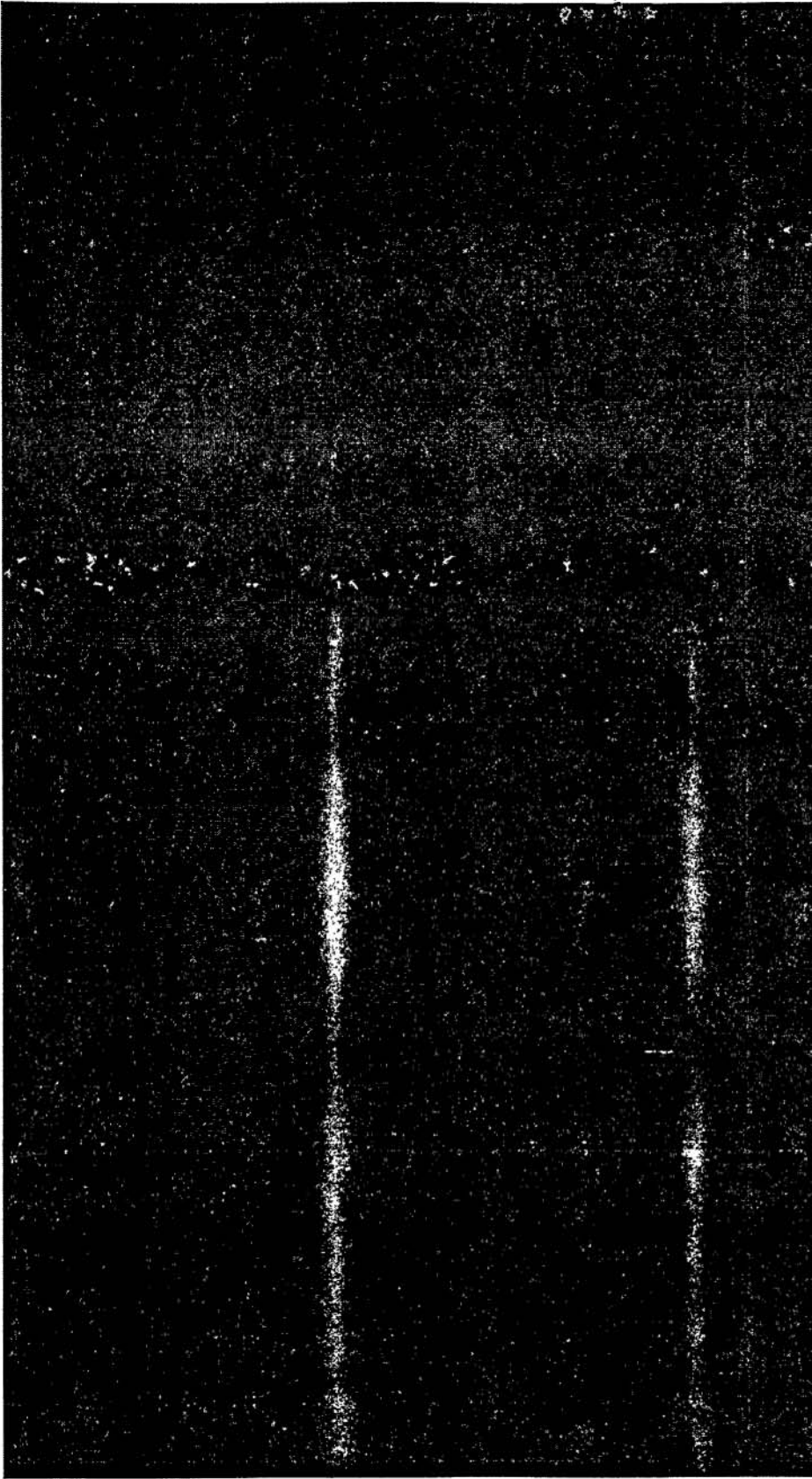
than \$100,000 in airline tickets to Italy, Japan, Singapore and Germany.

When clients began complaining about activity in their accounts, he paid them off with other investors' funds.

The money manager used his clients' money to pay for everything from loft space for his New York operation in the trendy SoHo district, to his own personal travel and entertainment expenses. He illicitly financed lavish dining, hotel bills totaling more than \$175,000 and stereo and computer equipment worth \$30,000.

Giacchetto apologized "to everyone I caused harm." He said he started Cassandra group because "often artists are taken advantage of, and often they are exploited. I had a dream of starting this investment bank ... and spent the last 12 years of my life helping everyone around me."

Giacchetto



has been in jail since April 12, when he violated bail terms by flying to Las Vegas with \$44,000 in first class airline tickets, \$4,000 in small bills and an altered passport made to appear valid.

Giacchetto's lawyer, Ron Fischetti, said that his client planned to work closely with the Securities and Exchange Commission and the Bankruptcy Court to determine the amount of money that was misappropriated.

"My client plans to work as hard as he can to undo the wrong," the lawyer said.

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Wed. Aug. 2, 2000

Financial Adviser to the St

By JEANNE KING, Reuters

NEW YORK--A former fin
Hollywood stars such as Leo
and Cameron Diaz admitted
he skimmed off \$10 million o
money to support his own la
Money manager Dana G
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firm, broke down in tears sev
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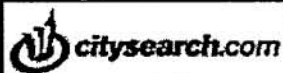
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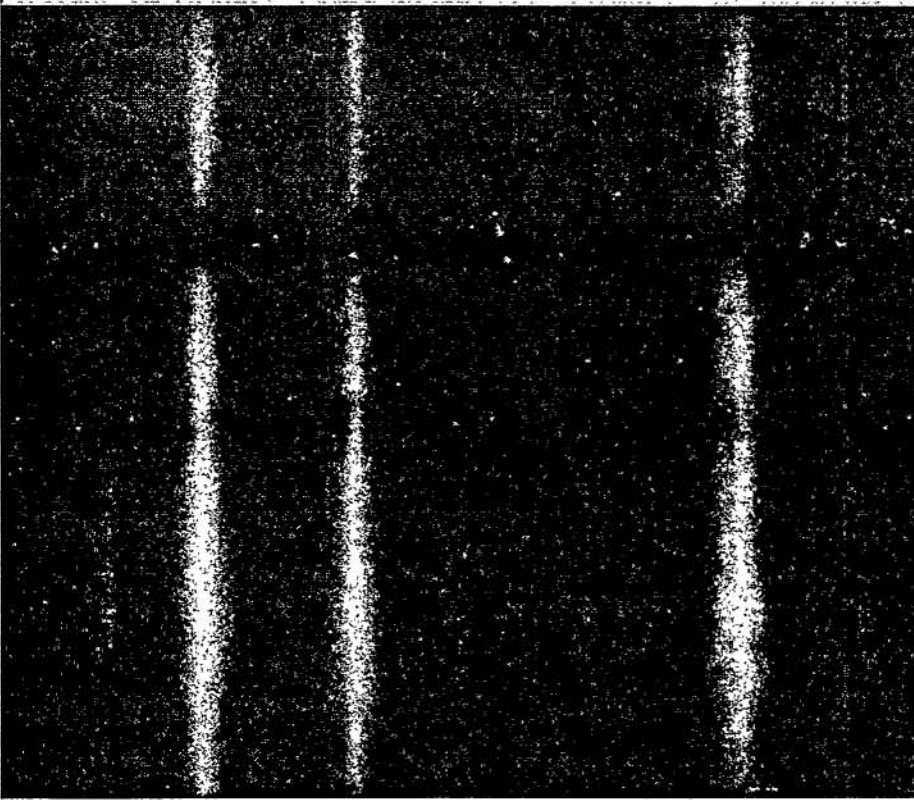
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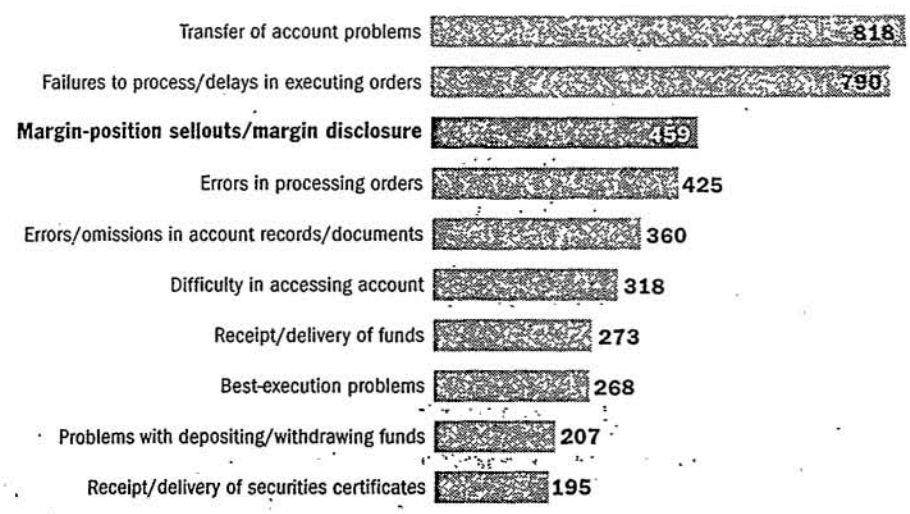
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Buyers Beware! New NASD Rule Require Warning on Account Risk

Tell It to the SEC

Ten most frequent complaints to the SEC about brokerage-firm operations, Jan. 1-June 30, 2000



Source: Securities and Exchange Commission

The move is in some ways symbolic. Many brokerage firms already make special disclosures to margin account holders. Nonetheless, the new effort underlines continuing concerns among securities regulators that investors don't fully understand the risks of buying stock with borrowed funds. Buying stock on margin can magnify the rewards, and risks, of playing the market. If stocks take a hit—as they did in a big way last year—investors can lose more than they put in. *Please Turn to Page C4, Column 3*

Stars' Broker Plays Out Guilty Plea

By COLLEEN DE BAISE
Dow Jones Newswires

NEW YORK—It could be the script for a Hollywood movie: High-profile broker with big-name acting clients swindles them out of \$9 million after adopting their glamorous, club-hopping lifestyle.

In this case, some actors wouldn't have to read the script. They already know the story by heart, because it happened to them—and it doesn't have a happy ending.

The real-life drama played out in federal court here when celebrity financial adviser Dana Giacchetto—who at one time went nightclubbing with his Hollywood A-list clients, including Leonardo DiCaprio, Courteney Cox Arquette and Ben Affleck—pleaded guilty to criminal securities-fraud charges.

At a hearing, Mr. Giacchetto, 37 years old, admitted stealing the clients' money held by his New York firm, Cassandra Group. "This is a terrible day of my life," Mr. Giacchetto told U.S. District Judge Robert P. Patterson, choking back tears. "Ever since I was a little boy, I always thought I was on this planet to do good things."

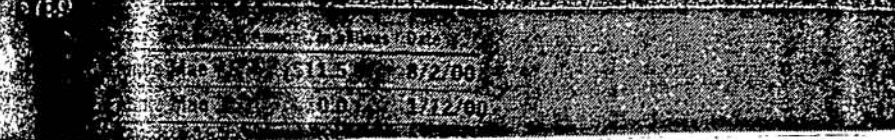
Mr. Giacchetto is being held in a New York jail pending sentencing, scheduled for Nov. 3. He faces as many as five years in prison, plus fines totaling at least \$250,000 and restitution.

A federal grand jury indicted Mr. Giacchetto on charges of securities fraud. *Please Turn to Page C17, Column 3*

Bank of America Sells \$11.5 Billion in Bonds, Efforts to Become Benchmark

Heavy into Debt

Bank of America's growing reliance on debt financing has been mounting, and the agency has 100 issues pending. The chart shows cumulative debt outstanding, in billions (line), and the net added each year (bars).



Industrials Rise, But Late Fade Hurts Nasdaq

WEDNESDAY'S MARKETS

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6-months forward	0.09486	0.09470	105.42	105.60
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Jordan (Dinar)	3.2478	3.2478	3.079	
Kuwait (Dinar)	0.006606	0.006606	1513.88	
Lebanon (Pound)	2.632	2.632	3.8000	
Malaysia (Ringgit)-b	2.2691	2.2717	4.407	4.402
Mexico (Peso)				
Floating rate	1.069	1.070	9.3560	9.3440
Netherlands (Guilder)	4.146	4.156	2.4122	2.4062
New Zealand (Dollar)	4.543	4.539	2.2012	2.2031
Norway (Krone)	1.116	1.117	8.9623	8.9491
Pakistan (Rupee)	0.01875	0.01875	53.255	53.345
Peru (New Sol)	2.872	2.877	3.4815	3.4760
Philippines (Peso)	0.02232	0.02232	44.800	44.800
Poland (Zloty)-d	2.283	2.279	4.3800	4.3513
Portugal (Escudo)	0.004557	0.004558	219.45	218.90
Russia (Ruble)-a	0.03600	0.03587	27.780	27.880
Saudi Arabia (Riyal)	2.666	2.666	3.7508	3.7509
Singapore (Dollar)	0.5792	0.5778	1.7265	1.7306
Slovak Rep. (Koruna)	0.02153	0.02156	46.456	46.390
South Africa (Rand)	1.431	1.423	6.9875	7.0275
South Korea (Won)	0.0008963	0.0008963	1115.70	1115.75
Spain (Peseta)	0.005491	0.005504	182.13	181.67
Sweden (Krona)	1.081	1.077	9.2548	9.2832
Switzerland (Franc)	0.5920	0.5942	1.6892	1.6830
1-month forward	0.5938	0.5961	1.6841	1.6777
3-months forward	0.5970	0.5991	1.6751	1.6692
6-months forward	0.6013	0.6035	1.6631	1.6569
Taiwan (Dollar)	0.03221	0.03218	31.050	31.075
Thailand (Baht)	0.02448	0.02435	40.855	41.060
Turkey (Lira)	0.0000157	0.0000157	639925.00	636500.00
United Arab (Dirham)	2.723	2.723	3.6730	3.6728
Uruguay (New Peso)				
Financial	0.08163	0.08163	12.250	12.250
Venezuela (Bolivar)	0.001453	0.001455	688.00	687.25
SDR	1.3096	1.3132	7.636	7.615
Euro	0.9136	0.9159	1.0946	1.0918

Options		Calls		Puts	
HILADELPHIA EXCHANGE		Vol.	Last	Vol.	Last
Japanese Yen					
6,250,000 Yen-100ths of a cent per unit.					
Euro-European style					
Aug	0.01	8	0.24		
Aug	0.01	8	2.49		

LATE DIVIDEND NEWS

Symbol	Record Date	Company	Period	Amnt.	Payable date	Record date
Nuv InsdCA PremInc	8-15		M	0.695	9-1-00	8-15
Nuv Insd CA Prem 2	8-15		M	0.645	9-1-00	8-15
Nuv Insd CA Select	8-15		M	0.66	9-1-00	8-15
Nuv Insd FL Prem	8-15		M	0.64	9-1-00	8-15
Nuv Insd Muni Opp	8-15		M	0.715	9-1-00	8-15
Nuv NY Insd Prem	8-15		M	0.665	9-1-00	8-15
Nuv Insd NY Select	8-15		M	0.65	9-1-00	8-15
Nuv Insd Prem Inc2	8-15		M	0.58	9-1-00	8-15
Nuv Ins Qlty Muni	8-15		M	0.73	9-1-00	8-15
Nuv InvQltyMuni	8-15		M	0.715	9-1-00	8-15
Nuv MD Prem Inco	8-15		M	0.65	9-1-00	8-15
Nuv MA Prem Inco	8-15		M	0.68	9-1-00	8-15
Nuv MI Prem Inco	8-15		M	0.69	9-1-00	8-15
Nuv MI Qlty Inco	8-15		M	0.735	9-1-00	8-15
Nuv MO Prem Inco	8-15		M	0.615	9-1-00	8-15
Nuv Muni Advant	8-15		M	0.72	9-1-00	8-15
Nuv Muni Inco	8-15		M	0.585	9-1-00	8-15
Nuv MuniMkt Opp	8-15		M	0.75	9-1-00	8-15
Nuv Muni Value	8-15		M	0.625	9-1-00	8-15
Nuv NJ Inv Qlty	8-15		M	0.765	9-1-00	8-15
Nuv NJ Prem Inco	8-15		M	0.675	9-1-00	8-15
Nuv NY DivAdvMun	8-15		M	0.65	9-1-00	8-15
Nuv NY InvQualMuni	8-15		M	0.72	9-1-00	8-15
Nuv NY Muni Val	8-15		M	0.625	9-1-00	8-15
Nuv NY PrfPlsMuni	8-15		M	0.74	9-1-00	8-15
Nuv NY Qlty Inco	8-15		M	0.71	9-1-00	8-15
Nuv NY Sel Qlty	8-15		M	0.735	9-1-00	8-15
Nuv NC Prem Inco	8-15		M	0.625	9-1-00	8-15
Nuv OH Qlty Inco	8-15		M	0.77	9-1-00	8-15
Nuv PA Inv Qlty	8-15		M	0.76	9-1-00	8-15
Nuv PA PrfIncMun	8-15		M	0.65	9-1-00	8-15
Nuv PerfPrfPlus	8-15		M	0.67	9-1-00	8-15
Nuv Prem Ins Muni	8-15		M	0.72	9-1-00	8-15
Nuv Prem Muni Inco	8-15		M	0.765	9-1-00	8-15
Nuv Prem Inco	8-15		M	0.63	9-1-00	8-15
Nuv Prem Inco Mun2	8-15		M	0.74	9-1-00	8-15
Nuv Prem Inco Mun4	8-15		M	0.665	9-1-00	8-15
Nuv Qlty Inco Muni	8-15		M	0.76	9-1-00	8-15
Nuv Sel Maturities	8-15		M	0.525	9-1-00	8-15
Nuv Sel Qlty Muni	8-15		M	0.74	9-1-00	8-15
Nuv Sel Portfolio3	8-15		M	0.68	9-1-00	8-15
Nuv Sel Portfolio	8-15		M	0.75	9-1-00	8-15
Nuv Sel Portfolio2	8-15		M	0.725	9-1-00	8-15
Nuv TX Qlty Inco	8-15		M	0.73	9-1-00	8-15
Nuv VA PrfIncMun	8-15		M	0.67	9-1-00	8-15
Regency Realty	8-15		Q	48	8-25-00	8-15
SalBroS2008WVGov	8-15		M	0.73	8-25-00	8-15
SalBroSHinc1	8-15		M	1.13	8-25-00	8-15
SalBroSHinc	8-15		M	1.125	8-25-00	8-15
SalBroSWInco	8-15		M	1.1875	8-25-00	8-15

STOCK		Symbol	Record Date	Company	Period	Amnt.	Payable date	Record date
25-00	8-11	Albany/NI	8-24-00					
31-00	8-15	Career Educ Inc	8-25-00					
30-00	8-15	Planet Corp	8-25-00					
30-00	8-15	Planet Corp	8-25-00					
30-00	8-15	Planet Corp	8-25-00					
31-00	8-16	Planet Corp	8-25-00					

Broker Admits Defrauding Stars

Continued From Page C1
 chetto in April on charges he pilfered as much as \$9 million from client accounts, allegedly using the cash to cover the rent on his Manhattan loft, pay restaurant bills and otherwise finance a lavish lifestyle.

Mr. Giacchetto has been detained since April, when his bail was revoked after federal prosecutors said he purchased airline tickets and altered his passport in an apparent attempt to leave the U.S.

Mr. Giacchetto, the sole owner and president of Cassandra Group, had built his celebrity clientele by portraying himself as a conservative investor who could speak the language of the entertainment community. But his reputation as Hollywood's financial guru crashed earlier this year as news broke that many of his star clients had deserted him and that the Securities and Exchange Commission, as well as the Manhattan U.S. Attorney's Office, had begun investigating his activities.

The SEC has filed its own civil charges against Mr. Giacchetto, alleging the money manager made \$20 million worth of unauthorized transfers from clients' accounts. The agency said Cassandra Group turned into "a giant asset-kiting scheme," as Mr. Giacchetto allegedly began to pay complaining clients with funds stolen from other clients. The SEC case, filed in New York federal court in April, is pending.

Federal authorities allege Mr. Giacchetto tried to conceal the fraud by telling clients that he had invested their money in securities or in private placements, when in reality such investments were never made. He allegedly provided false order tickets and portfolio statements to some clients who inquired about investments.

Cassandra Group last month voluntarily filed for Chapter 7 bankruptcy protection in New York bankruptcy court. According to court papers, the firm lists assets of less than \$50,000. A 16-page list of unsecured creditors reads like credits at

First American Joins Transamerica to Make Real-Estate Database

By a WALL STREET JOURNAL Staff Reporter
SANTA ANA, Calif.—First American Corp. and Transamerica Corp. have formed a limited partnership to create and market what the companies said will be the largest database covering U.S. real-estate and mortgage transactions.

The new venture, whose annual revenue is expected to be more than \$100 million, is designed to include 85% of all such transactions. The companies said the new business will serve more than 50,000 customers, from lenders to appraisers to title insurance firms. Web-based products slated to be offered will significantly reduce overall operating expenses and gain the economies of scale that title insurers and other industry segments have long sought, according to Parker Kennedy

end of a movie, with names such as Cameron Diaz and Matt Damon populating the roster.

The SEC estimated that during the past year, Cassandra Group managed 305 client securities portfolios with an aggregate market value of more than \$100 million.

Mr. Giacchetto's success in luring Hollywood stars was attributed to his ability to schmooze with clients, often at the hottest nightspots. In addition, other business relationships lent Mr. Giacchetto an air of credibility. In 1998, he formed a separate joint venture with Chase Manhattan Corp.'s private-equity arm.

But Chase soon began to have worries about its partner and ended its relationship with Mr. Giacchetto in September. Many of the broker's celebrity clients began to distance themselves from him during the same period. Chase wasn't named in either the criminal or civil actions. A spokeswoman for Chase declined to comment.

Mr. Giacchetto told Judge Patterson he named his firm after the prophetess Cassandra, who foretold the fall of Troy. Mr. Giacchetto explained that he thought the name was appropriate for an investment-advisory firm. Now, however, he said he sees it as "perhaps even more fitting for someone who's contemplating a long time in prison."

AXA Financial Posts 24% Earnings Drop For Latest Quarter

By a WALL STREET JOURNAL Staff Reporter
NEW YORK—AXA Financial Inc., a diversified financial-services company and separately traded subsidiary of Paris-based AXA group, said its net income fell 24%, though operating earnings rose 19% largely because of strong growth in its financial-advisory, insurance and investment-management businesses.

Net income slipped to \$291.1 million, or 64 cents a diluted share, from \$381 million, or 83 cents a share, a year earlier. However, operating earnings, which exclude investment losses and gains and accounting adjustments, increased to \$322.4 million, or 74 cents a diluted share, from \$271.3 million, or 61 cents a share, a year earlier. Revenue rose 16% to \$4.05 billion from \$3.51 billion.

In the most recent quarter, AXA Financial had an investment loss of \$38.9 million related to the management of its overall fixed-income portfolio. In the year-earlier quarter, the company realized a \$184.1 million gain, mostly from the initial public offering of its DLJdirect online brokerage service.

The company's operating earnings beat by five cents a consensus estimate of analysts surveyed by First Call/Thomson Financial. In 4 p.m. composite trading on the

Adviser to Some Hollywood Stars Pleads Guilty to Fraud

By DANNY HAKIM

The money manager who promised Hollywood stars and other artists a safe investment haven pleaded guilty yesterday to fraud and admitted to misappropriating some of his clients' funds.

"What I built became so big that I lost control," said Dana C. Giacchetto, whose Cassandra Group investment advisory firm counted such stars as Leonardo DiCaprio, Matt Damon and Cameron Diaz among its clients.

Mr. Giacchetto, a 37-year-old Manhattan resident, was charged with five criminal counts in federal court earlier this year and pleaded guilty to one of them, fraud under the Investment Advisory Act. Under terms of the plea agreement, he faces 46 to 57 months in prison and restitution

payments to fraud victims as well as a possible fine. He is to be sentenced on Nov. 3 by Judge Robert P. Patterson Jr. of the Federal District Court in Manhattan. Under the agreement, the other four counts will be dismissed, but Mr. Giacchetto still faces continuing litigation with the Securities and Exchange Commission.

Mr. Giacchetto managed more than \$100 million for more than 300 clients. The Cassandra Group, which he founded, billed itself as a provider of conservative investments for clients who might be naïve about money.

But according to court documents, Mr. Giacchetto misappropriated more than \$9 million of Cassandra clients' money by moving it from a custodial account to bank accounts controlled by Cassandra. He also misled some of his clients about why money was being withdrawn from

their accounts, telling them that it was being used to buy bonds or other investments when it was not.

Instead, Mr. Giacchetto used the money to cover a variety of expenses, according to court documents. Some of the money was used to pay rent on the Cassandra Group's Manhattan loft, to cover more than \$100,000 of airline tickets and helicopter rides, to pay individual restaurant bills that in some cases exceeded \$15,000, and to donate \$5,000 to the New York Police Scholarship Foundation.

Dressed in light blue prison scrubs, the studious-looking Mr. Giacchetto smiled and chatted amiably with his attorney, Ronald P. Fischetti, until it was time for him to rise and address the court. At that point, he began to weep, pausing several times to regain his composure.

"When I started Cassandra Group

I had the idea that artists were taken advantage of and exploited," he said. "I'd like to apologize to everyone I caused harm to."

He continued: "I pray and hope we will make reparations and that no one will lose money. I intended that everyone would get paid back."

Exactly how many people lost money is not yet clear, but attorneys on both sides said they would work to determine that over the next several months. Mr. Fischetti said that reports of Hollywood stars losing money were exaggerated.

"None of these stars have lost a dime," he said, mentioning Mr. DiCaprio and the actress Courtney Cox Arquette. He added that some clients that claimed to have had money taken from them actually lost money because of poor investments.

"In Hollywood, when a person falls from grace, all his friends disappear," Mr. Fischetti added.

But at least a dozen of Cassandra's clients lost "significant" amounts, according to Alexander M. Vasilescu, a senior trial counsel for the S.E.C.

"Some have lost hundreds of thousands," he added. The rock band Phish, he said, lost more than \$1 million.

Mr. Giacchetto was arrested on April 4 and released on a \$1 million bond the same day. He initially pleaded not guilty to all the charges.

Five days later, he obtained tickets from New York airports to Los Angeles, Honolulu, Tokyo, Singapore, Germany and Italy, according to court documents. He was taken into custody at Newark International Airport on April 12 after violating the terms of his parole by flying to Las Vegas. When he was arrested, he was carrying 80 airline tickets and about \$4,000 in cash.

In court yesterday, Mr. Giacchetto explained that his firm was named for "a prophetess who foretold the fall of Troy." Considering Cassandra, he said the name he chose was "fitting for someone contemplating a long term in prison."

Gap Net Falls Short

SAN FRANCISCO (AP) — Gap Inc. (Bloomberg News) — Gap Inc. said today that its fiscal second-quarter earnings missed already lowered forecasts because July sales were almost unchanged at Banana Republic and fell at Old Navy stores.

Per-share earnings for the quarter ended July 29 will be 3 cents to 3 cents short of the 23-cent average estimate of analysts surveyed by First Call/Thomson Financial, Gap said. Sales at stores open at least a year fell 1 percent in July, compared with a gain of 2 percent in the previous year earlier.

Gap, which is based in Sa

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Dana Giacchetto Pleads Guilty in Frau Case

• Courts: Financial advisor to stars makes de prosecutors, admitting he took up to \$10 mill He faces a prison term and a fine.

By [JAMES BATES](#), Times Staff Writer

Dana Giacchetto, the boyish investment a to the stars entrusted with the money of such young actors as Leonardo DiCaprio, Camero and Ben Affleck, pleaded guilty Wednesday t count of investment fraud for misappropriati much as \$10 million from his clients' account

Under his plea agreement with federal authorities, Giacchetto's prison sentence will from 46 to 57 months.

That means his actual sentence will proba come to more than three years in prison beca federal laws require felons to serve at least 8 their sentences. Giacchetto's lawyer, Ronald Fischetti, said that Giacchetto will receive cr the time he has spent in jail since his arrest A 12.

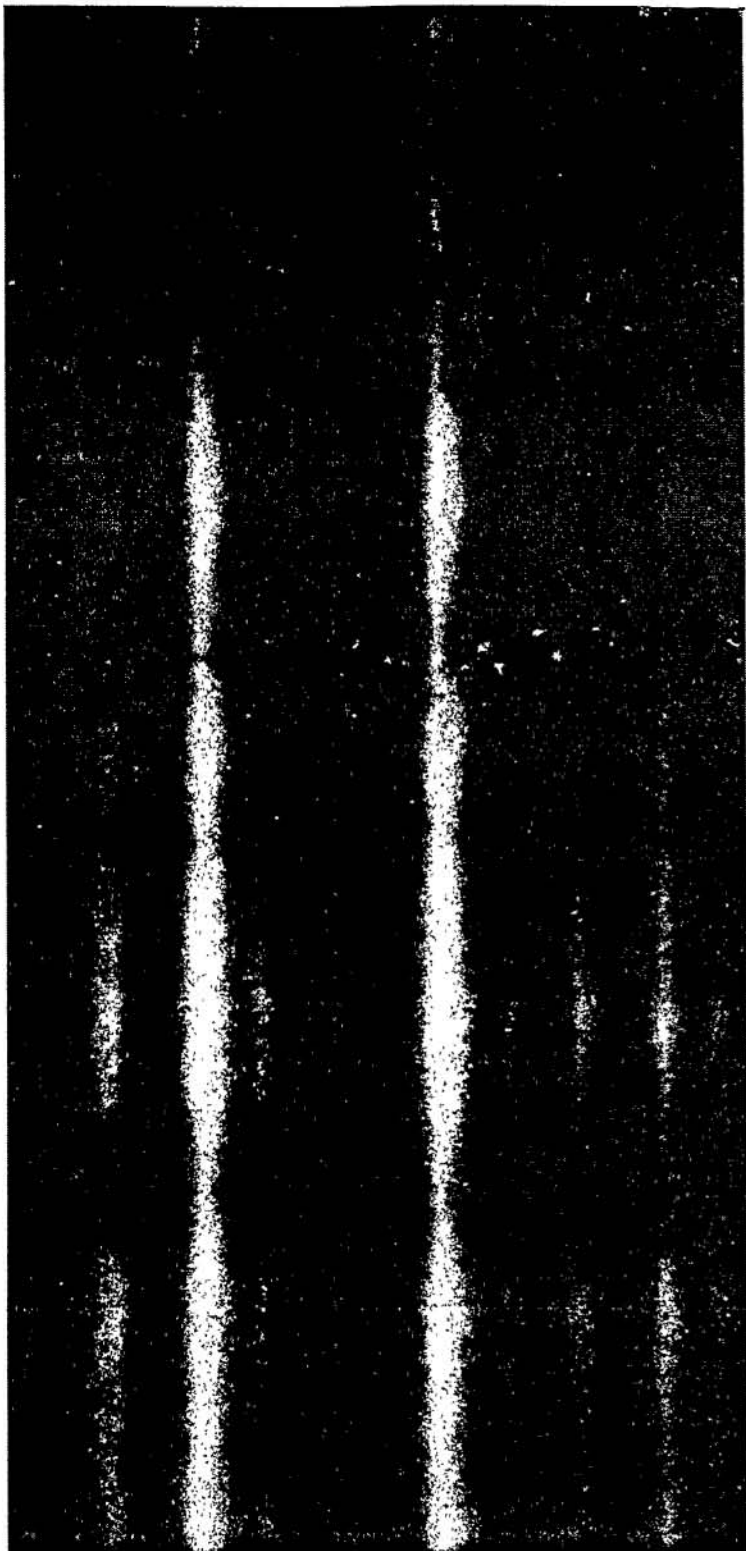
Headquartered in a trendy New York SoH Giacchetto, 37, once counted as close friends Hollywood heavyweights ranging from DiCa manager Michael Ovitz. He forged close ties Hollywood, especially with young stars who included Courteney Cox Arquette, and he inv money for agents and clients of the powerful Creative Artists Agency in Beverly Hills. He enjoyed close relationships with artists such a George Condo and Ross Bleckner.

Ironically, his selling point was a reputati conservative investor.

But in signing his plea agreement, Giacch acknowledged that he looted \$5 million to \$1 million from the accounts, although Fischetti predicted that number will be revised downw once the losses are tallied.

Fischetti added that Giacchetto's entertain industry friends have all abandoned him, eve who made money investing through Giacchet "I guess that's Hollywood," he said.

Separately, sources confirmed that two institutions that handled client money for Giacchetto--Boston-based U.S. Trust and Ch



Manhattan Bank's Brown & Co. brokerage--h been quietly settling claims from Giacchetto investors to head off lawsuits in the wake of criticism that they were overly lax in handlin funds.

Lawyers for both institutions declined to comment. But David Comarow, who represe Giacchetto clients, artists Robert Ginder and Wood Ginder, confirmed that the Ginders rea confidential settlement with both companies t described as "fair and equitable."

In a tearful speech in U.S. District Court i Manhattan, Giacchetto said he started his ope to empower artists financially, but that it gre large and out of control. He also noted that h active in charitable causes.

But he also acknowledged that he improp used client money to pay bills for his compan Cassandra Group, to replenish funds from cli whose accounts he had previously tapped int to pay his own bills and expenses.

Authorities had alleged that Giacchetto en in an elaborate check-kiting scheme in which would improperly tap into client accounts, or checks from Brown & Co. made out to his cli but delivered to him. He was then able to cas at Citizens Bank, which has since been boug U.S. Trust, even though they were made out t others, including such well-known celebrities Matt Damon, Ben Stiller and the rock group

Authorities allege that Giacchetto spent m on a wide variety of expenses including loft s payroll, public relations fees and credit card previous court filings, authorities accused Giacchetto of squandering client money on s things as \$120,000 in hotel bills, including \$ for 10 suites at the Chateau Marmont in West Hollywood. Giacchetto also allegedly spent \$100,000 on airline tickets, \$55,000 in restau tabs and \$8,000 in helicopter flights, court pa allege.

Giacchetto is scheduled to be sentenced N He also faces a fine of \$10,000 to \$100,000.

Giacchetto had been facing five criminal c as well as a civil lawsuit filed by the Securiti Exchange Commission. Sources said the SE charges will likely be settled as well, now tha criminal plea has been entered.

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Wednesday, August 02 08:31 p.m.

Money-manager to the stars Dana Giacchetto once rarely left his Soho loft without a posse of celebrities, but no famous face was visible Thursday afternoon in a Manhattan courtroom, where Giacchetto agreed to plead guilty to one of five counts against him in a federal indictment.

The 37-year-old Giacchetto pleaded guilty to fraud in connection with his misappropriation of funds and assets belonging to clients of his wholly owned company The Cassandra Group. According to the agreement, the amount of loss attributable to Giacchetto's actions ranges from \$5 million to \$10 million.

The maximum sentence under the statute is five years' imprisonment, but a defendant such Giacchetto with no previous criminal record is likely to receive a term closer to four years. The statute's maximum fine is \$250,000, although precedent suggests the court will in Giacchetto's case fine him \$100,000 or less (Last month, Giacchetto's wholly owned company, The Cassandra Group, was placed into bankruptcy by a court-appointed receiver. Giacchetto himself appears to have few financial resources to fall back on). The fallen investment adviser may also be subjected to a maximum of three years of supervised probation.

The end is not in sight for Dana Giacchetto's legal troubles. He must still contend with four other federal counts against him, which include charges that he violated Securities Exchange Commission

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regulations. A representative from the S.E.C said the feds will pursue their case against Mr. Giacchetto. The bankruptcy proceedings are also unaffected by today's plea.

Before U.S. District Judge Robert P. Patterson Jr, the attorneys and 30 on-lookers, the bespectacled Giacchetto, dressed in light-blue jail togs, read from a prepared statement. "This is a terrible day in my life," he began, before breaking down in tears. "As I stand here I know I committed a crime," he continued after several seconds. "I'd like to apologize to everyone that I caused harm to... I pray we make reparations and that no one loses any money." He also admitted that funds from some clients had been used to pay the expenses and employees of Cassandra Group, as well as his personal expenses.

After the hearing, defense attorney Ronald P. Fischetti vigorously denied that his client swindled famous clients like Leonardo DiCaprio, Courtney Cox, Cameron Diaz and Mike Ovitz out of millions. He added that he had talked to legal and financial representatives of each these celebrities, each of whom, according to Fischetti, confirmed that their respective clients had lost no money at Giacchetto's hands. "None of these stars lost a dime."

Giacchetto was arrested in early April and charged by both criminal and civil federal authorities with a host of securities violations going back to at least 1997, including the misappropriation of at least \$9 million of his clients' funds and lying to Securities and Exchange Commission investigators in late 1999 and early 2000. About a week later, after he was apprehended at Newark airport with an altered passport and \$44,000 worth of airline tickets to such destinations as Tokyo, Singapore, Frankfurt and Rome, his \$1 million bail was revoked and he was charged with additional counts relating to violating the conditions of his original bail.

The judge in today's hearing set the sentencing for November 3. Minutes before ending the hearing, Judge Patterson could be heard saying to the defendant: "I know it was very hard, Mr. Giacchetto. See you on November 3."

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SOME PEOPLE CALL THEMSELVES Fans.

ENTERTAINMENT FRONT

fox411 by Roger Friedman

In this edition

Giacchetto: No Plea Deal, And All-Star Bankruptcy Is Filed



AP Wirephoto

Dana Giacchetto

Dana Giacchetto's Cassandra Group filed for Chapter 7 on Friday. The list of creditors reads like the guest list for the best Hollywood party ever. It includes big players: **Leonardo Di Caprio; Matt Damon and Ben Affleck** (as well as their former financial adviser, **Jerry Chapnick** and members of his family); *There's Something About Mary* star **Cameron Diaz;**

Benicio del Toro, of *The Usual Suspects*; *Friends* star **Courtney Cox Arquette**; TV actor **Dan Cortese**; *Brothers McMullen* director **Edward Burns**; magazine editor **Gabe Doppelt**; and artists **George Condo** and **Ross Bleckner**. Bob Dylan's family: Jakob, of the Wallflowers (as well as brothers Jesse and Sam and sister Anna); two Leonardo Di Caprio posse members: magician **David Blaine** and *Evening Shade* actor **Jay Ferguson**; *20/20* correspondent and former Di Caprio adviser **Christopher Cuomo**; the rock groups **Phish** and **The Afghan Whigs**; *Swingers* star **Jon Favreau**; director **Kathryn Bigelow**; hotelier **Andre Balazs** and wife **Katie Ford**, whose family owns Ford Models; singer **Peter Dinklage**; and **Marianne Boesky** (former wife of Ivan, whose family once owned the Beverly Hills Hotel).

According to the receiver, Cassandra has \$50,000 in debts and an equal amount in assets, so good luck to all those above.

Now word comes to me that Dana has turned down an offer from the U.S. Attorney's office to spend four years in jail rather than stand trial. According to my sources, Giacchetto could easily get a prison term of eight years if convicted on various counts of fraud.

Remember that Giacchetto is currently in jail awaiting his trial after trying to flee the country. Prosecutors say he either mismanaged or stole anywhere from \$10-\$20 million from clients like best friend

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- THU 07/27 Wyclef Jean, Dana Giacchetto
- WED 07/26 *Loveline* Host Carolla Catches Heat
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Leonardo DiCaprio and superagent **Michael Ovitz**, as well as lots of lesser known hard working people.

The receiver for Cassandra, attorney **Steven Cohen** of the highly conservative New York law firm Kronish and Lieb, has also had his own troubles. When he filed with the court to get his fees paid — a paltry \$24,000 considering that he's had to go through 60 boxes of papers — the bank that has Cassandra's account turned him down. First Citizen's Bank, formerly known as US Trust (not the big international US Trust, but another bank with a similar name), refused to fork over the funds. A court ruling overruled them and now Cohen has his money.

But back to Giacchetto, who's launched a Web site in his own defense (of course) and seems glued to the idea of going to trial. "He's living in his own reality," says a source. "There have been man attempts by those close to him to make him see what's going on, but so far nothing has shaken him. He keeps saying there's art in his apartment that's worth millions, and bearer bonds, too. But there's nothing there. It's a fantasy."

Other sources tell me that "plea negotiations are ongoing." Giacchetto's trial is set to begin September 6 at the federal court in Lower Manhattan.

Aida Star's Botched Trip Upsets Understudy's Plans

I guess Tony Award-winning actress **Heather Headley** had heard the old story about **Shirley MacLaine**. The now-famous star got her big break on Broadway when the actress she understudied in *Pajama Game*, **Carol Haney**, was out one night. Critics saw MacLaine and cheered. Haney was never heard from again.



Heather Headley

Headley had planned to take a few days off from **Elton John** and **Tim Rice**'s musical *Aida*, around June 27. She was supposed to fly home and see family and friends in Fort Wayne, Ind. And she deserved it, having won the Tony on June 4.

Her understudy, **Thursday Farrar**, was very excited too. Since she's been with *Aida*, Farrar has had only one chance to fill in for Headley since the show debuted.

"I invited all of New York," Farrar said when I called her yesterday. "I invited a lot of people."

Alas, it was not to be. According to people close to the show, Headley canceled her plans and decided not to take a vacation. The reason? "When she heard her flight was canceled, she changed her mind and decided to stay in New York. Then she wanted to do the performances she would have missed anyway."

Headley's Chicago-based manager, **Janet Louer**, said when I called her: "I'm not commenting on this."

For her part, Farrar was forced to scramble at the last minute and wave off her fans. "I was calling people at 10 p.m. the night before I was supposed to go on and telling them not to come."



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Thu, Aug 3, 2000

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1451.16 -7.54

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Financial adviser to stars accused of living off backs of clients

NEW YORK — A financial adviser to some of Hollywood's young stars has been indicted on charges of spending their money on helicopters, hotels, limousines and rent for his SoHo loft.

The cost of living in a world that included clients Leonardo DiCaprio, Ben Stiller and Courtney Cox caused Dana C. Giacchetto to reach into their accounts and grab at least \$9 million, said the indictment issued Tuesday.

Giacchetto, 37, allegedly misappropriated the money through Cassandra, a company he ran from Manhattan.

The federal indictment gives new details on allegations announced when Giacchetto was arrested last month. It accuses him of taking the money to benefit himself, his company, third parties to which he lent money or to pay other clients and conceal the fraud.

In the last year alone, Giacchetto allegedly spent at least \$8,000 on helicopters, \$3,400 on limousines, \$12,000 to lease a new Mercedes-Benz and more than \$30,000 on stereos, computers, art and clothing.

He allegedly rang up more than \$120,000 in hotel bills, including a stint at a Hollywood hotel that cost more than \$80,000 for 10 suites, the indictment said. Restaurant bills added another \$55,000.

Meanwhile, he gave millions of dollars belonging to his clients to friends and associates, the government said.

The comforts allegedly supported his ability to flash the pearls of success at Hollywood parties where he could pad a client list so valuable that, after his arrest, he announced through his lawyer that he wanted to become an agent.

The indictment said Giacchetto promised clients he used a conservative investment strategy and did not take custody of their money when he actually was looting their accounts.

When federal authorities noticed, he allegedly lied to them and altered a crucial portion of a Cassandra balance sheet.

The altered portion of the balance sheet falsely represented that the company had no liabilities and net capital of more than \$1 million when it actually had more than \$9.3 million in liabilities and was insolvent by more than \$2.2 million, the indictment said.

The indictment also accused him of failing to disclose that he owed \$4.8 million to the band Phish.

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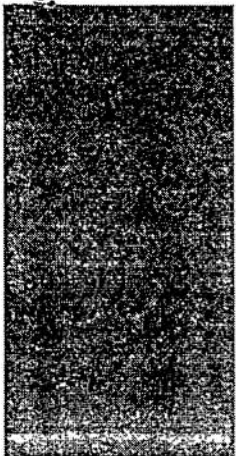
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Giacchetto surrendered and was released on bail last month. Later, he was ordered held without bail after prosecutors said he was caught at an airport with an expired passport, a bag of cash and \$44,000 in airplane tickets.

If convicted, Giacchetto faces a maximum 10 years in prison and a fine of up to \$18 million on a securities fraud count.

Andrew Levander, Giacchetto's lawyer, did not immediately return a telephone message for comment.

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Variety
April 24, 2000

Money guru to the stars says he didn't do it.(financial advisor Dana Giacchetto accused of stealing from celebrity clients)(Brief Article) Author/s: Dan Cox

Hollywood couldn't have done it better: A charismatic young man, lulled into a false sense that he doesn't have to play by the rules, is brought down through his abuse of those very rules.

That's what appears to be happening to money manager Dana Giacchetto, who was arrested in connection with allegedly fleecing some of Hollywood's best and brightest.

"I haven't done anything," the 37-year-old Giacchetto told Variety just two days before he was nabbed and put in jail last week for attempting to jump bail.

"I haven't stolen anything, and I haven't taken anyone else's money. I'm innocent of all these charges," Giacchetto insists.

He will have to do more than just insist, however. Giacchetto is up against a mountain of evidence compiled by the Securities & Exchange Commission. As chairman of the Cassandra Group, he is charged with fraud and attempting to funnel nearly \$20 million of clients' money into a fund-kiting scheme.

Worst-case scenario if convicted: He could end up behind bars for the next 20 years.

Ignoring the evidence, the boy wonder with a pet cockatoo comes off as a boyish, naive wannabe. He adored schmoozing with stars and seeing his name in print and spent nine years conservatively investing his clients' cash. Then, the SEC alleges, for a period of three years, he routinely dipped into clients' accounts -- the agency has a list of more than 58 checks illegally drawn for his use -- all to maintain a lavish, jet-setting, clubbing-until-dawn lifestyle.

Giacchetto ingratiated himself with New York's elite. AMG partner Rick Yorn regularly partied with Giacchetto and steered his prized clients Leonardo DiCaprio -- a regular at Giacchetto's loft -- and Cameron Diaz to him.

Dozens of other Hollywood names crop up among the ranks of Giacchetto's investor clients: Courteney Cox, Ben Affleck, Matt Damon, Tobey Maguire, Ben Stiller, Lauren Holly and Tim Roth, to name a few.

Regardless, Giacchetto has left a trail of irate clients and artists who would prefer never hear the name Cassandra again.

Good Machine's James Schamus says Giacchetto's account for Good Machine's employee profit-sharing plan was immaculately and conservatively run for the first eight years. Flags weren't raised until November 1999, when Schamus came across a deposit of \$150,000 of Good Machine's money into a Giacchetto personal account at U.S. Trust.

Giacchetto claimed he used the cash to buy AT&T stock for the indie.

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But according to the SEC, Giacchetto had in fact used the Good Machine money -- along with checks drawn from accounts of the rock band Phish, screenwriter Stephen Schiff and artist David Salle, among others -- to pull himself out of debt in the wake of payments of nearly \$900,000 to screenwriter Akiva Goldsman, \$357,000 to Maguire and \$212,500 to New York artist Ross Bleckner. In the SEC ledgers, Giacchetto was found to be cutting and pasting with accounts on numerous occasions.

Good Machine got its money back. Phish and Schiff didn't. Screenwriter Schiff ("Lolita") lost \$200,000 on investments he'll never see again. B52s lead singer Fred Schneider was rock lobstered to the tune of \$350,000. Phish lost nearly \$4 million but ultimately received a judgment against Giacchetto.

On the other hand, many on Giacchetto's celeb roster earned sizable returns on their initial investments.

Yorn invested \$556,521 with Giacchetto on March 17, 1999, to buy up shares of Paradise Music and Entertainment stock. In September, Yorn sold his stake in Paradise for \$737,467.08, realizing a 25% profit in six months.

Brown & Co., the securities investment firm that held many of Cassandra's accounts, will ultimately be liable for some of the alleged malfeasance. According to the charges, Brown would routinely issue checks from clients' accounts and send them not to the clients but to Giacchetto, who technically was never supposed to touch that cash.

Through it all, Giacchetto maintains his innocence.

He explains himself as a former rock musician who fell into the investment world almost by accident.

"I'm an artist. I got into this business because I wanted to help other artists. They are the ones who need me," he says.

But Alexander Vasilescu, the lead attorney on the SEC's case says: "He lied. He lied back in '97. He lied consistently."

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SOME PEOPLE CALL THEMSELVES Fans.

ENTERTAINMENT FRONT

fox411 by Roger Friedman

Giacchetto's Former Colleagues Could Be SEC Targets



AP/Wide World

Dana Giacchetto

offer from the U.S. Attorney's office to serve four years time in prison in lieu of a trial. This new plea bargain officially calls for a sentence of 47 to 56 months. But in federal court prisoners can get a 15 percent reduction off the lower number — meaning that Giacchetto will likely spend three years and three months in jail.

While fighting back tears, Giacchetto told Judge Ronald Patterson, "I always intended that everyone would get paid back." Giacchetto admitted to the judge that he knew he was violating the law when he misappropriated funds from client accounts. "I did it knowingly and willfully," he said.

Giacchetto, who had his girlfriend but no family members or celebrity friends present at the hearing, said, "This is a terrible day in my life. Ever since I was a little boy I thought I was on this planet to do good things."

The result is that Giacchetto's many former celebrity clients such as **Leonardo DiCaprio**, **Matt Damon** and super agent **Michael Ovitz** will not be in the embarrassing position of having to testify in open court. Their financial and personal secrets are safe with Giacchetto silenced.

Sources knowledgeable about similar previous cases involving the Securities and Exchange Commission tell me that just because Giacchetto's case will be concluded, that doesn't mean his former employees and colleagues from the Cassandra Group are suddenly off the hook. "Very often the SEC waits until a criminal case is over

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before they begin their own civil case. It will depend on who knew what Dana was doing at Cassandra, when they knew it and why they didn't report it."

Giacchetto would also likely not be permitted by the Securities and Exchange Commission ever to handle other people's money as a manager or broker. Of course, that would not necessarily stop him. "I've rarely seen a con man completely rehabilitated," a federal source quipped to me before today's court session began.

Giacchetto has been in prison since he was re-arrested by the FBI in April when there was sufficient belief that he was about to jump bail. He was picked up at Newark International Airport with a fake passport, \$4,000 in cash, and \$80,000 worth of first class airline tickets.

In the stipulation which Giacchetto is expected to sign with the court, he allows that his clients lost between \$5 and \$10 million — and that he will be responsible for complete restitution. This might not be so easy. Giacchetto's highly touted art collection is much depleted — and the rock group **Phish**, which got him to sign a \$3.9 million lien agreement last December, has already backed up their van to Giacchetto's rented loft and taken much of the art away.

And it's not likely Giacchetto will be able to write a book or have a movie based on his experiences for his own profit — sources inside the U.S. Attorney's office say that Dana would have to give a portion of any money received to his victims under federal law.

His company, the Cassandra Group, filed for bankruptcy last week and named among its creditors a slew of bold-faced names including DiCaprio, Damon, **Ben Affleck**, **Cameron Diaz** and **Courtney Cox Arquette**.

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WSJ.COM HIGHLIGHTS

Broker to the stars admits to theft, lying

By Colleen DeBaise
DOW JONES NEWSWIRES

NEW YORK, Aug. 3 — It could be the script for a Hollywood movie: High-profile broker with big-name acting clients swindles them out of \$9 million after adopting their glamorous, club-hopping lifestyle.

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IN THIS CASE, some actors wouldn't have to read the script. They already know the story by heart, because it happened to them — and it doesn't have a happy ending.

The real-life drama played out in federal court here when celebrity financial adviser Dana Giacchetto — who at one time went nightclubbing with his Hollywood A-list clients, including Leonardo DiCaprio, Courteney Cox Arquette and Ben Affleck — pleaded guilty to criminal securities-fraud charges.

At a hearing, Mr. Giacchetto, 37 years old, admitted stealing the clients' money held by his New York firm, Cassandra Group. "This is a terrible day of my life," Mr. Giacchetto told U.S. District Judge Robert P. Patterson, choking back tears. "Ever since I was a

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little boy, I always thought I was on this planet to do good things.”

Mr. Giacchetto is being held in a New York jail pending sentencing, scheduled for Nov. 3. He faces as many as five years in prison, plus fines totaling at least \$250,000 and restitution.

Wall Street Journal
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A federal grand jury indicted Mr. Giacchetto in April on charges he pilfered as much as \$9 million from client accounts, allegedly using the cash to cover the rent on his

Manhattan loft, pay restaurant bills and otherwise finance a lavish lifestyle.

Mr. Giacchetto has been detained since April, when his bail was revoked after federal prosecutors said he purchased airline tickets and altered his passport in an apparent attempt to leave the U.S.

Mr. Giacchetto, the sole owner and president of Cassandra Group, had built his celebrity clientele by portraying himself as a conservative investor who could speak the language of the entertainment community. But his reputation as Hollywood's financial guru crashed earlier this year as news broke that many of his star clients had deserted him and that the Securities and Exchange Commission, as well as the Manhattan U.S. Attorney's Office, had begun investigating his activities.

The SEC has filed its own civil charges against Mr. Giacchetto, alleging the money manager made \$20 million worth of unauthorized transfers from clients' accounts. The agency said Cassandra Group turned into "a giant asset-kiting scheme," as Mr. Giacchetto allegedly began to pay complaining clients with funds stolen from other clients. The SEC case, filed in New York federal court in April, is pending.

Federal authorities allege Mr. Giacchetto tried to conceal the fraud by telling clients that he had invested their money in securities or in private placements, when in reality such investments were never made. He allegedly provided false order tickets and portfolio statements to some clients who inquired about investments.

Cassandra Group last month voluntarily filed for Chapter 7 bankruptcy protection in New York bankruptcy court. According to court papers, the firm lists assets of less than \$50,000. A 16-page list of unsecured creditors reads like credits at the end of a movie, with names such as Cameron Diaz and Matt Damon populating the roster.

The SEC estimated that during the past year, Cassandra Group managed 305 client securities portfolios with an aggregate market value of more than \$100 million.

Mr. Giacchetto's success in luring Hollywood stars was attributed to his ability to schmooze with clients,

often at the hottest nightspots. In addition, other business relationships lent Mr. Giacchetto an air of credibility. In 1998, he formed a separate joint venture with Chase Manhattan Corp.'s private-equity arm.

But Chase soon began to have worries about its partner and ended its relationship with Mr. Giacchetto in September. Many of the broker's celebrity clients began to distance themselves from him during the same period. Chase wasn't named in either the criminal or civil actions. A spokeswoman for Chase declined to comment.

Mr. Giacchetto told Judge Patterson he named his firm after the prophetess Cassandra, who foretold the fall of Troy. Mr. Giacchetto explained that he thought the name was appropriate for an investment-advisory firm. Now, however, he said he sees it as "perhaps even more fitting for someone who's contemplating a long time in prison."

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Title: DANA GIACCHETTO dba
THE CASSANDRA GROUP;
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40

Enclosures: Copies of newspaper and internet articles.

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04/24/00	Internet Article: Variety
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Sub Invest Asst by FO (s)

File Number
196C-NY-274597

Stat Agent Soc. Sec. No.

Stat Agent Name

RA Squad

Assisting Agents Soc. Sec. No. X

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Investigative Assistance or Technique Used											
1-Used, but did not help					3 -Helped, substantially						
2 -Helped, minimally					4 - Absolutely essential						
For Sub. Invest. Assist. by other FO (s) indicate A,B,C,D for corresponding FO											
Rate	FO	IAT	Rate	FO	IAT	Rate	FO	IAT	Rate	FO	IAT
		Fin. Analyst			Lab. Div. Exam			UCO - Group I			Ft. Mon.- NRCS
		Aircraft Asst.			Lab. Field Sup			UCO - Group II			For. Lang Asst.
		Computer			Pen Registers			UCO - Nat. Back			Non FBI Lab Ex
		Consen Mon.			Photo Cover.			NCAVC / VI - CAP			Vict-Witn Coor
		Elsur / FISC			Polygraph			Crim Intel Asst			
		Elsur / T. III			Search Warrant			Crisis Neg. - Fed.			
		Eng. Field Spt.			Show Money			Crisis Neg. - Local			
		Eng. Tape Ex			SOG Asst.			ERT Asst.			
		Legats Asst.			Swat Team			Butte - ITC			
		Evid Purchase			Tech. Ag/Equip.			Sav - ITC			
		Inf/CW Info			Phone Toll Rec			Poc - WRCS			

A. Complaint / Information / Indictment

Federal Local International

Complaint Date 03/31/00

Check if Civil Rico Complaint

Information Date

Indictment Date 04/25/00

D. Hostage(s) Released Date _____

Released by: Terrorist Other

Number of Hostages: _____

Child Located Date _____

F. Civil Rico Matters Date _____

Also Complete Section I

or

Other Civil Matters Date _____

Judgment _____

Judicial Outcome _____ X*

Amount: \$ _____

Suspension:

Years	Months

B. Locate/ Arrest

Federal Local International

Subject Priority: A B C

Locate Date _____

Arrest Date 04/04/00

Subject Resisted Arrest

Subject Arrested was Armed

E. Recovery / Restitution / PELP X

Federal Local International

Recovery Date _____

Code	Amount
	\$
	\$

Restitution Date _____

Court Ordered

Pretrial Diversion

Code	Amount
	\$

PELP Date _____

Code	Amount
	\$

G. Administrative Sanctions Date _____

Subject Description Code _____

Type: _____ Length: _____

Suspension Permanent

Debarment

Years	Months

Injunction

C. Summons

Federal Local

Summons Date _____

H. Conviction

Federal Local International

Conviction Date: 08/02/00

Felony Or Misdemeanor

Plea Or Trial

State: NY Judicial District: SOUTHERN

I. U.S. Code Violations
Required for Sections A, B, F, and H
(Federal only)

Title	Section	# of Counts
15	806	1
18	2	1

J. Sentence Date: _____

Sentence type: _____

In-Jail	Suspended	Probation
Years	Months	Years

Fines: \$ _____

K. Acquittal / Dismissal / Pretrial Diversion

Acquittal Date _____

Dismissal Date _____

Pretrial Diversion Date _____

L. Subject Information (Required for all Sections excluding Section D (Hostages) and E (Recovery/PELP))

Name	Race	Sex	Date of Birth	Social Security No. (if available)
<u>DANA C. GIACCHETTO</u>	<u>W</u>	<u>M</u>	<u>10/15/62</u>	<u>033-54-3639</u>

For Indictments/Convictions only:

Subject related to an LCN, Asian Organized Crime (AOC), Italian Organized Crime (IOC), Russian/Eastern European, Caribbean, or Nigerian Organized Crime Group - Complete FD-515a, Side 1 and Side 2.

Subject related to an OC/Drug Organization, a VCMO Program National Gang Strategy target group, or a VCMO Program National Priority Initiative target group - Complete FD-515a, Side 2.

X Additional information may be added by attaching another form or a plain sheet of paper for additional entries.

• See codes on reverse side.

Serial No. of FD-515

Case Number: 196C-NY-274597
Serial No.:

Stat Agent Name:
Stat Agent SOC.:

Repb6
Accb7c

Does Accomplishment Involve

Drugs : N
A Fugitive. : N
Bankruptcy Fraud. : N
Computer Fraud/Abuse. : N
Corruption of Public Officials: N
Money Laundering. : N



Assisting Agents SOC

b7E

Sub. Invest. Asst by Other FOs:

1 = Used,
2 = Helpe
3 = Helpe
4 = Absol

Investigative Assistance or Technique Used

FINAN ANALYST LAB DIV EXAMS UCO-GROUP I FT. MON-NRCSC
AIRCRAFT ASST LAB FIELD SUP UCO-GROUP II FOR LANG ASST
COMPUTER ASST PEN REGISTERS UCO-OTHER NON FBI LAB EX
CONSEN MONITR PHOTO COVERGE NCAVC/VI-CAP VICT-WITN COOR
ELSUR/FISC POLYGRAPH CRIM/NS INTEL
ELSUR/III SRCH WAR EXEC CRIS NEG-FED
ENG FIELD SUP SHOW MONEY CRIS NEG-LOC
ENG TAPE EXAM SOG ASST ERT ASST
LEGATS ASST. SWAT TEAM BUTTE-ITC
EVIDNCE PURCH TECH AG/EQUIP SAVANNAH-ITC
INFORMANT/CW TEL TOLL RECS POC-WRCSC

Complaint is for Federal/Local/International (F/L/I)... : F
Civil Rico Complaint (Y/N)..... : N

United States Code Violation

Title	Section	Counts
15	806	1
18	2	1

Accomplishment Narrative

DANA C. GIACCHETTO, RACE W, SEX M, DOB 10/15/62, SSN 033-54-3639

08/16/2000

***** INDI *****

~~SENSITIVE~~ / UNCLASSIFIED

Case Number: 196C-NY-274597
Serial No.:

Stat Agent Name: [Redacted]
Stat Agent SOC.: [Redacted]

Ref b6
Acc b7C

Does Accomplishment Involve



Assisting Agents SOC

Drugs : N
A Fugitive. : N
Bankruptcy Fraud. : N
Computer Fraud/Abuse. : N
Corruption of Public Officials: N
Money Laundering. : N

b7E

Sub. Invest. Asst by Other FOs:

1 = Used,
2 = Helpe
3 = Helpe
4 = Absol

Investigative Assistance or Technique Used

FINAN ANALYST	LAB DIV EXAMS	UCO-GROUP I	FT. MON-NRCS
AIRCRAFT ASST	LAB FIELD SUP	UCO-GROUP II	FOR LANG ASST
COMPUTER ASST	PEN REGISTERS	UCO-OTHER	NON FBI LAB EX
CONSEN MONITR	PHOTO COVERGE	NCAVC/VI-CAP	VICT-WITN COOR
ELSUR/FISC	POLYGRAPH	CRIM/NS INTEL	
ELSUR/III	SRCH WAR EXEC	CRIS NEG-FED	
ENG FIELD SUP	SHOW MONEY	CRIS NEG-LOC	
ENG TAPE EXAM	SOG ASST	ERT ASST	
LEGATS ASST.	SWAT TEAM	BUTTE-ITC	
EVIDNCE PURCH	TECH AG/EQUIP	SAVANNAH-ITC	
INFORMANT/CW	TEL TOLL RECS	POC-WRCS	

Indictment is for Federal, Local, or International (F/L/I)...: F

Form FD-515a Side 2:

U. S. Code Violation(s)

Investigative Efforts = N/A OR NONE
Subject's Role = N/A OR NONE
Scope = N/A OR NONE

Title	Section	Counts
15	806	1
18	2	1

Subject's Criminal Activity :
If Other, Specify. . . . :

Business Influenced/Affected:
If Other, Specify. :

If NON-LCN Member or Associate (M/A):
Name of NON-LCN Criminal Group. . . :

Name of Company Subject Connec

If La Cosa Nostra (LCN) Member or Asso (M/A):
Name of LCN Organized Crime Group (OCG) :
Position in LCN OCG :

Elected/Appointed Public Offic
If Other, Specify. :

Name of Union:

Union Affiliation:
If Other, Specify:

Level of Union. . . . :
If Local, Give Number:

Position in Union.:
If Other, Specify:

Accomplishment Narrative

DANA C. GIACCHETTO, RACE W, SEX [REDACTED] DOB 10/15/62, SSN 033-54-[REDACTED]

~~SENSITIVE~~ / UNCLASSIFIED

08/16/2000

***** ARREST *****

~~SENSITIVE~~ / UNCLASSIFIED

Case Number: 196C-NY-274597
Serial No.:

Stat Agent Name: [Redacted]
Stat Agent SOC.: [Redacted]

Rep^{b6}
Acc^{b7C}

Does Accomplishment Involve

Drugs : N
A Fugitive. : N
Bankruptcy Fraud. : N
Computer Fraud/Abuse. : N
Corruption of Public Officials: N
Money Laundering. : N



Assisting Agents SOC

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b7E

Sub. Invest. Asst by Other FOs:

1 = Used,
2 = Helpe
3 = Helpe
4 = Absol

Investigative Assistance or Technique Used

FINAN ANALYST	LAB DIV EXAMS	UCO-GROUP I	FT. MON-NRCSC
AIRCRAFT ASST	LAB FIELD SUP	UCO-GROUP II	FOR LANG ASST
COMPUTER ASST	PEN REGISTERS	UCO-OTHER	NON FBI LAB EX
CONSEN MONITR	PHOTO COVERGE	NCAVC/VI-CAP	VICT-WITN COOR
ELSUR/FISC	POLYGRAPH	CRIM/NS INTEL	
ELSUR/III	SRCH WAR EXEC	CRIS NEG-FED	
ENG FIELD SUP	SHOW MONEY	CRIS NEG-LOC	
ENG TAPE EXAM	SOG ASST	ERT ASST	
LEGATS ASST.	SWAT TEAM	BUTTE-ITC	
EVIDNCE PURCH	TECH AG/EQUIP	SAVANNAH-ITC	
INFORMANT/CW	TEL TOLL RECS	POC-WRCSC	

Arrest is for Federal, Local, or International (F/L/I).. : F
Arrest Subject Priority (A/B/C)..... : B
Did Subject Resist (Y/N)..... : N
Was Subject Armed (Y/N)..... : N

United States Code Violation

<u>Title</u>	<u>Section</u>	<u>Count</u>
15	806	1
18	2	1

Accomplishment Narrative

DANA C. GIACCHETTO, RACE W, SEX M, DOB 10/15/62, SSN 033-54-3639

~~SENSITIVE~~ / UNCLASSIFIED

08/16/2000

***** CONVICTION *****
~~SENSITIVE~~ / UNCLASSIFIED

Case Number: 196C-NY-274597
Serial No.:

Stat Agent Name: [Redacted]
Stat Agent SOC.: [Redacted]

Ref b6
Acc b7C

Does Accomplishment Involve

Drugs : N
A Fugitive. : N
Bankruptcy Fraud. : N
Computer Fraud/Abuse. : N
Corruption of Public Officials: N
Money Laundering. : N



Assisting Agents SOC b7E

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Sub. Invest. Asst by Other FOs:

1 = Used,
2 = Helpe
3 = Helpe
4 = Absol

Investigative Assistance or Technique Used

FINAN ANALYST LAB DIV EXAMS UCO-GROUP I FT. MON-NRCS
AIRCRAFT ASST LAB FIELD SUP UCO-GROUP II FOR LANG ASST
COMPUTER ASST PEN REGISTERS UCO-OTHER NON FBI LAB EX
CONSEN MONITR PHOTO COVERGE NCAVC/VI-CAP VICT-WITN COOR
ELSUR/FISC POLYGRAPH CRIM/NS INTEL
ELSUR/III SRCH WAR EXEC CRIS NEG-FED
ENG FIELD SUP SHOW MONEY CRIS NEG-LOC
ENG TAPE EXAM SOG ASST ERT ASST
LEGATS ASST. SWAT TEAM BUTTE-ITC
EVIDNCE PURCH TECH AG/EQUIP SAVANNAH-ITC
INFORMANT/CW TEL TOLL RECS POC-WRCS

Date of Conviction (MM/DD/YYYY) : 08/02/2000
Date of Sentencing (MM/DD/YYYY) :



b7E

Federal, Local, or International (F/L/I) : F
Felony or Misdemeanor (F/M) : F

Plea or Trial (P/T) : P
Judicial State. : NY
Judicial District : SDN
Type of Sentence :

	Year	Month	U. S. Code Violation(s)			Form FD-515a S Investigativ Subject's Ro Scope = N/A
			Title	Section	Counts	
Time in Jail. . .						
Time Suspended.:			15	806	1	
Probation Time.:			18	2	1	

Total Fines. . :\$

Accomplishment Narrative

DANA C. GIACCHETTO, RACE W, SEX M, DOB 10/15/62, SSN 033-54-3639

~~SENSITIVE~~ / UNCLASSIFIED

196C-NY-274597

44

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 10 1961	
FBI - NEW YORK	

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 03/19/2001

To: New York

From: New York

Squad C-1

Contact: [redacted] (212) 384-3990

b6
b7c

Approved By: [redacted]

Drafted By: [redacted] jhojhd

Case ID #: 196C-NY-274597 (Pending)

Title: Dana Giacchetto;
The Cassandra Group

Synopsis: Request to close captioned case.

Details: Writer requests that the captioned case be closed as no further investigation is required. Dana Giacchetto was sentenced to fifty-seven months on February 07, 2001 in the Southern District of New York federal court. Additionally, United States District Judge Robert P. Patterson ordered Giacchetto to make restitution of \$9,870,612.21 to the victims of his scheme.

①
JHE

Giacchetto was indicted by the federal grand jury on April 25, 2000. On August 02, 2000, Giacchetto pled guilty to the charge of fraud under the Investment Advisers Act.

♦♦
close captioned matter

old cc 3/20/01

196C-NY-274597 - 45

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 19 2001	

UPLOADED

WITH/TEXT

WITH/CUTTER

BY [signature]

DATE 3/20/01

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/20/01 BY [signature]

dgcbose.wpd

CO
3/27/01

Leave Blank

Note: This vital report must be prepared on each individual whose arrest fingerprints have been forwarded to the FBI Identification Division without final disposition noted thereon. If no final disposition is available to arresting agency, also obtain subject's right four finger impressions on this form, complete left side and forward the form when case referred to prosecutor and/or courts. Agency on notice as to final disposition should complete this form and submit to: Director, FBI, Washington, D.C. 20537, Attention: Identification Division. (See instructions on reverse side)

FBI No. 12799NBS

Name on Fingerprint Card Submitted to FBI
 Last First Middle
Giacchetto Dana Calogero

Date of Birth 10/15/1962 Sex M

Henry
 Fingerprint WU WU RS WU RS WU LSL SWULS
 Classification WU WU WU
 From FBI 1-B Response
 State Bureau No. (SID) Social Security No. (SOC)
033-54-3639

Final Disposition & Date
 (If convicted or subject pleaded guilty to lesser charge, include this modification with disposition.)

SENTENCED TO 57 MONTHS
RESTRICTION ORDER
\$9,870,612.21

Contributor of Fingerprints (Include complete name and location of agency, together with ORI number.)

FBI
26 FEDERAL PLAZA
NY NY 10278

This Form Submitted By:
 (Name, Title, Agency, ORI No., City & State)

[Signature]
 Special Agent
 Title

04/04/2000
 Date

b6
b7c

Arrest No. (OCA) Date Arrested or Received


04/04/2000
04/12/2000

COURT ORDERED EXPUNGEMENT:
 Return Arrest Fingerprint Card to Contributing Agency;
 Certified or Authenticated Copy of Court Order Attached.

Offenses Charged at Arrest

1 TITLE 18 SECURITIES FRAUD.
2 18 USC 3148- VIOLATION OF A RELEASE CONDITION

Right Four Fingers Taken Simultaneously



If additional space is needed, check and continue on reverse side of this form.

Ⓚ

UPLOADED

WITH/TEXT _____
 WITH/OUT TEXT 6
 BY [Signature]
 DATE 3/26/01

Proby 24597
9 9 46

[Signature]

KFBI HING DCJS
04263 FILE 15 TYPE 1 NAME SEARCH TO DCJS (AND NCIC) PUR/C & F
..OPERATOR/.LOG/KFBI.~~CONFIDENTIAL~~ LOG/N
..PUR/C..REASON/CRI..ORI/NYFBINY01..CASE#/I196C
..NAM/GIACCHETTO, DANA C ..SEX/M..RAC/U..DOB/101562
..SKIN TONE/*..HGT/* ..SOC/033543639..FBI/* ..MNU/*
..ALIAS#1/*
..ALIAS#2/*
..ALIAS#3/*
..ALIAS#4/*
..ALIAS#5/*
..REQUESTOR'S NAME/SA
..COMMENTS/196C-NY- SECURITIES/COMMODITIES FRAUD

b6
b7c

E 2224-2224 03/07/01 RDSQ# KFBI 32747 RDSQ# 01947039 PART 001 OF 001
NYSP HING KFBI
INPUT SEQUENCE NUMBER 04263 HAS BEEN CORRECTED TO 04293

N 2224-2224 03/07/01 RDSQ# KFBI 32748 RDSQ# 01947054 PART 001 OF 001
NYSP PTST KFBI 2225
NYFBINY01
NO RECORD - NYSPIN WANTED PERSONS FILE
NAM/GIACCHETTO, DANA C
..DOB/101562 ..SEX/M..RAC/U

N 2224-2224 03/07/01 RDSQ# KFBI 32749 RDSQ# 01947062 PART 001 OF 001
NYSP PARO KFBI 2225
NYFBINY01
NO RECORD - NYSPIN PAROLE FILE
NAM/GIACCHETTO, DANA C
..DOB/101562..SEX/M..RAC/U

N 2224-2225 03/07/01 ROSG# KFBI 32750 ROSG# 01947101 PART 001 OF 001
NYIS HIND KFBI 2225
KFBI04293 NO SUSPECTS

N 2225-2225 03/07/01 ROSG# KFBI 32751 ROSG# 01947426 PART 001 OF 001
NCIC PTST KFBI 2225
NYFBINY01

MKE/WANTED PERSON

ORI/NV002213A NAM/GIACCHETTO, DANA C SEX/M RAC/W POB/MA DOB/19621015
HGT/507 WGT/155 EYE/BLU HAI/BLN FBI/12795NE5 SMT/SC ABDOM
INU/PP-154614767 SOC/033543639
OLN/033543639 OLS/MA OLY/1999
OFF/FRAUD -- INSUFF FUNDS CHECK
DCW/20000927 OCA/005018094
MIS/EXTR ANY USA, NSF CKS, 3CTS, WA00F15683X, CASH BAIL.16, 595, CONTACT BAD CK
MIS/UNIT, 702-455-2959, AFTER HRS, 455-3916, US PSPRT
ORI IS CLARK COUNTY DISTRICT ATTORNEY 702 455-4711
AKA/GIACCHETTO, DANA CALOGERO
AKA/GACCHETTO, DANA CALOGERO
NIC/W231079613 DTE/20001012 2028 EDT
IMPED CONFIRM WARRANT AND EXTRADITION WITH ORI

N 2225-2225 03/07/01 RDSQH KFBI 32752 RDSQH 01948495 PART 001 OF 001

NCIC HINQ KFBI

ACK

NYFBINY01

THIS NCIC INTERSTATE IDENTIFICATION INDEX RESPONSE IS THE RESULT OF YOUR
INQUIRY ON NAM/GIACCHETTO, DANA C SEX/M RAC/U DOB/19621015 PUR/C

NAME	FBI NO.	INQUIRY DATE
GIACCHETTO, DANA CALOGERO	12799NB5	2001/03/07

SEX	RACE	BIRTH DATE	HEIGHT	WEIGHT	EYES	HAIR	BIRTH PLACE	PHOTO
M	W	1962/10/15	511	155	BLU	BLN	MASSACHUSETTS	N

FINGERPRINT CLASS	PATTERN CLASS
	WU WU RS WU RS WU LS LS WU LS
	WU WU WU

ALIAS NAMES

GIACCHETTO, DANA CALOGERO GIACCHETTO, DANA C

SCARS-MARKS-

TATTOOS SOCIAL SECURITY

SC ABDOM 033-54-3639

IDENTIFICATION DATA UPDATED 2000/10/12

THE CRIMINAL HISTORY RECORD IS MAINTAINED AND AVAILABLE FROM THE
FOLLOWING:

FBI - FBI/12799NB5

THE RECORD(S) CAN BE OBTAINED THROUGH THE INTERSTATE IDENTIFICATION
INDEX BY USING THE APPROPRIATE NCIC TRANSACTION.

END

KFBI HIQR NCIC

04263 FILE 15 TYPE 4 RAP REQUEST NCIC III PUR/C, F & J

..OPERATOR/..LOG/KFBI..~~CONFIDENTIAL~~ LOG/N

..PUR/C..REASON/CRI..ORI/NYFBINY01..CASE#/I196C

..NAM/GIACCHETTO, DANA C

..FBI/12799NB5 ..SID/*

..AGENCY/*

..BUILDING/*

..ADDRESS/*

..CITY--STATE/*

..ZIP/*

..REQUESTOR'S NAME/SA

..COMMENTS/196C-NY-

SECURITIES/COMMODITIES FRAUD

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E 2227-2227 03/07/01 ROSQ# KFBI 32753 RDSQ# 01952477 PART 001 OF 001

NYSP HIQR KFBI

INPUT SEQUENCE NUMBER 04263 HAS BEEN CORRECTED TO 04294

N 2227-2227 03/07/01 ROSQ# KFBI 32754 RDSQ# 01952623 PART 001 OF 001

NCIC HIQR KFBI

ACK

NYFBINY01

THIS INTERSTATE IDENTIFICATION INDEX RESPONSE IS THE RESULT OF YOUR
RECORD REQUEST FOR FBI/12799NB5. THE FOLLOWING WILL RESPOND TO YOUR
AGENCY#:

FBI - FBI/12799NB5

END

NCIC MIQR KFBI

ACK

NYFBINY01

ATN/SA [REDACTED]

THIS RECORD IS BASED ONLY ON THE FBI NUMBER IN YOUR REQUEST-12799NB5. BECAUSE ADDITIONS OR DELETIONS MAY BE MADE AT ANY TIME, A NEW COPY SHOULD BE REQUESTED WHEN NEEDED FOR SUBSEQUENT USE.

- FBI IDENTIFICATION RECORD -

WHEN EXPLANATION OF A CHARGE OR DISPOSITION IS NEEDED, COMMUNICATE DIRECTLY WITH THE AGENCY THAT FURNISHED THE DATA TO THE FBI.

NAME	FBI NO.	DATE REQUESTED
GIACCHETTO, DANA CALGERO	12799NB5	2001/03/07

SEX	RACE	BIRTH DATE	HEIGHT	WEIGHT	EYES	HAIR	BIRTH PLACE
M	W	1962/10/15	511	155	BLU	BLN	MASSACHUSETTS

PATTERN CLASS	CITIZENSHIP
WU WU RS WU RS WU LS LS WU LS	UNITED STATES
WU WU WU	

1-ARRESTED OR RECEIVED 2000/04/04
 AGENCY-FBI NEW YORK (NYFBINY00)
 CHARGE 1-TITLE 18 SECURITIES FRAUD

2-ARRESTED OR RECEIVED 2000/04/12
 AGENCY-FBI NEW YORK (NYFBINY00)
 NAME USED-GIACCHETTO, DANA C
 CHARGE 1-18 USC 3148 - VIOLATION OF A RELEASE CONDITION

* WANTED	*
* CONFIRM THAT WARRANT IS STILL OUTSTANDING	*
* AGENCY-DIST ATTY-BAD CHK UN LAS VEGAS (NV002213A)	*
* WANTED-NCIC #W231079613	*
* GIACCHETTO, DANA C	*
* FRAUD - INSUFF FUNDS CHECK	*
* CASE #023018094	*
* DATE OF WARRANT 09/27/2000	*
* NOTIFY NV002213A DIST ATTY-BAD CHK UN LAS VEGAS NV	*

ALL ARREST ENTRIES CONTAINED IN THIS FBI RECORD ARE BASED ON FINGERPRINT COMPARISONS AND PERTAIN TO THE SAME INDIVIDUAL.

THE USE OF THIS RECORD IS REGULATED BY LAW. IT IS PROVIDED FOR OFFICIAL USE ONLY AND MAY BE USED ONLY FOR THE PURPOSE REQUESTED.

END OF RECORD

b6
b7c

For Further Instructions See: MAOP, Part 3 Sections 3-5 thru 3-5.3.

PROPERTY CODES

- 01 Cash
- 02 Stocks, Bonds or Negot. Instruments
- 03 General Retail Merchandise
- 04 Vehicles
- 05 Heavy Machinery & Equipment
- 06 Aircraft
- 07 Jewelry
- 08 Vessels
- 09 Art, Antiques or Rare Collections
- 11 Real Property
- 20 All Other

SENTENCE TYPES

- CP Capital Punishment
- JS Jail Sentence
- LS Life Sentence
- NS No Sentence (Subject is a Fugitive, Insane, has Died, or is a Corporation)
- PB Probation
- SJ Suspension of Jail Sentence
- YC Youth Correction Act

PELP CODES

- 22 Counterfeit
Stocks/Bonds/Currency/
Negotiable Instruments
- 23 Counterfeit/Pirated Sound
Recordings or Motion Pictures
- 24 Bank Theft Scheme Aborted
- 25 Ransom, Extortion or Bribe
Demand Aborted
- 26 Theft From or Fraud Against
Government Scheme Aborted
- 27 Commercial or Industrial
Theft Scheme Aborted
- 30 All Other

RACE CODES

- A Asian/Pacific Islander
- B Black
- I Indian/American
- U Unknown
- W White
- X Nonindividual

AGENCY CODES

- ACIS Army Criminal Investigative Service
- BATF Bureau of Alcohol, Tobacco & Firearms
- BIA Bureau of Indian Affairs
- DCAA Defense Contract Audit Agency
- DCIS Defense Criminal Investigative Service
- DEA Drug Enforcement Administration
- DOC Department of Corrections
- DOI Dept. of Interior
- EPA Environmental Protection Agency
- FAA Federal Aviation Administration
- FDA Food and Drug Administration
- HHS Dept. of Health & Human Services
- HUD Dept. of Housing & Urban Development
- INS Immigration and Naturalization Service
- IRS Internal Revenue Service
- NASA Nat'l Aeronautics & Space Admin
- NBIS Nat'l NARC Border Interdiction
- NCIS Naval Criminal Investigative Service
- RCMP Royal Canadian Mounted Police
- SBA Small Business Administration
- USBP U.S. Border Patrol
- USCG U.S. Coast Guard
- USCS U.S. Customs Service
- USDS U.S. Department of State
- USMS U.S. Marshals Service
- USPS U.S. Postal Service
- USSS U.S. Secret Service
- USTR U.S. Treasury
- LOC Local
- CITY City
- COUN County
- ST State
- OIHR Other

JUDGMENT CODES

- CJ Consent Judgment
- CO Court Ordered Settlement
- DF Default Judgment
- DI Dismissal
- JN Judgment Notwithstanding
- MV Mixed Verdict
- SJ Summary Judgment
- VD Verdict for Defendant
- VP Verdict for Plaintiff

JUDICIAL OUTCOME

- AG Agreement
- BR Barred/Removed
- CC Civil Contempt
- DC Disciplinary Charges
- FI Fine
- PI Preliminary Injunction
- PR Temporary Restraining Order
- PS Pre-filing Settlement
- RN Restitution
- SP Suspension
- VR Voluntary Resignation
- OT Other

SUBJECT PRIORITY

- A Subject wanted for crimes of violence (i.e., murder, manslaughter, forcible rape) against another individual or convicted of such a crime in the past five years
- B Subject wanted for crimes involving loss or destruction of property valued in excess of \$25,000 or convicted of such a crime in the past five years.
- C All other subjects.

SUBJECT DESCRIPTION CODES

ORGANIZED CRIME SUBJECTS

- IF Boss
- IG Underboss
- IH Consigliere
- IJ Acting Boss
- IK Capodecina
- IL Soldier

KNOWN CRIMINALS

- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

FOREIGN NATIONALS

- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official W/out
Diplomatic Immunity
- 3D U.N. Employee W/out
Diplomatic Immunity
- 3E Foreign Student
- 3F All Others

OTHERS

- 8A All Other Subjects
- 8B Company or Corporation

TERRORISTS

- 4A Known Member of a
Terrorist Organization
- 4B Possible Terrorist Member
or Sympathizer

UNION MEMBERS

- 5D President
- 5E Vice-President
- 5F Treasurer
- 5G Secretary/Treasurer
- 5H Executive Board Member
- 5I Business Agent
- 5J Representative
- 5K Organizer
- 5L Business Manager
- 5M Financial Secretary
- 5N Recording Secretary
- 5P Office Manager
- 5Q Clerk
- 5R Shop Steward
- 5S Member
- 5T Trustee
- 5U Other

GOVERNMENT SUBJECTS
(6F, 6G, 6H- Include Agency Code)

- 6A Presidential Appointee
- 6B U.S. Senator/Staff
- 6C U.S. Representative/Staff
- 6D Federal Judge/Magistrate
- 6E Federal Prosecutor
- 6F Federal Law Enforcement Officer
- 6G Federal Employee - GS 13 & Above
- 6H Federal Employee - GS 12 & Below
- 6J Governor
- 6K Lt. Governor
- 6L State Legislator
- 6M State Judge/Magistrate
- 6N State Prosecutor
- 6P State Law Enforcement Officer
- 6Q State - All Others
- 6R Mayor
- 6S Local Legislator
- 6T Local Judge/Magistrate
- 6U Local Prosecutor
- 6V Local Law Enforcement Officer
- 6W Local - All Others
- 6X County Commissioner
- 6Y City Councilman

BANK EMPLOYEES

- 7A Bank Officer
- 7B Bank Employee

96c-ny-274597

47

MAR 1 1981

UPLOADED BY WITHOUT TEXT DATE 04/13/01

Accomplishment Report

Accomplishment must be reported and loaded into ISF within 30 days from date of accomplishment)

Date Prepared 3/19
Date Loaded
Data Loader's Initials

Squad supervisor approval (please initial)

- Accomplishment involves: (check all that apply)
Drugs
A Fugitive
Bankruptcy Fraud
Computer Fraud/Abuse
Corruption of Public Officials
Forfeiture Assets
Sub Invest Asst by FO (s)

File Number 196C-NY-274597

Stat Agent Soc. Sec. No.

Stat Agent Name

RA NYO Squad C-1

Assisting Agents Soc. Sec. No. x

1.
Name:
2.
Name:

Investigative Assistance or Technique Used table with columns for Rate, FO, IAT and rows for various techniques like Fin. Analyst, Lab. Div. Exam, UCO - Group I, etc.

Asst. FO(s) A, B, C, D

Task Force

A. Complaint / Information / Indictment
Federal Local International
Complaint Date
Check if Civil Rico Complaint
Information Date
Indictment Date

D. Hostage(s) Released Date
Released by: Terrorist Other
Number of Hostages:
Child Located Date

F. Civil Rico Matters Date
Also Complete Section I
or
Other Civil Matters Date
Judgment
Judicial Outcome x
Amount: \$
Suspension: Years Months

B. Locate/ Arrest
Federal Local International
Subject Priority: A B C
Locate Date
Arrest Date
Subject Resisted Arrest
Subject Arrested was Armed

E. Recovery / Restitution / PELP x
Federal Local International
Recovery Date
Code Amount
Restitution Date 02/07/01
Court Ordered
Pretrial Diversion
Code Amount RN \$9,870,612.21
PELP Date
Code Amount

G. Administrative Sanctions Date
Subject Description Code
Type: Length:
Suspension Permanent
Debarment Years Months
Injunction

C. Summons
Federal Local
Summons Date

I. U.S. Code Violations
Required for Sections A, B, F, and H (Federal only)
Table with columns: Title, Section, # of Counts

J. Sentence Date: 02/07/01
Sentence type: JS
Table with columns: In-Jail Years Months, Suspended Years Months, Probation Years Months
Fines: \$

H. Conviction
Federal Local International
Conviction Date:
Subject Description Code: ()
For 6F, G, H--Include Agency Code
Felony Or Misdemeanor
Plea Or Trial
State: Judicial District:

K. Acquittal / Dismissal / Pretrial Diversion
Acquittal Date
Dismissal Date
Pretrial Diversion Date

L. Subject Information (Required for all Sections excluding Section D (Hostages) and E (Recovery/PELP))
Name: DANA C. GIACCHETTO
Race: W Sex: M Date of Birth: 10/15/62 Social Security No. (if available): 033-54-3639

- For Indictments/Convictions only:
Subject related to an LCN, Asian Organized Crime (AOC), Italian Organized Crime (IOC), Russian/Eastern European, Caribbean, or Nigerian Organized Crime Group - Complete FD-515a, Side 1 and Side 2.
Subject related to an OC/Drug Organization, a VCMO Program National Gang Strategy target group, or a VCMO Program National Priority Initiative target group - Complete FD-515a, Side 2.

x Additional information may be added by attaching another form or a plain sheet of paper for additional entries.
See codes on reverse side.
Serial No. of FD-515

b6
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b7E

Case Number: 196C-NY-274597
Serial No.:

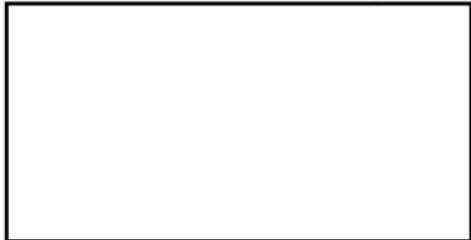
Stat Agent Name: [Redacted]
Stat Agent SOC.: [Redacted]

Rep
Acc

b7E

Does Accomplishment Involve

Drugs : N
A Fugitive. : N
Bankruptcy Fraud. : N
Computer Fraud/Abuse. : N
Corruption of Public Officials: N
Money Laundering. : N



Assisting Agents SOC

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Sub. Invest. Asst by Other FOs:

1 = Used,
2 = Helpe
3 = Helpe
4 = Absol

Investigative Assistance or Technique Used

FINAN ANALYST	LAB DIV EXAMS	UCO-GROUP I	FT. MON-NRCSC
AIRCRAFT ASST	LAB FIELD SUP	UCO-GROUP II	FOR LANG ASST
COMPUTER ASST	PEN REGISTERS	UCO-OTHER	NON FBI LAB EX
CONSEN MONITR	PHOTO COVERGE	NCAVC/VI-CAP	VICT-WITN COOR
ELSUR/FISC	POLYGRAPH	CRIM/NS INTEL	IO WANTED FLYR
ELSUR/III	SRCH WAR EXEC	CRIS NEG-FED	SARS
ENG FIELD SUP	SHOW MONEY	CRIS NEG-LOC	CART
ENG TAPE EXAM	SOG ASST	ERT ASST	
LEGATS ASST.	SWAT TEAM	BUTTE-ITC	
EVIDNCE PURCH	TECH AG/EQUIP	SAVANNAH-ITC	
INFORMANT/CW	TEL TOLL RECS	POC-WRCSC	

Restitution is for Federal, Local, or International (F/L/I)...: F
Restitution Court Ordered or by Pretrial Diversion (C/P).....: C

Resti

CODE	AMOUNT
01	\$ 9870612

Accomplishment Narrative

Case Number: 196C-NY-274597
Serial No.:

Stat Agent Name: [Redacted]
Stat Agent SOC.: [Redacted]

Does Accomplishment Involve

Drugs : N
A Fugitive. : N
Bankruptcy Fraud. : N
Computer Fraud/Abuse. : N
Corruption of Public Officials: N
Money Laundering. : N



Assisting Agents SOC ^{b7E}

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Sub. Invest. Asst by Other FOs:

1 = Used,
2 = Helpe
3 = Helpe
4 = Absol

Investigative Assistance or Technique Used

FINAN ANALYST	LAB DIV EXAMS	UCO-GROUP I	FT. MON-NRCSC
AIRCRAFT ASST	LAB FIELD SUP	UCO-GROUP II	FOR LANG ASST
COMPUTER ASST	PEN REGISTERS	UCO-OTHER	NON FBI LAB EX
CONSEN MONITR	PHOTO COVERGE	NCAVC/VI-CAP	VICT-WITN COOR
ELSUR/FISC	POLYGRAPH	CRIM/NS INTEL	IO WANTED FLYR
ELSUR/III	SRCH WAR EXEC	CRIS NEG-FED	SARS
ENG FIELD SUP	SHOW MONEY	CRIS NEG-LOC	CART
ENG TAPE EXAM	SOG ASST	ERT ASST	
LEGATS ASST.	SWAT TEAM	BUTTE-ITC	
EVIDNCE PURCH	TECH AG/EQUIP	SAVANNAH-ITC	
INFORMANT/CW	TEL TOLL RECS	POC-WRCSC	

Type of Sentence . . . : JS PB
Date of Sentencing . . . : 02/07/2001
Federal, Local, or International (F/L/I): F

	Year	Month
	----	----
Time in Jail. . . :	4	9
Time Suspended.:		
Probation Time.:	3	
Total Fines. . . :\$		

Accomplishment Narrative

196C-NY-274597-4/8

SEARCHED	INDEXED
SERIALIZED <i>62</i>	FILED
FEB 28 2005	
FBI-NEW YORK	
<i>me</i>	

UPLOADED ✓
WITH TEXT _____
WITHOUT TEXT _____
DATE *8/1/05*

1.2

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 02/25/2005

To: New York

Attn: ECT

[Redacted]

From: New York

C-1

Contact: FA

[Redacted]

Ext. 3351

b6
b7C

Approved By:

[Redacted]

Drafted By:

[Redacted] : wmc

~~(X)~~
wmc

Case ID #: SEE BELOW

Title: SEE BELOW

Synopsis: Destroy evidence

Details: The AUSA [Redacted] SDNY has advised that the evidence pertaining to the following closed cases can be destroyed as the cases are adjudicated:

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<u>Case ID #</u>	<u>Title</u>	<u>1B Number</u>
196C-NY-263487	Marsh Block and Co First Montauk Securities	1B 1
196C-NY-259918	Royal Finance [Redacted]	1B 1
196C-NY-260276	[Redacted]	1B 2 & 3
196C-NY-272645	Golden Financial Group [Redacted]	1B 1
196C-NY-274502	[Redacted] dba Fargo Holdings; [Redacted]	1B 1, 2, 3, 4, 5 6, 7 & 8
196C-NY-276071	Unsubs: [Redacted] dba Coast Construction	1B 1, 2 & 3
196C-NY-274597	Giacchetto, Dana, C Cassandra Group Inc.	1B 1, 2 & 3

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FA [Redacted] requests the Evidence Control Unit to remove the evidence from storage and destroys them in the appropriate manner.

b6
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FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 01/11/2008

To: New York

Attn: Evidence Control Unit

From: New York

C-1

Contact: FA [redacted] 212-384-3351

Approved By: [redacted]

Drafted By: [redacted] wmc *WMC*

Case ID #: 196C-NY-274597 (Closed)

Title: GIACCHETTO, DANA, C
CASSANDRA GROUP INC.

Synopsis: Evidence for destruction.

Reference: Per EC 196C-NY-274597 Serial 48

Details: Per EC 196C-NY-274502 Serial 107, the evidence in 1B2 Barcode E1227936, 1B2 Barcode E1639349 and 1B3 Barcode E01911097 can be destroyed as the case is adjudicated.

FA [redacted] requests the Evidence Control Unit to remove the evidence from storage and destroys them in the appropriate manner.

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196C-NY-274597-49

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 11 2008	
FBI-NEW YORK	
<i>WMC</i>	

UPLOADED *PK-1-14-08*

196C-NY-274597

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 01/23/2008

To: New York

Attn: Evidence Control Unit

From: New York

C-1

Contact: FA [redacted] 212-384-3351

b6
b7C

Approved By: [redacted]

Drafted By: [redacted] wmc *WMC*

Case ID #: 196C-NY-274597 -50 (Closed)

Title: GIACCHETTO, DANA, C
CASSANDRA GROUP INC.

Synopsis: Evidence for destruction.

Reference: Per EC 196C-NY-274597 Serial 48

Details: On January 23, 2008, FA [redacted] spoke with SA [redacted] regarding the items in 1B1 Barcode E1227936, 1B2 Barcode E1639349 and 1B3 Barcode E01911097. SA [redacted] stated that he does not have the items in his possession. SA [redacted] believed that the items were transferred to the Southern District of New York. Per EC 196C-NY-274597 Serial 48 the above items with the respective FD-192 probably were destroyed.

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FA [redacted] recommends that the evidence in 1B1 Barcode E1227936, 1B2 Barcode E1639349 and 1B3 Barcode E01911097 be marked as destroyed and removed from evidence control.

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UPLOADED 1-25-08

SEARCHED _____	INDEXED _____
SERIALIZED <i>03</i>	FILED _____
JAN 24 2008	
FBI - NEW YORK	

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11/13/07
07:35:30

Closed Cases with pending Collected Items
01/01/1978 thru 11/13/2007

ICMIPR06
Page 236

[Redacted]

Collected Item Type: General
Category Type: 1B

b6
b7C

Case Squad: C1 Case Agent: [Redacted]
Case Number: 196C-NY-274597

Closed: 03/20/01
Title: GIACCHETTO, DANA, C

Cat/Num	Acquired	Type	Barcode	Anticipated Disposition and Date	Contributor/Description
1B1	03/16/2000	G	E1227936		RESIDENCE ONE CELLOPHANE CONT., COMPAQ PRESARIO 4660 SERIAL #6806BQS6E255 (AREA D), MACINTOSH PERFORMA 6400/180 SER# XB636165838 (AREA A BY FRONT DOOR), POWER MACINTOSH 9500/120 SER# XB5260VVZQH (AREA B), STARMAX 3000/180 SER# ST047301 (AREA A), TRAVAN-4 MINICARTRIDGE SER# 0542051888 (AREA B), TRAVAN-4 MINICARTRIDGE SER# 0432032598 (AREA B), TRAVAN-4 MINICARTRIDGE SER# 0759032498 (AREA B), 35 MISC. 3.5" FLOPPY DISKS (AREA B 2 MISC. 3.5" FLOPPY DISKS LABELED "BROWN PASSWORDS 1-7-00 & BROWN PASSWORD CONTROL LIST"
1B2	03/16/2000	G	E1639349		RESIDENCE ONE CELLOPHANE CONT., 12 DISKS IN CLEAR PLASTIC BOX-BOX 13, 18 DISKS IN PLASTIC ZIPLOCK "AREA A-BOX 13, "DANA PAYMENT" DISK-BOX 24, "FIRST 13 AXYS ACCOUNTS" DISK-BOX 24, ONE DISK- NO TITLE- BOX 1, ONE DISK-"MMA"- BOX 1
1B3	04/18/2000	G	E01911097		FBI-CART ONE CELLOPHANE CONT., ZIP 100: FLOPPY DISKS (15-78), M.O 22-DRIVE C VOL. 1 & 2, M.O.: COMPAQ PRESARIO Q79 CODE BLUE VOL. 1 OF 2 AND VOL. 1 OF 1 Q6, 2 OF 2 AND VOL 1 OF 1 Q5, M.O.: CODE BLUE VOL. 1 SERVER Q1 & UNERASED, M.O.: CODE BLUE VOL. 1 DRIVE D: Q2 AND CODE BLUE VOL 1 OF 2: Q7 C DRIVE, M.O. CODE BLUE VOL. 1 OF 3 Q3, VOL. 2 OF 3 Q3, VOL. 3 OF 3 Q3, M.O. Q4 VOL. 1 UNERASED, M.O. Q7 C DRIVE VOL. 2 OF 2, M.O. Q7 DRIVE D VOL. 1

~~SECRET~~