

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA

: Criminal No. 05-452 (PLF)

v.

GERRY D. MATHEWS,

Defendant.

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FILED

JAN 30 2006

NANCY MAYER WHITTINGTON, CLERK
U.S. DISTRICT COURT

STATEMENT OF THE OFFENSE

Pursuant to Fed. R. Cr. P. 11, defendant Gerry D. Mathews, by and through her undersigned counsel, agree and stipulate as follows:

In 1986 Gerry D. Mathews ("Mathews" or "the defendant") began working at a law firm, Fried, Frank, Harris, Shriver & Jacobson, LLP ("FFHSJ" or "the law firm") as a bookkeeper. In 1990, the law firm gave Mathews the responsibilities for managing certain partners' professional corporations. Beginning in 1995 and continuing every year until May 2005, the defendant embezzled money from the partners and their professional corporations in a variety of ways:

First, from 1999, and continuing each year until 2005, Mathews paid her own American Express and First USA VISA credit card debts with money from partners' professional corporation bank accounts without the permission from the partners. Specifically, Mathews wrote out checks from the partners' professional corporation bank accounts made payable to American Express or First USA and asked the partners to sign the checks. Then Mathews sent in these checks to the credit card companies as payments on her own accounts. At times, Mathews drafted the checks as a smaller amount, such as \$36 or \$54; then after the partner(s) signed the checks, Mathews altered the checks to read \$3,600 and \$5,400. In this manner, Mathews

embezzled a total of approximately \$173,300 from bank accounts belonging to FFHSJ partners' professional corporations.

Second, in 1993 and then from 1995 and continuing every year until 2002, Mathews diverted checks made payable to the partners or the partners' professional corporations to her own benefit. Specifically, the defendant wrote checks on bank accounts belonging to the partners' professional corporations making the checks payable to the partners, who then signed the checks. As endorsements, then, Mathews signed her own name under the forged name of the partner. Next, she cashed the checks or deposited the checks into bank accounts belonging to herself or her family. In this manner, Mathews embezzled a total of \$98,000 from bank accounts belonging to FFHSJ partners' professional corporations.

Third, from 1994 and continuing each year until 1997, the defendant diverted checks made payable to partners from FFHSJ bank accounts. Specifically, Mathews wrote her own name as a secondary endorsement on the FFHSJ checks. She then either cashed the checks or deposited the checks into her own account or an account belonging to a family member, without the permission of the partners. In this manner, Mathews embezzled a total of approximately \$50,730 from bank accounts belonging to FFHSJ and the partners' professional corporations.

Finally, in 2004, the defendant also diverted a check from a third party to her own account. Specifically, in the District of Columbia, in or about October 2004, a partner gave the defendant a \$28,511 check made payable to the partner's professional corporation. The partner instructed Mathews to deposit the check into his professional corporation's account. Instead, on or about November 29, 2004, in the State of Maryland, the defendant deposited the check into a


bank account held jointly with her husband; Mathews did not have permission to deposit this check into her own account.

In sum, Gerry D. Mathews devised a scheme to defraud and a scheme to steal and take by fraud money totaling about \$350,500 from the partners of FFHSJ and their professional corporations. In particular, with respect to the one count listed in the criminal information, in October and November 2004, Mathews transported and caused to be transported a check worth \$28,511 from the District of Columbia to the State of Maryland knowing the check (worth in excess of \$5,000) to be converted or taken by fraud.

Respectfully submitted,

KENNETH L. WAINSTEIN
United States Attorney
for the District of Columbia

By:


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DEFENDANT'S ACCEPTANCE

I have read every word of this Statement of Offense. Pursuant to Fed. R. Cr. P. 11, after consulting with my attorney, I agree and stipulate to this Statement of Offense, and declare under penalty of perjury that it is true and correct.


Date:

Dec. 14, 2005


Gerry D. Mathews
Defendant

I concur with her decision to stipulate to this Statement of Offense.

Date: 12/14/05


Richard M. McGill, Esq.
Attorney for the Defendant