



U.S. Department of Justice

United States Attorney
Southern District of New York

The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007

January 19, 2024

VIA ECF

Hon. Analisa Torres
Daniel Patrick Moynihan
United States Courthouse
500 Pearl St.
New York, NY 10007-1312

Re: *United States v. Kwok, et al.*, S2 23 Cr. 118 (AT)

Dear Judge Torres:

The Government writes in response to Ho Wan Kwok's renewed motion for a stay of Kwok's bankruptcy proceedings and reconsideration of the Court's December 21, 2024 order denying a stay of the bankruptcy proceedings. As it did with regard to the original motion to stay, the Government takes no position on Kwok's renewed motion to stay the bankruptcy proceedings. (See Dkt. 148.)

In his renewed motion, Kwok contends that the bankruptcy trustee is seeking to "funnel" assets the Government has seized, and seeks to forfeit, into Kwok's bankruptcy case, thereby creating an overlap with the subject matter of the May 20, 2024, criminal trial. (*E.g.* Dkt. 219 at 2, 5, 14.) To the extent relevant to the Court's consideration of the renewed motion, the Government wishes to note that it does *not* believe the assets that the Government has seized, and seeks to forfeit, should be transferred to the Bankruptcy estate.¹ Rather, the Government intends to forfeit the criminal proceeds of the Kwok Enterprise, which the Government has seized, and return those assets to the victims of Kwok's crimes provided it is granted approval from the Department of Justice's remission or restoration process, and after obtaining an order of forfeiture from this Court. To the extent there is a dispute with the Trustee, or any third-party, concerning forfeiture of seized assets, the time to adjudicate those disputes will arise after the criminal trial. See Fed. R. Crim P. 32.2(b)(1); 21 U.S.C. § 853(n), (k).

¹ As the Court is aware, in July 2023, to preserve its value, the Government entered a stipulation with the Bankruptcy Trustee concerning Kwok's Mahwah Mansion. Pursuant to the stipulation, the Trustee and the Government will agree to negotiate in good faith with respect to the distribution of proceeds from the sale of that property. The Trustee and the Government have no other agreement concerning any assets that the Government seeks to forfeit.

The Government is available to address any questions the Court may have.

Respectfully submitted,

DAMIAN WILLIAMS
United States Attorney

By: /s/
Ryan B. Finkel / Juliana N. Murray
Micah F. Fergenson / Justin Horton
Assistant United States Attorneys
(212) 637-6612 / 2314 / 2190 / 2276