

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN**

UNITED STATES OF AMERICA

v.

STERLING BANCORP, INC.

No. 2:23-cr-20174-LVP-DRG

Hon. Linda V. Parker

**ORDER APPOINTING ERIC SCHACHTER AS SPECIAL MASTER**

1. On May 18, 2023, defendant Sterling Bancorp, Inc. pleaded guilty to one count of securities fraud in violation of 15 U.S.C. §§ 78j(b) and 78ff(a) and 17 C.F.R. § 240.10b-5. As part of the Rule 11 Plea Agreement, the Defendant agreed to pay restitution in the amount of \$27,239,000 to non-insider victim-shareholders. The Defendant paid the restitution amount to the Clerk of Court on August 15, 2023.

2. As part of the Plea Agreement, the parties agreed pursuant to 18 U.S.C. § 3664(d) that the Court has the authority to appoint a Special Master to determine the proper administration and disbursement of the \$27,239,000 in restitution monies the Defendant has paid in this case. Plea Agreement ¶ 22, ECF No. 12 at 25.

3. On July 21, 2023, the Court entered a Joint Restitution Order, ECF No. 15, stating that the Court will appoint a Special Master pursuant to 18 U.S.C. § 3664(d)(6). As set forth in the Joint Restitution Order, the Special Master will make findings of fact and recommendations to this Court regarding: (a) the non-insider victim-shareholders and entities who should receive restitution; and (b) the restitution amounts which these individuals and entities should receive. Joint Restitution Order ¶ 3, ECF No. 15 at 3. Further, the Special Master shall be empowered to

establish, oversee, and administer a restitution fund established for the benefit of the non-insider victim-shareholders (the “Restitution Fund”). *Id.* at ¶ 4, ECF No. 15 at 3.

4. The Defendant recommended the appointment of Eric Schachter of A.B. Data as Special Master to oversee the Restitution Fund, and indicated that the government had no objection to the appointment. The Court examined Mr. Schachter’s background, experience, and credentials, and found him qualified for the position.

5. On September 28, 2023, the Court issued a notice of intent (the “Notice of Intent”) to appoint Eric Schachter as Special Master pursuant to 18 U.S.C. § 3664(d). ECF No. 16. The Notice of Intent required Mr. Schachter to file an affidavit disclosing whether there were any grounds for disqualification, and requested that all parties consent or object in writing to the appointment of Mr. Schachter.

6. On October 2, 2023, Mr. Schachter filed his affidavit. ECF No. 17. On October 3 and 16, the Defendant and the United States consented to the appointment of Mr. Schachter as Special Master. ECF Nos. 18 and 19. No objections to the appointment of Mr. Schachter have been filed.

7. Accordingly, **IT IS ORDERED** that Mr. Schachter is hereby appointed Special Master with respect to the custody, administration, and distribution of the Restitution Fund.

**SO ORDERED:**

s/ Linda V. Parker  
LINDA V. PARKER  
U.S. DISTRICT JUDGE

Dated: October 20, 2023