

IN THE SUPREME COURT OF THE UNITED STATES

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DELAWARE, *Plaintiff*,

v.

Nos. 22O145 & 22O146 (Consolidated)

ARKANSAS, *et al.*, *Defendants*.

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DECLARATION OF MICHAEL RATO IN SUPPORT OF  
MONEYGRAM PAYMENT SYSTEMS, INC.'S APPLICATION FOR  
REIMBURSEMENT AND TO FILE DOCUMENTS UNDER SEAL

MICHAEL RATO, pursuant to 28 U.S.C. § 1746, hereby declares as follows:

1. I am a counsel to non-party MoneyGram Payment Systems, Inc. ("MoneyGram") in this matter. I make this declaration in support of MoneyGram's application for reimbursement from the funds deposited by MoneyGram into the Court Registry Investment System ("CRIS Account") maintained by the U.S. District Court for the Southern District of New York under miscellaneous docket number 1:18-mc-0064-PNL and to place before the Special Master certain documents.
2. Attached as Exhibit A hereto is a true and correct copy of the docket report for Case No. 1:18-mc-00064-PNL in the U.S. District Court for the Southern District of New York, memorializing MoneyGram's three CRIS Account deposits in connection with this matter.
3. Attached as Exhibit B hereto is a true and correct copy of a stipulation entered into between the parties and MoneyGram concerning MoneyGram's second deposit into the CRIS Account.
4. Attached as Exhibit C hereto is a true and correct copy of a stipulation entered into between the parties and MoneyGram concerning MoneyGram's third deposit into the CRIS Account.
5. On or about January 16, 2018, the Special Master "So Ordered" a Stipulation and Protective Order pursuant to which a "Producing Party" may designate information containing "non-public, confidential, proprietary . . . or commercially sensitive information" as "Confidential," with such Confidential Information to be filed under seal. (Docket Entry 54 at ¶¶ 4, 15).
6. MoneyGram's present motion for reimbursement necessarily includes the specific Official Checks for which MoneyGram seeks reimbursement which, in

turn, contain financial account numbers and information concerning the private financial dealings of persons and entities not a party to this litigation (the “Check Information”).

7. MoneyGram respectfully requests that the Check Information be designated “Confidential” in accordance with the Stipulation and Protective Order and filed under seal. MoneyGram has coordinated this request with the parties to this matter, none of whom object to the relief sought herein.

I declare under penalty of perjury under that the foregoing is true and correct.

Executed this the 7 day of June, 2023.

*Michael Rato*

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Michael Rato

## Exhibit A

**U.S. District Court  
Southern District of New York (Foley Square)  
CIVIL DOCKET FOR CASE #: 1:18-mc-00064-PNL**

Delaware v. Arkansas, et al.  
Assigned to: Judge Pierre N. Leval  
Cause: M 94 Other

Date Filed: 02/21/2018

**Plaintiff**

**Delaware**

V.

**Defendant**

**Arkansas**

<b>Date Filed</b>	<b>#</b>	<b>Docket Text</b>
02/21/2018	<a href="#"><u>1</u></a>	ORDER...It is hereby ORDERED that the Clerk of Court is directed to establish a miscellaneous case bearing the above caption and assign it to my docket. The attorneys for the parties are directed not to file documents in the miscellaneous case that is established pursuant to this Order. This case docket is established solely to permit the deposit and disbursement of funds, as provided below. All documents should be filed as previously directed. It is FURTHER ORDERED that the Clerk of Court accept funds for deposit in the Court Registry Investment System (CRIS), pursuant to Rule 67 of the Federal Rules of Civil Procedure, pending further order. The Clerk shall deduct a fee for the handling of the funds, as authorized by the Judicial Conference of the United States and as set by the Director of the Administrative Office at equal to ten percent (10%) of the income earned for deduction in the investment so held and without further order of the Court... (Signed by Judge Pierre N. Leval on 2/21/2018) (jc) (Entered: 02/21/2018)
04/09/2018		CASHIERS OFFICE CRIS DEPOSIT as per <a href="#"><u>1</u></a> Order dated 2/21/18, from Judge Pierre N. Leval, \$20,726,250.41 deposited on 3/30/18, Receipt Number 18465400293 and placed into CRIS on 4/9/18. (jom) (Entered: 04/11/2018)
03/18/2021		CASHIERS OFFICE CRIS DEPOSIT as per <a href="#"><u>1</u></a> Order, dated 02/21/2018, from Judge Pierre N. Leval, \$55,878,657.95 deposited on 03/10/2021, Receipt Number 600006 and placed into CRIS on 03/18/2021..(jkr) (Entered: 03/18/2021)
09/08/2022		CASHIERS OFFICE CRIS DEPOSIT as per <a href="#"><u>1</u></a> Order, dated 02/21/2018, from Judge Pierre N. Leval, \$17,543,024.79 deposited on 08/30/2022, Receipt Number NYSCCA22-00141 and placed into CRIS on 09/01/2022..(jkr) (Entered: 09/08/2022)

PACER Service Center			
Transaction Receipt			
06/06/2023 16:34:18			
PACER Login:	michaelrato	Client Code:	
Description:	Docket Report	Search Criteria:	1:18-mc-00064-PNL
Billable Pages:	1	Cost:	0.10

## Exhibit B

**IN THE SUPREME COURT OF THE UNITED STATES**

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DELAWARE, *Plaintiff*,

v.

Nos. 22O145 & 22O146 (Consolidated)

ARKANSAS, *et al.*, *Defendants*.

---

**STIPULATION RELATING TO DEPOSIT OF FUNDS WITH THE COURT**

**WHEREAS**, the above-captioned actions (collectively, the “Actions”) involve the question of which state has the primary authority to take custody of unclaimed Official Checks sold by MoneyGram Payment Systems, Inc. (“MoneyGram”); and

**WHEREAS**, by Order dated March 29, 2017, the Supreme Court of the United States appointed Hon. Pierre N. Leval of the U.S. Court of Appeals for the Second Circuit as the Special Master to oversee these Actions; and

**WHEREAS**, MoneyGram’s position is that once the applicable dormancy period has expired, MoneyGram has no interest in the funds. At the same time, however, it is MoneyGram’s position that it may not be subjected to multiple and/or inconsistent state claims by the parties to these Actions (the “Parties”) or otherwise with respect to the same property; and

**WHEREAS**, in light of this potential for duplicative, inconsistent claims, MoneyGram sought permission from the Special Master to deposit future unclaimed Official Checks with the Court; and

**WHEREAS**, on February 22, 2018, the Special Master issued a Notice to the Parties (the “Notice”), advising of the establishment of a miscellaneous case styled *Delaware v. Arkansas, et al.*, Case No. 18-misc-0064-PNL in the United States District Court for the Southern District of

New York, pursuant to which that court would accept deposits in the Court Registry Investment System (“CRIS”) pursuant to Rule 67 of the Federal Rules of Civil Procedure; and

**WHEREAS**, on or about March 30, 2018, MoneyGram deposited \$20,726,250.41 with the United States District Court for the Southern District of New York (the “2018 Deposit”); and

**WHEREAS**, the 2018 Deposit was comprised of MoneyGram Official Checks that were uncashed for five years or more and that were not previously escheated to any state; and

**WHEREAS**, MoneyGram now seeks to deposit additional funds into CRIS (the “2020 Deposit”) comprised of additional unclaimed Official Checks, in the aggregate amount of approximately \$39 million; and

**WHEREAS**, from the time of the 2018 Deposit to the present, a number of the Official Checks that were included in the 2018 Deposit have been presented to MoneyGram for payment by the owner or by the seller for credit; and

**WHEREAS**, MoneyGram has made payment or reimbursement on more than 400 Official Checks, in the aggregate amount of nearly \$3 million, that were previously part of the 2018 Deposit (the “Paid Items”); and

**WHEREAS**, MoneyGram is entitled to reimbursement of the Paid Items; and

**WHEREAS**, rather than require MoneyGram to make hundreds of applications to reclaim the Paid Items, the Parties hereto consent to MoneyGram’s deduction of the aggregate amount of the Paid Items from the 2020 Deposit; and

**WHEREAS**, prior to executing this stipulation, MoneyGram gave the Parties detailed information relating to the Paid Items;

**IT IS HEREBY STIPULATED AND AGREED**, on this 21<sup>st</sup> day of October, 2020, by MoneyGram and the Parties as follows:



1. Prior to remitting the 2020 Deposit to the U.S. District Court for the Southern District of New York in connection with *Delaware v. Arkansas, et al.*, Case No. 18-misc-0064-PNL, MoneyGram will deduct and withhold the amount \$2,990,709.83 on account of the Paid Items.

2. In consideration of that deduction, MoneyGram hereby waives any claim for repayment of the Paid Items by the Parties.

3. The Parties hereby approve MoneyGram's deduction of the Paid Items from the 2020 Deposit as set forth above.

/s/ Michael Rato

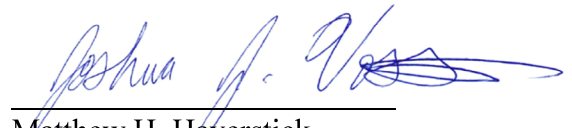
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## Exhibit C

IN THE SUPREME COURT OF THE UNITED STATES

---

DELAWARE, *Plaintiff*,

v.

Nos. 22O145 & 22O146 (Consolidated)

ARKANSAS, *et al.*, *Defendants*.

---

**STIPULATION REGARDING  
2022 DEPOSIT OF FUNDS WITH THE COURT**

**WHEREAS**, the above-captioned actions (the “Actions”) involve the question of which state has the primary authority to take custody of unclaimed Official Checks sold by MoneyGram Payment Systems, Inc. (“MoneyGram”); and

**WHEREAS**, during the pendency of these Actions, MoneyGram continues to hold funds associated with unclaimed Official Checks; and

**WHEREAS**, MoneyGram’s position is that once the applicable dormancy period has expired, MoneyGram has no interest in the funds. However, it is also MoneyGram’s position that it may not be subjected to multiple and/or inconsistent state claims by the parties to these Actions (the “Parties”) or otherwise with respect to the same property; and

**WHEREAS**, by Order dated March 29, 2017, the Supreme Court of the United States appointed Hon. Pierre N. Leval of the U.S. Court of Appeals for the Second Circuit as the Special Master to oversee these Actions; and

**WHEREAS**, in light of the potential for duplicative, inconsistent claims relating to outstanding Official Check funds, MoneyGram sought permission from the Special Master to deposit future unclaimed Official Checks with the Court; and

**WHEREAS**, on February 22, 2018, the Special Master issued a Notice to the Parties (the “Notice”) advising of the establishment of a miscellaneous case styled *Delaware v. Arkansas, et al.*, Case No. 18-misc-0064-PNL in the United States District Court for the Southern District of New York, pursuant to which that court would accept deposits in the Court Registry Investment System (“CRIS”) pursuant to Rule 67 of the Federal Rules of Civil Procedure; and

**WHEREAS**, on or about March 30, 2018, MoneyGram deposited \$20,726,250.41 with the United States District Court for the Southern District of New York (the “2018 Deposit”); and

**WHEREAS**, the 2018 Deposit was comprised of MoneyGram Official Checks that were uncashed for five years or more and that were not previously escheated to any state; and

**WHEREAS**, MoneyGram sought to make an additional deposit in 2020 comprised of additional unclaimed Official Checks, in the aggregate amount of approximately \$55 million (the “2020 Deposit”).

**WHEREAS**, prior to making that deposit, MoneyGram made payment or reimbursement on more than 400 Official Checks, in the aggregate amount of nearly \$3 million, that were previously part of the 2018 Deposit; and

**WHEREAS**, by Stipulation dated October 21, 2020 (the “Stipulation”), MoneyGram and the Parties agreed that prior to making the 2020 Deposit, MoneyGram was entitled to deduct and withhold the amount of \$2,990,709.23 on account of the paid items from the 2018 Deposit; and

**WHEREAS**, on or about March 10, 2021, MoneyGram made the 2020 Deposit, consisting of \$55,878,657.95, with the United States District Court for the Southern District of New York (collectively with the 2018 Deposit, the “Prior Deposits”); and

**WHEREAS**, the 2020 Deposit was comprised of MoneyGram Official Checks that were uncashed for five years or more and were not previously escheated to any state; and

**WHEREAS**, MoneyGram now seeks to deposit additional funds into CRIS (the “2022 Deposit”) comprised of additional unclaimed Official Checks, in the aggregate amount of approximately \$21 million; and

**WHEREAS**, from the time of the Stipulation to the present, a number of the Official Checks that were included in the Prior Deposits have been presented to MoneyGram for payment by the owner or by the seller for credit; and

**WHEREAS**, from the time of the Stipulation to the present, MoneyGram has made payment or reimbursement on an additional 482 Official Checks, in the aggregate amount of \$3,515,398.79, that were part of the Prior Deposits and not previously netted from the funds deposited with the Court or otherwise reimbursed to MoneyGram (the “Paid Items”); and

**WHEREAS**, MoneyGram is entitled to reimbursement of the Paid Items; and

**WHEREAS**, rather than require MoneyGram to make hundreds of applications to reclaim the Paid Items, the Parties consent to MoneyGram’s deduction of the aggregate amount of the Paid Items from the 2022 Deposit; and

**WHEREAS**, prior to the Parties’ execution of this stipulation, MoneyGram has provided the Parties with detailed information concerning the Paid Items;

**IT IS HEREBY STIPULATED AND AGREED**, on this 19th day of April, 2022 by MoneyGram and the Parties as follows:

1. Prior to remitting the 2022 Deposit to the U.S. District Court for the Southern District of New York in connection with *Delaware v. Arkansas, et al.*, Case No. 18-misc-0064-PNL, MoneyGram will deduct and withhold the amount of \$3,515,398.79 on account of the Paid Items.

2. In consideration of that deduction, MoneyGram hereby waives any claim for repayment of the Paid Items by the Parties.



3. The Parties hereby approve MoneyGram's deduction of the Paid Items from the 2022 Deposit as set forth above.

/s/ Michael Rato

Michael Rato

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