



U.S. Department of Justice

**Stephen J. Murphy
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For Immediate Release:

Contact: Shannon Bass (313) 226-9530

March 30, 2005

Event: Sentencing

Defendant: Kristy Lynne Hess, 24, of Ypsilanti

Kristy Lynne Hess, age 24, of Ypsilanti, was sentenced today by United States District Judge John Corbett O'Meara to serve twenty-four (24) months in the custody of the Bureau of Prisons, to be followed by four years on supervised release, and to pay restitution of \$987,426.32 to ABN Amro as a result of her conviction on one count of bank fraud, announced U.S. Attorney Stephen J. Murphy.

Ms. Hess previously pled guilty to one count of an indictment charging her with 11 counts of bank fraud. The remaining ten counts of the indictment are to be dismissed pursuant to the plea agreement, but, with the parties' consent, Judge O'Meara considered all of the dismissed counts as though Ms. Hess had been convicted of them in imposing sentence.

Mr. Murphy stated that, "Ms. Hess admitted that, in September and October of 2002, as an employee of Interfirst Wholesale Mortgage Lending, Inc., a division of ABN Amro (a wholly owned subsidiary of Standard Federal Bank), she falsely entered into the computerized application and tracking system used by Interfirst in processing mortgage applications that various conditions precedent to the approval of 11 mortgage loans had been satisfied, resulting in the issuance of mortgage loans in excess of the appraised value of the property used as security. Such loans would not have been granted but for these false entries by Ms. Hess. Many of the borrowers subsequently defaulted on these loans causing substantial

losses to ABN Amro.”

This case was prosecuted by Assistant United States Attorney Craig A. Weier. Mr. Murphy commended the United States Secret Service, whose investigation led to the successful prosecution of Mr. Carmichael.



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April 1, 2005

EVENT : Sentencing

DEFENDANT : Richard Henderson, 51, of Highland Park

Highland Park man sentenced to 19 years in prison

A 51 year old Highland Park man has been sentenced to 19 years in prison after being found guilty by a jury of being a felon in possession of a firearm, United States Attorney Stephen J. Murphy and Special Agent in Charge Valerie J. Goddard, Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) announced today.

Richard Henderson, a/k/a Simuel Lamont Jackson, was sentenced on March 28, 2005, by U.S. District Judge Gerald E. Rosen in federal court in Detroit.

This case is one of more than 250 that have been referred to the U.S. Attorney's Office for prosecution under the Project Safe Neighborhoods initiative that provides for the referral of gun cases by local prosecutors in those instances in which federal law provides for a substantially higher sentence.

On June 11, 2003, officers of the Detroit Police Department observed Defendant drinking a 40 ounce bottle of beer on the sidewalk in public view in the area of Woodrow Wilson and Highland Streets, in Detroit. As the officers approached Defendant, they noticed the outline of a handgun in the Defendant's right front pants pocket. As the officers got out of the scout car Defendant, without provocation, dropped to the ground and began to yell "don't beat me." Defendant struggled with the officers as they attempted to detain him. During the struggle Defendant removed a Smith & Wesson 9mm handgun from his pocket. An officer kicked the firearm under the scout car for safety. The firearm was loaded with one live round.

Mr. Henderson was sentenced as an Armed Career Criminal, under the Federal Sentencing Guidelines, because he had been previously convicted of two serious felony

offenses and one serious drug offense.

“The U.S. Attorney’s Office will continue to prosecute firearm cases referred from local law enforcement agencies and prosecutor’s offices under the Project Safe Neighborhoods initiative in an attempt to deter individuals who unlawfully possess and use firearms. The Project Safe Neighborhoods initiative is an important part of the strategy this office will employ to deter crime and violence involving the use of firearms,” Mr. Murphy said.

U.S. Attorney Murphy commended the efforts of special agents of the ATF and officers of the Detroit Police Department for their investigation in this case. Mr. Murphy also commended Assistant United States Attorney Susan Gillooly, the Assistant U.S. Attorney who prosecuted Mr. Henderson.

For questions regarding the Project Safe Neighborhoods initiative in the Eastern District of Michigan, please contact Peggy Goodwin, The Goodwin Co., at (248) 543-3891.



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March 28, 2005

Event: Guilty Verdict

Defendant: Donald C. Hynes

Former Detroit Police Officer Convicted

Donald C. Hynes, a former Detroit Police Department officer, was convicted today by a federal jury which had deliberated for just over two hours. Defendant Hynes was convicted of Conspiracy to Distribute Five or More Kilograms of Cocaine, Aiding and Abetting the Distribution of Five or More Kilograms of Cocaine, Embezzlement of Property Under the Care, Custody and Control of DPD, and Conspiracy to Commit Embezzlement, Conspiracy to Commit Money Laundering, and False Declarations Before a Grand Jury. The offenses charged arose from the theft and embezzlement of at least 101 kilograms of cocaine from the Detroit Police Department Evidence room from approximately 1994 through 2000. The four-day trial was presided over by United States District Judge John Corbett O'Meara.

The evidence introduced at trial showed that Defendant Hynes, who was an officer assigned to the Evidence Room, conspired with John E. Cole, Sr., a civilian DPD employee, to embezzle and sell the stolen cocaine. Cole and Hynes also conspired to disguise their purchases of various assets with money derived from the cocaine sales.

Following an investigation by the Detroit Police Department, Internal Affairs Division, the Federal Bureau of Investigation, and the Internal Revenue Service, Criminal Investigation Division,

an indictment charging nine people was returned in October 2002. Other than Defendants Hynes and Cole, and a Michigan State Police officer against whom charges later were dismissed, all of the other defendants were relatives or associates of Defendant John Cole, who assisted him in laundering proceeds of the crime or who lied to investigators. All of the other defendants, except the one against whom charges were dismissed, were convicted as well.

United States Attorney Stephen J. Murphy stated that "This case demonstrates our commitment to rooting out all public corruption, including by law enforcement officers, root and branch. With our partners in the Federal Bureau of Investigation, the Internal Revenue Service, and the Detroit Police Department, we will continue to aggressively pursue such cases."

Daniel D. Roberts, Special Agent in Charge, Federal Bureau of Investigation, said "This case represents a continuation of the FBI's aggressive stance in pursuing public corruption matters as it is one of our top priorities. Additionally, we would like to thank the Detroit Police Department and the Internal Revenue Service for their professionalism and assistance during this investigation."

Maurice Aouate, Special Agent in Charge, Internal Revenue Service Criminal Investigation, said, "Even though the stolen cocaine was long gone, the financial trail remained, allowing investigators to link the illegal proceeds to the guilty parties."

Judge O'Meara set a sentencing date of July 19, 2005 for Defendant Hynes. Hynes faces a mandatory minimum sentence of ten years imprisonment. The United States Sentencing Guidelines call for a sentence of approximately twenty five years. In the federal system, parole has been abolished, meaning the defendant will be required to serve the sentence imposed. Judge O'Meara ordered Defendant Hynes detained in the custody of the United States Marshal pending sentencing.

The case was tried by Assistant United States Attorneys Sarah Resnick Cohen and Jonathan Tukel.



Department of Justice

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MONDAY, MARCH 21, 2005

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JUSTICE DEPARTMENT SEEKS TO COMPEL CITY OF DETROIT TO FIX AND MAINTAIN WHEELCHAIR LIFTS ON BUSES

WASHINGTON, D.C.- The Department of Justice today announced that it has moved to intervene in a lawsuit filed in federal court in Detroit challenging inaccessibility in Detroit's public transportation system. The pending lawsuit, filed by five residents of Detroit who use wheelchairs, alleges violations of the Americans with Disability Act and the Rehabilitation Act of 1973. The Department's complaint alleges that the City of Detroit has failed to maintain and repair the wheelchair lifts of the city's fixed-route bus system, and has otherwise denied individuals with disabilities benefits to which they are entitled under the law.

"Persons with disabilities need access to public transportation to get work and to participate more independently in their communities," said R. Alexander Acosta, Assistant Attorney General for Civil Rights. "Failing to provide required accessibility discriminates against persons with disabilities. Through President Bush's New Freedom Initiative, the Department of Justice is working to ensure the full accessibility the law requires."

The Department's complaint details allegations of injury caused by inaccessible public transportation in Detroit. The factual allegations in the Department's filing include instances where individuals who use wheelchairs are forced to wait while multiple buses with inoperable lifts pass them by, often leaving them stranded as they attempted to get to work, to church, to medical appointments, and to numerous other essential destinations such as grocery shopping. As a result, many customers often wait 30 minutes or more before a bus with a working lift is available. The government further alleges that the city has approximately 120 buses with lifts that have not been working for more than six months, and the city does not intend to make the needed repairs.

The Americans with Disabilities Act, the Rehabilitation Act of 1973, and their implementing regulations detail the requirements with which fixed-route public transportation systems must comply.

"The United States' motion to intervene in this matter seeks to protect the rights

of some of the most vulnerable Americans and improve their ability to fully participate in our society,” said Stephen J. Murphy, U.S. Attorney for the Eastern District of Michigan.

The decision to seek to intervene in the lawsuit reflects the Civil Rights Division’s ongoing commitment to actively enforce federal disability discrimination laws.

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Dawn Clenney, (313) 237-4206

April 12, 2005

Event: INDICTMENT

Defendants: D-1 MONASSER MOSAD OMIAN, a.k.a. Nagi Mohamed Sharian
D-2 SADIK MONASSER OMIAN, a.k.a. Sadeq Munasser Omayan
D-3 NASSER G. M. WASSIL, a.k.a Nasser Ghaleb Wassil
D-4 JARALLAH NASSER WASIL, a.k.a. Kaid Ahmed Almulaiki, a.k.a.
Jarallah Ghaleb

**MEN CHARGED WITH OPERATING AN UNLICENSED
MONEY REMITTING BUSINESS, MAKING FALSE STATEMENTS**

MONASSER OMIAN (55), **SADIK OMIAN** (33) and **JARALLAH WASSIL** (28) of Dearborn, Michigan, and **NASSER WASSIL** (52) of Yemen, were indicted on April 6, 2005; the indictment was unsealed today. The defendants are charged in four counts: in **Count 1**, all four defendants are charged with conspiring to operate an unlicensed money remitting business and to structure cash deposits to evade reporting requirements (18 U.S.C. § 371); in **Count 2**, all four defendants are charged with aiding and abetting each other in the operation of an unlicensed money remitting business (18 U.S.C. §§ 1960 and 2); in **Counts 3 and 4**, **MONASSER OMIAN** is charged alone with making false statements to federal agents (18

U.S.C. § 1001). **MONASSER OMIAN, SADIK OMIAN** and **JARALLAH WASSIL** were arrested, arraigned, and released on bond today. **NASSER WASSIL** is believed to be in Yemen.

According to the indictment, the defendants conspired to manage and own an unlicensed money transmitting business, which they referred to as the **Hawala**, and used it to send at least **\$6,105,442** they collected from mosques, businesses, and individuals in California, Colorado, New York, Ohio, Pennsylvania, Delaware, Washington State and Michigan. The money was sent to the Republic of Yemen and disbursed to unknown recipients. The conspirators structured their cash deposits into the Hawala in order to cause Comerica Bank and Charter One Bank to fail to file the cash transaction reports required by law and regulation for cash deposits over \$10,000, by keeping the cash deposits at \$10,000 or less on all but a few occasions. The defendants profited from their illegal activity, in part by charging a percentage of the money transferred as their commission on the illegal service they were providing.

In announcing the indictment, United States Attorney Stephen J. Murphy commended the work of the Special Agents of the Federal Bureau of Investigation, who conducted the investigation. Daniel D. Roberts, Special Agent in Charge, Federal Bureau of Investigation, Detroit, Michigan, stated, "The FBI will continue to aggressively pursue any illegal transfers of money to overseas bank accounts which are designed to evade currency reporting requirements. The FBI would like to take this opportunity to thank the banking institutions for their assistance in this complex financial investigation."

The prosecution is being handled by Assistant United States Attorneys Cynthia Oberg and Julie A. Beck. A copy of the indictment is available. An indictment is only a charge and is not evidence of guilt. The defendants are entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.



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April 14, 2005

EVENT: Sentencing

DEFENDANT: Bradley Paul Taylor, 28, Garner, North Carolina

Man Sentenced for False Distress Call to Coast Guard

United States Attorney Stephen J. Murphy announced that Bradley Paul Taylor, age 28, formerly a resident of Rochester Hills, Michigan, was sentenced today on charges of making a false distress call to the United States Coast Guard. Mr. Taylor was sentenced by United States District Judge Robert H. Cleland to a term of 24 months probation, with 4 months to be served in home confinement. Judge Cleland also ordered restitution to the Coast Guard of \$10,718, and a special assessment of \$100.

Mr. Murphy stated that "On the night of June 1, 2003, Mr. Taylor contacted the United States Coast Guard Station Belle Isle, Michigan, on VHF channel 16, the international hailing and distress frequency. In this urgent radio request for assistance, defendant Taylor falsely told the Coast Guard watchstander that his vessel was taking on water in Lake St. Clair and that he was about to lose the use of his radio. The Coast Guard responded quickly to this distress call by sending rescue boats from Coast Guard Stations Belle Isle and St. Clair Shores, Michigan, and launching a rescue helicopter from Coast Guard Air Station Detroit. At the time he made this call the defendant was actually aboard a vessel that was docked at a Detroit area marina. As a result of this false distress call, the Coast Guard incurred search and

rescue expenses of at least \$ 10,718.”

In sentencing Mr. Taylor, Judge Cleland pointed out the risks and dangers associated with making false reports to the Coast Guard.

Captain Paul Preusse, Chief of Operations for the Ninth Coast Guard District, said “False distress calls not only cost taxpayers money and place U.S. Coast Guard members at increased personal risk, but more importantly, they divert limited resources from mariners who are in actual distress.”

Mr. Murphy commended the Coast Guard Investigative Service for its successful investigation in this case.



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Stephen Moore, IRS CI (313) 234-2410

April 12, 2005

Event: Indictment

**Defendant: Richard Blanchard, 46, Warren, Michigan
Karen Blanchard, 40, Warren, Michigan**

Husband-Wife business owners indicted on failing to pay employee withholding tax to the IRS

United States Attorney Stephen J. Murphy and Maurice M. Aouate, Special Agent in Charge, Internal Revenue Service Criminal Investigation announced that Richard Blanchard and his wife, Karen were indicted on five counts of income tax evasion, fifteen counts of failure to account for and pay over withholding and Federal Insurance Contributions Act (FICA) taxes, and three counts of making and causing the making of false claims for tax refunds.

According to the indictment, from at least 1999 through 2002, the Blanchards were owners and officers of R. Blanchard Construction, Warren, Michigan. They were responsible for deducting and collecting, from the wages of their employees, federal income withholding and FICA taxes. During this time period, they collected over \$126,000 in taxes and failed to

truthfully account for and pay over to the Internal Revenue Service. During the 1998 through 2002 tax years, they also filed joint federal individual tax returns underreporting their total taxable income by over \$89,000. On the 1999 through 2001 tax returns, the Blanchards prepared and signed their individual returns claiming over \$11,000 in refunds knowing that such a claim was false, fictitious and fraudulent.

Mr. Aouate stated, "All employers are required by law to withhold, account and pay over employment taxes from their employees. When employers knowingly fail to properly handle their responsibilities, the detrimental consequences are at the expense of these employees and the taxpayers who are paying their fair share.

Mr. Murphy commended the special agents of the Internal Revenue Service Criminal Investigation. Assistant United States Attorney Richard L. Delonis is prosecuting the case. An indictment is only a charge and not evidence of guilt. The defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.



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April 14, 2005

Event: Sentencing

Defendant: Ceiere Campbell, 29, of Detroit

United States Attorney Stephen J. Murphy announced that a former Detroit Police Officer, Ceiere Campbell, 29, of Detroit, was sentenced today by United States District Judge Lawrence P. Zatkoff to serve twenty-four months in prison as a result of his convictions for conspiring to distribute and distributing crack cocaine and heroin. Mr. Campbell was convicted of the charges in December 2004 following a federal jury trial.

The charges were based on Mr. Campbell's distributing crack and heroin to indigent drug addicts in return for their agreement to be filmed in the act of using drugs for Mr. Campbell's pay-for-view "reality" website, StreetsIllustrated.com.

The case was prosecuted by Assistant United States Attorney R. Michael Bullotta. Mr. Murphy commended the Detroit Police Department and the Federal Bureau of Investigation for their investigation of this case which led to the successful prosecution of Mr. Campbell.



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April 15, 2005

EVENT: Guilty Verdict

DEFENDANT: Alan Curtis Davis, 42, of Glendale, Arizona

On April 15, 2005, a federal jury convicted Alan Curtis Davis, age 42, of Glendale, Arizona of one count of conspiracy to manufacture more than 50 grams of methamphetamine, one count of conspiracy to possess with intent to distribute and to distribute more than 50 grams of methamphetamine, and one count of possession of List I chemicals with intent to manufacture methamphetamine.

The trial began on April 6, 2005 before U. S. District Judge Paul D. Borman in Detroit, Michigan. The evidence established that Davis came to Michigan from Arizona to set up clandestine methamphetamine laboratories. The evidence showed that he set up three separate clandestine laboratories, including one that exploded in Cadillac, Michigan on March 7, 2001, severely burning a co-conspirator named David Bowen. The evidence also showed that Davis purchased thousands of cold and sinus relief tablets containing pseudoephedrine. Pseudoephedrine is the main ingredient necessary to manufacture methamphetamine.

The conspiracies were uncovered on November 28, 2001 in Brownstown, Michigan, when one of Davis' clandestine labs was discovered during the course of an eviction proceeding. "Because of the quantity of methamphetamine involved and because of the fact that he had a prior conviction for methamphetamine trafficking, by law Mr. Davis will received a mandatory minimum sentence of 20 years in prison." U. S. Attorney Stephen J. Murphy said.

Murphy thanked the Drug Enforcement Administration, the Michigan State Police and the Wexford County Sheriff's Department for their investigation of the case. Assistant U.S. Attorney J. Michael Buckley prosecuted this case.



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April 14, 2005

EVENT: Indictment

DEFENDANT: David Miller, 47, Oak Park, Michigan

OAK PARK MAN INDICTED FOR MAKING FALSE CLAIMS WITH THE IRS

David Miller was arraigned on April 14, 2005, as the result of a March 22, 2005, indictment charging him with 23 counts of making a false claim for refund with the Internal Revenue Service.

According to the indictment, during 2001 through April 2003, Mr. Miller knowingly prepared false federal income tax returns for himself and nine other individuals. These returns, which were sent to the Internal Revenue Service, claimed over \$218,000 in fraudulent refunds.

Maurice Aouate, Special Agent in Charge, Internal Revenue Service Criminal Investigation, stated, "The IRS aggressively pursues all cases involving fraudulent claims for refunds. Taxpayers should be aware that they are ultimately responsible for the accuracy and truthfulness of their return, no matter who prepares it."

Stephen J. Murphy, U. S. Attorney commended the special agents of the Internal Revenue Service Criminal Investigation. Assistant United States Attorney Jeanine M. Jones is

prosecuting the case.

An indictment is only a charge and not evidence of guilt. The defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.



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April 20, 2005

Event: Sentencing

Defendant: Marcus Johnson, 35 years old, Detroit resident, former Federal Corrections Officer

**MARCUS JOHNSON FORMER CORRECTIONAL OFFICER
AT FEDERAL CORRECTIONAL INSTITUTION (FCI) MILAN, MILAN MICHIGAN IS
SENTENCED TO SIX MONTHS OF CONFINEMENT TO BE FOLLOWED BY SIX
MONTHS OF HOME DETENTION FOR ACCEPTING BRIBES AT FCI MILAN IN
VIOLATION OF FEDERAL CRIMINAL LAW**

Stephen J. Murphy, United States Attorney for the Eastern District of Michigan announced that 35 year-old Marcus Johnson of Detroit, Michigan, was sentenced for public corruption last week to six months of confinement to be followed by two years of supervised release with a special condition of home detention for six months.

The sentence resulted from Johnson's December 1, 2004, plea of guilt to a violation of 18 U.S.C. § 201(b)(2)(C) charging him with acceptance of bribes in connection with his former duties as a Correctional Officer at FCI Milan. The criminal investigation resulting in the charge against Johnson revealed that from February 2001 through June 2002, Johnson accepted several bribe payments consisting of various items such as cash payments, clothing, steaks, a computer work center, a television set, sirloin burgers and prime rib slices, all totaling a value

of approximately \$14,421.32. These payments were provided in return for smuggling into FCI Milan, items such as heroin, marijuana, cigars, Creatine, cell phones, fat burner pills, athletic shoes, and various other items for several inmates.

The case was investigated by Office of the Inspector General United States Department of Justice.

The sentence was imposed by the Honorable George Caram Steeh, United States District Court Judge for the Eastern District of Michigan on April 13, 2005.