



**U.S. Department of Justice**

**Stephen J. Murphy  
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Eastern District of Michigan**

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**For Immediate Release:**

**Contact:** Gina Balaya (313) 226-9193

Dec 1, 2006

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**EVENT: Indictment**

**Defendant: Dr. Alex Zakharia**

### **MIAMI SURGEON INDICTED**

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Dr. Alex Zakharia, 68, a cardiovascular surgeon licensed in Florida and practicing in the Miami area, was indicted by a federal grand jury in Detroit on charges of perjury, mail fraud and wire fraud, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Daniel D. Roberts, FBI Special Agent in Charge.

The indictment charges that between late 2001 and late 2003 Dr. Zakharia held himself out as an expert witness in medical malpractice cases. It alleges that in order to enhance his credibility as an expert witness in cases involving coronary artery bypass grafts, Dr. Zakharia falsely testified that he had performed at least 10-12 such surgeries each year, when in fact he had performed none for the several years before his testimony. The indictment alleges that Dr. Zakharia used the United States mail and interstate communications to defraud a plaintiff who relied on his testimony in *McCatty v. Clancy*, a malpractice case that was pending in Oakland County Circuit Court. It also alleges that Dr. Zakharia gave false testimony concerning his coronary artery bypass graft experience during a deposition in *Rodgers v. United States*, another malpractice case that was pending in the United States District Court in Detroit.

United States Attorney Murphy stated, "Those who hold themselves out as 'experts'

offering testimony in legal proceedings must respect the system as well as their profession by telling the truth. Today's charges involve an abuse of that system which must depend on the honesty of such witnesses."

Dr. Zakharia has not yet been arraigned on the charges.

An indictment is only a charge and is not evidence of guilt. A 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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Dec 6, 2006

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**EVENT: Sentencing**

**Defendant: Imad Majed Hamadeh**

**DEARBORN HEIGHTS MAN SENTENCED FOR RACKETEERING**

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A 51-year-old Dearborn Heights man was sentenced today to 21 months' imprisonment for charges of racketeering conspiracy, United States Attorney, Stephen J. Murphy announced today.

Imad Majed Hamadeh was sentenced by United States District Judge Gerald E. Rosen in Detroit. Hamadeh pleaded guilty in July.

The indictment charged Hamadeh and 17 other defendants with operating a criminal enterprise to traffic in illegal goods, including counterfeit Zig Zag papers, counterfeit Viagra and stolen property.

U. S. Attorney Murphy was joined in the announcement by Daniel D. Roberts, Special Agent in Charge of the Detroit FBI; Valerie J. Goddard, Special Agent in Charge, Bureau of Alcohol, Tobacco, Firearms and Explosives; Brian M. Moskowitz, Special Agent in Charge, U.S. Immigration and Customs Enforcement, Maurice Aouate, Special Agent in Charge of the Detroit Field Office of the Internal Revenue Service Criminal Investigation; and Michael Cleary,

Special Agent in Charge, FDA-Office of Criminal Investigation.

“Racketeering operations that distribute the fruits of their illegal activities here or overseas provide seed money for all sorts of other illegal criminal activities. By attacking racketeering activity at it’s source - where financial incentives exists - we stop the seeds from sprouting into other areas of illegality, “ said U.S. Attorney Murphy.

The Indictment charges that between 1996 and 2004, a group of individuals worked together in a criminal enterprise to traffic in contraband cigarettes, counterfeit Zig Zag rolling papers and counterfeit Viagra, to produce counterfeit cigarette tax stamps, to transport stolen property, and to launder money. The enterprise operated from Lebanon, Canada, China, Brazil, Paraguay and the United States.

Three other defendants have entered guilty pleas and await sentencing. Also named in the Indictment and currently awaiting a January 7, 2007 trial are: Fadi Mohamad-Musbah Hammoud, 33, of Dearborn; Majid Mohamad Hammoud, 39, of Dearborn Heights; Jihad Hammoud, 47, of Dearborn; Ali Najib Berjaoui, 39, of Dearborn; Mohammed Fawzi Zeidan, 41, of Canton; and Adel Isak, 37, of Sterling Heights.

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

Others charged in the Indictment, who are currently wanted as fugitives, believed to be outside the United States, are: Imad Mohamad-Musbah Hammoud, 37 of Lebanon, formerly of Dearborn; Hassan Ali Al-Mosawi, 49, of Lebanon; Hassan Hassan Nasser, 36, of Windsor, Ontario; Ali Ahmad Hammoud, 64, of Lebanon; Karim Hassan Abbas, 37, formerly of Dearborn; Hassan Mohamad Srour, 30, of Montreal, Quebec; Naji Hassan Alawie, 44, of Windsor, Ontario; and Abdel-Hamid Sinno, 52, of Montreal, Quebec.

The Indictment alleges that Imad Hammoud, along with his partner, Hassan Makki, ran a multi-million dollar a year contraband cigarette trafficking organization headquartered in the Dearborn, Michigan, area between 1996 and 2002. Makki pleaded guilty in 2003 in federal district court in Detroit to racketeering and providing material support to Hizballah. Some of

the cigarettes were supplied to the organization by Mohamad Hammoud, who was convicted in 2002 in federal district court in Charlotte, North Carolina, of, among other crimes, racketeering and providing material support to Hizballah. Makki and Mohamad Hammoud, who were not charged in the indictment unsealed today, were identified as unindicted co-conspirators. They both are currently serving prison sentences relating to their activities in this matter.

The Indictment further charges that the group would obtain low-taxed or untaxed cigarettes in North Carolina and the Cattaraugus Indian Reservation in New York and bring them into Michigan and the State of New York for the purpose of evading tens of millions in state cigarette taxes. The enterprise obtained large profits by reselling the cigarettes at market prices in Michigan and New York. The enterprise sometimes used counterfeit tax stamps to make it appear that the state taxes had been paid.

In announcing the sentence, United States Attorney Stephen J. Murphy commended the work of the FBI, the Bureau of Alcohol, Tobacco, Firearms and Explosives, Special Agents of the Bureau of Immigration and Customs Enforcement, the Internal Revenue Service, the Food and Drug Administration, Michigan State Police and the Dearborn Police Department. The case is assigned to Assistant U.S. Attorneys Kenneth R. Chadwell and Barbara L. McQuade.



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Dec 1, 2006

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**EVENT: Indictment**

**Defendant: Hassan Saad et al**

**FORMER BORDER INSPECTOR INDICTED**

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Adam Bender, 49, of Eastpointe, a former U.S. Border Inspector, was indicted by a federal grand jury in Detroit on charges of alien smuggling, and conspiracy to commit that offense. Indicted along with Bender were Hassan Saad, 35, of Detroit, and Ibrahim Saad and Hani Bazzi, both of Windsor, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Daniel D. Roberts, FBI Special Agent in Charge, and Thomas M. Frost, Special Agent in Charge of the Department of Homeland Security's Office of the Inspector General. The 7-count indictment charges that between May of 2004 and March of 2005, Bender, along with both Hassan Saad and Ibrahim Saad, conspired to allow illegal entry into the United States by persons without proper authorization to enter. Bazzi is charged in the indictment with illegal entry.

United States Attorney Stephen J. Murphy said, "The protection of our borders is the keystone without which the structure of our homeland security would be unsound. This office will be vigilant in prosecuting any cases in which federal officials cross the line into criminal activity."

Special Agent in Charge Frost further noted that "the criminal activity attributed to Office Bender is not indicative of the outstanding service provided by the men and women of the U.S.

Customs and Border Protection on a daily basis. Misconduct by DHS employees which may compromise the security of our borders will not be tolerated, and will receive aggressive investigation by the OIG.”

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

The case was investigated by special agents of the FBI and DHS-OIG. The case is being prosecuted by Assistant U.S. Attorney Kathryn McCarthy.



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Dec 5, 2006

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**EVENT: Sentencing**

**Defendant: Abdulmir Berro**

**DEARBORN MAN SENTENCED TO 70 MONTHS IN FRAUD SCHEME**

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A 38-year-old Dearborn man was sentenced today to 70 months' imprisonment for charges related to a large-scale scheme to defraud credit card companies and the bankruptcy court, United States Attorney Stephen J. Murphy announced today.

Abdulmir Berro was sentenced by United States District Judge John Corbett O'Meara in Ann Arbor. Berro pleaded guilty in August to racketeering conspiracy in this case, in which all nineteen defendants pleaded guilty. In addition to the prison sentence, Berro was ordered to pay \$669,125 in restitution.

U.S. Attorney Murphy was joined in the announcement by Special Agent in Charge Daniel D. Roberts, Federal Bureau of Investigation, Detroit Division and Special Agent in Charge Maurice Aouate of the Internal Revenue Service.

Mr. Murphy said: "The bankruptcy system exists to provide a safety net for citizens facing dire financial problems. Defendants who exploit this system to defraud their creditors



will be aggressively prosecuted. I applaud the efforts of the FBI and the IRS to successfully investigate and obtain convictions of all of the defendants involved in this complex and varied scheme.”

According to documents filed in the case, from March 1999 through April 2004, the defendants defrauded numerous creditors and the bankruptcy court through a large-scale credit card “bust out” scheme. As part of the scheme, Abdulmir Berro processed almost \$300,000 in credit card transactions for other defendants in exchange for cash and discounted merchandise, knowing that payment would not be made for the charges. The credit card companies and banks transferred funds to Abdulmir Berro in the amount of the charges to the credit cards but ultimately never received payment from the defendant-credit card holders.

The defendants maximized the value they could obtain from the credit cards by making charges on the cards, submitting non-sufficient funds checks to free up the available credit on the card, and then making additional charges on the cards before the card issuers became aware that the checks were worthless. The defendants then took steps to evade collection efforts by creditors by declaring bankruptcy so creditors could not attach assets or otherwise collect on amounts owed. Through their bankruptcy proceedings, the defendants sought to avoid payment of nearly \$3 million in debt.

Some defendants also concealed assets from the bankruptcy court by fictitiously selling their homes to their wives or adult children, who made fraudulent statements to qualify for mortgage loans. Some defendants also engaged in financial transactions designed to conceal assets and funds from bankruptcy court and creditors. Abdulmir Berro assisted some of the defendants in concealing assets.

Remaining defendants will be sentenced later this month and in January.

The investigation of this case has been conducted by the Federal Bureau of Investigation and the Internal Revenue Service. The case has been prosecuted by Assistant U.S. Attorneys Cathleen M. Corken and Barbara L. McQuade.



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Dec 7, 2006

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**EVENT: Sentences**

**Defendant: Salah Rashem**

**SENTENCES IN U. S. / CANADIAN ALIEN SMUGGLING PROSECUTION**

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Five defendants charged in a joint U.S./ Canadian takedown of a Northern border alien smuggling conspiracy were sentenced in United States District Court in Detroit United States Attorney Stephen J. Murphy announced today. The indictment was unsealed on February 14, 2006 simultaneously with a joint U.S./Canadian take down of the alien smuggling organization. The following sentences were handed down by United States District Judge Paul D. Borman after each of the defendants pleaded guilty to Conspiracy to Smuggle Illegal Aliens into the United States and to Harbor and Transport Illegal Aliens Within the United States:

Hoa Ly, 43, of Macomb, Michigan pleaded guilty on September 5, 2006, and was sentenced today to 7 months imprisonment.

Bianca Gagliano, 25, of Windsor, Ontario pleaded guilty on April 28, 2006, and was sentenced today to 6 months imprisonment.

Dod Martini, 41, of Macomb, Michigan pleaded guilty on September 12, 2006, and was

sentenced today to 60 days imprisonment and 4 months home confinement.

Gui Liang Lin, 45, of Toronto, Ontario pleaded guilty on September 15, 2006, and was sentenced today to 24 months imprisonment.

Melanie Franquist, 26, of Wallaceburg, Ontario pleaded guilty on September 15, 2006, and was sentenced today to 30 days imprisonment.

Five other co-conspirators also previously pleaded guilty to the conspiracy charge as follows:

Duke Lumaj, 34, of West Bloomfield, Michigan on April 13, 2006

Kathleen Voneitzen, 49, of Vicksburg, Michigan on May 23, 2006

Roko Berisic, 32, of Shelby Township, Michigan on September 6, 2006

Han Huang, 44, of Albion, Michigan on September 7, 2006

Nosh Gojcaj, 35, of Macomb, Michigan on October 4, 2006

Co-conspirator Salah Rashem, 45, of Rockford, Illinois pleaded guilty to Re-entry After Deportation by an Aggravated Felon on September 27, 2006. Each of the convicted defendants face a maximum penalty of 5 years' imprisonment and a \$250,000 fine, with the exception of Rashem who faces a maximum penalty of 20 years' imprisonment and a \$250,000 fine.

United States Attorney Stephen J. Murphy was joined in the announcement by Brian M. Moskowitz, Special Agent in Charge, U.S. Immigration and Customs Enforcement.

Also charged in the Indictment, but not yet apprehended by U.S. authorities, are: Maitham Aziz Alzehrani, 34, of Windsor, Ontario; Kola Bajraktari, 34, of Windsor, Ontario; Fran Gashaj, 40, of Windsor, Ontario; Zef Shpati, 40, of Windsor, Ontario; Kai Zheng You, 40, of Toronto, Ontario; Duke Bracaj, 36, of Windsor, Ontario. Colin Price, 40, of Windsor, Ontario jumped bond and fled the country after being arraigned in the United States. The Canadian-based defendants will first answer related Canadian charges before facing possible extradition to the United States.

The charges were based upon the interdiction of at least 74 illegal aliens smuggled into the United States by the organization and the more than 2,000 incriminating telephone conversations intercepted by the Royal Canadian Mounted Police (RCMP) during the latter part of 2005.

“Today's serious sentences underscore the notion that human trafficking is one of the worst criminal acts that one person can commit against another. Those who smuggle human beings across international borders for profit engage in dehumanizing acts of criminality. Should anyone determine that they want to make money by smuggling human beings in deplorable conditions, they must realize that they will be met with an international united front of law enforcement agencies dedicated to stopping them cold and putting them in jail. Moreover, the sentences imposed today provide yet another great example of effective joint U.S. and Canadian criminal enforcement that serves as a warning to all human traffickers: smuggle human beings for profit and you will do a significant amount of hard time.” said United States Attorney Murphy.

“Alien smuggling organizations are driven by greed with little regard to the health, well being, dignity, or motivation of their human cargo,” said Brian M. Moskowitz, Special Agent in Charge, of U.S. Immigration and Customs Enforcement in Detroit. “Attacking and dismantling these criminal groups is critical to securing our borders and ensuring compliance with our immigration and customs laws. Smugglers should understand that we will not tolerate nor allow the U.S. Canada border to be used as an opportunity for them to profit from their crimes - rather we will use our shared border as an opportunity for our nations to work together to bring them justice.”

In announcing the sentences, United States Attorney Stephen J. Murphy commended the work of the Special Agents of the Bureau of Immigration and Customs Enforcement, the U.S. Border Patrol, and the RCMP which conducted the investigation. Members of the Integrated Border Enforcement Team (IBET) were also involved in coordinating this transnational effort. The prosecution was handled by Assistant United States Attorney Kenneth R. Chadwell, the U.S. Attorney's Office Anti-Terrorism Immigration Coordinator.





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Stephen Moore, IRS, (313) 234-2410

Dec 11, 2006

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**EVENT: Sentencing**

**Defendant: Quasand Daniell Lewis**

**LEADER OF DETROIT DRUG CONSPIRACY SENTENCED**

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A 35-year-old West Bloomfield man was sentenced today to 216 months in prison as a result of his guilty plea to charges of narcotics trafficking and money laundering, United States Attorney Stephen J. Murphy announced today.

Mr. Murphy was joined in the announcement by Special Agent in Charge Robert Corso, United States Drug Enforcement Administration, Special Agent in Charge Maurice Aouate, Internal Revenue Service Criminal Investigation, Special Agent in Charge Daniel D. Roberts, Federal Bureau of Investigation, and Novi Police Chief David Molloy.

Receiving the sentence before U.S. District Judge Avern Cohn was Quasand Daniell Lewis, the principal supervisor of a criminal enterprise involving the distribution of more than 30,000 kilograms of marijuana in Detroit, California, Arizona and elsewhere.

At his April 2006 guilty plea hearing, Lewis admitted that he engaged in a conspiracy to possess with intent to distribute more than 10,000 kilograms of marijuana. Lewis also pled

guilty to money laundering, and admitted that he engaged in financial transactions knowing that the properties involved in those transactions constituted or were traceable to the proceeds of drug trafficking. Lewis admitted that he organized and managed the organization which distributed marijuana here in the Detroit area.

The indictment also charged criminal forfeiture. In his plea agreement, Lewis had agreed to the judicial forfeiture of more than \$9.5 million in various assets, including his interest in real properties, motor vehicles, jewelry, bank accounts, and cash. An additional \$8.75 million in currency was seized and has already been forfeited from the Quasand Lewis organization, including currency that was seized from a Novi hotel room in March 2004, as well as cash seized in Ohio, Oklahoma, and Michigan. The total forfeiture, to date, from the Quasand Lewis organization exceeds \$18.4 million.

“In this case, large scale drug dealing and money laundering for more than a decade subjected our citizens to violence, and our neighborhoods to the devastation associated with narcotics trafficking,” United States Attorney Stephen J. Murphy said. “I salute the dedication and tireless efforts of the entire law enforcement team who worked together to bring down this organization. Their dedication reflects the finest in cooperation and teamwork between federal and local law enforcement agencies. Be forewarned: drug dealers who sell and launder the fruits of their illicit crimes in this district will be taken down and sent to prison for long periods of time.”

IRS Special Agent in Charge Aouate stated that, "Drug dealers, like any other criminals, are motivated by greed. IRS Criminal Investigation's unique role is to follow the money trail left by drug dealers and seize the money supply that feeds their organization. Our intent is to dismantle their financial empire."

Special Agent in Charge Corso stated, “I am extremely pleased with today's announcement because it confirms that Mr. Lewis will be staying in prison for a very long time. With each guilty plea and conviction in this case comes another victory for the people of Detroit.”

The case was investigated by the Drug Enforcement Administration, the Internal

Revenue Service, the Federal Bureau of Investigation, United States Immigration and Customs Enforcement, the Novi Police Department, Michigan State Police, Wayne County Sheriff's Department, Monroe County Sheriff's Department, Oakland County Sheriff's Department, Detroit Police Department, Dearborn Police Department, Farmington Hills Police Department, West Bloomfield Police Department, Troy Police Department, Sterling Heights Police Department, Warren Police Department, and the Oak Park Police Department participated in this investigation.

This case is being prosecuted by Assistant United States Attorneys Janice Terbush and Rita Foley.





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Dec 12, 2006

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**EVENT: Guilty Plea**

**Defendant: Elfat El Aouar**

**LASHISH FINANCIAL MANAGER PLEADS GUILTY TO TAX EVASION**

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Elfat El Aouar, 40, of Plymouth, a former "La Shish" financial manager and spouse of owner Talal Chahine pleaded guilty today to one count of income tax evasion in federal court in Ann Arbor, United States Attorney Stephen J. Murphy announced today.

The guilty plea was entered before United States District Judge John Corbett O'Meara.

United States Attorney Stephen J. Murphy was joined in the announcement by Special Agent in Charge Maurice Aouate of the Internal Revenue Service, Criminal Investigation Division.

At today's plea hearing, El Aouar admitted that from January 1, 2003 to April 15, 2004, she aided and abetted Talal Chahine in evading approximately \$1.5 million dollars in federal income taxes.

United States Attorney Murphy said, "As in the past, our Office will assiduously enforce

our tax laws with full resort to civil and criminal processes as appropriate. Anytime a business operates with two sets of books, or skims cash in the millions of dollars to send it overseas, and then fails to report the transactions on tax returns as required by law, that business should expect to be subject to vigorous prosecution. I commend the efforts of the prosecution team who worked closely with IRS Criminal Investigative agents in this case."

Greed undermines the integrity of our tax system," stated Aouate, "especially when the people responsible go to great lengths to deliberately hide their income by keeping a double set of computerized books, fictional records, and false balance reports."

As set forth in the Indictment, Talal Khalil Chahine is the sole owner of La Shish, Inc., a Middle Eastern restaurant chain located in the Detroit, Michigan metropolitan area. Elfat El Aouar, who is married to Talal Chahine, has an M.B.A. and had worked at La Shish, Inc. in various capacities including as the company's Vice President of Finance. The Indictment alleges that Talal Chahine and Elfat El Aouar collaborated in a scheme to skim cash proceeds from the restaurants for the tax years 2000 through 2003. During those tax years, it is alleged, La Shish, Inc. maintained a double set of computerized books, records and balance reports, one actual and one altered. The altered records artificially reduced the amount of cash that was actually received by the restaurants. Talal Chahine and Elfat El Aouar oversaw the maintenance of the double set of books, as well as the skimming and concealment of more than \$16,000,000 in cash received by the restaurants. To evade government scrutiny, the skimmed cash was not deposited into U.S. bank accounts, but instead, at the direction of Chahine and El Aouar, converted into cashier's checks and reduced in physical size by changing small denominations into larger ones. These conversions were made for the purpose of transporting the cash outside the United States to Lebanon, away from U.S. government reach and detection. Cash was also skimmed by paying La Shish, Inc. employees all or partly in cash.

Sentencing of El Aouar has been set for April 11, 2007, at 10:00 am in Ann Arbor. Under the terms of the plea agreement, El Aouar faces 30-37 months in prison.

Talal Chahine remains a fugitive from U.S. authorities and is believed to be in Lebanon. A warrant has been issued for his arrest.

In announcing the plea, United States Attorney Stephen J. Murphy commended the work of the Special Agents of the Internal Revenue Service, Criminal Investigation Division and the Federal Bureau of Investigation. The prosecution is being handled by Assistant United States Attorneys Kenneth R. Chadwell and Julie A. Beck.



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Dec 12, 2006

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**EVENT: Sentencing**

**Defendant: Nassib Saadallah Berro et al**

**THREE DEARBORN RESIDENTS SENTENCED IN FRAUD SCHEME**

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Three Dearborn residents were sentenced today by United States District Judge John Corbett O'Meara for charges related to a large-scale scheme to defraud credit card companies and the bankruptcy court, United States Attorney Stephen J. Murphy announced today.

Nassib Saadallah Berro, 62, was sentenced to 41 months' imprisonment and was ordered to pay \$468,301 in restitution. Berro pleaded guilty in August to conspiracy to commit bank and mail fraud in this case, in which all nineteen defendants pleaded guilty.

Abdul Halim Berro, 41, was sentenced to 35 months' imprisonment and was ordered to pay \$421,120 in restitution. The defendant pleaded guilty in August to conspiracy to commit bank and mail fraud.

Houda Mohamad Berro, 28, was sentenced to 12 months' and 1 day imprisonment. She pleaded guilty in August to bank fraud in connection with false statements she made to obtain mortgage loans. As part of her plea agreement, Ms. Berro agreed to forfeit the

property.

U.S. Attorney Murphy was joined in the announcement by Special Agent in Charge Daniel D. Roberts, Federal Bureau of Investigation, Detroit Division and Special Agent in Charge Maurice Aouate of the Internal Revenue Service.

United States Attorney Murphy said, "These sentences help the public understand an important message: the integrity of the bankruptcy system supports the legitimacy of the system itself. We will aggressively seek prison terms for those who intentionally and repeatedly max out their credit cards with no intention of paying, then try to pay down their cards using insufficient funds checks, and finally take shelter in the bankruptcy court when the house of cards comes tumbling down. I applaud the efforts of our AUSAs as well as the FBI and the IRS to successfully investigate and obtain convictions of all of the defendants involved in this complex and varied scheme."

"An entire family thought they had the skills to defraud the banking industry by using a credit card "bust-out" scheme, which was far from the truth," said Aouate. " Now they must all face the necessary consequences of their actions."

According to documents filed in the case, from March 1999 through April 2004, the defendants defrauded numerous creditors and the bankruptcy court through a large-scale credit card "bust out" scheme. As part of the scheme, Nassib Berro and Abdul Halim Berro processed numerous credit card transactions, never intending to pay for the charges. The defendants maximized the value they could obtain from the credit cards by making charges on the cards, submitting non-sufficient funds checks to free up the available credit on the card, and then making additional charges on the cards before the card issuers became aware that the checks were worthless. The defendants then took steps to evade collection efforts by creditors by declaring bankruptcy so creditors could not attach assets or otherwise collect on amounts owed. Through their bankruptcy proceedings, these two defendants sought to avoid payment of nearly \$1 million in debt.

The defendants also concealed assets from the bankruptcy court. Houda Berro purchased and refinanced a residence, making fraudulent statements to qualify for mortgage loans so that Abdul Halim Berro's true ownership in the property was concealed from

bankruptcy authorities.

Remaining defendants will be sentenced later this month and in January.

The investigation of this case has been conducted by the Federal Bureau of Investigation and the Internal Revenue Service. The case has been prosecuted by Assistant U.S. Attorneys Cathleen M. Corken and Barbara L. McQuade.



# Department of Justice

United States Attorney Stephen J. Murphy  
Eastern District of Michigan

FOR IMMEDIATE RELEASE  
FRIDAY, DECEMBER 15, 2006

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## **16 Charged with Concealing Service in Bosnian Serb Military to Successfully Enter the United States as Refugees**

WASHINGTON— Sixteen individuals in six states have been charged with criminal violations in connection with their efforts to obtain refugee status in the United States by concealing their prior service in the Bosnian Serb military, Deputy Attorney General Paul J. McNulty and Assistant Secretary for U.S. Immigration and Customs Enforcement (ICE) Julie L. Myers announced today.

According to indictments and criminal complaints filed in the Middle District of Florida, the Eastern District of Wisconsin, the Middle District of North Carolina, the District of Colorado, the Eastern District of Michigan, and Northern District of Ohio, the defendants previously served in the Bosnian Serb military. One of the defendants, Nedjo Ikonic, 40, is described in a federal affidavit in Wisconsin as having been a commander of a police unit that cooperated with other Bosnian Serb entities in the July 1995 massacre of Muslims in Srebrenica.

According to the court documents, the defendants allegedly committed immigration fraud and/or made false statements by concealing their prior service in these Bosnian Serb military units when filing immigration applications with the U.S. government. Through these fraudulent applications, the defendants were able to gain refugee status allowing them to enter and reside in the United States. One of the defendants was ultimately able to gain U.S. citizenship.

During the past week, special agents from ICE arrested 13 of the defendants in Orlando, St. Petersburg (Fla), Raleigh, High Point (NC), Milwaukee, Detroit, Cleveland, and Denver. The remaining criminal defendants are at large.

All but one of the defendants face criminal charges that include immigration fraud and/or making false statements. The maximum sentence for making false statements is five years in prison, while the maximum sentence for immigration fraud is 10 years imprisonment. One defendant has been charged with unlawful procurement of citizenship, which carries a maximum potential sentence of 10 years imprisonment.

“These cases demonstrate our resolve to identify and prosecute those who enter this country under false pretenses, especially those who hide their military past,” said Deputy Attorney General Paul J. McNulty.

"Since it was founded, the United States has attracted refugees escaping from persecution and atrocities in their countries of origin," said ICE Assistant Secretary Myers. "ICE will not allow the United States to be a safe haven for those who failed to disclose their service in military forces that were known to commit atrocities. We will continue to work closely with our international partners to relentlessly pursue such criminals."

These cases were investigated by special agents from U.S. Immigration and Customs Enforcement (ICE) with assistance from the Office of Special Investigations (OSI) of the Justice Department's Criminal Division.

These cases are being prosecuted by the U.S. Attorney's Offices for the Middle District of Florida; Eastern District of Wisconsin; Middle District of North Carolina; District of Colorado; Eastern District of Michigan; and Northern District of Ohio. The Office of Special Investigations is participating in the prosecution of the U.S. citizen defendant in Tampa.

The indictments and criminal complaints filed in these cases contain mere allegations. The defendants are presumed innocent unless and until proven guilty.

The defendants are as follows:

#### Middle District of Florida

- Sekula Bilic, indicted on one count of immigration fraud and one count of making false statements.
- Zdravko Kordic, indicted on one count of immigration fraud.
- Branko Popic, indicted on one count of immigration fraud and one count of making false statements.
- Ostoja Saric, indicted on one count of immigration fraud and one count of making false statements.
- Strahinja Krsmanovic, indicted on one count of immigration fraud.
- Boro Stojanovic, indicted on one count of immigration fraud.
- Jadranko Gostic, indicted on one count of unlawful procurement of citizenship and one count of making false statements.
- Zoran Radic, indicted on one count of immigration fraud and making false statements. Radic remains at large.
- Dusan Bosnjak, indicted on one count of immigration fraud and making false statements. Bosnjak remains at large.
- Bogdan Panic, indicted on one count of naturalization fraud and making false statements. Panic remains at large.



#### Eastern District of Wisconsin

- Nedjo Ikonic, charged with one count of immigration fraud.

#### Middle District of North Carolina

- Milivoje Jankovic, indicted on two counts of immigration fraud and two counts of making false statements.
- Veselin Vidacak, indicted on two counts of immigration fraud and two counts of making false statements.

#### District of Colorado

- Milisav Vukovic, charged with one count of false statements.

#### Eastern District of Michigan

- Nedjo Lojpur, indicted on two counts of immigration fraud.

#### Northern District of Ohio

- Ratko Maslenjak, charged with one count of immigration fraud.

06-841



**U.S. Department of Justice**

**Stephen J. Murphy  
United States Attorney  
Eastern District of Michigan**

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Dec 15, 2006

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**EVENT: Guilty Plea**

**Defendant: James Thomas et al**

**TWO MICHIGAN RESIDENTS PLEAD GUILTY TO CRIMINAL  
COPYRIGHT INFRINGEMENT**

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Two Michigan men have pleaded guilty in related federal cases to selling counterfeit computer software over the Internet that was valued at over \$1,000,000, in violation of the criminal copyright infringement laws, United States Attorney Stephen J. Murphy announced today.

James Thomas, 38, of Belleville, Michigan entered a plea of guilty before United States District Judge Nancy G. Edmunds on December 13, 2006. Justin Sabo, 27, of Columbiaville, Michigan entered a plea of guilty before United States District Judge Paul V. Gadola on December 14, 2006.

According to documents filed in the cases, Thomas and Sabo both purchased counterfeited Rockwell Automation computer software through eBay, and made numerous counterfeit copies of it which they sold themselves.

Between August 26, 2003 and September 7, 2004, using two different user names,

Thomas sold these copies in more than 32 separate eBay auctions, receiving \$14,626.55. The actual retail value of this software was in excess of \$1,000,000.

Between January 25 and July 2, 2004, using three different user names, Sabo sold counterfeit copies of the same software in 93 separate eBay auctions, receiving \$17,160.84. The actual retail value of this software was in excess of \$1,000,000.

United States Attorney Stephen J. Murphy said, "The protection of intellectual property of U.S. companies is crucial if we are going to be able to compete in the new high-tech economy. The Department of Justice has made prosecution of intellectual property cases a high priority, and appropriately so. I commend the FBI and the Computer Crime and Intellectual Property Section of the Department of Justice, which handled this case."

Federal Bureau of Investigation agents identified Thomas and Sabo as suspects and executed search warrants at their residences in Belleville and Columbiaville on December 15, 2004, resulting in the seizure of numerous computers, CDs, and other evidence used to manufacture the counterfeit software and sell these items on eBay.

Thomas admitted to the investigators that he sold the counterfeit Rockwell Automation software because it was "easy money" and that he first became aware of software applications through his job with the Ford Motor Company.

Sabo admitted to the investigators that he knew it was illegal to sell this copyrighted software; that he had used three usernames to avoid suspicion; and that he had alerted other sellers of counterfeit Rockwell Automation software that law enforcement officers were attempting to make undercover purchases.

As part of their plea agreements with the government, Thomas and Sabo agreed to forfeit the computers and other equipment used in the offense. Thomas also agreed to make restitution to Rockwell Automation in an amount determined by the court, but no less than \$15,677.03. Sabo also agreed to make restitution to Rockwell Automation in an amount determined by the court, but no less than \$18,210.84

Judge Edmunds accepted Thomas' guilty plea; released him on unsecured bond; and scheduled sentencing for April 10, 2007. Judge Gadola accepted Sabo's guilty plea, and he was released on an unsecured bond and sentencing in scheduled for March 22, 2007. The maximum penalty for the offense is five years' imprisonment and a fine of not more than \$250,000.

Trial Attorney Matthew J. Bassiur of the Computer Crime and Intellectual Property Section, Criminal Division, U.S. Department of Justice and Assistant United States Attorney Sheldon Light, Chief, Economic Crime Unit, prosecuted this case for the government.



**U.S. Department of Justice**

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**EVENT: Guilty Plea**

**Defendant: Louis Orenstein**

**HIGHLAND PARK, ILLINOIS MAN PLEADS GUILTY IN DETROIT TO UNLICENSED  
WHOLESALE DISTRIBUTION OF PRESCRIPTION MEDICATIONS  
STOLEN FROM McKESSON AND PHARMACIA-UPJOHN**

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A dual resident of Highland Park, Illinois and Delray Beach, Florida pleaded guilty today to unlicensed wholesale distribution of prescription medications stemming from bulk sales of approximately \$5,534,000 worth of prescription medications, many of which had been stolen from a distribution center operated by McKesson Corporation and from Pharmacia-Upjohn in the Chicago, Illinois area, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Daniel D. Roberts, F.B.I. Special Agent in Charge, and Michael Cleary, Special Agent in Charge of the Chicago, Illinois Office of Food and Drug Administration, Office of Criminal Investigation.

Louis Orenstein, age 67, entered the guilty plea in United States District Court before Judge Marianne O. Battani in Detroit, Michigan.

The information presented to the court at the time of the plea showed that from November 20, 1998 through December 12, 2001, in the Northern District of Illinois and the Eastern District of Michigan, Mr. Orenstein, a licensed beautician and wholesale supplier of beauty products to retailers in the Chicago area, sold and distributed the various medications, including Prilosec, Lipitor, Celebrex, Depakote, Vioxx, Amoxil and others, to Raymond Greenspan, doing business in the Eastern District of Michigan, without having been licensed by either the state of Illinois or Michigan as required. Further, many of the prescription medications which the defendant distributed from Illinois to Michigan had been stolen from a warehouse owned and operated by McKesson Corporation and from a shipment initiated by Pharmacia-Upjohn, a pharmaceutical manufacturer.

United States Attorney Murphy said “Selling unlicensed prescription drugs can endanger the public health. Federal and state regulations require that prescription medications be handled by licensed wholesalers and retailers every step of the way and that records be kept to ensure accountability. When drugs are sold outside this system of protections, the risks are high that medications may have been mishandled, mislabeled or worse – creating a real threat to public safety. Both the F.D.A. and the F.B.I. should be commended for their excellent cooperative efforts leading to these convictions.”

F.B.I. Special Agent in Charge Daniel Roberts noted: “This case was particularly egregious in as much as Mr. Orenstein profited handsomely without regard to the quality of the medications he was selling.”

F.D.A. Office of Criminal Investigation Special Agent in Charge Michael Cleary added: “This case illustrates the importance of the FDA’s work to ensure that the drugs that reach the public are safe and effective for use.”

Under the terms of the plea agreement, Mr. Orenstein faces up to 37 months imprisonment and a fine of up to \$250,000. Mr. Orenstein was also required to forfeit to the government approximately \$1,525,000.00. He was required to tender to the government a certified check for \$1,376,426.00 prior to his guilty plea, in addition to all rights and interest in a UBS investment account which had been previously administratively seized by the F.B.I. Moreover, the defendant has agreed to pay \$225,000 to the United States District Court prior

to his sentencing, now scheduled for March 29, 2007 at 2:30, toward a total restitution obligation of \$3,734,853.00 which will be imposed by the Court as part of his sentence.

Mr. Orenstein's guilty plea represents the third conviction arising from this investigation. Raymond Greenspan of West Bloomfield, Michigan previously pleaded guilty to unlicensed wholesale distribution of prescription medications and is awaiting sentencing by Judge Battani. William "Ronnie" Deaton of Chicago pleaded guilty to the interstate transportation of stolen property and was sentenced to serve six months in prison, pay restitution of \$392,785, and forfeit \$100,000 to the government.