



U.S. Department of Justice

**Stephen J. Murphy
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For Immediate Release:

Contact: Gina Balaya (313) 226-9758

July 9, 2007

EVENT: Sentencing

Defendant: Bryan Marks

**NORTHERN MICHIGAN MAN SENTENCED
TO 135 MONTHS ON CHILD PORN CHARGES**

A Presque Isle man was sentenced today to 135 months in prison following his conviction on child pornography charges, announced United States Attorney Stephen J. Murphy.

Mr. Murphy was joined in the announcement by Andrew G. Arena, Special Agent in Charge, Federal Bureau of Investigation and Desmond Scanlon, Special Agent in Charge of the United States Secret Service in Detroit.

Bryan Marks, 23, of Presque Isle, Michigan, which is located in the northeast corner of the Lower Peninsula, was sentenced by U.S. District Judge Thomas Ludington, in Bay City Michigan, to 135 months in prison followed by three years supervised release.

Marks pleaded guilty in March of this year. The information presented to the court at the time of the plea showed that on or about April 13, 2006, Marks transported 14 child pornography images, via the internet, to an undercover agent in Buffalo, New York. The images primarily consisted of prepubescent children posing nude and engaging in sexually explicit acts with adult males.

United States Attorney Murphy stated, "Today's sentence imposes the stringent kind of penalty that is necessary to deter others from the pernicious child porn trade. Our Child Safe

Initiative will aggressively pursue all of those who exploit children through child porn or solicitation."

This case is being brought as part of Project Safe Childhood. In February 2006, Attorney General Alberto R. Gonzales created Project Safe Childhood, a nationwide initiative designed to protect children from online exploitation and abuse. Led by the United States Attorneys Offices, Project Safe Childhood marshals federal, state and local resources to better locate, apprehend, and prosecute individuals who exploit children via the Internet, as well as identify and rescue victims. For more information about Project Safe Childhood, please visit www.projectsafechildhood.gov/."

This case was prosecuted by Jeanine Jones, Assistant United States Attorney.



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July 9, 2007

EVENT: Settlement

Defendant: Lombardo et al

**JUSTICE DEPARTMENT SETTLES DISABILITY
DISCRIMINATION SUIT AGAINST MICHIGAN
DEVELOPER AND ARCHITECT**

The Justice Department announced today that the developer and designer of an apartment and condominium complex in Sterling Heights, Michigan, have agreed to settle a lawsuit alleging that they violated the Americans with Disabilities Act. The developer and designer of The Preserves are alleged to have designed and constructed the complex without the accessibility features required by federal law, and have agreed to pay over \$146,000 and take other steps to retrofit the complex in order to make it more accessible to persons with disabilities.

“Those who design and construct housing units may not ignore their obligation to make them accessible to persons with disabilities,” said Wan J. Kim, Assistant Attorney General for the Civil Rights Division. “The Justice Department will continue its vigorous enforcement of all the fair housing laws.”

United States Attorney Stephen J. Murphy added that "The ability to live independently in one's own home is a basic civil right. That right is denied to the many people with disabilities who are blocked at the front door and unable to gain entrance. Today's settlement redresses

those sorts of inequities at The Preserves in Sterling Heights. I congratulate the Department of Justice trial team that handled this matter and I credit the defendants with cooperation that led to a fair resolution of the matter.”

The lawsuit, filed today along with the proposed settlement, alleges that the defendants designed and constructed the complex with steps to the front doors and with other features that made the complex inaccessible to persons with disabilities. Under the settlement agreement, which must still be approved by the U.S. District Court for the Eastern District of Michigan, the defendants will:

- Retrofit the complex to make it more accessible;
- Ensure that future or ongoing construction meets the accessibility requirements of the Fair Housing Act;
- Establish a \$96,000 fund to pay for retrofits to condominiums that have previously been sold;
- Pay up to \$25,000 to individuals who were harmed by the lack of accessible features at the properties; and
- Pay a \$25,000 civil penalty.

The defendants include the developer, Palazzolo and Lombardo of Michigan, and the architect who designed the complexes, Robert Lipka, P.C. Palazzolo and Lombardo of Michigan is wholly owned by two Michigan development companies, Palazzolo Brothers of Michigan, Inc. and Lombardo of Michigan, LLC.

Fighting illegal housing discrimination is a top priority of the Justice Department. In February 2006, Attorney General Alberto R. Gonzales announced Operation Home Sweet Home, a concentrated initiative to expose and eliminate housing discrimination in America. This initiative was inspired by the plight of displaced victims of Hurricane Katrina who were suddenly forced to find new places to live. Operation Home Sweet Home is not limited to the areas hit by Hurricane Katrina and targets housing discrimination all over the country. More information about Operation Home Sweet Home is available at the Justice Department Web site at <http://www.usdoj.gov/fairhousing>. Individuals who believe that they may have been victims of housing discrimination can call the Housing Discrimination Tip Line (1-800-896-7743), email the Justice Department at fairhousing@usdoj.gov, or contact the U.S. Department of Housing and Urban Development at 1-800-669-9777.

The federal Fair Housing Act prohibits discrimination in housing based on race, color, religion, national origin, sex, disability and familial status. Since Jan. 1, 2001, the Justice

Department's Civil Rights Division has filed 225 cases to enforce the Fair Housing Act, 103 of which have alleged discrimination based on disability. More information about the Civil Rights Division and the laws it enforces is available at <http://www.usdoj.gov/crt>.



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Jul 10, 2007

EVENT: Arrests

Defendant: Ahmad Abboud et al

**INTERNATIONAL DRUG TRAFFICKING ROUTE
SHUT DOWN**

United States Attorney Stephen J. Murphy announced today that a number of arrests have been made in a significant drug conspiracy over the past ten days in the Detroit area and the vicinity of Toronto, Ontario, Canada. Mr. Murphy, who noted the important international cooperation and coordination that led to the arrests, was joined in the announcement by Robert Corso, Special Agent in Charge, Drug Enforcement Administration, Richard Gauthier, Commander of Toronto Police Detective Services, Brian Moskowitz, Special Agent in Charge, Immigration and Customs Enforcement, and Maurice Aouate, Special Agent in Charge, Internal Revenue Service, Criminal Investigation.

Arrested on June 28, 2007 in the Eastern District of Michigan were AHMAD ABBOUD, age 29, of Sterling Heights, Michigan, TONY DAVIS, age 27, of Sterling Heights, Michigan, YAHAB ABBOUD, age 27 from Rochester Hills, Michigan; and JONATHAN YALDOO, age 26 of Sterling Heights, Michigan. Criminal Complaints filed in United States District Court charged defendant AHAMD ABBOUD with conspiracy to import marijuana into the United States from Canada, while the other three defendants were charged with possession with intent to distribute marijuana. The four Michigan defendants were released on bond, pending a Preliminary Hearing on July 17, 2007.

As set forth in the Complaints, part of the charged criminal activity involved smuggling 370 pounds of marijuana from the Toronto, Canada area into Michigan through St. Joseph Island, Ontario. The alleged smuggling route involved individuals driving from the metro Detroit area to the Upper Peninsula of Michigan, in the general vicinity of Sault Ste. Marie, and returning with the 370 pounds of marijuana that had been smuggled from Canada into the United States. This marijuana was allegedly brought to Sterling Heights, Michigan on May 22, 2007, where it was seized by US authorities.

On June 28, 2007, five federal search warrants were executed by agents of the Drug Enforcement Administration, the Sterling Heights Police Department, and the Internal Revenue Service, among other federal agencies. The enforcement action was in furtherance of investigations that have been conducted since 2005, in coordination with Canadian law enforcement agencies. To date, law enforcement activities on the United States side of the border include 13 arrests, more than 1,000 pounds of high-quality marijuana (with a wholesale value over \$4 million), the seizure of 41 kilograms of cocaine, and the seizure of \$350,000.00 in United States currency.

On July 5, 2007, after an eight-month investigation, the Toronto Drug Squad assisted by partner agencies and coordinated with investigators in British Columbia, executed 29 search warrants at a number of locations in British Columbia, Toronto, Mississauga and the York Region of Ontario. In addition, 24 people were arrested in Canada for numerous drug and weapons related offenses. To date, seizures on the Canadian side of the border have totaled approximately \$41,000 in United States currency, \$487,000 in Canadian currency, 1,000 pounds of high-quality marijuana valued at \$3,000,000, and one kilogram of cocaine valued at \$30,000.

United States Attorney Stephen J. Murphy said, "In an age where the need for international cooperation on law enforcement matters is crucial, this case is a prime example of the excellent results that come from combining forces with our Canadian counterparts to cut off a new drug distribution route. Drug traffickers who may have been hoping to exploit the international border are in for a surprise because we are working hand-in-glove to stop them on both sides of the border."

Robert Corso, Special Agent in Charge for the Drug Enforcement Administration, stated that, "This investigation clearly shows that the DEA is working closely with our Canadian law enforcement counterparts in an effort to secure our northern border. This investigation has, with the assistance of our local, federal and Canadian partners, successfully dismantled a large high-grade marijuana smuggling organization while at the same time blocking a previously unknown smuggling route between the United States and Canada."

Staff Superintendent Richard Gauthier, Commander of Toronto Police Detective Services stated, "The illegal exportation of narcotics can occur in any jurisdiction as these arrests have shown. No law enforcement agency can work alone. For this reason, partnerships are essential. This is an excellent example of the Toronto Police Service's continuing efforts to create safer communities by working with our partners to combat international narcotic trade."

"Working with our law enforcement partners to secure our borders against the utilization of illicit drug proceeds remains a top priority," said Brian M. Moskowitz, special agent in charge

of the ICE Office of Investigations in Detroit. "ICE will continue to lessen critical vulnerabilities that threaten our economic security."

A complaint is only a charge and is not evidence of guilt. Trial cannot be held on felony charges in a complaint. When the investigation is completed a determination will be made whether to seek a felony indictment.

United States Attorney Murphy congratulated the Drug Enforcement Administration, Toronto Police Services, Immigration and Customs Enforcement, Internal Revenue Service Criminal Investigation, Sterling Heights Police Department and Customs and Border Protection, Macomb County Enforcement Team as well as our Canadian law enforcement partners involved in the case for the significant cooperation leading to the arrests, and he noted that the case is being ably prosecuted by Assistant United States Attorney Wayne F. Pratt.



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Jul 10, 2007

EVENT: Guilty Plea

Defendant: Willie Haynes

**FORMER FINANCIAL SECRETARY PLEADS GUILTY TO MAKING FALSE STATEMENTS
IN LABOR UNION FINANCIAL REPORTS**

The former financial secretary of a local labor union pleaded guilty in federal court on June 9, 2007, to making false statements in labor union financial reports, announced United States Attorney Stephen J. Murphy.

Entering the plea was Willie Haynes, age 61, of Saginaw, Michigan. Haynes has been a member of the Saginaw City Council since July 15, 2002.

The evidence presented to the court at the time of the plea established that Haynes was the former financial secretary of United Auto Workers Local 362, which represents employees of Bay City-based General Motors Corporation Powertrain Division. Haynes admitted that he falsified Local 362 annual financial reports (Form LM-2) filed by Local 362 for fiscal years 2001, 2002, and 2003.

Under the provisions of Section 209(c) of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) and Section 3571 of Title 18 of the U.S. Code, willful falsification of labor union financial reports can result in a fine of up to \$100,000 or imprisonment for not more than one year, or both. A conviction for this offense also means that Haynes is barred from being a union official in the future.

This case was investigated by the U.S. Department of Labor's Office of Labor-

Management Standards.



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July 11, 2007

EVENT: Sentencing

Defendant: Ali Fouad Ayache

DEARBORN MAN SENTENCED AND DEPORTED TO LEBANON

United States Attorney Stephen J. Murphy announced today that Ali Fouad Ayache, 25, of Dearborn, Michigan was sentenced today in federal court in Detroit to time served on Marriage Fraud charges and simultaneously ordered deported to Lebanon. The sentence was handed down by United States District Judge George Caram Steeh, after Ayache pleaded guilty on June 21, 2007.

United States Attorney Stephen J. Murphy was joined in the announcement by Special Agent in Charge Andrew G. Arena of the Federal Bureau of Investigation and Special Agent in Charge Brian Moskowitz of the Immigration and Customs Enforcement.

United States Attorney Murphy said, "Our Office continues to vigorously and systematically pursue those who have obtained their U.S. citizenship, green cards or other immigration benefits unlawfully. We need to dispose of the notion that a criminal immigrant can rest easy once he gets his citizenship papers or green card," Mr. Murphy emphasized, "because the Department of Justice, including the FBI, and ICE will pursue all criminal, civil, and administrative remedies at our disposal to deprive wrongdoers of their ability to reside in the United States."

Special Agent Arena said, "This investigation is an example of the cooperative effort of the FBI and ICE working to address those criminal activities which impact our community."

Special Agent Moskowitz said, "ICE will take every step necessary to deny those who use lies and deceit from enjoying the privileges of living in the United States."

According to the information provided to the Court at the time of the guilty plea, Ali Fouad Ayache, a Lebanese national, committed marriage fraud when he entered into a bogus marriage with United States citizen Kristy Ann Dugray on November 22, 2002 in Wayne County, Michigan for purposes of evading U.S. immigration laws. Ayache lied about the marriage fraud to federal agents on May 1, 2007, and also attempted to persuade Ms. Dugray to lie to federal officials about the marriage fraud.

In announcing the sentence, United States Attorney Stephen J. Murphy commended the work of the Special Agents of the Immigration and Customs Enforcement and the Federal Bureau of Investigation, who conducted the investigation. The prosecution of Ali Ayache was handled by Assistant United States Attorney Kenneth R. Chadwell.



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July 11, 2007

EVENT: Guilty Plea

Defendant: Ghazi Al-Awadi

**MAN PLEADS GUILTY TO ACTING AS
AGENT FOR FORMER IRAQI GOVERNMENT**

A Dearborn man pleaded guilty today to acting as an agent of the government of Iraq under the former regime of Saddam Hussein, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Andrew G. Arena, FBI Special Agent in Charge.

Pleading guilty before U.S. District Judge Nancy G. Edmunds was Ghazi Al-Awadi, 78, a naturalized U.S. citizen born in Iraq.

According to documents filed in the case, between May and November 2002, Al-Awadi obtained information in the United States about individuals and groups opposed to Saddam Hussein and then provided that information to the Iraqi Intelligence Service in Iraq. Al-Awadi acted as an agent of the government of Iraq without notifying the Attorney General as required by law.

Under the terms of the plea agreement between the government and Al-Awadi, the court may sentence Al-Awadi to up to 51 months' imprisonment.

United States Attorney Stephen J. Murphy said, "We will respond aggressively to any cases involving spying by the agent of a hostile foreign government. Refugees from oppressive regimes should be able to enjoy the freedoms of the United States without being monitored or informed upon by agents of that regime on US soil. I commend the FBI for their excellent investigation that resulted in this guilty plea."

Special Agent in Charge Andrew G. Arena said, "The foreign intelligence threat facing the United States is increasingly complex. Protecting the United States against foreign intelligence operations and espionage is one of the FBI's top priorities."

Judge Edmunds set the date for sentencing for November 8, 2007 at 2:00 p.m.



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July 11, 2007

EVENT: Sentencing

Defendant: Jack John Mevorach

HAZEL PARK MAN SENTENCED FOR BANKRUPTCY FRAUD

A 48 year-old Hazel Park man was sentenced today to 18 months' imprisonment after pleading guilty to one count of bankruptcy fraud charging him with a scheme to defraud his former employer, DSW Management, and then filing two fraudulent bankruptcy petitions in the business owner's name to conceal his fraud, United States Attorney Stephen J. Murphy announced today.

Being sentenced by U.S. District Judge Arthur J. Tarnow was Jack John Mevorach of Hazel Park, Michigan.

The fraud arose when Jack Mevorach began working for DSW Management, a landscaping and snow plowing business in 2003 and began to divert customers' payments to himself for his personal use. As creditors of DSW sought to collect their monies, Mevorach completed and forged the signature of the company's owner on two separate bankruptcy petitions and filed them with the U.S. Bankruptcy Court for the Eastern District of Michigan. This action kept the creditors from continuing to collect their debts and helped conceal Mevorach's diversion of monies from the company's owner.

United States Attorney Stephen J. Murphy said, “The use of our federal bankruptcy system to conceal criminal activity by robbing creditors who have provided their goods and services in the full expectation of being paid is unacceptable. Discovering that the debt you are owed has been discharged in a bankruptcy can be financially devastating enough without the added burden of finding out that the bankruptcy case was fraudulent. This crime created several victims, the defrauded employer as well as his creditors. We will aggressively pursue such abuses.”

The investigation of this case was conducted by Special Agent Claudia Link of the FBI Office in Detroit and prosecuted by Assistant U.S. Attorney Ross I. MacKenzie and Special Assistant U.S. Attorney Leslie K. Berg. Substantial support was received from the U.S. Trustees Office in Detroit charged with administering bankruptcy cases.



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Stephen Moore - IRS (313) 234-2410

July 11, 2007

EVENT: Indictment

Defendant: Vito J. Munaco

**Indictment Charges Employment Leasing Executives with Money Laundering,
Seeks Forfeiture of Rochester Hills Golf Course**

Vito J. Munaco of Rochester Hills and John W. Burcham, II of West Bloomfield, were indicted by a federal grand jury in Detroit on charges of money laundering and Munaco was also charged in connection with false claims in a bankruptcy proceeding, United States Attorney Stephen J. Murphy announced today.

United States Attorney Murphy was joined in the announcement by Maurice Aouate, Special Agent in Charge of the Detroit Field Office of the Internal Revenue Service Criminal Investigation.

According to the Indictment, between 1998 and 2003, Munaco and Burcham conspired to defraud several workers' compensation insurance carriers of more than \$2.5 million dollars. The scheme alleges that Munaco and Burcham made it appear that Munaco's company, Mandamus, was sold to Burcham's company, National Human Resource Committee, Inc. (NHRC). The Indictment further alleges that in May 1999, NHRC was purchased by Simplified Employment Services (SES), formerly the fourth the largest employment services company in the nation, which ultimately filed for bankruptcy. After the sale, Mandamus was able to

continue obtaining worker compensation insurance under the SES coverage plan. The Indictment further charges more than \$88,000 was illegally paid out of a Mandamus bank account relating to credit cards and other debt belonging to Burcham.

Additionally, SES, while in bankruptcy proceedings, attempted to recover more than \$600,000 in workers' compensation charges paid on behalf of Mandamus. The Indictment charges that Munaco filed a false counterclaim against SES, alleging that Munaco had loaned NHRC \$200,000 in 1998 and had never been repaid. The government charges that the loan in question was repaid in 1998 with interest.

Finally, the Indictment seeks criminal forfeiture of Blackheath Golf Course in Rochester Hills, owned by Munaco, in partial satisfaction of the \$2,543,834 defrauded from the workers' compensation insurance providers relating to the money laundering conspiracy count against Munaco and Burcham.

United States Attorney Stephen J. Murphy said, "Today's charges reveal a complex fraudulent scheme to hide illegal proceeds and deceive the bankruptcy court. Fortunately, the determined investigation by the IRS criminal investigators unraveled the case."

"IRS-CI has the financial investigators and expertise that is critical to locating and identifying the illegal money obtained in complex schemes, which in this case, involves worker's compensation fraud," said Aouate.

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 IRS-CI and the OIG of the Labor Department.



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July 12, 2007

EVENT: Sentencing

Defendant: Martez Djuan Junior

**DETROIT RESIDENT SENTENCED ON
CONSPIRACY TO DEFRAUD IRS**

Martez Djuan Junior of Detroit, Michigan was sentenced to 12 months in custody today following his conviction for conspiracy to defraud the Internal Revenue Service, United States Attorney Stephen J. Murphy announced.

Murphy was joined in the announcement by Maurice M. Aouate, Special Agent in Charge of IRS Criminal Investigation.

Junior pleaded guilty to conspiring with another individual to file fraudulent federal income tax returns. According to information submitted to the court at the time of the plea, Junior created false Forms W-2 in the name and social security number of the recruited individual, using fabricated information regarding the name of employer and amount of tax withholdings. The filer then provided the fictitious documents to a legitimate tax preparation service, who in turn prepared and electronically filed the false tax return. The filer applied for refund anticipation loans, which allowed the recruited individual to receive a cash advance on the false tax refund.

United States Attorney Stephen J. Murphy said, "Paying taxes is the price we pay for a society grounded in law and for a government that can serve and protect our people. This system depends on the honesty and responsibility of all citizens, but those who try to work the system by fraud will face prosecution."

"There are unscrupulous people in our communities that look to take advantage and use people who are in a vulnerable position," said Aouate. "Don't fall prey to their money making scheme, especially if it involves the IRS."

Mr Murphy thanked IRS Criminal Investigation for their investigation of the case. The case was prosecuted by Mr. Murphy as well as Assistant U.S. Attorney Kevin Mulcahy.



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July 12, 2007

EVENT: Sentencing

Defendant: Metro Technical Institute, Inc.

**TECHNICAL SCHOOL'S CO-OWNER,
EXECUTIVE DIRECTOR AND DIRECTOR OF EDUCATION
SENTENCED IN DETROIT ON CHARGES OF FINANCIAL AID FRAUD**

Two men, residents of Oak Park and Detroit, Michigan, and a third from Columbus, Ohio, were sentenced on July 11 and 12, 2007, on charges of student financial aid fraud stemming from their involvement in a scheme perpetrated through Metro Technical Institute, Inc. [MTI] of Oak Park, Michigan from August 1998 through October 16, 2002, which resulted in the United States Department of Education's loss of over \$533,000, announced United States Attorney Stephen M. Murphy.

Emannual Njoku, age 51, of Oak Park, Michigan, George Zimmerman, age 46, of Columbus Ohio, and Charles Nnaji, age 44, of Detroit, Michigan were sentenced by United States District Court Judge Marianne O. Battani in Detroit, Michigan. The defendants had previously pleaded guilty to the charges.

Mr. Njoku, vice president and co-owner of MTI, was sentenced on July 11, 2007 to serve one year and one day in the custody of the Bureau of Prisons, to be followed by two

years on supervised release, and ordered to pay restitution in the amount of \$533,344 on the felony charge of conspiracy to defraud the United States. Mr. Zimmerman, the executive director at MTI, was sentenced on July 12, 2007 to serve three years probation and to pay restitution in the amount of \$557,467.00. Mr. Nnaji, the director of education at MTI, was sentenced on the same date to serve 2 years probation, with the first 90 days in custody, and to pay restitution of \$5,101.00 on a misdemeanor charge of aiding and abetting the obtaining of Title IV funds (student financial aid) by fraud.

United States Attorney Murphy stated, "Instead of providing educational opportunities for students, these defendants took advantage of the system to defraud the Department of Education. In a time when many American families look to the federal government for educational assistance, we will aggressively pursue fraud that undermines and drains funds from that program."

The information presented to the court at the time of the guilty pleas and sentencing showed that the defendants, working together and with other employees of MTI, executed a scheme to defraud the Department of Education by obtaining money for MTI students who were known to be ineligible either because they did not attend classes or did not possess high school diplomas, GED's or take and pass ABT's, and by failing to refund those moneys to the Department of Education. Part of the scheme to defraud also involved creating false documentation for student files to make it look as though students were qualified for federal financial aid so as to hide the scheme from potential auditors and inspectors acting on behalf of the Department of Education.

As a result of the scheme, MTI received over \$533,000 in funds from or guaranteed by the Department of Education to which it was not entitled because of the students' ineligibility.

These sentencings bring to five the number of individuals who have been charged, convicted and sentenced for offenses arising from this scheme. On April 19, 2007, Judge Battani sentenced Sylvia Copeland and Patricia Cole, two MTI administrative employees, to serve 2 years probation and ordered them to pay restitution after pleading guilty to charges arising from their role in the scheme.

The case against MTI's owner and CEO, Goddey Otagba, is still pending. Mr. Otagba is believed to have fled the country for his native Nigeria. The Court has issued a warrant for his

arrest.



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July 16, 2007

EVENT: Sentencing

Defendant: Wayne Crowder

**FORMER TOTAL ARMORED CAR EMPLOYEE
SENTENCED TO 24 MONTHS' IMPRISONMENT FOR STEALING OVER \$265,000**

A 37-year-old Grand Rapids man who took over \$265,000 from his employer, Total Armored Car Services, was sentenced to 24 months' imprisonment today, United States Attorney Stephen J. Murphy announced. Joining in the announcement was FBI Special Agent-In-Charge Andrew G. Arena.

Wayne Crowder, a coin room employee at Total Armored Car Services, pled guilty to one felony count of bank theft on April 16, 2007 before United States District Judge Bernard F. Friedman. The money, which belonged to the Federal Reserve Bank of Chicago and TCF Bank.

A second employee involved in the theft, Vertis Woodall, Jr. of Detroit, 30, was sentenced to six months in a community corrections center and five years probation on February 27, 2007.

Evidence presented to the court showed that, from July 2004 and November 2005,

Woodall emptied bags containing gold and silver dollars into his boots to avoid security screening measures. Woodall then took the money to coin exchange facilities at various Kroger grocery stores. Woodall also supplied full dollar bags – each containing \$2,000 – to Crowder, who took them out of the building.

“Internal theft by those who handle bank deposits can be as damaging as bank robberies, or even more so, in terms of the amount of stolen funds,” said United States Attorney Stephen J. Murphy. “I commend the excellent investigation by the FBI that lead to today’s sentence.”

Crowder was ordered to pay \$267,831.79 in restitution. Woodall had previously been ordered to pay \$130,000 to Total Armored Car Services.

The case was prosecuted by Assistant United States Attorney Leonid Feller.



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July 17, 2007

EVENT: Sentencing

Defendant: Kent Guest

**INDIANA MAN SENTENCED TO 10 YEARS FOR ATTEMPTING TO
ARRANGE TO HAVE SEX WITH CHILDREN OVER THE INTERNET**

Stephen J. Murphy, United States Attorney for the Eastern District of Michigan, announced that Kent Guest, 67 of Frankfort, Indiana was sentenced in Federal District Court today for his conviction on one count of Travel with Intent to Engage in Illicit Sexual Conduct with a minor. Mr. Murphy was joined in the announcement by Andrew G. Arena, Special Agent in Charge, Federal Bureau of Investigation.

Guest was sentenced today by the United States District Judge John Corbett O'Meara to 120 months in Federal Prison to be followed by 3 years of supervised release.

The following facts were disclosed to the court at the time of the guilty plea and during sentencing elocution:

From July through September 2005, Defendant Guest engaged in a series of online conversations with an undercover FBI agent whom he believed to be a single mother of two young daughters ages 3 and 5. He indicated a desire to engage in sex with the children, as

well as their mother. Guest proposed specific acts of oral sex and digital penetration that he would engage in with both the "mother" and her two daughters.

As a result of the conversations Guest traveled to the Detroit area to meet with the woman and her daughters on September 23, 2005. Upon his arrival, Guest was arrested by authorities from the FBI. At the time of his arrest, He was in possession of a particular type of beer that he had been requested to bring as well as Cialis, a prescription drug that assists sexual performance.

During the execution of the warrant in Guest'S home, FBI agents seized a computer, on which they found child pornography and evidence of contacts with others on-line whom Guest communicated about incest and sexual contact with children.

United States Attorney Stephen Murphy said, "Mr. Guest's interest both in images that memorialize child abuse and his attempts to contact and meet with children for sex acts cannot be tolerated in our society. Guest's conduct in developing an on-line relationship with a single mother in hopes of securing access to her children that he intended to abuse is deplorable. The lengthy sentence handed down in this case amply demonstrates those points. Accordingly, prosecution and sentencing of Mr. Guest provide substance to the notions that our Child Protection Initiative is working, that criminals who engage in similar conduct will be aggressively prosecuted, and that the United States Attorney's Office will do everything we can to keep the internet from functioning as a haven for child molesters."

Murphy praised the work of Special Agents of the FBI, whose dedication of time and skill necessary to work undercover to reveal these predators has been most successful. The FBI computer crimes unit, Murphy said, consistently demonstrates professionalism and dedication in their aggressive and thorough investigation of these cases.

Assistant United States Attorney John O'Brien, prosecuted case for the United States.



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July 17, 2007

EVENT: Plea/Sentencing

Defendant: Nedjo Lojpur

**SHELBY TOWNSHIP MAN IMPLICATED IN BOSNIAN WAR CRIMES
PLEADS GUILTY TO IMMIGRATION FRAUD**

A 52-year-old Shelby Township man who failed to disclose his service in a Bosnian Serb military unit that committed war crimes in the mid-1990s was sentenced to three months imprisonment today, United States Attorney Stephen J. Murphy announced. Joining in the announcement was Brian M. Moskowitz, Special Agent-In-Charge of the Immigration and Customs Enforcement Office of Investigations in Detroit.

Following Lojpur's term of imprisonment, United States District Judge Paul D. Borman ordered that he be deported to Bosnia and Herzegovina.

Nedjo Lojpur served in the Zvornik Infantry Brigade in the former Yugoslavia from approximately 1992 to 1995. The Zvornik Infantry Brigade is known to be responsible for various atrocities committed during the 1992-1995 conflict in Bosnia, including the murder of 3,000-4,000 Bosnian men in the UN-designated safe-area of Srebrenica in July 1995, the murder of another 500-1000 men and boys in smaller executions, and the forcible expulsion of 25,000-35,000 women, children, and elderly.

United States Attorney Stephen J. Murphy said, "Any immigrants who may have participated in war-time atrocities should understand that they will find no safe haven in the United States. We will pursue every legal remedy, up to and including deportation from the US -- as we did in this case."

According to pleadings filed in court, when Lojpur was arrested on December 11, 2006, he denied participating in any atrocities, claiming that his role in the Brigade was limited to guarding garrisons and digging trenches. He admitted to ICE agents, however, that he was aware of murder and torture taking place. "[B]oth sides were doing it," he told agents, and stressed that his unit, the "Zvornik Brigade[,] were fighting against Muslims."

Lojpur immigrated to the United States in 2002 but failed to disclose his military service on his refugee application. He again failed to disclose his military service in 2004, when he applied for permanent residency. As a result, he pled guilty to two counts of immigration fraud on April 17, 2007, leading to today's sentence.

Lojpur's December 11 arrest was part of the coordinated nationwide apprehension of Bosnian Serb war veterans who failed to disclose their military service on immigration documents. At least 16 individuals were arrested around the country that week and dozens more over the past two years.

The case was prosecuted by Assistant United States Attorney Leonid Feller.



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July 19, 2007

EVENT: Guilty Plea

Defendant: Robert Lee Elsberry III

**THREE METRO MEN PLEAD GUILTY TO ATTEMPTING TO
BUY 300 POUNDS OF MARIJUANA FOR \$300,000**

Three men attempting to buy 300 pounds of marijuana for \$300,000 have all pled guilty in federal court, United States Attorney Stephen J. Murphy announced. Joining in the announcement was DEA Special Agent-In-Charge Robert Corso.

Robert Lee Elsberry III, 27, of Frasier, pled guilty today to one felony count of conspiracy to possess with intent to distribute controlled substances before United States District Judge Patrick J. Duggan. Steven Aaron, 35, of Detroit, and Brian Aaron, 37, of Eastpointe, entered their guilty pleas on April 24, 2007.

The three defendants drove to a Home Depot in Harper Woods on October 27, 2006 with \$276,978 intending to buy 300 pounds of marijuana. Instead, they were arrested by undercover DEA agents. All of the money was seized and forfeited to the government.

“These arrests and convictions kept a substantial quantity of marijuana off the streets

and resulted in a significant seizure of money,” United States Attorney Murphy said. “The DEA should be commended for the excellent investigation which resulted in today’s guilty pleas.”

Conspiracy to distribute more than 100 kilograms of marijuana carries a maximum sentence of 40 years imprisonment and a fine of up to \$2 million dollars. Sentencing for the Aaron brothers is scheduled for August 9, 2007 at 3:00 p.m.. No sentencing date has been set for Mr. Elsberry.

The case is being prosecuted by Assistant United States Attorneys David Gardey and Leonid Feller.



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July 20, 2007

EVENT: Sentencing

Defendant: Damon Stephens

**SAGINAW AREA MAN SENTENCED TO 270 MONTHS IN PRISON
ON DRUG CHARGES**

Damon Stephens, 33, a resident of Saginaw was sentenced on July 16, 2007 on charges of distributing cocaine and possessing cocaine base, to 270 months in federal prison which will be served consecutive to the state sentence that he is currently serving on parole violations, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Valerie J. Goddard, Special Agent in Charge, Bureau of Alcohol, Tobacco, Firearms and Explosives.

Stephens was sentenced in U.S. District Court by Judge Thomas L. Ludington. In addition to the prison sentence, Judge Ludington ordered Stephens to a 6-year term of supervised release to be served upon his release from prison.

The investigation showed that Stephens was trafficking in cocaine in the Saginaw area during 2005 and 2006 and that he sold a quantity of cocaine to a government informant in April of 2006. Stephens was arrested during the execution of a search warrant at a residence in

Saginaw in June of 2006 and was found in possession of a quantity of cocaine base, which is commonly referred to as crack cocaine. The indictment arose out of an investigation by federal and state law enforcement officers into drug trafficking activities of street gangs in Saginaw, including a gang known as the Sunnyside Gang that is believed to have engaged in drug trafficking and various related acts of violence in the south side of the City of Saginaw for a number of years.

“The prosecution of gang-related drug trafficking is a high priority of my office. This case is a good example of the kind of results that can be obtained from effective state and federal cooperation,” United States Attorney Murphy said.

Murphy commended the work of the agents of the Bureau of Alcohol, Tobacco, Firearms, and Explosives, state and local officers assigned to the Bay Area Narcotics Enforcement Team (BAYANET) and federal, state and local officers assigned to the Saginaw SAFE Streets task force in this investigation.

The case was prosecuted by Assistant U.S. Attorney Michael Hluchaniuk.



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July 20, 2007

EVENT: Sentencing

Defendant: Ilene Ruth Moses

**Las Vegas Woman Sentenced to 210 months in Prison
and \$15 Million Restitution for Fraud, and Money Laundering**

United States Attorney Stephen J. Murphy announced that Ilene Ruth Moses, a resident of Las Vegas, Nevada, was sentenced to 210 months in prison and ordered to pay in excess of \$15 million in restitution resulting from her conviction earlier this year on various violations of federal criminal law, including wire fraud, mail fraud, bank fraud, money laundering, conspiracy to launder money, bankruptcy fraud, perjury, and making false statements to the Federal Bureau of Investigation. Mr. Murphy was joined in the announcement by Andrew G. Arena, Special Agent in Charge, Federal Bureau of Investigation.

Moses was sentenced by Senior United States District Judge Patrick J. Duggan in Detroit, Michigan.

Ilene Ruth Moses, aged 70, operated a woman's clothing manufacturing and sales business in Detroit in the 1980s and was celebrated as one of the 10 Michiganders of the year by the Detroit News in 1984 for her apparent business acumen and financial success. She was also honored by the United Nations for her seeming business success.

The evidence presented at the four week jury trial established that Ilene Moses, formerly of Grosse Pointe and owner of SMS, Inc. of Detroit, defrauded two banks, Michigan National Bank and Swiss Cantobank International, out of approximately \$26 million between 1983 and 1988. Afterwards, Ilene Moses lulled the banks into believing that she was the victim of the secret cartel with whom she had conducted her international business and was able to avoid the discovery of her fraud by the FBI until 1992. Mrs. Moses and her co-defendants were able to persuade a Swiss auditing firm that she really had these contacts to the secret cartel and in that way convinced the auditing firm to provide confirmation of millions of dollars of business supposedly being conducted between Mrs. Moses' companies and the cartel, which resulted in millions of dollars supposedly owed to Mrs. Moses' companies. These assets were then included in SMS's audited financial statements, which enabled Moses to obtain her bank loans. The fraud involved the use of a number of shell companies in Europe and Hong Kong, and a system of phony paperwork which helped make Moses' business look real to her auditors and bankers.

United States Attorney Murphy said, "This 210-month sentence shows how even the highest flying and most sophisticated fraud artists will eventually crash to earth and can be made to face the consequences of their crimes. It took dogged determination, but the FBI and the dedicated prosecutors from this office would not be deterred until justice was done. Their years of effort have succeeded in assuring that this very complex scheme could be unraveled and the perpetrator punished. We hope this will bring some sense of satisfaction to the many victims of her fraud."

The investigation took a number of years and involved the gathering of evidence from numerous countries and the deposing of witnesses in a number of countries including Switzerland, England, Hong Kong, and the Cayman Islands with the Assistance of the Office of International Affairs in the Criminal Division of the Department of Justice and the FBI's Legat Officers located in a number of foreign countries.

The case was investigated by Special Agents of the Federal Bureau of Investigation. U.S. Attorney Murphy thanks the members of his staff who toiled many years to put the case together, as well as the staff members of the FBI who invested significant resources to investigate and help prosecute this fraud.



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July 24, 2007

EVENT: Sentencing

Defendant: Elena Szilvagy

FORMER HOME HEALTH CARE OWNER SENTENCED FOR FRAUD

The former owner of one of Michigan's largest home health care companies was sentenced today to thirty-one months in prison as a result of her pleading guilty in July, 2006, to defrauding Medicare by forming two spin-off companies as part of a scheme to avoid repaying a \$7 million debt to Medicare and to conspiring to obstruct a criminal health care fraud investigation, United States Attorney Stephen J. Murphy announced today.

United States Attorney Murphy was joined in the announcement by Andrew G. Arena, FBI Special Agent in Charge, and Lamont Pugh III, Acting Special Agent in Charge of Health and Human Services, Office of the Inspector General ("HHS-OIG").

Elena Szilvagy, 56, of Clarkston, was sentenced by U.S. District Judge Lawrence Zatkoff in federal court in Port Huron, Michigan. Judge Zatkoff ordered that the 31-month sentence be served after Szilvagy completes the 48-month sentence she is currently serving on another health care fraud case. In addition, Judge Zatkoff ordered Szilvagy to pay restitution of \$7 million and a fine of \$100,000. Once released from custody in approximately 2010, Szilvagy will be placed on supervised release for an additional 6 years.

Further, the court found that Szilvagy, a native of the Philippines, had engaged in the criminal conduct leading up to her previous conviction in the Western District of Michigan prior to becoming a naturalized citizen in 1997. As a result, Zatkoff said that meant she violated her oath and that he would recommend that federal immigration officials revoke her citizenship and that she be deported at the conclusion of her incarceration.

Szilvagy, the former president of Prime Care Services (PCS), a Southfield-based home health agency with more than 400 employees, had been charged by a federal Grand Jury in January 2006 along with co-defendant Jesse Cruz. At the plea hearing, Szilvagy admitted that after auditors determined her company owed Medicare \$7 million for questionable reimbursements, she conspired with others to create two other Detroit area home health care companies, Health Care Partners (HCP) and Autumn Ridge Home Health Care (ARHHC). The plot, which Szilvagy said was designed by her professional and financial advisors, was orchestrated beginning in fall 2000 as part of a scheme to avoid repaying debts to Medicare run up by PCS between 1997 and 2000. By hiding her ownership role in the two spinoff companies from Medicare and conspiring with the fictional "owners" of the new companies to transfer all of PCS's assets, employees and patients to HCP and ARHHC, she was able to avoid repaying the debt. According to the Indictment, co-defendant Jesse Cruz was charged with acting as the "owner" of ARHHC and making false statements in connection with Medicare claims.

In an 8-day federal jury trial that ended earlier this month, Cruz was found guilty of participating in the Szilvagy conspiracy, along with making false statements to Medicare and federal agents, and conspiring to obstruct a federal criminal investigation. He is awaiting sentencing by Judge Zatkoff on September 27, 2007.

United States Attorney Murphy said, "This sentence sends a powerful message that companies which owe money to Medicare for past billing irregularities cannot avoid repaying the debt by simply hanging a new sign on the wall and continuing to do business under a new corporate name." Murphy said, "the obstruction conviction makes it clear that lying to federal investigators is a serious crime and anyone offering bribes to witnesses, no matter the amount of the bribe, will be prosecuted."

Szilvagyí began serving her current 48-month sentence in June 2004 after she was convicted of conspiracy to commit health care fraud and mail fraud in the Western District of Michigan for devising a scheme in which she fraudulently billed Medicare more than \$800,000 for the cost of a 10,000-square foot mansion on a golf course near Pine Knob in Clarkston. Last year, Judge Zatkoff awarded the United States a \$2.5 million judgment in a civil case brought against Szilvagyí for that offense. Together, the two criminal cases and one civil case mean that Szilvagyí will owe the United States more than \$11 million when she leaves prison.

At her plea hearing last year, Szilvagyí also admitted that she offered a \$250 bribe to a witness on Cruz's behalf in order to get the witness to change the witness' story.

The sentencing marks the latest development in a four-year-old investigation of Szilvagyí, Prime Care, Health Care Partners and Autumn Ridge Home Health Care by special agents with the FBI and the Health and Human Services Office of the Inspector General. The case is being prosecuted by Assistant U.S. Attorney James Mitzelfeld.



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July 24, 2007

EVENT: Sentencing

Defendant: Lee Edwin Garling

DEARBORN RESIDENT SENTENCED FOR SEXUAL EXPLOITATION OF A CHILD

Lee Edwin Garling, a Dearborn resident, was sentenced to 262 months imprisonment for producing and receiving child pornography, United States Attorney Stephen J. Murphy announced today. Murphy was joined in the announcement by Special Agent in Charge Brian Moskowitz, of the Department of Homeland Security's Immigration and Customs Enforcement (ICE) in Detroit.

Judge Julian Able Cook imposed the sentence. Garling pleaded guilty in February 2007 to Sexual Exploitation of Children and Receipt of Child Pornography. Garling became the subject of an investigation after ICE investigators learned he had used a credit card to purchase access to a website providing online child pornography to paying customers. After obtaining a search warrant, ICE agents discovered that not only had Garling collected more than 150,000 still and video images of child pornography, but also produced child pornography by videotaping his molestation of a four-year-old girl.

United States Attorney Stephen J. Murphy said, "If ever a case were to illustrate the dangerous connection between child porn possession and sexual abuse of innocent children, this would be it. Defendant Garling was convicted of possessing 150,000 revolting

child porn images while at the same time abusing a 4-year-old girl. Today's 262 month sentence reinforces the principle that penalties for abusing innocent children are severe, and appropriately so. Our office will not let up in its fight to stop the dangerous acts of child predators in our community."

"All children have an absolute right to grow up free from the fear of sexual exploitation," said Brian M. Moskowitz, Special Agent in Charge of the ICE Office of Investigations in Detroit. "ICE will not cease in its relentless pursuit of those who abuse our kids regardless of whether that abuse is physical in nature or if it's accomplished through the exploitation of their captured images."

Murphy praised the work of the Immigration and Customs Enforcement for their professionalism and dedication in their aggressive and thorough investigation of these cases.

Assistant United States Attorneys John N. O'Brien II and Kevin M. Mulcahy prosecuted this case for the United States.

"This case is being brought as part of Project Safe Childhood. In February 2006, Attorney General Alberto R. Gonzales created Project Safe Childhood, a nationwide initiative designed to protect children from online exploitation and abuse. Led by the United States Attorneys Offices, Project Safe Childhood marshals federal, state and local resources to better locate, apprehend, and prosecute individuals who exploit children via the Internet, as well as identify and rescue victims. For more information about Project Safe Childhood, please visit www.projectsafechildhood.gov/."



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Stephen Moore - IRS (313) 234-2410

July 25, 2007

EVENT: Indictment

Defendant: Darrin Hanna

**ROCHESTER BROTHER AND SISTER INDICTED FOR
VIOLATING US EMBARGO ON FORMER HUSSEIN REGIME IN IRAQ**

Two Rochester siblings have been indicted for exporting telecommunications and other equipment to Iraq during an embargo with that country, along with related charges, United States Attorney Stephen J. Murphy and Assistant Attorney General for National Security Kenneth L. Wainstein announced today.

Charged in the indictment were Dawn Hanna, 34, and her brother Darrin Hanna, 29. Darrin Hanna is the president and sole owner of Technology Integration Group Services, Inc. ("TIGS"), a Rochester company. Dawn Hanna is employed by TIGS as the director of sales and marketing.

Murphy and Wainstein were joined in the announcement by Brian Moskowitz, Special Agent In Charge of Immigration and Customs Enforcement, Maurice Aouate, Special Agent in Charge, Internal Revenue Service Criminal Investigation Division, and Andrew G. Arena, Special Agent in Charge of the FBI.

The 10-count indictment charges that the Hannas conspired with others to obtain and ship the components for a mobile telecommunications network and GPS equipment to Iraq. The shipments and attempted shipments came during the administration of Saddam Hussein in the period leading up to the 2003 invasion by coalition forces.

The indictment also alleges that the Hannas conspired to launder money in connection with the conspiracy. According to the indictment, the Hannas received approximately \$9.5 million from their dealings, which they used to pay suppliers, a middle man and themselves. Dawn Hanna is also charged with making false statements to investigators.

In 1990, an embargo was declared with Iraq, making it illegal to deal in property intended for export to Iraq. The embargo was lifted in May 2003, after the fall of Saddam Hussein.

United States Attorney Murphy said, "Evading the US trade embargo on a hostile regime like Saddam Hussein's is a serious crime with punishing consequences that cannot be ignored. I applaud the excellent work by IRS, ICE and the FBI in investigating this crime."

"While these defendants profited handsomely from their alleged violations of the Iraq embargo, this indictment shows that there is a price to be paid for illegally trading with outlaw regimes," said Assistant Attorney General Wainstein.

ICE Special Agent in Charge Moskowitz said, "For sanctions to be effective they need to be enforced. The investigation and prosecution of this case should leave no doubt that the United States expects its sanctions to be followed."

IRS Special Agent in Charge Aouate said, "Illicit trade with Iraq is a crime that revolves around an enormous amount of money. IRS Criminal Investigation has the financial investigators and expertise that is essential in locating this money even when it is sheltered from detection or involves financial outlets worldwide."

If convicted on the charges each face a maximum sentence of 20 years in prison. Any sentence in this case will be imposed under the federal Sentencing Guidelines based on the

nature of the offense and the criminal background, if any, of the defendants.

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 ICE, the IRS and the FBI



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July 26, 2007

EVENT: Guilty Plea

Defendant: Milad Knouna

Detroit Party Store Operator Pleads Guilty to Structuring Cash Transactions.

Milad Knouna, 53, of Commerce Township, Michigan, officer and operator of Diamond Liquor Store, Detroit, Michigan, pleaded guilty today to an information charging him with structuring transactions to evade reporting requirements, United States Attorney Stephen J. Murphy announced.

Mr. Murphy was joined in the announcement by Maurice Aouate, Special Agent in Charge, Internal Revenue Service Criminal Investigation Division, Robert Corso, Special Agent in Charge, United States Drug Enforcement Administration, and Andrew G. Arena, Special Agent in Charge, Federal Bureau of Investigation.

According to court records, between February and June, 2003, Knouna met with undercover agents and knowingly wire transferred purported proceeds of unlawful activity by Western Union from Diamond Liquor Store. After receiving cash amounts of over \$10,000, Knouna would structure the amount, usually about \$2,500 per wire transfer, in order to evade the reporting requirements. These reporting requirements include a Currency Transaction Report for cash transactions over \$10,000, filed with the Internal Revenue Service, and the maintenance of a

log for cash transactions over \$3,000. During this time period, structured cash transactions totaled over \$139,000.

United States Attorney Murphy said, "Structuring monetary transactions is a serious crime. This crime fosters other crimes because of the need to hide the source of the money from illegal activity. We will not tolerate the hiding of ill gotten gains from the government."

The maximum penalty for aiding and abetting in structuring transactions to avoid reporting requirements is up to 10 years imprisonment and a \$500,000 fine.

Sentencing before United States District Court Judge Arthur J. Tarnow is set for November 1, 2007, at 2 pm.

United States Attorney Murphy thanked the Internal Revenue Service Criminal Investigation, United States Drug Enforcement Administration and the Federal Bureau of Investigation for their investigation of the case. The United States was represented by Assistant United States Attorney David J. Portelli and Graham L. Teall.



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July 30, 2007

EVENT: Sentencing

Defendant: Marlene Norris

**CIVILIAN EMPLOYEE SENTENCED FOR EMBEZZLING MONEY FROM EXCHANGE AT
SELFRIDGE AIR NATIONAL GUARD BASE (ANGB)**

Marlene Norris, a 51-year-old civilian former Senior Store Associate at the Selfridge Air National Guard Base (ANGB) Exchange, was sentenced today to one day imprisonment (time served) to be followed by a three (3) year period of supervised release to be served as follows: first eight (8) months in a community confinement center to be followed by eight (8) months home confinement with electronic monitoring, following her guilty plea to the charge of Theft of Government Property, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Andrew Arena, Special Agent in Charge, Federal Bureau of Investigation.

Ms. Norris was sentenced by U.S. District Judge Gerald E. Rosen.

At the time of her guilty plea, Norris acknowledged that while employed at the Exchange, a store operating at Selfridge Air National Guard base for active and retired military personnel, she perpetrated the theft, totaling in excess of \$113,851, by submitting and

redeeming false and fraudulent refund slips, utilizing names and identifications of others, including deceased persons. Norris then obtained cash for the return slips, which she converted to her own personal use. Her conduct occurred between October 2004 and October 2005.

United States Attorney Stephen J. Murphy stated, "Our servicemen and women at Selfridge expect and deserve honest services at the PX. This kind of stealing from the government's till will be vigorously pursued."

In addition to the sentence imposed, Norris will pay restitution to the government in the amount of \$113,059.32.



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July 30, 2007

EVENT: Indictment

Defendant: Roger Junior Sweet

**BROWNSTOWN TOWNSHIP MAN INDICTED
ON CHILD EXPLOITATION CHARGES**

Former Brownstown Township resident Roger Junior Sweet,¹ 58, was indicted by a federal grand jury in Detroit on charges of Sexual Exploitation of Children, Attempted Receipt of Child Pornography, and Possession of Child Pornography, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Andrew G. Arena, FBI Special Agent in Charge.

The six-count indictment charges that on four separate occasions between July 2004 and June 2005, Sweet produced visual depictions of child pornography by using, persuading, inducing, enticing, and coercing a minor to engage in sexually explicit conduct. The indictment further alleges that in October 2005 Sweet attempted to receive child pornography. The charges also include that in January 2007, Sweet possessed more than 600 images of child

¹ Sweet is currently in custody facing charges of murder levied against him by the Oakland County Prosecutor's Office and rape by the Wayne County Prosecutor's Office.

pornography.

United States Attorney Stephen J. Murphy said, "Today's charges, involving the production of child pornography through sexually abusing a minor, are quite serious. The conduct allegedly included both production and possession of a large quantity of illicit images of child pornography."

If convicted on the production of child pornography charges, Sweet faces fifteen to thirty years in custody on each count. Sweet also faces between five and twenty years on the attempted receipt of child pornography charge, and up to ten years in custody on the possession of child pornography charge. Any sentence will be imposed considering the United States Sentencing Guidelines, based on the nature of the charges and the criminal history, if any, of the defendant.

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 the FBI and the Brownstown Township Police Department. The case is being prosecuted by Assistant U.S. Attorneys John N. O'Brien II and Kevin M. Mulcahy.