



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193
Stephen Moore, IRS CI (313) 234-2410

Oct 2, 2006

EVENT: Indictment

Defendant: Brent Gross

BRIGHTON MAN INDICTED ON TAX EVASION CHARGES

Brent Gross, of Brighton, Michigan, appeared in federal court today in Detroit on an indictment that charges him with four counts of tax evasion, three counts of filing a false return and one count of presenting a fictitious financial instrument to the Internal Revenue Service, United States Attorney Stephen J. Murphy announced.

Joined in the announcement was Maurice M. Aouate, Special Agent in Charge, Internal Revenue Service Criminal Investigation.

According to the indictment, during tax years 2000 through 2003, Gross received taxable income of over \$240,000. In order to stop his employer from withholding taxes during those years, Gross submitted false W-4's claiming he was exempt from tax withholdings. He failed to file income tax returns in an attempt to evade paying the IRS over \$43,000 in tax due and owing. Gross also filed false amended tax returns for the years 1997, 1998, and 1999, in which he stated that he was entitled to income tax refunds of over \$28,000.

During October 2003, Gross sent the IRS a false and fictitious instrument known as a "Register Bill of Exchange", payable to the IRS in amount of \$2,128.28. A false "Register Bill of Exchange" is typically defined as a negotiable financial instrument where the payee authorizes the U.S. Treasury to disburse the funds to the IRS. Gross provided written instructions informing the IRS to use this instrument to pay his tax due and owing.

United States Attorney Murphy stated, "The prosecution of individuals who intentionally conceal income and evade taxes is a vital element in maintaining public confidence in our tax system. We should not expect the honest taxpayer to foot the bill for those who hide income from the IRS."

"The law is crystal clear; people must pay their taxes," said Aouate. "IRS Criminal Investigation will vigorously investigate those individuals who knowingly and willfully evade their tax obligation."

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 IRS Criminal Investigation. The case is being prosecuted by Assistant U.S. Attorney Karl R. Overman.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193
Greg Palmore - ICE - (313) 226-0726

Oct 4, 2006

EVENT: Guilty Pleas

Defendant: Nosh Gojcaj et al

GUILTY PLEAS IN U. S. / CANADIAN ALIEN SMUGGLING PROSECUTION

The last of eleven U.S.-apprehended defendants charged in a joint U.S./ Canadian takedown of a Northern border alien smuggling conspiracy pleaded guilty in United States District Court in Detroit United States Attorney Stephen J. Murphy announced today.

Nosh Gojcaj, 35, of Macomb, Michigan pleaded guilty to an Indictment charging him and 17 other individuals with Conspiracy to Smuggle Illegal Aliens into the United States and to Harbor and Transport Illegal Aliens Within the United States The indictment was unsealed on February 14, 2006 simultaneously with a joint U.S./Canadian take down of the alien smuggling organization.

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

Duke Lumaj, 34, of West Bloomfield, Michigan on April 13, 2006
Bianca Gagliano, 25, of Windsor, Ontario on April 28, 2006

Kathleen Voneitzen, 49, of Vicksburg, Michigan on May 23, 2006
Hoa Ly, 43, of Macomb, Michigan on September 5, 2006
Roko Berisic, 32, of Shelby Township, Michigan on September 6, 2006
Han Huang, 44, of Albion, Michigan on September 7, 2006
Dod Martini, 41, of Macomb, Michigan on September 12, 2006
Gui Liang Lin, 45, of Toronto, Ontario on September 15, 2006
Melanie Franquist, 26, of Wallaceburg, Ontario on September 15, 2006

Co-conspirator Salah Rashem, 45, of Rockford, Illinois pleaded guilty to Re-entry After Deportation by an Aggravated Felon on September 27, 2006. The guilty pleas were entered before the Honorable Paul D. Borman, United States District Judge. 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.

“Human trafficking is one of the worst criminal acts that one person can commit against another. Those who smuggle human beings across international borders should 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. This is a great example of U.S. Canadian joint criminal enforcement that should be a warning to all human traffickers," 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 guilty plea, 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.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193
Robert Beeckman (313) 965-2323

Oct 5, 2006

EVENT: Indictments

Defendant: Highwaymen Outlaw Motorcycle Organization et al

**TWENTY TWO MEMBERS/ASSOCIATES OF THE HIGHWAYMEN
OUTLAW MOTORCYCLE ORGANIZATION INDICTED**

United States Attorney Stephen J. Murphy announced today that twenty two Metropolitan Detroit area residents were charged in three separate indictments with drug conspiracy and continuing criminal enterprise offenses.¹

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

The indictments charge that various members and associates of the Highwaymen Outlaw Motorcycle Organization conspired to distribute a variety of controlled substances in and around the Detroit area, from 2005 through the present. These substances included cocaine, marijuana, and ecstasy. The individuals charged in one of the indictments are Aref Nagi, 43 of Sterling Heights, Nat Sanchez, 36, of Detroit, James Gebara, 36, of Ft. Lauderdale, Florida, Erick Manners, 29, of Newport, MI, Michael Cicchetti, 51 of Taylor, Leonard Moore, 36, of Lincoln Park, Donald Gill, 30, of Detroit, Miseal Gonzalez, 28, of Detroit,

¹The indictments were obtained on September 5, 2006, but were kept under seal until today.

Monica Zuk, 30, of Westland, Mary Lou Rodgers of Buffalo, New York, Michael Watson, 27, of Jackson, Aaron Roberts, 22 of Lansing, Nicholas Jackson, 33, of Memphis, Tennessee, Tamara Swiden, 24, of Pontiac, Johnny Jarrell, 42, of Taylor, Nasser Nagi, 20, of Sterling Heights, and Gary Ball Jr, 41, of Dearborn. They each face up to forty years in prison and a \$1,000,000 fine if convicted. Additionally, the lead defendant, Aref Nagi, has been charged with operating a continuing criminal enterprise. This offense can carry a mandatory thirty year minimum prison term if convicted.

Also charged in separate indictments were Robert Burton, 37, of Allen Park, Steve Rhoads, 34, of Detroit, Anthony Smerigan, 44, of Melvindale, Edward Gabbard, 30, of Detroit, and John McGinn, 44, of Lincoln Park.

Agents executed twelve search warrants this morning at various homes and clubhouses in the metro Detroit area. The searches yielded 18 assault rifles, 14 pistols, 4 shotguns and 1 .30 caliber machine gun.

United States Attorney Murphy stated, "Armed and organized gangs devoted to the illegal drug trade pose a grave risk to the law abiding members of our community. My office, the FBI, the Brownstown Police, and other local law enforcement agencies view organized or gang crime as a top priority that deserves an aggressive response."

Daniel D. Roberts, Special Agent in Charge of the Detroit Office of the FBI, stated that "The arrests and search warrants which were executed today represent the initial phase of a long term investigation. Roberts wishes to publicly recognize the hard work of dedicated law enforcement officers from the following agencies which were involved in this investigation: Michigan State Police, including the Down River Anti-Narcotics Organization (DRANO) and the Down River Auto Theft Team (DRATT); and the joint FBI/Detroit Police Department Violent Crimes/Gangs Task Force, the Drug Enforcement Administration (DEA); and the Wayne County Sheriff's Department. Roberts wished to thank especially Chief Daniel Grant of the Brownstown Police Department. Roberts noted that Grant and his officers were instrumental in this investigation.

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 by officers from the Brownstown Police Department. The case is being prosecuted by Assistant U.S. Attorney Diane L. Marion.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193
Robert Beeckman (313) 965-2323

Oct 5, 2006

EVENT: Indictment

Defendant: Natalia Odish

ROCHESTER HILLS WOMAN INDICTED

A Rochester Hills woman was indicted by a federal grand jury in Detroit on charges of communicating a terrorism hoax, and making false statements to federal agents, United States Attorney Stephen J. Murphy announced today.

Named in the indictment was Natalia Odish, 32, of Rochester Hills, Michigan.

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

The three-count indictment charges that Odish left a recorded telephone message at a British Petroleum Oil refinery in Oregon, Ohio, on March 8, 2005, in which she falsely stated that two specific employees there were "plotting some very bad terrorist activities towards the refinery." The defendant had falsely specified two employees of Middle Eastern descent as the alleged plotters. The indictment further alleges that when Odish was questioned by the FBI, she falsely denied that she had left the message.

"False reports of terrorism activity drain vital resources away from investigations of real threats, and therefore weaken the security of all. We will adopt an aggressive posture in prosecuting such hoaxes, particularly when false allegations are made that appear to target

members of a particular ethnic group,” United States Attorney Murphy said.

Daniel D. Roberts, FBI Special Agent in Charge said, “The FBI will continue to aggressively investigate allegations in which people falsely attempt to use the criminal justice system to violate the civil rights of others.”

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.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 10, 2006

EVENT: Sentencing

Defendant: Jonathan M. Hilts

**DEARBORN MAN SENTENCED FOR CHILD PORNOGRAPHY
DISTRIBUTION AND POSSESSION**

A Dearborn man was sentenced today to 96 months in federal prison in United States District Court for distribution and possession of child pornography, according to United States Attorney Stephen J. Murphy.

Receiving the 8-year prison sentence was Jonathan M. Hilts, 52 of Dearborn, Michigan, a disbarred attorney. The sentence, which included five years of supervised release, was imposed by Honorable Marianne O. Battani, United States District Judge, on convictions for (1) one count child pornography distribution, in violation of 18 United States Code section 2252A(a)(1) and (2) one count of child pornography possession, in violation of 18 United States Code section 2252A(a)(5). Hilts pleaded guilty to the offenses in June of 2006.

United States Attorney Murphy said, "Those who trade in images that depict children being sexually assaulted and abused truly deserve the kind of serious penalty the Court appropriately imposed today. They create a market for such horrendous exploitation of children. Our office will continue to pursue those who seek to expand the market for on-line child pornography and seek such appropriate sentences."

The prosecution arose from the investigation called Operation "Crying Eyes" which was initiated by the Department of Homeland Security, Immigration and Customs Enforcement Division (DHS ICE), in Fresno, California. The investigation identified Hilts, a former Michigan attorney, as a target in connection with a nationwide child pornography distribution case. DHS-ICE Detroit then pursued the Michigan investigation.

According to the information presented in court, in September and October of 2004, Hilts, sent and received numerous child pornographic images via computer through an AOL account. A search warrant executed at Hilts' home disclosed that Hilts had numerous trading partners and a child pornography collection of over 1000 child pornographic movies and images containing graphic depictions of actual teen and pre-teen children engaged in explicit sexual conduct.

Murphy commended the work of the Department of Homeland Security, Immigration and Customs Enforcement Division. This case was handled by Assistant United States Attorney John O'Brien.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 10, 2006

EVENT: Sentencing

Defendant: Vasilyn Poinsetta

**INVESTMENT PROMOTER SENTENCED
TO 63 MONTHS FOR MAIL FRAUD**

A 60-year-old Wayne County woman was sentenced today in Federal Court in Ann Arbor to 63 months in prison for defrauding over 50 investors of over \$2,000,000, announced United States Attorney Stephen J. Murphy.

Mr. Murphy was joined in the announcement by Daniel D. Roberts, Special Agent in Charge, Federal Bureau of Investigation and Gregory Campbell, Inspector In Charge, United States Postal Service.

In pronouncing sentence, Federal District Judge John Corbett O'Meara also required Vasilyn Poinsetta to pay back to her investors restitution of \$2,361,492.

Poinsetta had previously pled guilty to mail fraud in connection with two investment schemes she promoted: "Capital Venture Fund" and "Real Land Securities." Poinsetta was charged with representing to her investors that she would pool their money and invest it in real estate, while she actually used portions of investor money for non-investment purposes. As

part of her scheme, according to the charges, defendant periodically mailed to her investors bogus account statements that fraudulently indicated that the investors' money was properly invested and generating income.

U.S. Attorney Murphy thanked the Federal Bureau of Investigation and the United States Postal Inspection Service for their assistance in the successful investigation of the case. It was prosecuted by Assistant United States Attorney Paul Burakoff.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 11, 2006

EVENT: Sentencing

Defendant: Dr. Hamid Taaid

**MIDLAND DOCTOR INDICTED ON 119 COUNTS
OF WIRE FRAUD**

A Midland doctor has been indicted by a federal grand jury in Bay City and charged with billing Blue Cross and Blue Shield of Michigan (BCBSM) and Medicare for medical services that were never provided, United States Attorney Stephen J. Murphy announced today.

Dr. Hamid Taaid, 45, is a private physician at Mid Michigan Health Rehabilitation Service who specializes in rehabilitation medicine and pain management. Taaid appeared before a United States Magistrate Judge in Bay City yesterday where he was placed on an unsecured bond.

“This multi-agency investigation of a doctor accused of cheating Medicare and Blue Cross is an example of the excellent kind of teamwork that can occur in federal law enforcement when agencies work together,” Murphy said. “Bilking the government and Blue Cross will not be tolerated.”

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

Charge, and David Krupnick, Special Agent in Charge of Health and Human Services of Office of the Inspector General (“HHS-OIG”).

The Indictment alleges that from November 2003 through July 2005, Dr. Taaid billed Medicare and BCBSM for medical services and procedures that had not been performed. In addition, Taaid billed Medicare and BCBSM for multiple and consecutive dates of service that were fraudulently generated from older patient records.

A convicted of the offense of wire fraud carries a maximum punishment of 20 years in prison and a \$250,000 fine.

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 is being prosecuted by Assistant U.S. Attorney James Brunson.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 16, 2006

EVENT: Sentencing

Defendant: Richard Leroy Davis

DETROIT MAN SENTENCED FOR MAIL FRAUD

A 60 year-old Detroit man was sentenced today for mail fraud involving a scheme to defraud Detroit homeowners whose homes were in foreclosure and causing them to mail money orders to an entity he set up in California in the belief that they would be able to cure their arrearage and reinstate their mortgages, United States Attorney Stephen J. Murphy announced today.

Richard Leroy Davis of Detroit, Michigan was sentenced to 37 months imprisonment by U.S. District Judge George Caram Steeh.

The fraud arose when Richard Davis and his associates began operating out of residential locations on the East side of Detroit in May 2001 and continued until September 2003. Davis did business under the name of FTA (Foreclosure & Tenant Association) and, later, Realco. Davis and his associates obtained the names and addresses of Detroit homeowners whose properties in mortgage foreclosure from the *Detroit Legal News*, then sent advertising fliers addressed to the financially distressed homeowners representing that they could help save their homes and delay their foreclosure proceedings up to 6 months. Davis charged the distressed homeowners a \$1,000 fee in cash for his services and then eventually

filed a bankruptcy petition under a third party's name listing an interest in the distressed homeowner's property. The filing of the bankruptcy petition served to stop the foreclosure. The named debtors in the bankruptcy cases failed to appear and the case would eventually be dismissed. The foreclosure proceeding was stayed, however, until the mortgage companies could get the bankruptcy court to permit it to continue its foreclosure. The U.S. Trustees Office, which is responsible for enforcing the Bankruptcy Code and rules for the Bankruptcy Court, has identified more than 20 such fraudulent petitions filed with the Bankruptcy Court in Detroit. Several more were filed in the Bankruptcy Court for the Central District of California after Davis had been enjoined from filing any further bankruptcy cases in Detroit.

Davis also instructed the distressed homeowners to send their monthly mortgage payments to entities he set up in California called the TIB Land Group, LLC and later West Coast Land Group, LLC in Los Angeles, California under the belief that they were curing or reinstating their mortgage defaults. The homeowners would then be surprised to receive eviction notices. The total amount of money Davis received from Detroit homeowners in advance fees and monthly mortgage payments was in excess of \$200,000. Several of the victims testified at Davis' sentencing disclosing to the court the financial and emotional distress Davis' actions caused them.

"Taking advantage of financially distressed homeowners during troubled times is a reprehensible crime, said U.S. Attorney Murphy. "Moreover, this case involved a gross abuse of the federal bankruptcy court system, which depends on the honesty and integrity of debtors seeking a fresh start. We will vigorously pursue such abuses." Mr. Murphy also stated he would like to thank the U.S. Trustees Office for their substantial assistance.

The investigation of this case has been 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 from the U.S. Trustees Office.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 12, 2006

EVENT: Office Name Change

**US ATTORNEY ANNOUNCES NAME CHANGE OF OFFICE'S COUNTER-TERRORISM
UNIT TO REFLECT ENHANCED NATIONAL SECURITY PRIORITIES**

**US ATTORNEY ANNOUNCES NAME CHANGE OF OFFICE'S COUNTER-TERRORISM
UNIT TO REFLECT ENHANCED NATIONAL SECURITY PRIORITIES**

The United States Attorney's Office for the Eastern District of Michigan has changed the name of its nine-member Counter-Terrorism Unit (CTU) to the **National Security Unit (NSU)**, United States Attorney Stephen J. Murphy announced today. Although the change is in name only, it more accurately reflects the overall expanded national security mission of the unit beyond counter-terrorism, and recognizes the continuing commitment of the office in carrying out the Department of Justice's highest priorities: combating and prosecuting terrorism, and protecting homeland security through the active engagement of foreign and domestic threats.

"It's important to have a name for this crucial unit that accurately describes the highly specialized and security-sensitive work the unit does with the help of its partners in the law

enforcement and intelligence communities,” United States Attorney Murphy said. “Our office’s National Security Unit will continue to focus its resources on preventing terrorism and protecting the security of our people.”

Created as a five-member unit in 2002 in response to the 9/11 attacks, the role of the Counter-Terrorism Unit was originally to investigate and prosecute those who plan, financially support, or carry out international and domestic terrorist activities. More recently, and consistent with the Department’s creation of a separate National Security Division, its responsibilities have expanded to include other investigations and prosecutions involving national security including foreign counter-intelligence, espionage, and certain transnational organized crime groups involved in alien smuggling, cash smuggling and the operation of illegal unlicensed money transmitting businesses.

The National Security Unit coordinates the U.S. Attorney’s Anti-Terrorism Advisory Council (“ATAC”). The ATAC – chaired by United States Attorney Murphy – is composed of federal, state, and local law enforcement executives, emergency managers, and private sector security managers (the latter being an innovation unique to the Eastern District of Michigan). The ATAC facilitates the sharing of information and organizes training aimed at preventing terrorism so that law enforcement and security managers can operate seamlessly across all levels. The ATAC hosts quarterly meetings, sends alerts and bulletins to its partners, and organizes and conducts training programs for law enforcement officers and first responders. The ATAC is actively involved in special event planning, such as the 2005 Major League Baseball All-Star Game and Super Bowl XL.

The United States Attorney’s Office for the Eastern District of Michigan prosecutes civil and criminal matters on behalf of the United States of America and its agencies in the 34 counties that make up the eastern half of the state. The Office serves a population of more than 6.7 million Michigan residents and is comprised of approximately 100 Assistant United

States Attorneys and a similar number of support staff.

United States Attorney Stephen J. Murphy was appointed by President Bush to his position on March 8, 2005 and confirmed by unanimous consent of the United States Senate three months later.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 18, 2006

EVENT: Guilty Plea

Defendant: Ibrahim Hijazi

**DEARBORN MAN PLEADS GUILTY TO TRAFFICKING
IN COUNTERFEIT DETROIT TIGER BASEBALL CAPS**

A resident of Dearborn pleaded guilty today to trafficking in counterfeit Detroit Tiger baseball caps, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Brian Moskowitz, Special Agent in Charge of the Department of Homeland Security, Immigration and Customs Enforcement.

Ibrahim Hijazi, 47, of Dearborn Heights, Michigan, entered the guilty plea today in United States District Court before Judge Denise Page Hood.

The information presented to the court at the time of the plea showed that in July, 2005, Ibrahim Hijazi purchased and distributed counterfeit baseball-style caps bearing the Olde English D trademark of the Detroit Tigers. Hijazi sold the counterfeit items to businesses in the Eastern District of Michigan, some of which were located in Royal Oak, Michigan. These businesses, in turn, offered the items for sale to the general public during the week of the Major League Baseball All-Star Game in Detroit.

Investigators were led to Hijazi prior to the All-Star Game as a result of a joint operation between Major League Baseball, the Detroit Tigers, the Department of Homeland Security, and local law enforcement, including the Wayne County Sheriff's Office and the Royal Oak Police Department.

Under the terms of the plea agreement, Hijazi faces up to 6 months imprisonment and a fine of up to \$250,000.

United States Attorney Murphy said, "By protecting a trademark such as the Detroit Tigers' Olde English 'D,' federal trademark law protects the both the integrity of the marketplace and the economic health of businesses – and their employees – who have invested their resources into building the reputation of that trademark. This case is a great example of cooperation between federal, state, and local law enforcement, which I commend very highly. Efforts targeting the manufacturers, distributors, and sellers of counterfeit sporting goods merchandise take place before every major sporting event and will take place prior to the World Series. "

Special Agent in Charge Brian Moskowitz said, "ICE's broad authorities and expertise in combating trade fraud, financial crimes, and smuggling make ICE uniquely positioned to combat the global threat by counterfeiters. Our enforcement efforts target a criminal industry that costs the U.S. economy nearly a quarter trillion dollars annually."

Ethan G. Orlinsky, Senior Vice President and General Counsel, Major League Baseball Properties, Inc. said, "Today's developments underscore the message that counterfeiting is a serious offense and that companies or individuals who attempt to counterfeit other companies' products will be held accountable. MLB remains committed to maintaining the integrity of our products and ensuring the high level of quality that baseball fans everywhere have come to expect. We look forward to working with law enforcement in Detroit during the upcoming 2006 World Series, and we want to express our gratitude to the local, state, and national officials who share an ongoing commitment to ensuring counterfeiters are made to pay for their criminal activity."

A sentencing hearing was set by Judge Hood for February 22, 2007.

U.S. Attorney Murphy thanked the Tiger's organization and Robert Carr, attorney for the Tigers for their assistance and cooperation in this investigation and prosecution.

The case is being prosecuted by Assistant United States Attorney Sarah Resnick Cohen.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 18, 2006

EVENT:

Defendant:

**OPERATION TRUTH OR CONSEQUENCES
TARGETS BANKRUPTCY FRAUD ACROSS THE COUNTRY;
U.S. TRUSTEES ANNOUNCE BANKRUPTCY FRAUD HOTLINE**

Seventy-eight individuals in 69 separate prosecutions in 36 judicial districts have been charged criminally on a variety of federal bankruptcy fraud and related counts. Deputy Attorney General Paul J. McNulty, Executive Office for U.S. Trustees Acting Director Clifford White, and FBI Assistant Director for the Criminal Investigative Division Chip Burrus, made the announcement today. The announcement is the culmination of "Operation Truth or Consequences," a nationwide sweep that demonstrates the breadth of enforcement actions taken by the Department of Justice to combat bankruptcy fraud and protect the integrity of the bankruptcy system.

Also announced was the creation of a new Internet hotline for reporting suspected bankruptcy fraud to the U.S. Trustee Program, the Department of Justice component that promotes and protects the integrity of the bankruptcy system. Members of the public can now report suspected bankruptcy fraud via email to USTP.Bankruptcy.Fraud@usdoj.gov.

Cases which have been filed in the Eastern District of Michigan, include:

United States. v. Berro et al. Eighteen defendants have been sentenced recently, or are awaiting sentencing, in this large scale fraud case involving credit card bust out schemes where the defendants ran up thousands of dollars of charges on credit cards in a short period of time, used phony checks to reinstate the balances, then filed for bankruptcy to discharge the debt they had fraudulently incurred;

United States v. Davis. Defendant was sentenced to 37 months imprisonment on October 17, 2006 for his fraud in getting Detroit homeowners whose homes were in foreclosure to pay him an advance fee and monthly mortgage payments promising to reinstate their mortgages, then filing phony bankruptcy cases in third party names listing a fake interest in the properties. The bankruptcy filings forestalled the mortgage foreclosure proceedings for several months. The bankruptcy cases were eventually dismissed and the homeowners ended up losing their homes along with all the money they had paid to the defendant;

United States v. Mevorach. Defendant, who was a business manager for a landscaping business, was arrested October 17, 2006 on a complaint for embezzling monies from his employer and then filing bankruptcy petitions in his employer's name to wipe out the business debt in order to conceal his embezzlement; and

United States v. Dorian Hayes. The defendant is scheduled to enter a plea of guilty on October 19, 2006 to making a false oath in bankruptcy for lying about more than \$80,000 in cash she had provided to her mother to purchase a home for her prior to her filing for bankruptcy."

United States Attorney Stephen J. Murphy said, "When debtors avail themselves of the federal bankruptcy provisions, they have to be completely honest and make full disclosure of their financial transactions and activities. Anything less impinges on the integrity of the system and cannot be tolerated. Nor can the federal bankruptcy laws be used to conceal and perpetuate fraud schemes. All these cases involve gross abuses of the federal bankruptcy court system and we will continue to aggressively prosecute such abuses. We are a proud partner in this nationwide effort."

Collectively, the Operation Truth or Consequences bankruptcy fraud sweep includes

charges filed against nine attorneys, two bankruptcy petition preparers, and one former law enforcement officer; alleged concealment of more than \$3 million in assets; use of false Social Security numbers and false identities; submission of forged documents and use of false statements; defrauding of individuals whose homes were in foreclosure; fraudulent receipt of government loans and benefits; and various other unlawful acts.

"Bankruptcy fraud must not be tolerated, if our bankruptcy system is to serve its purpose of helping the honest debtor in need of financial relief," said Acting Director White. "Operation Truth or Consequences highlights the commitment of the Department of Justice and our law enforcement partners to vigorously investigate and prosecute bankruptcy fraud wherever it occurs."

"Today's operation is a comprehensive, nationwide sweep that highlights the scope of bankruptcy fraud and the negative impact on the economy," said FBI Assistant Director Chip Burrus. "Through our collaborative efforts with law enforcement, the FBI remains dedicated to pursuing those individuals who attempt to use our Nation's bankruptcy system to further their criminal intents."

Operation Truth or Consequences is a joint criminal enforcement effort by the U.S. Attorneys' Offices, U.S. Trustee Program, FBI, Department of Housing and Urban Development Office of Inspector General, Social Security Administration Office of Inspector General, U.S. Postal Inspection Service, Internal Revenue Service Criminal Investigation, and U.S. Secret Service.

The charges contained in an indictment, information or criminal complaint are merely allegations, and the defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 19, 2006

EVENT: Sentencing

Defendant: Dr. Elena Perry-Thornton, M.D.

**DETROIT DOCTOR SENTENCED TO
SIX YEARS IN PRISON ON DRUG CHARGE**

A Detroit physician who pleaded guilty to unlawfully distributing thousands of dosages of prescription pain killers in the course of her medical practice was sentenced to 72 months in federal prison, United States Attorney Stephen J. Murphy announced today.

Murphy was joined in the announcement by Robert Corso, Special Agent in Charge, Drug Enforcement Administration.

Dr. Elena Perry-Thornton, M.D., age 55, of Detroit, pleaded guilty on June 23, 2006 to illegally prescribing the powerful prescription pain reliever OxyContin (oxycodone), in exchange for \$150 in cash. Information presented to the Court at the time of the guilty plea showed that between April of 2005 and September 28, 2005, Dr. Perry-Thornton illegally prescribed over 90,000 dosage units of Schedule II, III and IV drugs.

United States Attorney Murphy said, "Medical professionals who seek to profit from the rising demand for illegal prescription drugs should know that they are risking more than their

medical license. Any doctor who sells prescriptions and endangers the public for personal gain should expect to serve a substantial term of incarceration.”

At sentencing, the government noted that the victims of the defendant’s criminal conduct included those living in the defendant’s neighborhood who were exposed to the use of her residence as a prescription drug house; the drug users who became addicted to the drugs; and the identity theft victims whose identifications were stolen and used to fill fraudulent prescriptions.

In addition to the prison sentence, Federal District Court Judge Arthur J. Tarnow also ordered that the defendant serve two years of supervised release after her release from prison. In imposing the sentence, Judge Tarnow specifically cited the defendant’s abuse of the trust that was placed in her by society, and the fact that her crimes were motivated by personal greed.

U.S. Attorney Murphy thanked the Drug Enforcement Administration, the Wayne County Sheriff’s Department and the Detroit Police Department for assistance in the successful investigation of the case. It was prosecuted by Assistant United States Attorney Wayne F. Pratt



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193
Carolyn Gibson - DEA (313) 234-4220

Oct 24, 2006

EVENT:

Defendant:

**UNITED STATES ATTORNEY'S OFFICE
AND THE DRUG ENFORCEMENT ADMINISTRATION
DISTRIBUTE OVER \$3 MILLION TO LOCAL
LAW ENFORCEMENT AGENCIES**

United States Attorney Stephen J. Murphy announced today the distribution of \$3,736,062 in criminally forfeited funds to eleven local law enforcement agencies who were involved in the investigation and ultimate prosecution relating to the case of *United States v. Quasand Lewis et al.*

Mr. Murphy was joined in the announcement by Robert Corso, Special Agent in Charge, Drug Enforcement Administration, Detroit Division.

The following agencies were present at today's ceremony and received checks which represented their agencies share of forfeited funds from two cash seizures:

Detroit Police Department, \$74,697.45;

Michigan State Police, \$74,697.45;
Oakland County Narcotics Enforcement Team, \$74,697.45;
Sterling Heights Police Department, \$74,697.45;
Warren Police Department, \$74,697.45;
West Bloomfield Police Department, \$74,697.45;
Wayne County Sheriff's Department, \$114,732.00;
Monroe County Sheriff's Department, \$136,700.41;
Troy Police Department, \$316,121.21;
Farmington Hill Police Department, \$326,129.85;
Novi Police Department, \$1,632,359.4

United States Attorney Murphy stated that, "This was a large, significant and important prosecution. I salute the entire law enforcement team that labored so tirelessly on this case: from prosecutor to police officer, from federal agency to local police department, the operations that culminated demonstrate cooperation and teamwork at its best. We are lucky to have such dedicated community servants in our district."

Special Agent in Charge Corso stated that, "This case reflects an exemplary effort by all of the local, state, and federal agencies involved. It further illustrates how cooperation and the sharing of information and technology can lead to a successful investigation resulting in the dismantling and disruption of a continuing criminal enterprise."

The funds received by each agency will be used in accordance with Department of Justice regulations as set forth in the Guide to Equitable Sharing of Federal Forfeited Property for State and Local Law Enforcement Agencies.

United States v. Quasand Lewis et. al charged twenty-seven individuals with various drug trafficking and money laundering charges. The organization was responsible for the distribution of more than 30,000 kilograms of marijuana, and generated tens of millions of dollars in illegal drug proceeds.

In March 2004, the Novi Police Department seized approximately 4.8 million dollars in narcotics proceeds from a Novi hotel and from a residence in Northville. Evidence seized in

Novi lead to the initiation of a federal wiretap investigation which ultimately lead to the indictment of the Lewis organization.

To date twenty-three individuals have plead guilty to various charges and are awaiting sentencing. Four individuals are currently fugitives and are believed to be in Mexico. In addition the government has seized approximately \$18 million in assets including real property, jewelry, automobiles and cash.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 24, 2006

EVENT: Sentencing

Defendant: Mukunda Dev Mukherjee, M.D.

FORMER FLINT AREA DOCTOR SENTENCED ON NARCOTICS CHARGES

A Flint area doctor was sentenced to life in prison and over \$150,000 in forfeiture of assets today on drug charges in federal court, United States Attorney Stephen J. Murphy announced.

Receiving the sentence was Mukunda Dev Mukherjee, M.D., 64, of Fenton, Michigan, a former Flint area physician whose office was located at 1020 Professional Drive, Suite A-5, Flint, Michigan. The sentenced was imposed by Senior United States District Judge Paul V. Gadola.

Judge Gadola imposed the life sentence by ordering the statutory maximum for all of the counts of conviction, and that each of these had to be served consecutively. This consisted of 12 counts for which the statutory maximum was 20 years incarceration; 14 counts for which the statutory maximum was 5 years incarceration; and 18 counts for which the statutory maximum was 1 year incarceration. As part of the sentence, Dr. Mukherjee agreed to the forfeiture of approximately \$169,340.15 in assets.

U.S. Attorney Murphy said, "The severity of today's sentence should be an object lesson to any unethical medical professionals who would use their prescription-writing authority to put dangerous narcotics in the hands of addicts. This case was the result of a combined,

focused, and persistent effort by federal, state, and local law enforcement.”

Dr. Mukherjee was found guilty in February 2006 of 44 counts of illegal distribution of Schedule II, III, and V Controlled Substances.

During the trial, the government presented proofs that Dr. Mukherjee issued Oxycontin, Morphine, Vicodin, and Phenergan with Codeine without physical examinations, while several patients were simultaneously in his office, and with post-dated prescriptions. Dr. Mukherjee charged \$45 for one controlled substance prescription and \$90 for a second, post-dated controlled substance prescription. The jury found beyond a reasonable doubt that Dr. Mukherjee issued the controlled substance prescriptions without a legitimate medical purpose and outside the course of professional practice. The evidence also demonstrated that area pharmacies refused to fill the controlled substance prescriptions issued by Dr. Mukherjee. Records revealed that Dr. Mukherjee issued more 80 mg Oxycontin prescriptions than any other physician or hospital in the state of Michigan during the period of January 1, 2003, through June 30, 2004.

Dr. Mukherjee has been in custody continuously since the time of his arrest in June 2004.

This case was prosecuted by Assistant U.S. Attorneys Mark C. Jones and Rita E. Foley following an investigation by the Drug Enforcement Administration, the Bay Area Narcotics Enforcement Team (BAYANET), the Flint Area Narcotics Group (FANG), and the Genesee County Sheriff's Department.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 24, 2006

EVENT: Guilty Plea

Defendant: Pasquale John DiPofi et al

**TWO MACOMB MEN PLEAD GUILTY
IN SCHEME TO DEFRAUD SIERRA LEONE GOVERNMENT**

A resident of New Baltimore pleaded guilty yesterday to conspiracy, wire fraud, and income tax evasion in connection with a scheme to defraud the government of Sierra Leone, Africa that took place in 2001-2002, United States Attorney Stephen J. Murphy announced.

Murphy was joined in the announcement by Daniel Roberts, Special Agent in Charge, FBI, and Maurice Aouate, Special Agent in Charge, IRS Criminal Investigation Division.

Pasquale John DiPofi, 35, of New Baltimore, Michigan entered the guilty plea in United States District Court before Judge Victoria A. Roberts. His codefendant, Christopher Belan, 42, of Macomb Township, Michigan, had previously pleaded guilty, on October 20, 2006, to conspiracy to commit wire fraud.

United States Attorney Murphy said, "This is a case of international corporate ID theft, where the defendants tried to assume the identity of a legitimate South African company that was owed \$23 million by the government of Sierra Leone. Such chicanery resulted in a

criminal conviction rather than a windfall profit, thanks to the hard work of the Internal Revenue Service.”

Information presented to the court during the plea proceedings showed that Mr. DiPofi ran a private security business under the name of Executive Outcome, Inc., (EO), in Mt. Clemens, Michigan. Mr. Belan worked for Mr. DiPofi in this business. In late 2001 EO was contacted by Audax Trading Limited, a British firm, with regard to a debt of approximately \$23 million owed by the Government of Sierra Leone, Africa. In fact, Executive Outcomes, South Africa, (EOSA) an unrelated company, had provided military equipment, military security, and training to the Government of Sierra Leone in 1995-1997, and EOSA was then making debt recovery efforts through the Sierra Leone legal system. Audax’s contact with the defendants’ company, EO, was a mistake, due to the similarity in the companies’ names. The defendants’ company, EO, in fact had no connection with EOSA and had no claim to the debt owed by Sierra Leone to EOSA. Mr. DiPofi and Mr. Belan then hired Audax as their collection agent, even though they knew that their company EO did not perform any services for the Government of Sierra Leone, nor were they owed any monies for services rendered. DiPofi and Belan proceeded to create fraudulent documents which were provided to Audax and to the Government of Sierra Leone to support their claim that they were the true owners of the debt. In addition, during August and September 2002, Mr. DiPofi and Mr. Belan caused threatening communications to be sent to Michael Grunberg, in Paris, who was representing the legitimate claimants to the debt.

Under the terms of their plea agreements, Mr. DiPofi faces a sentence of up to 46 months in prison and a fine of up to \$250,000, and Mr. Belan faces a sentence of up to 37 months in prison and a fine of up to \$250,000.

Sentence will be imposed by United States District Judge Judge Julian A. Cook. A sentencing date has not yet been set. Both defendants will remain free on bond pending sentencing.



U.S. Department of Justice

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

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9193

Oct 31, 2006

EVENT: Summit

Defendant:

**UNITED STATES ATTORNEY STEPHEN J. MURPHY TO CO-HOST
MICHIGAN'S FIRST ANTI-GANG SUMMIT**

Detroit - United States Attorney Stephen J. Murphy is proud to announce that he will be co-hosting the first Michigan Anti-Gang Summit to be held in Lansing on November 2, 2006. The conference is jointly sponsored by the United States Attorney's Offices for the Eastern and Western Districts of Michigan. The conference is part of the Eastern District of Michigan's ongoing Anti-Gang Initiative which has been aimed at combating the increasing problem of gang violence in the district's communities.

"Gangs destroy communities and ruin neighborhoods. To fight back, we must not only deploy the full power of law enforcement, we must address the wide range of personal, family and community factors that are the root causes of gang activity. This initiative will therefore include mentor-based reentry assistance programs for prisoners who are released back into society after having served time. Through this multi-pronged attack, we will begin to dismantle and eradicate gangs in our state. I am very appreciative of the cooperation of so many in our state who are serious about addressing this significant problem", said U.S. Attorney Murphy.

Earlier this year, the Justice Department announced it was dedicating \$30 million in grant funding the support new and expanded anti-gang prevention and enforcement efforts under the Project Safe Neighborhoods (PSN) initiative. PSN brings together federal, state and local law enforcement and communities in a unified effort to reduce gun crime across America. These new funds will allow local PSN task forces to combat gangs by building on the effective strategies and partnerships developed under PSN.

Participants at the conference will include anti-gang experts with both law enforcement and prevention perspectives. Dr. Carl S. Taylor, a professor of Sociology at Michigan State University will be the keynote speaker. Dr. Taylor has extensive research experience focused on the reduction of violence involving American youth. He is an author of numerous publications on gangs and violence.

The purpose of the conference is to gather intelligence and identify best practices in order to effectively address gang issues. The focus of the conference will be on how to establish a collaborative multi-disciplinary response to address the states gang problems. The target audience will include educators as well as law enforcement personnel.

For more information about the conference, please contact Robert Poikey, United States Attorney's Office at 313-226-9120.

The United States Attorney's Office for the Eastern District of Michigan prosecutes civil and criminal matters on behalf of the United States of America and its agencies in the 34 counties that make up the eastern half of the state. The Office serves a population of more than 6.7 million Michigan residents and is comprised of approximately 100 Assistant United States Attorneys and a similar number of support staff.

United States Attorney Stephen J. Murphy was appointed by President Bush to his position on March 8, 2005 and confirmed by unanimous consent of the United States Senate three months later.