



## **McGregor W. Scott**

United States Attorney  
Eastern District of California

*Sacramento*  
501 I. Street, Ste 10-100  
Sacramento CA 95814  
(916) 554-2700

## **NEWS RELEASE**

*Fresno*  
1130 O. Street, Rm 3654  
Fresno, CA 93721  
(559) 498-7272

FOR IMMEDIATE RELEASE  
**September 15, 2005**

Contact: Mary Wenger (916) 554-2730  
<http://www.usdoj.gov/usao/cae/home/>

### **STOCKTON MAN SENTENCED TO SEVENTY MONTHS FOR STRUCTURING FINANCIAL TRANSACTIONS AND OPERATING AN ILLEGAL WIRE TRANSMITTING BUSINESS**

#### **First Person Sentenced in District Under Illegal Money Transmitter Law**

SACRAMENTO--United States Attorney McGregor W. Scott announced that SEKHARITH BE, 54, of Stockton, was sentenced in U.S. District Court in Sacramento today to a term of 70 months imprisonment based on his convictions for structuring financial transactions and for operating an illegal wire transmitting business. He was also ordered to pay a fine of \$12,500, and to forfeit his interest in various assets including currency, gems and jewelry.

The case was investigated by agents with the Internal Revenue Service-Criminal Investigations Division, the FBI, DEA, and the Department of Homeland Security, with assistance from the Stockton Police Department.

According to Assistant United States Attorneys Benjamin B. Wagner and Courtney J. Linn, who prosecuted the case, defendant BE in his plea of guilty admitted that during the period from June 2000 to May 2004, he repeatedly directed others to break down cash deposits that were in excess of \$10,000 into deposits of smaller amounts in order to evade the federal Currency Transaction Reporting ("CTR") requirement. Under the CTR requirement, banks are obligated to report cash transactions involving more than \$10,000. BE also admitted that, between October 2001 and October 2003, he operated an illegal wire transmitting business in Stockton. In total, BE admitted to wire transferring approximately \$22.7 million from bank

accounts he controlled in the United States to a bank account in Cambodia.

Under California law, entities that are in the business of receiving funds and transferring the money overseas must be licensed by the California Department of Financial Institutions.

Under Section 1960 of Title 18 of the United States Code, it is a federal felony offense to operate an unlicensed money transmitting business.

Section 1960 was enacted in 1992, based on findings by Congress that banks had become more sophisticated in detecting and reporting money laundering, so that criminals were increasingly turning to unlicensed money transmitters to move their illicit funds. Following the events of 9/11, federal law enforcement agencies have devoted additional resources to the investigation of money laundering, illegal wire transmitting, bulk cash smuggling, and other activity involving the undocumented movement of funds across national borders. The provisions of Section 1960 were strengthened under the USA Patriot Act. Since then, prosecutions for operating unlicensed money transmitting businesses have increased. Today's sentence represents the first sentence imposed for a violation of Section 1960 in the 34 county area that makes up the Eastern District of California.

###