



**U.S. Department of Justice**

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**EVENT: Superseding Indictment**

**Defendant: Talal Chahine**

**SUPERSEDING INDICTMENT RETURNED AGAINST LA SHISH OWNER**

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United States Attorney Stephen J. Murphy announced today that a federal grand jury returned a superseding Indictment against La Shish owner, Talal Chahine, 55, formerly of Dearborn Heights, Michigan, adding an additional count of Income Tax Evasion.

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

United States Attorney Murphy said, "Today's charges illustrate our commitment to leave no stone unturned in this serious case."

"IRS continues to unravel the extent of this multi-million dollar evasion scheme, even while Chahine remains a fugitive from justice," said Aouate. "Just remember, IRS has a long memory when it comes to people who defy the tax laws."

As set forth in the First Superseding Indictment, Talal Khalil Chahine is the sole owner of La Shish, Inc., a Middle Eastern restaurant chain located in the Detroit, Michigan metropolitan area. The Indictment alleges that Talal Chahine conceived and executed a scheme to skim cash proceeds from the restaurants for the tax years 2000 through 2004. During those tax years, La Shish, Inc. maintained a double set of computerized books, records and balance reports, one actual and one altered. The altered records were produced by a complex computer program that artificially reduced the amount of receipts in the form of cash that was actually received by the restaurants. Talal Chahine oversaw the maintenance of the double set of books, as well as the skimming and concealment of more than \$20,000,000 in cash received by the restaurants. To evade government scrutiny, the skimmed cash was not deposited into U.S. bank accounts, but instead, at the direction of Chahine, converted into cashier's checks made out to persons located in Lebanon and reduced in physical size by changing small denomination notes into larger denomination notes. These conversions were made for the purpose of transporting the cash outside the United States to Lebanon, away from U.S. government reach and detection. Cash was also skimmed by paying La Shish, Inc. employees all or partly in cash.

Talal Chahine remains a fugitive from U.S. authorities and is believed to be in Lebanon. A warrant has been issued for his arrest. His wife, Elfat El Aouar, pleaded guilty to aiding and assisting Chahine in his tax evasion scheme in December 2006, and was sentenced on May 15, 2007 to 18 months' imprisonment.

Chahine faces a maximum penalty of 5 years' imprisonment and a \$250,000 fine on each of the five counts in the First Superseding Indictment. A copy of the First Superseding Indictment is attached. 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.

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