

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

CRIMINAL NO.

v.

HON.

D-1 ELIAS MOHAMAD AKHDAR,
D-2 ALI MOHAMAD AKHDAR,
D-3 HASSAN MOUSSA MAKKI,
 a/k/a "Hussan Moussa Makki,"
 a/k/a "Samuaiel Moussa Makki,"
D-4 SALIM NEMIR AWDE,
 a/k/a "Abu Fadi,"
 a/k/a "Mostesa Abdell,"
 a/k/a "Moustafa Abdelzaher,"
D-5 ALI ABDULAMIR DAHER,
D-6 MOHAMAD ABDULAMIR DAHER,
D-7 ISSAM HASSAN FAWAZ,
 a/k/a "Sam Fawaz,"
 a/k/a "Issan Hassan Fawaz,"
 a/k/a "Essam Hassan Fawaz,"
 a/k/a "Sam Isaac Fawaz,"
D-8 NABIL MOHAMAD ISMAIL,
D-9 CAROLE GORDON,
D-10 BRANDY JO BOWMAN,
D-11 MOHAMAD AHMAD HARIRI,

VIO. 18 U.S.C. § 1962(d)
18 U.S.C. § 1952

Defendants.

INDICTMENT

THE GRAND JURY CHARGES:

GENERAL ALLEGATIONS

1. States have the concurrent authority and jurisdiction to enact and enforce cigarette tax laws, to provide for the confiscation of cigarettes and other property seized

for violations of such laws, and for the administration of such laws, including the imposition of cigarette tax rates.

2. Some States, in order to evidence the payment of applicable State cigarette taxes in the State where such cigarettes are found, require a stamp, impression, or other indication to be placed on packages or other containers of cigarettes.

3. Beginning on May 1, 1994, the State of Michigan raised its cigarette tax from \$2.50 per carton to \$ 7.50 per carton (75 cents a pack) of cigarettes. This tax rate continued until July 31, 2002.

4. On August 1, 2002, and continuing thereafter to the date of this indictment, the State of Michigan again raised its tax from \$7.50 per carton to \$ 12.50 per carton.

5. During all times material to this indictment, the State of North Carolina had a tax of only 50 cents per carton.

6. During all times material to this indictment, the Cattaraugus Indian Reservation, owned by the Seneca Indian Tribe in New York, had no tax on the sale of cigarettes to members of the tribe.

7. Beginning on May 1, 1998, in order to address the significant problem of untaxed or low-taxed cigarettes being smuggled into the state, the Legislature of the State of Michigan enacted a requirement that each pack of cigarettes sold in the state must have a tax stamp.

8. Beginning in or about 2001, and continuing thereafter, the exact dates being unknown, special agents of the Federal Bureau of Investigation and the Bureau of Alcohol, Tobacco and Firearms, that is, law enforcement officers, were conducting an investigation relative to the alleged commission of a federal offense or offenses. The investigation included witness interviews, analysis of phone records, and grand jury proceedings in the Eastern District of Michigan and elsewhere.

COUNT ONE
**(Conspiracy to Violate the Racketeer Influenced and
Corrupt Organizations Act (RICO) – 18 U.S.C. § 1962(d))**

D-1 ELIAS MOHAMAD AKHDAR,
D-2 ALI MOHAMAD AKHDAR,
D-3 HASSAN MOUSSA MAKKI,
a/k/a "Hussan Moussa Makki,"
a/k/a "Samuaiel Moussa Makki,"
D-4 SALIM NEMIR AWDE,
a/k/a "Abu Fadi,"
a/k/a "Mostesa Abdell,"
a/k/a "Moustafa Abdelzaher,"
D-5 ALI ABDULAMIR DAHER,
D-6 MOHAMAD ABDULAMIR DAHER,
D-7 ISSAM HASSAN FAWAZ,
a/k/a "Sam Fawaz,"
a/k/a "Issan Hassan Fawaz,"
a/k/a "Essam Hassan Fawaz,"
a/k/a "Sam Isaac Fawaz,"
D-8 NABIL MOHAMAD ISMAIL,
D-9 CAROL GORDON,
D-10 BRANDY JO BOWMAN,
D-11 MOHAMAD AHMAD HARIRI,

THE ENTERPRISE

. The general allegations are incorporated by reference as if set forth in full herein.

. From approximately May 1996 to the date of the indictment, in the Eastern District of Michigan and elsewhere, ELIAS MOHAMAD AKHDAR, ALI MOHAMAD AKHDAR, HASSAN MOUSSA MAKKI, a/k/a "Hussan Moussa Makki", a/k/a "Samuaiel Moussa Makki", SALIM NEMIR AWDE, a/k/a "Abu Fadi," a/k/a "Mostesa Abdell," a/k/a "Moustafa Abdelzaher," ALI ABDULAMIR DAHER, MOHAMAD ABDULAR DAHER, ISSAM HASSAN FAWAZ, a/k/a "Sam Fawaz", a/k/a "Issam Hassan Fawaz", a/k/a "Essam Hassam Fawaz", a/k/a "Sam Issac Fawaz", NABIL MOHAMAD ISMAIL, CAROLE GORDON, BRANDY JO BOWMAN, and MOHAMAD AHMAD HARIRI, defendants herein, and others both known and unknown

to the grand jury, were associated in fact and constituted an enterprise, as defined in Title 18, United States Code, Section 1961(4), which was engaged in, and the activities of which, affected interstate commerce, and which enterprise constituted an ongoing organization whose members functioned as a continuing unit for a common purpose of achieving the objectives of the enterprise.

. This enterprise was comprised primarily of men who immigrated to the United States from Lebanon. Operating from their home base in Dearborn, Michigan, these individuals perpetrated crimes in the States of Michigan, New York and North Carolina (and points in between). The criminal enterprise was bound together by physical locality, common heritage, blood and marriage relations, a common language (Arabic), and a common purpose of generating large sums of cash illegally.

. The enterprise was structured in the following manner, and the defendants and other persons employed by and associated with the enterprise functioned in the following roles:

. Mohamad Hammoud, not named as a defendant herein, functioned as one of the primary suppliers of low-taxed cigarettes to the Michigan-based members of the enterprise. Hammoud employed drivers including his wife, Angie Tsioumas, and others, to deliver cigarettes to ELIAS AKHDAR, ALI AKHDAR, ALI DAHER, MOHAMAD DAHER and HASSAN MAKKI, defendants herein, in Michigan. The transactions were virtually always paid for in cash on delivery, or shortly thereafter. ELIAS AKHDAR, ALI AKHDAR, ALI DAHER, MOHAMAD DAHER and HASSAN MAKKI, defendants herein, would then re-distribute the cigarettes within the State of Michigan providing a substantial profit to themselves and to Mohamad Hammoud.

. Haissam Nashar, not named as a defendant herein, supplied the Michigan-based members of the enterprise with amounts of cigarettes in addition to what they could obtain from Hammoud. When Michigan enacted its

tax stamp requirement in 1998, Nashar worked together with HASSAN MAKKI, defendant herein, to obtain and produce counterfeit tax stamps. HASSAN MAKKI and ELIAS AKHDAR, defendants herein, arranged for counterfeit tax stamps to be placed on packs of cigarettes in Michigan. HASSAN MAKKI, ELIAS AKHDAR and ALI DAHER, defendants herein, were involved in selling cigarettes with the counterfeit tax stamps applied to them.

. The New York-based operations of the enterprise was headed up by CAROLE GORDON, defendant herein. She is an American Indian and a member of the Seneca tribe who occupies the Cattaraugus Indian Reservation in Irving, New York. CAROLE GORDON's role in the enterprise was to supply it with untaxed cigarettes from the reservation and to deliver them to Michigan. To accomplish this, CAROLE GORDON employed her daughter, Barbara Ramsey, not named as a defendant herein, her grand daughter, BRANDY JO BOWMAN, defendant herein, Donald Doctor, not named as a defendant herein, and others to deliver cigarettes to other members of the enterprise in Michigan. CAROLE GORDON, with the assistance of BRANDY JO BOWMAN, caused cigarettes to be delivered to ELIAS AKHDAR, ALI AKHDAR, ALI DAHER and MOHAMAD DAHER, defendants herein, in Michigan, which these members of the enterprise then resold in Michigan at a substantial profit to GORDON and themselves. Although the reservation was guarded in dealing with non-Indians, ELIAS AKHDAR was able to supply the enterprise with special access to the reservation when he made BRANDY JO BOWMAN, his common-law wife. This facilitated the continued cigarette trafficking as well as credit card fraud perpetrated on the reservation by ELIAS AKHDAR and other members of the enterprise.

THE RACKETEERING CONSPIRACY

. From approximately in or about May 1996, and continuing thereafter until the date of this indictment, the exact dates being unknown, in the Eastern District of Michigan and elsewhere, ELIAS MOHAMAD AKHDAR, ALI MOHAMAD AKHDAR, HASSAN MOUSSA MAKKI, a/k/a "Hussan Moussa Makki", a/k/a "Samuaiel Moussa Makki," SALIM NEMIR AWDE, a/k/a "Abu Fadi," a/k/a "Mostesa Abdell," a/k/a "Moustafa Abdelzaher," ALI ABDULAMIR DAHER, MOHAMAD ABDULAR DAHER, ISSAM HASSAN FAWAZ, a/k/a "Sam Fawaz", a/k/a "Issam Hassan Fawaz", a/k/a "Essam Hassam Fawaz", a/k/a "Sam Issac Fawaz", NABIL MOHAMAD ISMAIL, CAROLE GORDON, BRANDY JO BOWMAN, and MOHAMAD AHMAD HARIRI, defendants herein, being persons employed by and associated with the enterprise described above, which enterprise was engaged in, and the activities of which affected interstate commerce, did unlawfully and knowingly, conspire, confederate, and agree with each other and with persons known and unknown to the Grand Jury, to commit an offense against the United States, to wit: to violate Title 18, United States Code, Section 1962(c), that is, to conduct and participate, directly and indirectly, in the conduct of the affairs of the enterprise, the activities of which affected interstate commerce, through a pattern of racketeering activity, to wit, multiple acts as set forth below:

- A. Acts indictable under Title 18, United States Code, Section 2342 (relating to contraband cigarette trafficking);
- B. Acts indictable under Title 18, United States Code, Section 2315 (relating to the possession of counterfeit State cigarette tax stamps);
- C. Acts indictable under Title 18, United States Code, Section 1029 (relating to credit card fraud);
- D. Acts indictable under Title 18, United States Code, Section 1956 (relating to money laundering);
- E. Acts chargeable under New York Penal Law Section 150.10 (relating to arson in Indian territory); and

F. Acts indictable under Title 18, United States Code, Section 1512 (relating to witness tampering).

MANNER AND MEANS OF THE CONSPIRACY

. It was a part of the conspiracy that the defendants and their co-conspirators, would and did commit acts indictable under Title 18, United States Code, Section 2342, in connection with efforts to procure low-taxed cigarettes from State of North Carolina and untaxed cigarettes from the Cattaraugus Indian Reservation in the State of New York, and smuggle them into the State of Michigan for purposes of evading Michigan State sales tax on cigarettes in order to obtain large profits by reselling the cigarettes at market prices in Michigan.

. It was further a part of the conspiracy that the defendants and their co-conspirators would and did commit acts indictable under Title 18, United States Code, Section 2315, in connection with efforts to obtain and produce counterfeit tax stamps when Michigan passed a stamp tax requirement in 1998. The criminal enterprise would affix the counterfeit tax stamps to the cigarettes to make it appear the tax had been paid.

. It was further a part of the conspiracy that the defendants and their co-conspirators would and did commit acts indictable under Title 18, United States Code, Section 1029 in connection with the obtaining and passing of fraudulent and counterfeit credit cards. Members of the enterprise would take "fraud field trips" to North Carolina, New York, within the State of Michigan and elsewhere to defraud retail and wholesale merchants with the counterfeit credit cards. Often, the conspiracy would use the credit cards to fraudulently purchase low-taxed or untaxed cigarettes which would then be trafficked at an even greater profit within the State of Michigan.

. It was further a part of the conspiracy that the defendants and their co-conspirators would and did commit acts indictable under Title 18, United States Code, Section 1956, in connection with the conducting of financial transactions, which would constitute money laundering. Cigarette trafficking was an extremely profitable undertaking which

involved hundreds of thousands of dollars in cash changing hands over relatively short periods of time. The cash garnered from these unlawful activities would then be laundered by members of the criminal enterprise by purchasing businesses, buying additional cigarettes, obtaining additional fraudulent credit cards, to satisfy antecedent debts caused by their unlawful activities, paid to various persons with the intent and expectation of continued illegal dealings, or otherwise to promote the enterprise.

. It was a further part of the conspiracy that the defendants and their co-conspirators would and did commit acts indictable under New York Penal Law 150.10 in connection with the commission of an arson in Indian territory, that is, the intentional burning of the Indian Express tobacco shop located on the Cattaraugus Indian Reservation in Irving, New York. Members of the criminal enterprise traveled from Michigan to New York in 2001 and set fire to the Indian Express tobacco shop located on the Cattaraugus Indian Reservation, after removing untaxed cigarettes from the store and sending them to Michigan to be resold. Defendants Elias Akhdar and Brandy Jo Bowman then attempted to recover on a fire insurance policy.

. It was further a part of the conspiracy that Elias Akhdar would and did commit acts indictable under Title 18, United States Code, Section 1512 in connection with efforts to hinder, delay, prevent and dissuade certain persons known to the Grand Jury from reporting to a law enforcement officer the possible commission of Federal offenses. When the Federal Bureau of Investigation and the Bureau of Alcohol Tobacco and Firearms began investigating this case, potential witnesses to these crimes were urged and told not to talk.

12. It was further a part of the conspiracy that the defendants each agreed that two or more acts of racketeering activity would be committed in the conduct of the affairs of the enterprise.

OVERT ACTS

In furtherance of the conspiracy, and to effect the objects thereof, the defendants and their co-conspirators committed and caused to be committed the following overt acts, among others, in the Eastern District of Michigan and elsewhere:

. On or about August 19, 1995, Ali Daher incurred charges of approximately \$2,000 on his VISA card at J.R. Tobacco in Statesville, North Carolina.

. On or about September 7, 1995, Ali Daher incurred charges of approximately \$2,941 on his Comerica Bank card at J.R. Tobacco in Statesville, North Carolina.

. On or about April 9, 1996, Ali Daher incurred charges of approximately \$2,227 on his VISA card at the No Blankets Smoke Shop in Sanborn, New York.

. On or about April 23, 1996, Ali Daher incurred charges of approximately \$2,000 on his VISA card at the No Blankets Smoke Shop in Sanborn, New York.

. On or about May 12, 1996, Hassan Makki was arrested in West Virginia with 2,400 cartons of cigarettes.

. On or about September 7, 1996, Ahmad Ayache was arrested in West Virginia with \$20,000 on his way from Michigan to North Carolina.

. On or about March 18, 1997, Ali Daher incurred charges of approximately \$3,050 on his Comerica Bank card at the No Blankets Smoke Shop in Sanborn, New York.

. On or about May 5, 1997, Ali Daher bought \$4,500 in cigarettes from J.R. Tobacco in Statesville, North Carolina.

. On or about May 27, 1997, Ali Daher possessed 92 cartons of cigarettes and \$6,000 in cash at 7746 Steadman in Dearborn, Michigan.

10. In the months leading up to June 4, 1997, Salim Awde supplied Mohamad Hariri with counterfeit credit cards to be used in the Charlotte, North Carolina area.

11. On or about October 9, 1997, Lisa Hazime was stopped in West Virginia on the way to Michigan-based members of the enterprise with 4,708 cartons of cigarettes.

12. On or about January 3, 1998, Elias Akhdar incurred charges of approximately \$3,189 on his MBNA credit card and \$3,189 on his Citibank Mastercard at the No Blankets Smoke Shop in Sanborn, New York.

13. On or about January 8, 1998, Elias Akhdar incurred charges of approximately \$3,048 on his Citibank MasterCard at the No Blankets Smoke Shop in Sanborn, New York.

14. On or about January 26, 1998, Elias Akhdar incurred separate charges of approximately \$1,100 and approximately \$2,000 on his MBNA credit card at the No Blanket Smoke Shop in Sanborn, New York.

15. On or about January 31, 1998, Elias Akhdar incurred charges of approximately \$725 on his Citibank MasterCard at the No Blankets Smoke Shop in Sanborn, New York.

16. On or about January 31, 1998, Elias Akhdar incurred charges of approximately \$545 on his MBNA credit card at the No Blankets Smoke Shop in Sanborn, New York.

17. On or about September 18, 1998, Elias Akhdar incurred separates charges of approximately \$2,000 and approximately \$2,000 on his Citibank MasterCard at Omni Enterprises in Irving, New York.

18. On or about September 18, 1998, Elias Akhdar incurred charges of approximately \$4,336 on his MBNA credit card at Omni Enterprises in Irving, New York.

19. On or about December 19, 1998, Elias Akhdar issued a check payable to Angela Tsouimas in the amount of \$900 for contraband cigarettes.

20. On or about February 22, 1999, Elias Akhdar incurred charges of approximately \$4,000 on his MBNA credit card at "Indian Trader Carol Gordon" in Irving, New York.

21. On or about February 19, 1999, Carole Gordon was stopped in Monroe County, Michigan, with approximately \$12,000 cash.

22. On or about March 12, 1999, Ahmed Alkharki was arrested in New York on his way to Michigan with a load of cigarettes.

23. On or about June 9, 1999, Hassan Makki delivered cigarettes to 7847 Freda in Dearborn, Michigan, where Bassam Hourani was to apply counterfeit cigarette tax stamps to them.

24. On or about September 17, 1999, Elias Akhdar wire transferred \$700 from Detroit, Michigan to Carole Gordon in Angola, New York pertaining to Gordon's supplying the Michigan-based members of the enterprise with contraband cigarettes.

25. On or about July 30, 1999, approximately 97 cartons of cigarettes, approximately 90 counterfeit cigarette tax stamps, and approximately \$4,000 in cash were seized from Ali Daher's home at 7746 Steadman in Dearborn, Michigan.

26. On or about October 23, 2000, Carole Gordon wire transferred \$550 from Angola, New York to Elias Akhdar in Dearborn, Michigan pertaining to Gordon's supplying Michigan-based members of the enterprise with contraband cigarettes.

27. On or about January 9, 2001, Mohamad Hijazi wire transferred \$2,000 from Abu Dhabi (United Arab Emirates) to Mohamad Hariri for use in funding Nabil Ismail's trip to Dubai (United Arab Emirates) with counterfeit credit cards.

28. On or about January 2001, Nabil Ismail traveled from the Eastern District of Michigan to Dubai (United Arab Emirates) with counterfeit credit cards financed in part by Mohamad Hariri.

29. On or about August 21, 2001, Brandy Bowman sent wire transfers to Mohamad Hariri in the amounts of \$1,000, \$1,000 and \$500, for the purpose of purchasing fraudulent credit cards from Issam Fawaz.

30. In August 2001, Mohamad Hariri purchased fraudulent credit cards from Issam Fawaz.

31. In September, 2001, at the direction of Elias Akhdar, Mohamad Hariri used the fraudulent credit cards obtained from Issam Fawaz to purchase contraband cigarettes at tobacco shops in New York, including the Two Clans Smoke Shop in Lawtons, New York.

32. In approximately 2000 or 2001, Elias Akhdar used a fraudulent credit card to purchase approximately \$4,000 in cigarettes at Crossroads in the State of New York.

33. On or about August 19, 2002, Elias Akhdar instructed Mohamad Hariri to withhold information about Akhdar from government agents.

34. On or about September 19, 2002, Elias Akhdar instructed Hassan Daher to withhold information about Akhdar from government agents.

35. On or about December 4, 2002, Mohamad Hariri bought four fraudulent credit cards from Mohamad Daher.

36. On or about September 24, 2001, Elias Akhdar ignited the Indian Express tobacco shop on the Cattaraugus Indian Reservation in Irving, New York.

37. On or about October 2001, Elias Akhdar's common law wife, Brandy Jo Bowman, made a claim on the fire insurance policy for the Indian Express tobacco shop.

COUNT TWO

(Interstate Travel in Aid of Racketeering – 18 U.S.C. § 1952)

D-1 ELIAS MOHAMAD AKHDAR

The allegations contained in paragraphs one through twelve of count one are hereby realleged in this count and incorporated by reference as if fully set forth herein.

On or about September 24, 2001, within the Eastern District of Michigan and elsewhere, ELIAS MOHAMAD AKHDAR, defendant herein, did knowingly travel in interstate commerce, from the Eastern District of Michigan to the State of New York and from the State of New York to the State of Michigan, with the intent to carry on unlawful activity, that is, arson in violation of McKinley's Penal Law § 150.10 and 18 U.S.C. §§ 13, 1152, all in violation of Title 18, United States Code, Section 1952(a)(3).

THIS IS A TRUE BILL.

FOREPERSON

Dated:

JEFFREY G. COLLINS
United States Attorney

KENNETH R. CHADWELL
Assistant United States Attorney

BARBARA L. MCQUADE
Assistant United States Attorney