

PRESS RELEASE

Sanctions Evasion and Money Laundering Charges Unsealed Against Specially Designated Global Terrorist Mohammad Bazzi and Talal Chahine

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<https://www.justice.gov/usao-edny/pr/sanctions-evasion-and-money-laundering-charges-unsealed-against-specially-designated>

For Immediate Release

U.S. Attorney's Office, Eastern District of New York

Defendants Conspired and Attempted to Avoid Sanctions Imposed on Bazzi for Providing Financial Support to Hizballah. Bazzi Was Arrested in Romania Today and is Pending Extradition to the Eastern District of New York

A three-count indictment was unsealed today in United States District Court for the Eastern District of New York charging Mohammad Ibrahim Bazzi, a Lebanese and Belgian citizen, and Talal Chahine, a Lebanese citizen, with conspiracy to conduct and cause United States persons to conduct unlawful transactions with a Specially Designated Global Terrorist, attempt to conduct and cause United States persons to conduct unlawful transactions with a Specially Designated Global Terrorist, and money laundering conspiracy. The indictment was returned under seal by a federal grand jury sitting in Brooklyn, New York on January 27, 2023, and relates to Bazzi and Chahine's alleged activities in the United States, as directed from Lebanon.

Breon Peace, United States Attorney for the Eastern District of New York and Daniel J. Kafatian, Acting Special Agent-in-Charge, Drug Enforcement Administration (DEA), New Jersey Division (DEA), announced the charges.

"As alleged, Mohammad Bazzi thought that he could secretly move hundreds of thousands of dollars from the United States to Lebanon without detection by law enforcement. Today's arrest proves that Bazzi was wrong," stated United States

Attorney Peace. "Our office is committed to ensuring that sanctions imposed by the U.S. government are respected and that terrorism financiers are starved of funds."

"The defendants in this case attempted to provide continued financial assistance to Hizballah, a foreign terrorist organization responsible for death and destruction," stated DEA Acting Special Agent-in-Charge Kafafian. "The men and women of DEA are committed to working with our law enforcement and foreign counterparts to disrupt and dismantle the operations of these organizations and those who choose to support them financially."

In May 2018, the United States Department of the Treasury, Office of Foreign Assets Control (OFAC) designated Bazzi as a Specially Designated Global Terrorist for assisting in, sponsoring, and providing financial, material, and technological support and financial services to Hizballah, a foreign terrorist organization that, since the 1980s, engaged in numerous terrorist activities, including attacks against American military members, government employees, and civilians abroad. According to the OFAC designation, Bazzi is a key Hizballah financier who has provided millions of dollars to Hizballah over the years, generated from his business activities in Belgium, Lebanon, Iraq and throughout West Africa. As a result of the designation, Bazzi's interest in any property in the United States was blocked, and all U.S. persons were generally prohibited from transacting business with, or for the benefit of, Bazzi.

As alleged, following Bazzi's designation, Bazzi and Chahine conspired to force or induce an individual located in the United States (U.S. Person) to liquidate their interests in certain real estate assets located in Michigan and covertly transfer hundreds of thousands of dollars in proceeds of the liquidation out of the United States to Bazzi and Chahine in Lebanon without the requisite OFAC licenses, in violation of the International Emergency Economic Powers Act (IEEPA).

During recorded communications, Bazzi and Chahine proposed numerous methods to conceal from OFAC and law enforcement officials that Bazzi was both the source and destination of the proceeds of the sale and to create the false appearance that the U.S. Person was conducting legitimate arms-length transactions unrelated to Bazzi and Chahine. For example, Bazzi and Chahine proposed that the funds be transferred through:

- a third party in China as part of a fictitious purchase of restaurant equipment from a Chinese manufacturer;
- a third party in Lebanon as part of a fictitious real estate purchase;
- Chahine's family members in Kuwait as part of fictitious intra-family loans; and

- as part of a fictitious franchising agreement as payment for the rights to operate a Lebanese-based restaurant chain throughout the United States.

Bazzi was arrested by Romanian law enforcement authorities upon his arrival in Bucharest today. The United States intends to seek Bazzi's extradition to the Eastern District of New York to face the charges in the indictment. Each count in the indictment is punishable by up to 20 years imprisonment. The charges in the indictment are merely allegations, and the defendants are presumed innocent unless and until proven guilty.

This effort is part of an Organized Crime Drug Enforcement Task Forces (OCDETF) operation. OCDETF identifies, disrupts, and dismantles the highest-level criminal organizations that threaten the United States using a prosecutor-led, intelligence-driven, multi-agency approach. Additional information about the OCDETF Program can be found at <https://www.justice.gov/OCDETF>

The government's case is being prosecuted by Assistant United States Attorneys Francisco J. Navarro, Jonathan P. Lax, Nomi D. Berenson, and Robert M. Pollack, with assistance provided by Trial Attorney Charles Kovats of the National Security Division's Counterterrorism Section. Assistant United States Attorney Claire Kedeshian of the Office's Asset Recovery Section is handling forfeiture matters. The Justice Department's Office of International Affairs is assisting with the extradition in this case.

The Defendants:

MOHAMMAD BAZZI
Age: 58
Lebanon and Belgium

TALAL CHAHINE
Age: 78
Lebanon

E.D.N.Y. Docket No. 23-CR-041 (DLI)

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