
UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : **CRIMINAL COMPLAINT**

v. :

ELIAHU BEN HAIM : Mag. No. 09-3612

I, Robert J. Cooke, being duly sworn, state that the following is true and correct to the best of my knowledge and belief.

From in or about June 2007 to in or about February 2009, in Monmouth County, in the District of New Jersey, and elsewhere, defendant ELIAHU BEN HAIM did:

knowingly and willfully conspire with others to conduct and attempt to conduct financial transactions involving property represented to be the proceeds of specified unlawful activity, specifically, bank fraud, bankruptcy fraud and trafficking in counterfeit goods, with the intent to conceal and disguise the nature, location, source, ownership, and control of the property believed to be proceeds of specified unlawful activity, contrary to Title 18, United States Code, Section 1956(a)(3).

In violation of Title 18, United States Code, Section 1956(h).

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the following facts:

SEE ATTACHMENT A

continued on the attached page and made a part hereof.

Robert J. Cooke, Special Agent
Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,

July __, 2009, at Newark, New Jersey

HONORABLE MARK FALK
UNITED STATES MAGISTRATE JUDGE

Signature of Judicial Officer

Attachment A

I, Robert J. Cooke, am a Special Agent with the Federal Bureau of Investigation ("FBI"). I have personally participated in this investigation and am aware of the facts contained herein, based upon my own participation in this investigation, as well as information provided to me by other law enforcement officers. Because this Attachment A is submitted for the limited purpose of establishing probable cause, I have not included herein the details of every aspect of this investigation. Statements attributable to individuals contained in this Attachment are related in substance and in part, except where otherwise indicated. All contacts discussed herein were recorded, except as otherwise indicated.

1. At all times relevant to this Complaint, defendant Eliahu "Eli" Ben Haim ("defendant BEN HAIM"), a resident of Elberon, New Jersey, was the principal rabbi of Congregation Ohel Yaacob, a synagogue located in Deal, New Jersey. Defendant BEN HAIM operated several charitable tax-exempt organizations in conjunction with his synagogue, including one called Congregation Ohel Eliahu (hereinafter, "COE"). A check with the New Jersey Department of Banking and Insurance and the New York State Department of Banking has revealed that defendant BEN HAIM does not hold a license to transmit or remit money.

2. At all times relevant to this Complaint:

(a) There was a coconspirator with the initials I.M. (hereinafter, "Coconspirator I.M.") who was an individual based in Israel. Coconspirator I.M. operated as defendant BEN HAIM's principal source for cash. During the course of the investigation, defendant BEN HAIM indicated that he would wire the proceeds of checks made payable to his charitable organization, COE, to Coconspirator I.M. who would, in turn, for a fee of approximately 1.5 percent, make cash available to defendant BEN HAIM at various locations, typically in Brooklyn, New York. Defendant BEN HAIM would in turn provide this cash to many of those who had provided him with checks made out to his charitable organization in return for which defendant BEN HAIM retained a significant commission, typically ten percent. A check with the New Jersey Department of Banking and Insurance and the New York State Department of Banking has revealed that Coconspirator I.M. does not hold a license to transmit or remit money;

(b) There was a coconspirator using the name Schmulik Cohen (hereinafter, "Coconspirator Cohen") who resided in Brooklyn. Coconspirator Cohen received large quantities of cash from unknown individuals at the direction of Coconspirator I.M., and then provided this cash to other individuals, including defendant BEN HAIM. During the course of the investigation, the CW retrieved cash from Coconspirator Cohen on behalf of defendant BEN HAIM on multiple occasions. Defendant BEN HAIM also related that he personally picked up cash from Coconspirator Cohen at Coconspirator Cohen's residence and that Coconspirator Cohen had likewise traveled to defendant BEN HAIM's residence to deliver large quantities of cash. A check with the New Jersey Department of Banking and Insurance and the New York State Department of Banking has revealed that Coconspirator Cohen does not hold a license to transmit or remit money;

(c) There was a coconspirator named Arye Weiss (hereinafter, "Coconspirator Weiss") who resided in Brooklyn. Much like Coconspirator Cohen, Coconspirator Weiss received large quantities of cash from unknown individuals at the direction of Coconspirator I.M., and then provided this cash to other individuals, including defendant BEN HAIM. During the course of the investigation, the CW retrieved cash from Coconspirator Weiss on behalf of defendant BEN HAIM on multiple occasions. Defendant BEN HAIM also related that he personally picked up large quantities of cash from Coconspirator Weiss's residence several times. A check with the New Jersey Department of Banking and Insurance and the New York State Department of Banking revealed that Coconspirator Weiss does not hold a license to transmit or remit money; and

(d) There was a cooperating witness (the "CW") who had been charged in a federal criminal complaint with bank fraud in or about May 2006. Pursuant to the FBI's investigation and under its direction, the CW from time to time represented that the CW purportedly was engaged in illegal businesses and schemes including bank fraud, trafficking in counterfeit goods and concealing assets and monies in connection with bankruptcy proceedings.

3. On or about June 26, 2007, defendant BEN HAIM met with the CW at defendant BEN HAIM's residence in Elberon. During the ensuing meeting, defendant BEN HAIM accepted a \$50,000 check, drawn upon an account for a fictitious company set up by the FBI for the purpose of enabling the CW to launder money represented to be the proceeds of illegal activities. The check was made payable to COE, defendant BEN HAIM's charitable organization, and was provided to defendant BEN HAIM with the expectation that the

proceeds would be returned to the CW at a later date, minus a ten percent fee to be retained by defendant BEN HAIM. The CW represented that the proceeds of this \$50,000 check came from "that guy who was holding, uh, my, uh, money for me on that Florida insurance, uh, scam that I did." In response to that statement, defendant BEN HAIM asked "[a]nd you need forty-five thousand?" The CW responded in the affirmative, prompting defendant BEN HAIM to reply "[o]kay . . . Give me a couple days." During the same conversation, defendant BEN HAIM described Coconspirator I.M.'s activities in the following manner: "He washes money for people [u/i]. He washes money for people here . . . He gives me a check. I deposit it . . . from a third party . . . He give me -- I deposit it. I wire it to him. He gives me, uh, like, one percent." Defendant BEN HAIM further stated that he had known Coconspirator I.M. for four to five years. At the conclusion of the conversation, the CW mentioned that the CW would be in Brooklyn the following Thursday, and offered to pick up cash on defendant BEN HAIM's behalf. Defendant BEN HAIM seemed hesitant because he anticipated that it would be a large amount of money. The CW asked if the amount would be "half a mill," prompting defendant BEN HAIM to respond "yeah."

4. On or about June 28, 2007, defendant BEN HAIM met with the CW at defendant BEN HAIM's residence in Elberon. During the ensuing conversation, defendant BEN HAIM accepted from the CW a bank check in the amount of \$50,000 made payable to COE. Defendant BEN HAIM was informed by the CW that this check represented the proceeds of what the CW termed "that insurance, uh, scam deal from Florida." The CW also purported to defendant BEN HAIM that the CW had a great deal of money available to the CW because the CW was able to shield from the CW's ongoing bankruptcy court proceedings the money that the CW was earning on property deals involving "silent partnerships." The CW explained that "this way, you know, they give me a check or a bank check to you. They get a write off. It's good for them. I get the money back. So this way there's no trace, you know, through you, and it works out for everybody. That's why I have a lot of money coming through." Defendant BEN HAIM was further informed by the CW that the CW's reason for laundering the money through defendant BEN HAIM was "so the court doesn't know, the [bankruptcy] trustee doesn't know, no one knows nothin'." In exchange, defendant BEN HAIM gave the CW cash totaling \$53,140, which represented the completion of two money laundering transactions: \$45,000 in cash for a \$50,000 check that the CW had provided to defendant BEN HAIM on June 26, 2007, and \$8,100 from a separate \$9,000 check which defendant BEN HAIM had received

from the CW the previous day.¹ As he collated the cash to give to the CW, defendant BEN HAIM ran the bills through a cash-counting machine. Defendant BEN HAIM also mentioned that he owed another individual \$495,000. This individual, according to defendant BEN HAIM, had wired money from Hong Kong to Israel, and stated that "he has money in Hong Kong from his -- the kickbacks from the factories." Defendant BEN HAIM also further described the activities of Coconspirator I.M. in the following terms: "the head contact's in Israel . . . He has different people, he has, . . . he has a hundred cus-, no customer in New York [u/i] money in Israel [u/i] real estate investments, they, they want to hide their money. They don't want it to show. So they give the cash here to him and he gives me the cash . . . You see the merry-go-round? This guy's been doing it for 20, 30 years." Defendant BEN HAIM also indicated that he would pick up cash, as coordinated by Coconspirator I.M., at locations in Brooklyn. The CW offered to pick up the cash that defendant BEN HAIM anticipated would be available to him the following week.

5. On or about July 2, 2007, defendant BEN HAIM met with the CW at defendant BEN HAIM's residence in Elberon. During the meeting, defendant BEN HAIM gave the CW approximately \$65,600 in cash to complete earlier transactions involving the proceeds of money laundering. Of the monies provided to the CW, approximately \$45,000 represented the proceeds from the \$50,000 check provided by the CW on June 28, 2007, minus the ten percent fee kept by defendant BEN HAIM. Defendant BEN HAIM noted that "I owe you 45 [thousand]," in reference to the \$50,000 check provided on June 28, 2007. In addition, \$20,250 of the cash given by defendant BEN HAIM was in anticipation of a \$22,500 check, which the CW was to provide drawn upon the account of a charitable organization administered by another money launderer, Rabbi Saul Kassin. The CW promised to bring defendant BEN HAIM this check for "twenty-two-five," and also stated that the CW would have another 100 thousand dollar bank check. Defendant BEN HAIM agreed to provide the CW with \$90,000 in cash in exchange for the \$100,000 check. During the meeting, defendant BEN HAIM also mentioned that another customer had sent him "200 [thousand]" that morning, and that he was expecting another check in the near future in the amount of \$450,000.

6. On or about July 10, 2007, defendant BEN HAIM met with the CW at defendant BEN HAIM's residence in Elberon. During the meeting, the CW provided a plastic bag containing approximately

¹ An additional \$40.00 was included in the sum of cash provided to CW on this date.

\$98,500 in cash which the CW had picked up from a location in Brooklyn earlier that day at the direction of defendant BEN HAIM. In addition, defendant BEN HAIM accepted from the CW a check in the amount of \$100,000 made payable to COE. In exchange, defendant BEN HAIM gave the CW approximately \$89,850 in cash, explaining that he was withholding money from the \$90,000 that he normally would have paid because he had inadvertently overpaid the CW during the July 2, 2007 transaction.

7. On or about August 1, 2007, defendant BEN HAIM met with the CW in defendant BEN HAIM's vehicle, as it was parked in front of a residence in Deal. During the meeting, defendant BEN HAIM accepted from the CW a bank check made payable to COE. The CW described the bank check, which was in the amount of \$75,000, as follows: "this is 75 from that bank schnookie deal. And I have one more 75 from him and that's the -- we got a half million from a bank . . ." Defendant BEN HAIM wondered what he should tell authorities "[i]f they ask me where did you get this check from?" After the CW again referred to the check as stemming from a fraudulent loan, defendant BEN HAIM answered his own question by stating that he would tell authorities that "he mailed me an anonymous donation . . ." During the same conversation, defendant BEN HAIM provided further details about Coconspirator I.M.'s laundering operation and referred to a specific individual as Coconspirator I.M.'s partner, and further stated that "there's six people involved in this thing." Defendant BEN HAIM also referred to the pick ups of cash in New York City, and the CW offered to pick up the cash for defendant BEN HAIM. When the CW asked whether it would be the same guy from whom the CW had previously received money several weeks earlier, defendant BEN HAIM stated that the pickup "[c]ould be [in] Queens, could be a hotel in Manhattan, it could be anywhere. Lately, it's been Boro Park."

8. On or about August 6, 2007, defendant BEN HAIM met with the CW at defendant BEN HAIM's residence in Elberon. During the ensuing conversation, defendant BEN HAIM accepted a bank check in the amount of \$50,000 from the CW. As with previous checks, this bank check was made payable to COE. The CW described the check as follows: "This is a check for, uh, fifty thousand from that, uh, bank, uh, schnookie deal." On this occasion, defendant BEN HAIM gave the CW approximately \$67,500 in cash to complete the money laundering transaction from August 1, 2007, during which the CW had provided defendant BEN HAIM with the aforementioned \$75,000 check. The CW agreed to pick up cash for defendant BEN HAIM the following day, and defendant BEN HAIM, referring to the person from whom the CW would pick up the cash, stated "[h]e sits there all day, and he's going to have it tonight. So tomorrow,

you can get it." Defendant BEN HAIM indicated that he had picked up cash from numerous individuals over the years, stating that "[i]n the five years [I'm] with [Coconspirator I.M.], maybe I saw over a hundred different people." Defendant BEN HAIM also informed the CW that Coconspirator I.M. wanted defendant BEN HAIM to open an account in Geneva, Switzerland, through which he would launder cash for one specified individual. Defendant BEN HAIM explained that Coconspirator I.M. wished him to deposit as much as \$30 million per year into this account, for which defendant BEN HAIM would earn approximately \$1.5 million annually.

9. On or about October 31, 2007, defendant BEN HAIM met with the CW in defendant BEN HAIM's vehicle, which was parked outside a location in Deal. During the meeting, defendant BEN HAIM accepted two checks from the CW -- both of which were made payable to COE as part of money laundering transactions. One of these checks was a bank check in the amount of \$50,000, while the other check was in the amount of \$22,500 and drawn upon the account of a charitable organization administered by another money launderer, Rabbi Saul Kassin. During the meeting, defendant BEN HAIM remarked that he was currently low on cash, and that it was difficult to get a sufficient supply of cash on a timely basis from Coconspirator I.M. to keep pace with the demand of his customers. Defendant BEN HAIM remarked that "four, five years I'm doing this with this guy. I know at the end of the year it's tight." Defendant BEN HAIM related that prior to his dealings with Coconspirator I.M., he had moved cash through another individual, but stated that "they caught him laundering . . . he got a slap on the wrist." Defendant BEN HAIM indicated that this individual was finishing a ten-month sentence that he was serving at F.C.I. Otisville. Subsequently, defendant BEN HAIM complained that he was "lucky" if he could move one to two million dollars a year at present. He remarked that "the most I ever did was seven to eight" million dollars in a year, and indicated that he earned "a million dollars a year" during that period.

10. On or about December 20, 2007, defendant BEN HAIM met with the CW at defendant BEN HAIM's residence in Elberon. During this meeting, defendant BEN HAIM received approximately \$118,000 in cash from the CW which the CW had picked up in Brooklyn from Coconspirator Cohen earlier that day at defendant BEN HAIM's direction. Defendant BEN HAIM also accepted a bank check from the CW in the amount of \$50,000 made payable to COE as part of a money laundering transaction. When the CW handed the check to defendant BEN HAIM, the CW stated that "this is a fifty I picked up yesterday from Brooklyn. This is on that [] Bank schnookie deal. . . The guy owes me another hundred [thousand] on that, but

not till after the New Year." The CW also informed defendant BEN HAIM that "I should have another check today . . . for twenty-five [thousand]," a reference to a money laundering deal that the CW hoped to consummate with another money launderer, Rabbi Saul Kassin, later that day. This prompted defendant BEN HAIM to place a call to Coconspirator I.M., and, upon conclusion of that call, defendant BEN HAIM stated that "[h]e's gonna let me know" whether there would be a cash pickup in Brooklyn later that day. In exchange for the \$50,000 check and as payment on a prior laundering deal, defendant BEN HAIM counted out approximately \$55,000 from the cash that the CW had delivered and gave it to the CW. Defendant BEN HAIM stated that he was unable at that time to provide any additional cash to the CW to complete other prior deals, as he needed the cash for two other individuals bringing him checks for \$52,000 and \$28,000, respectively.

11. On or about January 14, 2008, defendant BEN HAIM met with the CW at defendant BEN HAIM's residence in Elberon. During this meeting, defendant BEN HAIM accepted a cashier's check from the CW in the amount of \$100,000 made payable to COE. When the CW handed defendant BEN HAIM the check, the CW stated "[u/i] bank check there for a hundred thousand. Now that, you have to understand, that's from one of the [Bank] schnookie deals. I have a guy who owes me a half a million dollars. This is a hundred. I have four hundred thousand dollars more." The CW inquired whether defendant BEN HAIM would be able to launder that latter amount over "the next couple of weeks," prompting defendant BEN HAIM to reply simply "[y]eah." During the conversation, defendant BEN HAIM indicated that he had a number of customers who no longer used him to launder money, specifically noting one customer who had laundered 1 million dollars with him in a previous year, and a second who had laundered 1.5 million in one year. He also indicated that he had one customer who currently owed him \$200,000, while he also had four customers who wanted cash totaling at least \$250,000 "by tomorrow."

12. On or about January 20, 2008, defendant BEN HAIM met with the CW at defendant BEN HAIM's residence in Elberon. During the meeting which followed, defendant BEN HAIM accepted a large sum of cash from the CW contained in a bag which the CW had picked up in Brooklyn from Coconspirator Cohen the previous day at the direction of defendant BEN HAIM. It was believed that the bag contained approximately \$300,000 in cash. Defendant BEN HAIM ran the money provided by the CW through a cash-counting machine. In addition, defendant BEN HAIM gave the CW approximately \$95,200 in cash to complete the money laundering transactions from December 21, 2007 and January 14, 2008. During this meeting,

defendant BEN HAIM indicated that he currently owed "about 200 [thousand]" to Coconspirator I.M. for ongoing laundering transactions. When the CW inquired whether Coconspirator I.M. was pestering defendant BEN HAIM about this debt, defendant BEN HAIM indicated that he was not, stating that "[h]e trusts me."

13. On or about June 13, 2008, defendant BEN HAIM met with the CW in defendant BEN HAIM's vehicle outside of a location in Elberon. During the meeting, defendant BEN HAIM accepted from the CW a bank check in the amount of \$50,000. The CW explained that the funds from this check were generated from the sale of counterfeit high-end merchandise manufactured "from my factory in Brooklyn where I have the--where I make the bags. I take the labels . . ." The CW further clarified that "I'm switching the labels. . . Business is very good. Prada, Gucci, boom, boom, boom. This is from my profits. This is not--I put up 400 thousand principal. These are only my profits. Profits from this, profits from the [bank]." This last remark referred to the bank fraud scheme involving a particular bank which led to criminal charges being filed against the CW in 2006. After defendant BEN HAIM demanded a higher percentage fee than he normally collected from the CW to conduct the transaction, the CW complained that "I'm a repeat customer," and asked "[a]m I your best customer?" After defendant BEN HAIM responded in a hushed tone, "[n]o," the CW replied "[n]o. Why, 'cause you've got guys who do a million dollars a month . . .?" Defendant BEN HAIM responded "[n]o, that was once upon a time." Defendant BEN HAIM then retrieved a bag from the trunk of defendant BEN HAIM's car which contained a box with Power Rangers logos. The box contained tens of thousands of dollars in bundles of cash, and defendant BEN HAIM provided the CW with \$45,000. The CW reiterated that the money from the check was "all offshore," and noted that "[w]e have the factory. We make the stuff in Brooklyn, but we offshore it," and added that "[t]here's no trace, no nothing." By way of explanation, the CW stated that "[i]t's offshore. So all the profits are hidden." After the two discussed whether defendant BEN HAIM would be doing additional deals with other individuals in the near future, defendant BEN HAIM noted, in an apparent reference to Coconspirator I.M., that "[h]e called me up 14 times. He says 'I got another 300 [thousand]. You want it?'" Defendant BEN HAIM indicated that he had declined the offer but then noted that "I have orders for Sunday . . . I don't have enough," thus indicating that the money remaining from the Power Rangers box would be insufficient for the customers he would see on Sunday. At the conclusion of the meeting, defendant BEN HAIM asked the CW if the CW wished to launder "a hundred [thousand] next week?" The CW responded "[l]et me see how much, what our profits are next week," and

agreed to contact defendant BEN HAIM if the CW wished to do another laundering transaction.

14. On or about December 16, 2008, defendant BEN HAIM met with the CW in defendant BEN HAIM's vehicle, which was parked at a location in Deal. During the conversation, defendant BEN HAIM accepted a bank check made out to COE in the amount of \$160,000. The CW explained that the money represented the profits from the CW's handbag business, but explained that the CW's partner had provided the CW with less than the CW had hoped because "[e]ven the knock-off business is tough today." Defendant BEN HAIM informed that in exchange for the \$160,000 check he would provide the CW with \$130,000 in cash. Defendant BEN HAIM explained that "I'm putting the order in the pipeline" and related that he had spoken with his contact - believed to be a reference to Coconspirator I.M. - the previous Sunday. Defendant BEN HAIM stated that he expected the pickup of the cash would occur in the near future in either Williamsburg or Boro Park in Brooklyn.

15. On or about December 30, 2008, defendant BEN HAIM met with the CW in defendant BEN HAIM's vehicle, which was parked at a gas station along Deal Road in Deal. During the meeting, defendant BEN HAIM provided the CW with approximately \$64,850 in cash as partial payment for the 160,000 check provided by the CW on or about December 16, 2008. During the conversation, defendant BEN HAIM was informed by the CW that "things are picking back up in my, uh, knock-off pocketbook business, my counterfeit business." Defendant BEN HAIM also was told that the money involved in their laundering transaction "is only profits - principal I keep in there." Defendant BEN HAIM informed the CW that he had a lot of "orders" for laundering transactions because it was near the end of the year, but that some clients wished to wait until the turn of the year to consummate the transactions. It is believed that defendant BEN HAIM was referring to the efforts of some of his customers to select the year during which they would claim deductions for charitable contributions on their income tax returns based on the checks provided to defendant BEN HAIM. During the same conversation, defendant BEN HAIM indicated that the nearly \$65,000 that he was providing to the CW had been retrieved by defendant BEN HAIM the previous day from Coconspirator Weiss at Coconspirator Weiss's residence in Brooklyn.

16. On or about January 18, 2009, defendant BEN HAIM met with the CW at a location on Ocean Parkway in Brooklyn. During the ensuing conversation, defendant BEN HAIM and the CW discussed a potential pickup of approximately \$150,000 in Brooklyn during the following week, the proceeds of which would be used to

complete the money laundering transaction commenced on December 16, 2008. Defendant BEN HAIM told the CW about "customers from two, three years ago that are calling me," and indicated that "[t]hat's a signal that the market is tight." Defendant BEN HAIM also discussed his source for cash, Coconspirator I.M., and stated that he spoke to Coconspirator I.M. "[e]very day - every other day." Referring to Coconspirator I.M., defendant BEN HAIM then asked the CW "[d]id you know that he had me in the last 4 years send out wires every time to a different place in the world to a different name? It's unbelievable. I never saw anything like it." When the CW asked whether defendant BEN HAIM was referring to different locations in only Israel, defendant BEN HAIM replied "[n]o, all over the world. . . All over the world. From Australia to New Zealand to Uganda. I mean [u/i] every country imaginable. Turkey, you can't believe it. . . . All different names. It's never the same name. . . . Switzerland, everywhere, France, everywhere, Spain China, Japan." Defendant BEN HAIM also explained that the market for cash was tight "only in the beginning of the year and the end of the year."

17. On or about January 25, 2009, defendant BEN HAIM met with the CW in defendant BEN HAIM's vehicle, which was parked at a location near Norwood Avenue in Deal. During the conversation, defendant BEN HAIM provided the CW with a plastic bag containing approximately \$20,000 in cash as a further partial payment for the \$160,000 check provided to defendant BEN HAIM on or about December 16, 2008. Defendant BEN HAIM did not name the person from whom he had received the cash, and further explained that he was having difficulty securing cash for his customers. Although defendant BEN HAIM predicted that in "[a]nother week it'll be loosening up," he explained that at present "[t]he demand [for cash] is greater than the supply." He explained that he was taking advantage of the high demand for cash, noting that "[t]he bottom line is I got people in the city that are starting to pay me 20 percent . . ." rather than the 10 percent fee normally charged by defendant BEN HAIM. Defendant BEN HAIM agreed to contact the CW when he had secured the remaining \$15,000 he owed the CW.

18. Between in or about June 2007 and in or about February 2009, defendant BEN HAIM engaged in money laundering transactions with the CW totaling approximately \$1.5 million in funds represented by the CW to involve the proceeds of criminal activities.