
UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : **CRIMINAL COMPLAINT**

v. :

SHIMON HABER : Mag. No. 09-8134 (MCA)

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

From in or about March 2007 to at least in or about November 2007, in Hudson County, in the District of New Jersey and elsewhere, defendant

SHIMON HABER

knowingly and willfully conspired with others to conduct and attempt to conduct financial transactions involving property represented to be the proceeds of specified unlawful activity, specifically, bank fraud and bankruptcy fraud, with the intent to promote bribery and 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 MADELINE COX ARLEO
UNITED STATES MAGISTRATE JUDGE

Signature of Judicial Officer

ATTACHMENT A

I, Robert J. Cooke, a Special Agent with the Federal Bureau of Investigation ("FBI"), following an investigation and discussions with other law enforcement officers, am aware of the following facts. 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. Nor have I recounted every conversation involving the defendant. All conversations referred to in this attachment were recorded, unless otherwise indicated, and are related in substance and in part.

1. At all times relevant to this Complaint, defendant Shimon Haber (hereinafter "defendant Haber") was a real estate developer, who worked in New York and New Jersey. A check with the New Jersey Department of Banking and Insurance and the New York State Department of Banking revealed that defendant Haber did not hold a license to transmit or remit money.

2. At all times relevant to this Complaint:

- A. Coconspirator Moshe Altman, a/k/a "Michael Altman" (hereinafter "Altman") was a real estate developer based in Hudson County.
- B. Coconspirator Itzak Friedlander, a/k/a "Isaac Friedlander," (hereinafter "Friedlander") was a business partner of defendant Altman and an employee of defendant Altman's real estate development company.
- C. A check with the New Jersey Department of Banking and Insurance and the New York State Department of Banking revealed that Altman and Friedlander did not hold a license to transmit or remit money.
- D. There was a cooperating witness (the "CW") who had been charged with bank fraud in a federal criminal complaint in May 2006. Thereafter, for the purposes of this investigation conducted by the FBI, the CW posed as a real estate developer interested in development in the greater Jersey City area. The CW represented that the CW did business in numerous states, including New York and New Jersey, and that the CW paid for goods and services in interstate commerce.

3. On or about March 6, 2007, defendant Haber and Altman met with the CW at Altman's place of business in Union City, New Jersey. During this meeting, defendant Haber, Altman, and the CW

discussed the mechanics of a scheme wherein they would make corrupt payments to various public officials in Hudson County in exchange for various forms of official action and approvals. In that regard, the CW asked Altman and defendant Haber about their ability to launder money that the CW would provide to these officials in furtherance of these corrupt deals. The CW stated, "Question is. If I bring in money. How many of these guys can convert it? No?" Referring to Altman, defendant Haber advised the CW, "Talk to him, he has 'washing machines'," meaning money-laundering contacts. Given the amounts and breadth of the illicit laundering scheme being discussed, defendant Haber remarked, the CW "needs a laundromat." Referencing the fact that the first floor of the building in which Altman's place of business was located actually housed a laundromat, with a prominent sign reading "LAUNDROMAT," Altman quipped that they "got one down here." As the conversation continued, the CW asked Altman, "he converts from green to check . . . whatever?" Altman responded that his money-laundering contact performed such laundering and likened his contact to money-laundering "converters" based in Israel. Defendant Haber then reaffirmed the "money-laundering" scheme as he emphasized to Altman, the CW "needs a converter," a reference to an individual who converts criminally derived monies into some other form of asset or monetary instrument in order to conceal its illegal origins. Thus, in this conversation, defendant Haber and Altman discussed the prospect of Altman's utilizing his money-laundering contacts in furtherance of an overarching scheme to bribe public officials in Hudson County in exchange for their official action and influence.

4. On or about March 28, 2007, defendant Haber and Altman met with the CW at Altman's place of business in Union City. Defendant Haber, Altman, and the CW discussed a money-laundering arrangement. Altman asked the CW if the CW needed a "washing machine," a reference to a money-laundering transaction. The CW replied, "Yeah, but not all in one shot." The CW continued, "I'm talking 20 to 50 now," a reference to \$20,000 to \$50,000, with more to follow. Altman asked the CW, "Which way is it going?" The CW responded, "I have checks." At this point in the conversation, the parties began to whisper and Altman instructed the CW, "Do me a favor, just write," meaning communicate about the scheme in a non-audible, written manner in order to evade detection.

5. With the assistance of defendant Haber, the CW wrote the following three questions on a scrap of paper for Altman: (1) "Check to who?"; (2) "How much do charge 10% is fine"; and (3) "how long to wash"? In response to question one, Altman wrote

"Gemach Shefa Chaim."¹ Altman did not provide a written response to question two. In response to the final question concerning the laundering period, Altman wrote "1 wk To 2 wks." After completing the written questions and answers, Altman confirmed for the CW that charities would be utilized to launder the monies that the CW would provide. Lastly, the CW stated, "Because of the bankruptcy court no one can know nothing," a reference to concealing from the bankruptcy court the money/assets that the CW proposed to utilize in this arrangement. The CW informed defendant Haber and Altman that ongoing bankruptcy proceedings that involved the CW required the CW to declare "all assets," to include anything of value, even items such as "cars," "watches," "furs," "firearms," "jewelry," and "suits." Defendant Haber and Altman indicated that they understood and that concealing these matters from the authorities was not an issue.

6. On or about May 8, 2007, Altman met with the CW at Altman's place of business in Union City and continued to discuss, among other things, the money-laundering arrangement. The CW asked Altman, "How much can [the Gemach] handle at once for me?" Altman responded, "What's the numbers? Just tell me the numbers." When the CW discussed a "silent partner" owing the CW money from "deals" and that the partner would provide the CW with checks ranging from \$25,000 to \$100,000 for conversion to cash, Altman reassured the CW that he could handle it and that he would conceal the illicit arrangement from anyone at the organizational front and all others, to include the bankruptcy trustee and the bankruptcy court. With regard to turnaround time for converting the checks to cash, Altman stated that it could take "A week, 10 days, it depends. It's not all taken out right away. So it can take two weeks."

7. On or about May 21, 2007, in the morning, another individual met with the CW in Deal, New Jersey. At that meeting, this individual furnished the CW with a check in the amount of \$18,000. The check was made payable to Gmach Shefa Chaim, the charitable organization that Altman specified to defendant Haber and the CW in the March 28th meeting.

8. On or about May 21, 2007, in the early afternoon, Altman met with the CW at Altman's place of business in Union City. During the meeting, Altman received this \$18,000 check from the CW. After providing Altman with the check, the CW indicated that

¹ Note that during the course of the investigation, the subjects and the CW have alternated spellings between "Gmach" and "Gemach" but there is no substantive difference.

the CW did not need a copy of the check "because I don't keep records." Altman agreed that was best. As the conversation continued, Altman was informed by the CW of the illegal source of the funds. The CW stated, "basically, guy owes me money from bank deals, 'schnookie' bank deals no one knows about and no one could know about . . . this guy's a partner of mine." Altman was further advised by the CW that the CW expected another \$50,000 check from the partner next week that the CW would need laundered into cash. Altman replied, "Okay, very good." Altman further indicated that he would launder the check into cash for return to the CW by June 12, 2007. Thus, in this conversation, Altman acknowledged that he understood the illegal source and nature of the funds that the CW supplied him with for both laundering purposes and to hide assets from the CW's ongoing bankruptcy proceedings.

9. Further to the March 7th and March 28th, 2007 meetings with defendant Haber detailed above, between approximately May 2007 and August 2007, Altman and Friedlander engaged in money laundering transactions with the CW totaling approximately \$268,000 in funds represented by the CW to be proceeds from the CW's bank fraud that needed to be concealed from the bankruptcy court and authorities. Consistent with the money-laundering arrangement discussed and agreed to at those meetings with defendant Haber, Altman and Friedlander accepted numerous checks for laundering into cash from the CW. Pursuant to their instructions, the checks were made payable to the Gmach Shefa Chaim and other such charitable organizations utilized in furtherance of the money-laundering scheme.

10. On or about August 10, 2007, Altman met with the CW at Altman's place of business in Union City. During the meeting, Altman gave the CW approximately \$44,500 in cash. This cash amount represented \$24,500 in cash to complete a money laundering transaction of July 16, 2007 and a partial return of \$20,000 on a \$50,000 check Friedlander accepted for laundering on or about August 8, 2007. Friedlander and Altman mistakenly overpaid the CW \$250 on this occasion. Haggling over the laundering fee charged, the CW stated to Altman that Friedlander " . . . told me 10% with these new guys, fast turnaround, 10% he told me." Insisting that 15% was the correct fee, Altman countered, "What are you talking about? . . . You misunderstood him [meaning Friedlander] . . . I made it very clear," a reference to the money laundering fee to be charged.

11. On or about that same date, defendant Haber and Altman met with the CW at Altman's place of business in Union City. Regarding defendant Haber's and Altman's assisting the CW in

making corrupt payments to various public officials in Hudson County in exchange for various forms of official action, defendant Haber discussed the fact that he had already paid for "tickets," a reference to political contributions, in an effort to procure official approvals for the Palisades project in Union City² and that more money was needed. To that end, defendant Haber asked the CW for money to pay for more "tickets" for the benefit of a Union City official (the "Union City Official"). Referencing the ongoing bankruptcy proceedings and the continuing need to conceal their illicit arrangement, the CW stated, "I can get you a check probably . . . from one of my . . . I have a management company that doesn't show up anywhere." Defendant Haber asked the CW for \$4,000 and counseled the CW to funnel the payment through Altman, who would send it to "some charity," in order to make the corrupt payment for the benefit of the Union City Official. Questioning whether this was necessary, the CW stated, "I don't need a Gmach. I can do a check straight. I don't show anywhere. It's an offshore management thing . . ." In response, defendant Haber continued to talk about sending it to a "charity account." At the conclusion of the meeting, defendant Haber, Altman, and the CW discussed using the CW's represented offshore management account to purchase \$5,000 worth of "tickets" in furtherance of the scheme to obtain the Union City Official's influence in approving the Palisades project.

12. On or about August 16, 2007, Altman sent the CW a "text message" via Altman's cellular telephone advising the CW that Altman would be meeting with the Union City Official and/or a representative of the Union City Official (the "Representative") and that the CW should bring another "10," meaning \$10,000 more for the purposes of securing approvals in Union City.

13. On or about that same day, August 16th, defendant Haber and Altman met with the CW in a car in Union City. As they awaited their meeting with the Representative for the purpose of giving checks in exchange for approvals, defendant Haber asked the CW how much money the CW brought. The CW advised \$10,000, and Altman asked, "How are the checks made out?" Pursuant to the laundering arrangement defendant Haber and Altman previously discussed with the CW, the CW stated that the CW had one \$4,000 check made out to a political committee and "\$6,000 to the Gemach."

² The Palisades project refers to an area on Palisades Avenue in Union City, where defendant Haber and Altman worked to assist the CW in obtaining official approvals to build a multi-story condominium containing as much as 150 units. Five, 2-family residential homes preoccupied the area.

14. Shortly thereafter, at a banquet facility in Union City, Altman introduced the CW and re-introduced defendant Haber to the Representative, whom Altman previously described as a middleman for the Union City Official. Concerning the CW, Altman stated to the Representative that the CW's "involved in the Palisades deal." Referring to defendant Haber, Altman stated to the Representative, "Shimon Haber . . . you met him before," to which the Representative responded, "I heard things about you . . . good stuff." Regarding the desire to obtain approvals, the CW stated to the Representative, "We want to invest a lot of money in the City . . . we want to make sure everyone does the right thing by us." The Representative responded, "I understand . . . we want development. We want people that come up with good projects." The Representative indicated that the only current problem was an individual, who was filing many appeals, but that Altman "knows how to get around" the problem.

15. Immediately after mentioning to the Representative an upcoming Union City Planning Board meeting, wherein the Palisades project would be addressed, the CW stated to the Representative, "I gave him [i.e., Altman] \$10,000 . . . \$4,000 for [a political committee] and \$6,000 to him which he'll get to you this week." The Representative responded, "Okay," and accepted the \$4,000 check payable to the political committee,³ placing it in his pocket. Regarding the \$6,000 check⁴ for Altman to structure for payment for the benefit of the Union City Official and approvals, the CW indicated that it was necessary in order to circumvent campaign contribution limits. The CW stated, "The problem is I come with limitations. What are the limits?" In response to the CW's subsequent statement that the CW had "no limitations" in terms of making corrupt payments in exchange for Union City official action in the CW's favor, the Representative said, "Okay, thank you very much."

16. After the meeting with the Representative, defendant Haber and Altman scolded the CW for speaking so openly regarding the making of corrupt payments in exchange for official action.

³ The \$4,000 check made payable to the political committee was drawn on the account of a company that the CW represented to be the CW's offshore management company that was concealed from the bankruptcy trustee and authorities but that, in reality, was an FBI front company.

⁴ The \$6,000 check the CW showed the Representative was a "cashier's check" made payable to the Gmach Shefa Chaim.

Altman stated, "Ay, Ay, Ay . . . too much talking . . . you can't talk to them like this." Agreeing with Altman, defendant Haber counseled the CW, "You gotta start slow with these guys." Near the end of their meeting, the CW asked Altman how he would structure the \$6,000 check for payment to the Union City Official in furtherance of the scheme. Altman responded, "We break it up into different names . . . it's no problem." Admonishing the CW that Union City officials were afraid, a reference to an ongoing law-enforcement investigation, Altman advised the CW that the CW should not openly discuss the "breaking up" of the checks and the Gmach's role. Turning to a different subject, defendant Haber asked the CW for approximately \$10,000 so that he could pay mortgages on properties that were losing money. When the CW indicated that the CW was afraid of a "trace" on the CW's account, defendant Haber responded, "how do they trace anything . . . give it to the Gmach . . . the Gmach will give it to me . . ."

17. On or about August 23, 2007, Altman met with the CW at Altman's place of business in Union City. During the meeting, Altman explained, among other things, how Altman structured the CW's \$6,000 check made payable to the Gmach Shefa Chaim for the benefit of the Union City Official's political fund. In response to the CW's question, "How did you do it?," Altman explained "I took three LLCs [a reference to limited liability companies] . . . I have 11, 12 different LLCs . . . each building has its own LLC." Thus, in this conversation, Altman acknowledged that he utilized limited liability companies, at least in part, to structure and conceal payments and campaign contributions to public officials in exchange for their exercising official influence and action in his favor.

18. After explaining his use of the three limited liability companies to the CW, Altman stated to the CW, the Union City Official "called me today." Checking his cell phone, Altman advised the CW that the Union City Official called him at "11:41 a.m." Altman further advised the CW that the Union City Official just had a fundraiser and was looking for more money. Altman stated that the Union City Official called him "hinting" and that the Union City Official asked him, "Can we come with anything better?" The CW asked Altman, "How did he know how much?," meaning how did the Union City Official know the sums of money that Altman gave to him. Altman responded that "he [i.e., the Union City Official] won't talk" about money but that he knows from whom it comes. Altman further indicated that he would meet with the Union City Official the next day to follow up on the matter.

19. On or about November 1, 2007, defendant Haber met with the CW in defendant Haber's car in Tinton Falls, New Jersey. During the meeting, defendant Haber explained to the CW that Altman was "very upset" with how open the CW was with respect to the corrupt intention of making payments for the benefit of the Union City Official in exchange for approvals on the Palisades project. Indicating that he agreed with Altman, defendant Haber advised the CW that Altman thought "the CW was a fool for wanting to put [the CW's] face into the picture at this stage," a reference to being physically present for the planned corrupt payments. Defendant Haber emphasized this was particularly true in light of pending federal criminal charges against the CW. Advising the CW that the corrupt payments would be made in exchange for approvals irrespective of whether or not the CW was present, defendant Haber stated, "At the end of the day, you have a federal case against you . . . and I don't understand why you want to put yourself in jeopardy . . . so hide, it doesn't make a difference!"

20. Discussing a forthcoming corrupt \$10,000 payment to a political committee for the benefit of the Union City Official, structured again in the form of four checks, the CW asked defendant Haber, "Is it to make [Altman] look good or is it for [the Union City Official] and [the Representative] who said give us the \$10,000 and we'll get you the approvals?" Defendant Haber responded, "I'm going to go with [Altman] with the \$10,000 and I'll make sure he [meaning the Union City Official] knows its for Palisades . . . Is that good enough for you?" Defendant Haber told the CW that the Union City Official called inquiring about the Palisades project and solicited another \$10,000 for its approval. Defendant Haber recounted, "[the Union City Official] said we need another \$10,000 . . . when are you going up for Palisades . . . we need \$10,000" for the project "it was clearly tied to that." Defendant Haber further advised the CW, "If you want, I will be there when [Altman] gives the [Union City Official] the check." Voicing his own concerns about having his participation in the corrupt scheme detected, defendant Haber stated, "The truth is, I'd rather not go. I don't want to be fronted. Let him [i.e., Altman] do the work [a reference to the corrupt payoff]. What do I care? I still get my approval." At this meeting, defendant Haber accepted from the CW and left with four, \$2,500 checks to be given to the Union City Official. As defendant Haber, Altman, and Friedlander previously instructed, each check was made payable to a civic association in the name of the Union City Official. Two of the four checks were cashiers checks, and the other two checks were drawn on the account of the CW's purported offshore management company.

21. In subsequent meetings, Altman and the co-schemers advised the CW that defendant Haber and Altman gave the checks to the Representative and reiterated that the payments were for the proposed Palisades project in Union City.