

NEWS

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Union City-based Real Estate Developer Indicted on 41 Counts of Money Laundering and Corruption

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NEWARK – Moshe “Michael” Altman, a Union City-based real estate developer, was indicted today on 41 counts of money laundering and corruption offenses, U.S. Attorney Paul J. Fishman announced.

The Indictment describes a scheme in which Altman, 39, of Monsey, N.Y., along with his co-conspirators, “washed” approximately \$668,000 in dirty checks to cash for a Cooperating Witness (“CW”) through purported charitable, non-profit entities.

The Indictment stems from an undercover FBI political corruption and international money laundering investigation which resulted in charges against 44 individuals via criminal Complaints on July 23. Altman was charged in a criminal complaint on that day.

According to the Indictment, between February 2007 and July 2009, Altman and his co-conspirators engaged in approximately 15 separate money laundering transactions in which they laundered approximately \$668,000 in checks, which they understood to be proceeds of crime, by returning approximately \$547,350 in cash to the CW, who had posed as a real estate developer. The Indictment alleges that, during the undercover operation, the CW told Altman that the checks were proceeds of bank fraud and a counterfeit handbag business, and that the proceeds needed to be concealed from a federal bankruptcy trustee and bankruptcy court. According to the Indictment, Altman converted the checks to cash in order to conceal their purported illegal origins. Altman allegedly collected a 15% fee for himself and his co-conspirators.

The Indictment further alleges that Altman maintained a business on Central Avenue in Union City, where most of the laundering transactions occurred.

The Indictment further alleges that Shimon Haber, 34, of Brooklyn, and Itzhak Friedlander, 42, of Union City, were two of Altman’s co-conspirators. Haber and Friedlander were charged by Complaint and arrested on July 23, 2009, along with Altman and 41 other individuals. On Jan. 14, 2010, Haber pleaded guilty to his role in the conspiracy to launder money.

The Indictment also alleges that purported charities, such as Gmach Shefa Chaim and Boyoner Gemilas Chesed, were used to launder the money. According to the Indictment, Gmach Shefa Chaim accepted deposits from its clients and then re-deposited such monies into accounts that it maintained in its own name at Valley National Bank in Union City. Gmach Shefa Chaim allegedly maintained books and records that tracked the financial activities of its depositors, but the financial transactions that the Gmach conducted at Valley National Bank for its depositors otherwise were not traceable to its clients. The Indictment alleges that Friedlander used an account with the Gmach to launder some of the checks that the CW provided to Altman.

The Indictment also seeks the forfeiture of approximately \$508,985 seized from an account held by Gmach Shefa Chaim, and approximately \$146,163 from an account held by Boyoner Gemilas Chesed. It also gives notice to Altman that he may be required to forfeit the \$668,000 that he laundered as part of the scheme.

The Indictment also charges Altman with participating in a scheme to bribe a Jersey City official, John Guarini, 60, to obtain approvals on real estate projects that the CW purportedly planned to develop. According to the Indictment, Altman arranged a meeting between Guarini and the CW, where Guarini accepted two envelopes containing \$10,000 in cash apiece. According to the Indictment, Guarini, in order to create the pretext of an inspection, stated, "Everything looks good here." Guarini was indicted on Jan. 12 in connection with bribes from Altman and others. The Indictment against Altman also seeks forfeiture from Altman of the \$20,000 involved in the corruption charges.

If convicted of Counts 1 and 2 of the Indictment, which charge conspiracy and attempt to commit extortion under color of official right, Altman faces a maximum prison term of 20 years for each count. The bribery charge in Count 3 of the Indictment carries a maximum term of imprisonment of 10 years. Counts 5 through 41, which charge money laundering and conspiracy to commit money laundering, each carry a maximum penalty of 20 years in prison. Each count carries a maximum fine of \$250,000.

Fishman credited Special Agents of the FBI, under the direction of Acting Special Agent in Charge Kevin B. Cruise, and the IRS Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, for the investigation of Altman and his co-conspirators. Fishman also thanked the Monmouth County Prosecutor's Office, under the direction of Prosecutor Luis A. Valentin, for their assistance in the investigation.

The government is represented by Assistant U.S. Attorneys Bradley A. Harsch and Dustin Chao of the Special Prosecutions Division in Newark.

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Defense Attorney: Jacob Laufer, Esq. New York