

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

JOSEPH MOSSERI,  
ALBERT MOSSERI,  
ODED HAKIM,  
a/k/a "Eddie Hakim,"  
ELLIOT SHASHO, and  
ANDREW LI,

Defendants.

SEALED  
INDICTMENT

14 Cr.

14 CRIM065

COUNT ONE

(Conspiracy to Commit Wire Fraud)

The Grand Jury charges:

BACKGROUND

1. From at least in or about 2010 up to and including in or about January 2014, a network of individuals based in Brooklyn, New York led by JOSEPH MOSSERI, the defendant, and including ALBERT MOSSERI, ODED HAKIM, a/k/a "Eddie Hakim," ELLIOT SHASHO, and ANDREW LI, the defendants, and others known and unknown (the "Mosseri Organization" or the "Organization"), engaged in a scheme to enrich themselves through the operation and management of a network of Internet websites (the "Websites") that purported to offer for sale authentic luxury goods that were in fact counterfeit.

2. At all times relevant to this Indictment, JOSEPH

MOSSERI, ALBERT MOSSERI, ODED HAKIM, a/k/a "Eddie Hakim, and ELLIOT SHASHO, the defendants, directed the scheme and managed its finances. At all times relevant to this Indictment, ANDREW LI, the defendant, supplied the counterfeit luxury goods that were sold on the Websites.

#### MEANS AND METHODS OF THE CONSPIRACY

3. The Mosseri Organization controlled a series of Websites including, among others: areele.com, besela.com, emilbell.com, ferenzana.com, luxurycatch.com, mysofoxy.com, repandue.com, sorefined.com, viasolace.com, and viloxi.com.

4. Using the Websites, members of the Mosseri Organization advertised and sold luxury fashion and other name-brand items -- primarily handbags -- at prices of up to \$3,000. The Websites advertised that the goods offered for sale were authentic and that they were offered at a discount because of manufacturing defects that were, according to one of the Websites, "infrequently noticeable to the consumer." In truth and in fact, however, the members of the Organization either never shipped goods to consumers who ordered them or shipped goods that were verifiably counterfeit.

5. Hundreds of consumers who have purchased goods from the Websites, including dozens residing in the Southern District of New York, have reported to their banks that they failed to receive the merchandise they ordered or that the merchandise received was not as advertised.

6. As a further part of the scheme, members of the Organization defrauded the companies through which they shipped the Counterfeit Goods -- when they shipped them at all -- by opening credit accounts with the shippers, accruing shipping costs, and then intentionally failing to pay those costs. the Organization's outstanding balances owed to shippers exceed, in some cases, \$50,000.

7.

8. As a further part of the scheme, in order to prevent the proceeds of their scheme from being eroded by credit card chargebacks initiated by deceived customers, members of the Mosseri Organization defrauded the credit card processors for the Websites. A customer who purchases items using a credit card and fails to receive the promised merchandise is entitled to dispute the charge and obtain a refund from the company that processed the card payment, which then debits (or "charges back") the merchant's bank account.

9. In order to avoid such chargebacks, members of the Mosseri Organization, misrepresented the reasons for disputed charges and obstructed efforts by the credit card processors, including at least one processor in Manhattan, New York, to recover disputed funds from accounts controlled by the Organization. In some cases, the amounts owed by the Mosseri Organization due to chargebacks from the Websites exceed hundreds of thousands of dollars.

### STATUTORY ALLEGATIONS

10. From at least in or about 2010 up to and including in or about January 2013, in the Southern District of New York and elsewhere, JOSEPH MOSSERI, ALBERT MOSSERI, ODED HAKIM, a/k/a "Eddie Hakim, ELLIOT SHASHO, and ANDREW LI, the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit wire fraud, in violation of Title 18, United States Code, Section 1343.

11. It was a part and object of the conspiracy that JOSEPH MOSSERI, ALBERT MOSSERI, ODED HAKIM, a/k/a "Eddie Hakim, ELLIOT SHASHO, and ANDREW LI, the defendants, and others known and unknown, having devised and intending to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purposes of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

### OVERT ACTS

12. In furtherance of the conspiracy and to effect its illegal objects, JOSEPH MOSSERI, ALBERT MOSSERI, ODED HAKIM, a/k/a "Eddie Hakim, ELLIOT SHASHO, and ANDREW LI, the defendants, committed the following overt acts, among others in

the Southern District of New York and elsewhere:

a. In or about January 2012, JOSEPH MOSSERI, the defendant, opened an account used to process credit card payments by consumers who purchased goods on the Websites.

b. On or about June 4, 2013, ALBERT MOSSERI, the defendant, made a payment to the company hosting the Websites.

c. In or about 2013, ODED HAKIM, a/k/a "Eddie Hakim, the defendant, used an account in the name of "OMG Leasing LLC" to receive fraudulently obtained proceeds from credit card processors.

d. On or about May 28, 2013, ELLIOT SHASHO, the defendant, paid a bill for Internet service at a facility used by the Mosseri Organization to package and ship goods purchased on the Websites.

e. On or about October 24, 2013, ANDREW LI, the defendant, transported counterfeit handbags to a packing facility used by the Mosseri Organization.

(Title 18, United States Code, Section 1349)

COUNT TWO  
(Wire Fraud)

The Grand Jury further charges:

13. The allegations contained in paragraphs 1 through 8 above are hereby repeated, re-alleged and incorporated by reference as if fully set forth herein.

14. From at least in or about 2010 up to and including in

or about January 2013, in the Southern District of New York and elsewhere, JOSEPH MOSSERI, ALBERT MOSSERI, ODED HAKIM, a/k/a "Eddie Hakim, ELLIOT SHASHO, and ANDREW LI, the defendants, and others known and unknown, having devised and intending to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, willfully and knowingly did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purposes of executing such scheme and artifice, to wit, the defendants engaged in a scheme to enrich themselves through the operation and management of a network of internet websites that purported to offer for sale authentic luxury goods that were in fact counterfeit.

(Title 18, United States Code, Section 1343.)

**COUNT THREE**

(Trademark Counterfeiting)

The Grand Jury further charges:

15. The allegations contained in paragraphs 1 through 8 above are hereby repeated, re-alleged and incorporated by reference as if fully set forth herein.

16. From at least in or about 2010 up to and including in or about January 2013, in the Southern District of New York and elsewhere, JOSEPH MOSSERI, ALBERT MOSSERI, ODED HAKIM, a/k/a

"Eddie Hakim, ELLIOT SHASHO, and ANDREW LI, the defendants, willfully and knowingly did traffic in goods and services and knowingly did use a counterfeit mark on or in connection with such goods and services, and did aid and abet the same.

(Title 18, United States Code, Section 2320 and 2.)

**FIRST FORFEITURE ALLEGATION**

17. As a result of committing the offenses alleged in Counts One and Two of this Indictment, JOSEPH MOSSERI, ALBERT MOSSERI, ODED HAKIM, a/k/a "Eddie Hakim, ELLIOT SHASHO, and ANDREW LI, the defendants, shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offense.

**SECOND FORFEITURE ALLEGATION**

18. As a result of committing the offense alleged in Count Three of this Indictment, JOSEPH MOSSERI, ALBERT MOSSERI, ODED HAKIM, a/k/a "Eddie Hakim, ELLIOT SHASHO, and ANDREW LI, the defendants, shall forfeit to the United States, pursuant to 18 U.S.C. § 2323, all articles, the making or trafficking of which is prohibited under 18 U.S.C. § 2320, any property used, or intended to be used in any manner or part to commit or facilitate the commission the offense alleged in Count Three of this Indictment, and any property constituting or derived from

any proceeds obtained directly or indirectly as a result of the commission of the offense alleged in Count Three of this Indictment.


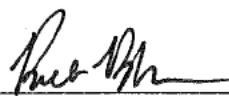
SUBSTITUTE ASSET PROVISION

18. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a. Cannot be located upon the exercise of due diligence;
- b. Has been transferred or sold to, or deposited with a third person;
- c. Has been placed beyond the jurisdiction of the Court;
- d. Has been substantially diminished in value; or
- e. Has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p) and 28 U.S.C. § 2461(c), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Sections 981(a)(1)(C) & 2323; Title 21, United States Code, Section 853(p); and Title 28, United States Code, Section 2461(c).)

PREET BHARARA  
United States Attorney



Form No. USA-33s-274 (Ed. 9-25-58)

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(18 U.S.C. §§ 1343, 1346, 2320 and 2.)

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