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United States Attorney

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RICHARD W. WIEKING
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NORTHERN DISTRICT OF CALIFORNIA

SEALED
BY COURT ORDER

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

CRB

SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA

v.

(1) ARA KARAPEDYAN,
(2) MIHRAN STEPANYAN,
(3) ARTUR STEPANYAN,
(4) GEVORK TER-MKRTCHYAN,
(5) KHACHIG GEUYDJIAN,
(6) ARMAN PETROSYAN,
(7) LANNA KARAPEDYAN,
(8) MAXWELL STARSKY,
(9) SEVAK GHARGHANI,
(10) JEAN DUKMAJIAN,
(11) KARINE DUKMAJIAN,
(12) ANGELA DUKMAJIAN,
(13) ARMAN DANIELIAN,
(14) ASATOUR MAGZANYAN,
(15) TIGRAN SARKISYAN,
(16) HRIPSIME KHACHTRYAN,
(17) LOUI ARTIN,
(18) HUGO MARQUEZ,
(19) ARMAN ZARGARYAN,
(20) DMITRIY KUSTOV,
(21) MICHAEL INMAN,
(22) ARAXIA NAZARYIAN,
(23) ALEXANDER SOLIMAN,
(24) CHERYL BARNDT,
(25) ERIC FIGUEROA,
(26) MARC ASHEGHIAN,

No. CR 15 234

VIOLATIONS: Title 18, United States Code, Section 1962(d) – Racketeering Conspiracy; Title 18, United States Code, Section 1028(f) – Conspiracy to Commit Identity Theft; Title 18, United States Code, Section 1029(b)(2) – Conspiracy to Commit Access Device Fraud; Title 18, United States Code, Section 1349 – Conspiracy to Commit Mail, Wire, and Bank Fraud; Title 18, United States Code, Section 1956(h) – Conspiracy to Commit Money Laundering; Title 18, United States Code, Section 1958 – Conspiracy to Use Interstate Facility to Commit Murder-For-Hire; Title 18, United States Code, Section 371 – Conspiracy to Engage in the Unlicensed Wholesale Distribution of Drugs; Title 18, United States Code, Sections 981(a)(1)(A) & (C), 982(a)(1) & (7), 1028(b), 1029(c), 1963; Title 21, United States Code, Section 853; and Title 28, United States Code, Section 2461(c) – Forfeiture

SAN FRANCISCO VENUE

UNDER SEAL

(27) MICHAEL ASHEGHIAN,
(28) DAVID MILLER,
(29) JAMES RUSSO,
(30) JEANNETTE COUCH,
(31) MARIE POLICHETTI,
(32) BERNARDO GUILLEN, and
(33) JAVIER RAMIREZ,

Defendants.

INDICTMENT

The Grand Jury charges:

Introductory Allegations

At all times relevant to this Indictment:

1. Defendant ARA KARAPEDYAN was a businessman in Northridge, California. He owned and operated a pizza restaurant, called Old Sicily, in North Hollywood, California.

2. Defendant MIHRAN STEPANYAN was a businessman in Glendale, California. He owned and operated a California-licensed drug wholesale company, Niva Pharmaceuticals, in North Hollywood, California, although he reported to a California state pharmacy inspector in 2014 that Niva Pharmaceuticals was not engaged in wholesale drug distribution. Defendant ARTUR STEPANYAN was a cousin of defendant MIHRAN STEPANAYAN and lived in Glendale, California. MIHRAN STEPANAYAN and ARTUR STEPANYAN created and controlled a variety of business entities, including: Panda Capital Group, Red Rock Capital, Trans Atlantic Capital, GC National Wholesale, Sky Atlantic Capital, and Nationwide Payment Solutions.

3. Defendant LANNA KARAPEDYAN was ARA KARAPEDYAN's daughter. Defendant ARMAN PETROSYAN was LANNA KARAPEDYAN's husband and ARA KARAPEDYAN's son-in-law.

4. Defendants GEVORK TER-MKRTCHYAN, KHACHIG GEUYDJIAN, MAXWELL STARSKY, SEVAK GHARGHANI, and JEAN DUKMAJIAN were associates of ARA KARAPEDYAN. TER-MKRTCHYAN operated a non-profit medical clinic called All Care One Community Health. Defendant GEUYDJIAN operated an unlicensed private mail box business called

Mailworks, Etc., in Chatsworth, California. GEUYDJIAN also created and controlled other business entities, including: Legal-Act Entities; All American Real Estate Company; and Pro Serve Entities, Inc. STARSKY lived in Studio City, California, and was an associate of ARA KARAPEDYAN. GHARGHANI worked at ARA KARAPEDYAN's pizza restaurant. JEAN DUKMAJIAN and operated a check cashing business called Duke's Check Cashing in North Hollywood, California.

5. Defendants KARINE DUKMAJIAN and ANGELA DUKMAJIAN were daughters of defendant JEAN DUKMAJIAN, and both worked at Duke's Check Cashing. ANGELA DUKMAJIAN was Duke's Check Cashing's anti-money laundering and compliance officer and was responsible for verifying that transactions conducted at Duke's Check Cashing met all legal requirements.

6. Defendants ARMAN DANIELIAN, ASATOUR MAGZANYAN, and LOUI ARTIN were associates of ARA KARAPEDYAN. DANIELIAN lived in Burbank, California, and created drug wholesale companies, including Nuvo Pharmaceuticals and Niva Pharmaceuticals, by preparing and filing the necessary paperwork. Defendants TIGRAN SARKISYAN and HRIPSIME KHACHTRYAN were husband and wife and lived in North Hollywood, California. Both were associates of MAXWELL STARSKY.

7. Defendant HUGO MARQUEZ lived in Encino, California, and was involved in the operation of several drug wholesale drug companies, including: Apex Pharmaceuticals, which was licensed in California until in or about November 2011; Maroon Pharma, which was licensed in New York; and ME Wholesale, which was licensed in Pennsylvania. Defendant ERIC FIGUEROA was a friend and associate of MARQUEZ and helped him procure drugs to sell. Defendant ARMAN ZARGARYAN was an associate of MARQUEZ who lived in Encino, California. ZARGARYAN operated a California-licensed drug wholesale company, Nuvo Pharmaceuticals, which had originally been created by ARMAN DANIELIAN. Defendant DMITRIY KUSTOV was an associate of ZARGARYAN who lived in Los Angeles, California. Defendant MICHAEL INMAN lived in Beverly Hills, California, and stole checks that were ultimately used to fund a bank account from which ZAGARYAN and KUSTOV tried to withdraw money. Defendant ARAXIA NAZARYIAN lived in Van Nuys, California, and worked for ZARGARYAN at Nuvo Pharmaceuticals.

8. Defendant ALEXANDER SOLIMAN lived in Valencia, California, and owned and

controlled several businesses engaged in the wholesale distribution of drugs, including Apex Pharmaceuticals and Maroon Pharma, which he operated with HUGO MARQUEZ and defendant CHERYL BARNDT. BARNDT worked at Apex Pharmaceuticals and Maroon Pharma buying and selling drugs. Defendants MARC ASHEGHIAN and MICHAEL ASHEGHIAN were brothers who lived, respectively, in Sherman Oaks and Los Angeles, California, and controlled Fox Health Care, a drug wholesaler located and licensed in Utah.

9. Defendant DAVID MILLER lived in Santa Ana, California, and owned, operated, and controlled a variety of drug wholesale businesses, including: Minnesota Independent Cooperative ("MIC") in Eagan, Minnesota, which was licensed to wholesale drugs in Minnesota and had an office in Tustin, California, where it was also called E-Tail Network; B&Y Wholesale, which was licensed to wholesale drugs in Puerto Rico; and FMC Distributors, which was also licensed to wholesale drugs in Puerto Rico. Defendant JAMES RUSSO lived in Minnesota and worked for MIC in Eagan as Vice-President of Operations. Defendants JEANNETTE COUCH and MARIE POLICHETTI worked for MIC in Tustin, California, where COUCH was Head of Purchasing and POLICHETTI was the Office Manager and, among other responsibilities, handled paying debts of the company. BERNARDO GUILLEN and JAVIER RAMIREZ worked for MIC in California, inspecting drugs for MIC and shipping drugs from California to MIC in Minnesota.

Distribution of Improperly Procured Drugs

10. The wholesale distribution of drugs in the United States and its territories is subject to federal and state regulation. Generally speaking, anyone seeking to engage in the distribution of pharmaceuticals must be licensed in the state and territory in which one does business. Licensing is required in order to ensure that drug distributors procure, handle, and store their drugs in a manner that ensures the drugs' effectiveness and safety. In addition, applicable laws and regulations require drug distributors to maintain strict records on the provenance of the drugs they sell. Such drug "pedigrees" must state, at minimum, from whom the distributor purchased the drugs and are intended to allow for the origins of drugs to be readily determined, which is necessary to ensure the effectiveness and safety of the drugs, as well as to facilitate any drug recalls.

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11. Typically, the prices of drugs do not vary greatly. Drug manufacturers generally set a price, called the Wholesale Acquisition Cost ("WAC"), which is the price they charge to wholesalers and other direct accounts before the application of any rebates, discounts, allowances, and other price concessions. Given that many drugs are under patent, and thus, subject to monopolistic pricing, there is little deviation from the WAC for non-generic drugs.

12. Beginning no later than in or about 2009, MIHRAN STEPANYAN and ARTUR STEPANYAN supplied DAVID MILLER and MIC with large amounts of drugs. Rather than acquire their drugs lawfully from manufacturers and authorized distributors, MIHRAN STEPANYAN and ARTUR STEPANYAN instead procured the drugs they sold from unlicensed sources. In order to conceal their unlawful conduct and launder the proceeds thereof, MIHRAN STEPANYAN, ARTUR STEPANYAN, and their associates conducted their drug sales through front companies such as Panda Capital Group, Red Rock Capital, Trans Atlantic Capital, GC National Wholesale, Sky Atlantic Capital, and Nationwide Payment Solutions. They also conducted their transactions using aliases. For instance, MIHRAN STEPANYAN conducted many of his drug sales using the names "George Cardashian" and "Zohrab Hovhannisyan" instead of his own true name.

13. DAVID MILLER and his associates were aware that the drugs MIC purchased from MIHRAN STEPANYAN and ARTUR STEPANYAN had not been supplied through proper channels. MIC employees BERNARD GUILLEN and JAVIER RAMIREZ worked with the STEPANYANs in Southern California to package the drugs and send them from California to MIC in Minnesota via UPS. In order to conceal the unlawful nature of MIC's purchases, MILLER and his associates, such as JEANNETTE COUCH and MARIE POLICHETTI, created false drug pedigrees and invoices, as well as conducted MIC's drug purchases through front companies such as B&Y Wholesale and FMC Distributors, to make it appear that B&Y Wholesale and FMC Distributors in Puerto Rico were supplying MIC's drugs. MILLER, JAMES RUSSO, COUCH, and POLICHETTI sent some of these fraudulent documents to customers via e-mail. They also posted fraudulent pedigree information for their customers to download on the web site www.micoop.com, which was maintained by an Internet Service Provider in the Northern District of California. From in or about 2009 up through the date of

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this Indictment, MIC purchased more than $157 million worth of drugs from MIHRAN STEPANYAN and ARTUR STEPANYAN.

14. HUGO MARQUEZ and ARMAN ZARGARYAN similarly engaged in the distribution of drugs they procured from unlicensed sources. ERIC FIGUEROA helped MARQUEZ find drugs from unlicensed sources. Beginning no later than in or about 2012 and continuing through 2013, they sold in excess of $24 million worth of improperly procured drugs to Apex Pharmaceuticals, Maroon Pharma, and ME Wholesale – which was a business originally created by MIHRAN STEPANYAN and ARTUR STEPANYAN – which then sold the drugs to other customers.

15. Apex Pharmaceuticals and Maroon Pharma were operated by ALEXANDER SOLIMAN and CHERYL BARNDT, who worked with MARQUEZ and were aware that the drugs their businesses purchased had not been supplied through proper channels. BARNDT, who dealt with customers for Apex Pharmaceuticals and Maroon Pharma, sent e-mails containing false pedigree information to customers. Generally, these pedigrees falsely claimed that the drugs being sold had been supplied by authorized drug distributers when, in fact, they had not been. In addition, SOLIMAN and BARNDT caused Maroon Pharma to pay the ASHEGHIANs' drug wholesale company, Fox Health Care, but the ASHEGHIANs transferred much of the money into other bank accounts, including an account controlled by MARQUEZ as well as another account from which much of the money was withdrawn via ATM cash withdrawals and checks negotiated through check cashing businesses. For ME Wholesale transactions, MARQUEZ also claimed to have been supplied by Nuvo Pharmaceuticals. Nuvo Pharmaceuticals, however, was a business originally created by ARMAN DANIELIAN and it did not receive drugs from the manufacturers and authorized distributors that it claimed it did. In addition, Nuvo Pharmaceuticals was controlled and operated by ARMAN ZARGARYAN under the alias "Ara Yeramyan." From in or about September 2013 to in or about December 2013, ARAXIA NAZARYIAN withdrew more than $2 million in Nuvo Pharmaceuticals proceeds from bank accounts maintained under the "Ara Yermamyan" name.

16. ARA KARAPEDYAN likewise engaged in the unlicensed sale of improperly procured drugs. On at least three occasions in 2013, KARAPEDYAN met with a purchaser in various parking lots in the Eastern District of California and delivered boxes and bottles of drugs such as Abilify,

Liboderm, Cymbalta, and Namenda, as well as approximately 360 pills of oxycodone, a controlled substance. KAPAREDYAN also sold the HIV drugs Atripla, Truvada, and Isentress in or about July 2013. Furthermore, on or about January 8, 2015, SEVAK GHARGHANI, on KARAEPDYAN's behalf, delivered several bottles of the cancer medication Gleevec to a purchaser in the Northern District of California.

17. In addition, ARA KARAPEDYAN and MAXWELL STARSKY, from in or about October 2014 through in or about January 2015, provided ME Wholesale with more than $1 million worth of improperly procured drugs.

18. ARA KARAPEDYAN also supplied MIHRAN STEPANYAN and ARTUR STEPANYAN with drugs in or about 2014.

Negotiation of Fraudulent Checks

19. From at least in or about September 2012, through in or about November 2014, ARA KARAPEDYAN, GEVORK TER-MKRTCHYAN, KHACHIG GEUYDJIAN, ARMAN PETROSYAN, LANNA KARAPEDYAN, MAXWELL STARSKY, SEVAK GHARGHANI, JEAN DUKMAJIAN, KARINE DUKMAJIAN, ANGELA DUKMAJIAN, ASATOUR MAGZANYAN, TIGRAN SARKISYAN, HRIPSIME KHACHTRYAN, LOUI ARTIN, HUGO MARQUEZ, ARMAN ZARGARYAN, DMITRIY KUSTOV, MICHAEL INMAN, and their associates negotiated and attempted to negotiate in excess of 500 fraudulent checks totaling more than $5 million and issued to a variety of payees. ARA KARAPEDYAN, PETROSYAN, LANNA KARAPEDYAN, and GHARGHANI delivered, and sent via mail, many of these checks to the Northern District of California to be negotiated. ARA KARAPEDYAN, PETROSYAN, LANNA KARAPEDYAN, and GHARGHANI also traveled to the Northern District of California to pick up cash derived from the negotiation of these checks.

20. A substantial portion of the fraudulent checks were tax refund checks sent by mail by the United States Treasury, and many of these tax refund checks had been issued based on fraudulent tax returns filed with the Internal Revenue Service. ASATOUR MAGZANYAN, TIGRAN SARKISYAN, HRIPSIME KHACHTRYAN, and KHACHIG GEUYDJIAN, among others, acquired and possessed identifying information for dozens of individuals, which was used to file fraudulent tax returns online.

GEUYDJIAN also used his mailbox business Mailworks, Etc., as the address of record for many such tax filings and as the address to where tax return checks were to be sent. Fraudulent tax refund checks, however, were not the only checks from which the defendant sought to profit. For instance, GEVORK TER-MKRTCHYAN provided checks either issued from a bank account maintained under the name for his non-profit clinic, All Care One Community Health, or issued to All Care One Community Health as the payee. In addition, MICHAEL INMAN in 2013 stole several high-value cashier's checks from a woman, which ARMAN ZARGARYAN and DMITRIY KUSTOV used to fund a bank account created under the woman's name from which they wrote checks. Furthermore, in or about March 2014, KHACHIG GEUYDJIAN attempted to negotiate two high-value tax return checks that had simply been stolen from their rightful owners, one of whom was a movie director, the other, the drummer of a popular band.

21. The negotiation of fraudulent checks was also facilitated by JEAN DUKMAJIAN, KARINE DUKMAJIAN, and ANGELA DUKMAJIAN through their business, Duke's Check Cashing. The DUKMAJIANs allowed ARA KARAPEDYAN and his associates to negotiate numerous fraudulent checks through Duke's Check Cashing in exchange for a percentage of the proceeds. ANGELA DUKMAJIAN, Duke's Check Cashing's anti-money laundering and compliance officer, also inaccurately prepared records that were required to be provided to federal authorities in order to conceal their scheme.

Money Laundering

22. The defendants' drug distribution and check fraud schemes generated substantial amounts of cash, and they sought to launder their illicit proceeds by transferring the money through various bank accounts opened under the names of various businesses and numerous individuals' identities.

23. For instance, between in or about August 2013 and in or about January 2014, MIHRAN STEPANYAN's drug wholesale company, GC National Wholesale, wired more than $1.3 million to a business to which ARA KARAPEDYAN had access. KARAPEDYAN caused almost all of these wire transfers to be converted into cash, much of which KARAPEDYAN picked up in the Northern District of California. Similarly, in September 2014, MIHRAN STEPANYAN asked KARAPEDYAN to launder more money, this time, from another one of STEPANYAN's companies, Nationwide Payment

Solutions. KARAPEDYAN, however, did not end up receiving any money from Nationwide Payment Solutions. Rather, at least some of the money from Nationwide Payment Solutions was transferred by wire to purchase make millions of dollars of gold by someone known only as "Gary" to the gold seller.

24. Similarly, between in or about October 2014 and in or about February 2015, ME Wholesale wired more than $1 million to another business to which KARAPEDYAN had access. KARADPEYAN caused almost all of these wire transfers to be converted into cash or to be sent as further wire transfers to other bank accounts maintained under such names as "Sevak Gharghani," "LG Construction," "American Eagle Coins," "Starsky Development Group," "Hovik's Billing Service," and "MJ Trade Group." KARAPEDYAN picked up much of the cash in the Northern District of California, while his associates, such as SEVAK GHARGHANI, MAXWELL STARSKY, and LOUI ARTIN, accessed the money that had been wired into the bank accounts.

Murder-For-Hire

25. From in or about August 2014 through in or about November 2014, ARA KARAPEDYAN and GEVORK TER-MKRTCHYAN sought individuals who would be willing to kill someone (the "Victim") who had angered TER-MKRTCHYAN. During these months, KARAPEDYAN and TER-MKRTCHYAN made numerous calls to the Northern District of California seeking individuals willing to carry out the attack, and they eventually agreed to pay $1,500 for the task. The attack on the Victim was never carried out.

COUNT ONE: (18 U.S.C. § 1962(d) – Racketeering Conspiracy)

26. Paragraphs 1 through 25 of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein.

The Racketeering Enterprise

27. Defendants ARA KARAPEDYAN, MIHRAN STEPANYAN, ARTUR STEPANYAN, GEVORK TER-MKRTCHYAN, KHACHIG GEUYDJIAN, ARMAN PETROSYAN, LANNA KARAPEDYAN, MAXWELL STARSKY, SEVAK GHARGHANI, JEAN DUKMAJIAN, KARINE DUKMAJIAN, ANGELA DUKMAJIAN, ARMAN DANIELIAN, ASATOUR MAGZANYAN, TIGRAN SARKISYAN, HRIPSIME KHACHTRYAN, LOUI ARTIN, HUGO MARQUEZ, ARMAN ZARGARYAN, DMITRIY KUSTOV, and DAVID MILLER, and the entities owned, operated, and

controlled by them, including All Care One Community Health, Legal-Act Entities, Mailworks, Etc., All American Real Estate Company, Pro Serve Entities, Inc., Duke's Check Cashing, LG Construction, American Eagle Coins, Starsky Development Group, Hovik's Billing Service, MJ Trade Group, Niva Pharmaceuticals, Nuvo Pharmaceuticals, Panda Capital Group, Red Rock Capital, Trans Atlantic Capital, GC National Wholesale, Sky Atlantic Capital, Nationwide Payment Solutions, Apex Pharmaceuticals, Maroon Pharma, ME Wholesale, MIC, B&Y Wholesale, and FMC Distributors, together with others known and unknown, comprised the "Karapedyan-Stepanyan Enterprise." The Karapedyan-Stepanyan Enterprise, including its leadership, members, and associates, in the Northern District of California and elsewhere, constituted an "enterprise" as defined in Title 18, United States Code, Section 1961(4), that is, a group of individuals and entities associated in fact. The enterprise constituted an ongoing organization whose members functioned as a continuing unit for a common purpose of achieving the objectives of the enterprise. The enterprise engaged in, and its activities affected, interstate and foreign commerce.

Purposes of the Enterprise

28. The purposes of the Karapedyan-Stepanyan Enterprise included but were not limited to the following:

a. Obtaining profits and property for its members and associates through the commission of criminal acts, including, but not limited to, identity theft, fraudulent use of access devices, mail, wire, and bank fraud, the unlicensed wholesale distribution of drugs, and money laundering;

b. Promoting and enhancing the enterprise and the activities of its members and associates;

c. Providing assistance to other enterprise members and associates in order to hinder, obstruct, and prevent law enforcement officers from identifying the offenders, apprehending the offenders, and successfully prosecuting and punishing the offenders;

d. Eliminating, through violence and the threat of violence, individuals who opposed or angered enterprise members and associates.

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Means and Methods of the Enterprise

29. Among the means and methods by which the members and associates of the Karapedyan-Stepanyan Enterprise conducted and participated in the conduct of the affairs of the enterprise were the following:

a. The members and associates of the Karapedyan-Stepanyan Enterprise used false and stolen identification documents and fraudulent and unauthorized access devices, such as Social Security and bank account numbers, to negotiate fraudulent checks.

b. The members and associates of the Karapedyan-Stepanyan Enterprise used false and stolen identification documents and fraudulent and unauthorized access devices, such as Social Security and Tax Identification numbers, to file fraudulent federal tax returns in order to induce the United States Treasury to issue tax refund checks through the mail.

c. The members and associates of the Karapedyan-Stepanyan Enterprise used false and stolen identification documents to create bank accounts through which they could negotiate fraudulent checks as well as to launder money derived from other criminal activities.

d. The members and associates of the Karapedyan-Stepanyan Enterprise created documents containing false information, such as invoices, contracts, and other business records, in order to facilitate their fraudulent sales of drugs improperly procured and handled, their negotiation of fraudulent checks, and their laundering of the proceeds from these activities.

e. The members and associates of the Karapedyan-Stepanyan Enterprise created shell businesses to engage in the fraudulent sales of drugs improperly procured and handled, to negotiate fraudulent checks, and to launder the proceeds from these activities.

f. The members and associates of the Karapedyan-Stepanyan Enterprise used the mail and wire transmissions to facilitate their fraudulent sales of drugs improperly procured and handled to unwitting customers. For instance, they used mail and e-mail to send false drug pedigree information to customers, they communicated with other conspirators using e-mail, and they posted false pedigree information on a web site for customers to download. They also shipped drugs improperly procured and handled via common carrier to conspirators so that the drugs could be aggregated and repackaged for sale. They also shipped drugs improperly procured and handled to customers who were unaware that

the drugs had been procured outside of the proper channels of distribution. They also used wire transmissions to pay for, and to receive payment for, drugs, as well as used wire transmissions to launder the proceeds derived from the sales of drugs and the negotiation of fraudulent checks.

g. The members and associates of the Karapedyan-Stepanyan Enterprise obtained money and property from banks through misrepresentations. For instance, they negotiated fraudulent checks and caused fraudulent checks to be negotiated through banks. They also established bank accounts with false identities, false address, and other false information from which they drew money and through which they laundered the proceeds of their criminal activities.

h. The members and associates of the Karapedyan-Stepanyan Enterprise conducted numerous financial transactions to promote and to conceal the proceeds derived from their fraudulent sales of drugs improperly procured and handled, and their negotiation of fraudulent checks.

i. The members and associates of the Karapedyan-Stepanyan Enterprise used violence and the threat of violence in order to advance their personal interests as well as the interests of the Enterprise.

The Racketeering Conspiracy

30. From at least in or about 2009, through and including the date of this Indictment, in the Northern District of California and elsewhere, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) KHACHIG GEUYDJIAN,

(6) ARMAN PETROSYAN,

(7) LANNA KARAPEDYAN,

(8) MAXWELL STARSKY,

(9) SEVAK GHARGHANI,

(10) JEAN DUKMAJIAN,

(11) KARINE DUKMAJIAN,

(12) ANGELA DUKMAJIAN,

(13) ARMAN DANIELIAN,

(14) ASATOUR MAGZANYAN,

(15) TIGRAN SARKISYAN,

(16) HRIPSIME KHACHTRYAN,

(17) LOUI ARTIN,

(18) HUGO MARQUEZ,

(19) ARMAN ZARGARYAN,

(20) DMITRIY KUSTOV, and

(21) DAVID MILLER

and others known and unknown, being persons employed by and associated with the enterprise described above, namely, the Karapedyan-Stepanyan Enterprise, which enterprise was engaged in, and the activities of which affected, interstate and foreign commerce, unlawfully and knowingly combined, conspired, confederated, and agreed together and with each other to conduct and participate, directly and indirectly, in the conduct of the affairs of the enterprise through a pattern of racketeering activity, which pattern of racketeering consisted of:

a. multiple acts and threats involving murder under Sections 187, 189, 182, 21a, 664, 653f(b), and 31 of the California Penal Code; and

b. multiple acts indictable under Title 18, United States Code, Sections 1028, 1029, 1341, 1343, 1344, 1956, 1957, and 1958.

31. It was part of the conspiracy that each defendant agreed that a conspirator would commit at least two acts of racketeering activity in the conduct of the affairs of the enterprise.

All in violation of Title 18, United States Code, Section 1962(d).

COUNT TWO: (18 U.S.C. § 1028(f) – Conspiracy to Commit Identity Theft)

32. Paragraphs 1 through 29 of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein.

33. From at least in or about 2009, through and including the date of this Indictment, in the Northern District of California and elsewhere, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) KHACHIG GEUYDJIAN,

(6) ARMAN PETROSYAN,

(7) LANNA KARAPEDYAN,

(8) MAXWELL STARSKY,

(9) SEVAK GHARGHANI,

(10) JEAN DUKMAJIAN,

(11) KARINE DUKMAJIAN,

(12) ANGELA DUKMAJIAN,

(13) ARMAN DANIELIAN,

(14) ASATOUR MAGZANYAN,

(15) TIGRAN SARKISYAN,

(16) HRIPSIME KHACHTRYAN,

(17) LOUI ARTIN,

(18) HUGO MARQUEZ,

(19) ARMAN ZARGARYAN,

(20) DMITRIY KUSTOV, and

(21) DAVID MILLER,

conspired together and with one another to violate Title 18, United States Code, Section 1028(a)(3), (4), and (7).

34. It was a part and an object of the conspiracy that the defendants named in paragraph 33 of this Indictment, and others known and unknown to the Grand Jury, would and did possess with intent to use unlawfully five and more identification documents other than ones issued lawfully for the use of the possessor, authentication features, and false identification documents, affecting interstate and foreign commerce, in violation of Title 18, United States Code, Section 1028(a)(3).

35. It was further a part and an object of the conspiracy that the defendants named in paragraph 33 of this Indictment, and others known and unknown to the Grand Jury, would and did, possess an identification document other than ones issued lawfully for the use of the possessor, authentication feature, and false identification document, with the intent such document and feature be used to defraud the United States, in violation of Title 18, United States Code, Section 1028(a)(4).

36. It was further a part and an object of the conspiracy that the defendants named in paragraph 33 of this Indictment, and others known and unknown to the Grand Jury, would and did, transfer, possess, and use, without lawful authority, a means of identification of another person with the intent to commit, and to aid and abet, and in connection with, any unlawful activity that constitutes a violation of Federal law, or that constitutes a felony under any applicable State and local law, affecting interstate and foreign commerce, in violation of Title 18, United States Code, Section 1028(a)(7).

All in violation of Title 18, United States Code, Section 1028(f).

COUNT THREE: (18 U.S.C. § 1029(b)(2) – Conspiracy to Commit Access Device Fraud)

37. Paragraphs 1 through 29 of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein.

38. From at least in or about 2009, through and including the date of this Indictment, in the Northern District of California and elsewhere, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) KHACHIG GEUYDJIAN,

(6) ARMAN PETROSYAN,

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(14) ASATOUR MAGZANYAN,

(15) TIGRAN SARKISYAN,

(16) HRIPSIME KHACHTRYAN,

(17) LOUI ARTIN,

(18) HUGO MARQUEZ,

(19) ARMAN ZARGARYAN,

(20) DMITRIY KUSTOV, and

(21) DAVID MILLER,

conspired together and with one another to violate Title 18, United States Code, Section 1029(a)(1), (2), (3) and (5).

39. It was a part and an object of the conspiracy that the defendants named in paragraph 38 of this Indictment, and others known and unknown to the Grand Jury, with intent to defraud, would and did use one and more counterfeit access devices, affecting interstate and foreign commerce, in violation of Title 18, United States Code, Section 1029(a)(1).

40. It was further a part and an object of the conspiracy that the defendants named in paragraph 38 of this Indictment, and others known and unknown to the Grand Jury, with intent to defraud, would and did use one and more unauthorized access devices during a one-year period, and by such conduct, obtained anything of value aggregating $1,000 and more during that period, affecting interstate and foreign commerce, in violation of Title 18, United States Code, Section 1029(a)(2).

41. It was further a part and an object of the conspiracy that the defendants named in paragraph 38 of this Indictment, and others known and unknown to the Grand Jury, with intent to defraud, would and did possess fifteen and more devices which were counterfeit and unauthorized access devices, affecting interstate and foreign commerce, in violation of Title 18, United States Code, 1029(a)(3).

42. It was further a part and an object of the conspiracy that the defendants named in paragraph 38 of this Indictment, and others known and unknown to the Grand Jury, with intent to

defraud, would and did effect transactions, with 1 and more access devices issued to another person, to receive payment and any other thing of value during any 1-year period the aggregate value of which was equal to and greater than $1,000, affecting interstate and foreign commerce, in violation of Title 18, United States Code, Section 1029(a)(5).

Overt Acts

43. In furtherance of the conspiracy, and to effect the illegal objects thereof, the following overt acts, among others, were committed in the Northern District of California:

a. On or about October 17, 2012, SEVAK GHARGHANI delivered checks to the Northern District of California.

b. On or about September 12, 2013, ARA KARAPEDYAN picked up cash and delivered checks in the Northern District of California.

c. On or about October 15, 2013, ARA KARAPEDYAN picked up cash and delivered checks in the Northern District of California.

d. On or about October 22, 2013, ARA KARAPEDYAN picked up cash and delivered a check in the Northern District of California.

e. On or about November 26, 2013, ARMAN PATROYSAN and LANNA KARAPEDYAN picked up cash in the Northern District of California.

f. On or about November 26, 2013, LANNA KARAPEDYAN called ARA KARAPEDYAN from the Northern District of California.

g. On or about December 20, 2013, ARA KARAPEDYAN picked up cash and delivered checks in the Northern District of California.

h. On or about November 24, 2014, ARA KARAPEDYAN picked up cash and delivered checks in the Northern District of California.

All in violation of Title 18, United States Code, Section 1029(b)(2).

COUNT FOUR: (18 U.S.C. § 1349 – Conspiracy to Commit Mail, Wire, and Bank Fraud)

44. Paragraphs 1 through 29 of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein.

45. From at least in or about 2009, through and including the date of this Indictment, in the

Northern District of California and elsewhere, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) KHACHIG GEUYDJIAN,

(6) ARMAN PETROSYAN,

(7) LANNA KARAPEDYAN,

(8) MAXWELL STARSKY,

(9) SEVAK GHARGHANI,

(10) JEAN DUKMAJIAN,

(11) KARINE DUKMAJIAN,

(12) ANGELA DUKMAJIAN,

(13) ARMAN DANIELIAN,

(14) ASATOUR MAGZANYAN,

(15) TIGRAN SARKISYAN,

(16) HRIPSIME KHACHTRYAN,

(17) LOUI ARTIN,

(18) HUGO MARQUEZ,

(19) ARMAN ZARGARYAN,

(20) DMITRIY KUSTOV,

(21) MICHAEL INMAN,

(22) ARAXIA NAZARYIAN,

(23) ALEXANDER SOLIMAN,

(24) CHERYL BARNDT,

(25) ERIC FIGUEROA,

(26) MARC ASHEGHIAN,

(27) MICHAEL ASHEGHIAN,

(28) DAVID MILLER,

(29) JAMES RUSSO,

(30) JEANNETTE COUCH,

(31) MARIE POLICHETTI,

(32) BERNARDO GUILLEN, and

(33) JAVIER RAMIREZ,

conspired together and with one another to violate Title 18, United States Code, Sections 1341, 1343, and 1344.

46. It was a part and an object of the conspiracy that the defendants named in paragraph 45 of this Indictment, and others known and unknown to the Grand Jury, 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, for the purpose of executing such scheme and artifice would and did place in a post office and authorized depository for mail matter, a matter and thing whatever to be sent and delivered by the Postal Service and a private and commercial interstate carrier, and take and receive therefrom, a matter and thing, and knowingly cause to be delivered by mail and such carrier according to the direction thereon, and at the place at which it is directed to be delivered by the person to whom it is addressed, a matter and thing, in violation of Title 18, United States Code, Section 1341.

47. It was further a part and an object of the conspiracy that the defendants named in paragraph 45 of this Indictment, and others known and unknown to the Grand Jury, 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 purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

48. It was further a part and an object of the conspiracy that the defendants named in paragraph 45 of this Indictment, and others known and unknown to the Grand Jury, would and did execute a scheme and artifice to defraud a financial institution and to obtain the moneys, funds, credits,

assets, securities and other property owned by, and under the custody and control of, a financial institution, by means of false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344.

All in violation of Title 18, United States Code, Section 1349.

COUNT FIVE: (18 U.S.C. § 1956(h) – Money Laundering Conspiracy)

49. Paragraphs 1 through 29 of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein.

50. From at least in or about 2009, through and including the date of this Indictment, in the Northern District of California and elsewhere, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) KHACHIG GEUYDJIAN,

(6) ARMAN PETROSYAN,

(7) LANNA KARAPEDYAN,

(8) MAXWELL STARSKY,

(9) SEVAK GHARGHANI,

(10) JEAN DUKMAJIAN,

(11) KARINE DUKMAJIAN,

(12) ANGELA DUKMAJIAN,

(13) ARMAN DANIELIAN,

(14) ASATOUR MAGZANYAN,

(15) TIGRAN SARKISYAN,

(16) HRIPSIME KHACHTRYAN,

(17) LOUI ARTIN,

(18) HUGO MARQUEZ,

(19) ARMAN ZARGARYAN,

(20) DMITRIY KUSTOV,

(21) ARAXIA NAZARYIAN,

(22) ALEXANDER SOLIMAN,

(23) CHERYL BARNDT,

(24) MARC ASHEGHIAN,

(25) MICHAEL ASHEGHIAN,

(26) DAVID MILLER,

(27) JAMES RUSSO,

(28) JEANNETTE COUCH, and

(29) MARIE POLICHETTI,

conspired together and with one another to violate Title 18, United States Code, Section 1956(a)(1).

51. It was a part and an object of the conspiracy that the defendants named in paragraph 50 of this Indictment, and others known and unknown to the Grand Jury, with the intent to promote the carrying on of specified unlawful activity and to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, to wit, conspiracy to commit identity theft, in violation of Title 18, United States Code, Section 1028(f), conspiracy to commit access device fraud, in violation of Title 18, United States Code, Section 1029(b)(2), and conspiracy to commit mail, wire, and bank fraud, in violation of Title 18, United States Code, Section 1349, and knowing that property involved in a financial transaction represents the proceeds of some form of unlawful activity, would and did conduct and attempt to conduct a financial transaction which in fact involved the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1).

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

COUNT SIX: (18 U.S.C. § 1958 –Conspiracy to Use Interstate Facility to Commit Murder-for-Hire)

52. Paragraphs 1 through 29 of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein.

53. From at least in or about August 2014, through and including in or about November 2014, in the Northern District of California and elsewhere, the defendants,

//

ARA KARAPEDYAN and

GEVORK TER-MKRTCHYAN,

conspired together and with one another to violate Title 18, United States Code, Section 1958.

54. It was a part and an object of the conspiracy that the defendants named in paragraph 53 of this Indictment, and others known and unknown to the Grand Jury, would and did cause another to travel in interstate and foreign commerce, and use and cause another to use the mail and any facility of interstate and foreign commerce, with intent that a murder be committed in violation of the laws of a State and the United States as consideration for the receipt of, or as consideration for a promise and agreement to pay, anything of pecuniary value, in violation of Title 18, United States Code, Section 1958.

All in violation of Title 18, United States Code, Section 1958.

COUNT SEVEN: (18 U.S.C. § 371 – Conspiracy to Engage in the Unlicensed Wholesale Distribution of Drugs)

55. Paragraphs 1 through 29 of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein.

56. From at least in or about 2009, through and including the date of this Indictment, in the Northern District of California and elsewhere, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) MAXWELL STARSKY,

(6) SEVAK GHARGHANI,

(7) ARMAN DANIELIAN,

(8) HUGO MARQUEZ,

(9) ARMAN ZARGARYAN,

(10) ARAXIA NAZARYIAN,

(11) ALEXANDER SOLIMAN,

(12) CHERYL BARNDT,

(13) ERIC FIGUEROA,

(14) MARC ASHEGHIAN,

(15) MICHAEL ASHEGHIAN,

(16) DAVID MILLER,

(17) JAMES RUSSO,

(18) JEANNETTE COUCH,

(19) MARIE POLICHETTI,

(20) BERNARDO GUILLEN, and

(21) JAVIER RAMIREZ,

conspired together and with one another to violate Title 21, United States Code, Sections 331(t), 353(e)(2)(A), and 333(b)(1)(D).

57. It was a part and an object of the conspiracy that the defendants named in paragraph 56 of this Indictment, and others known and unknown to the Grand Jury, would and did engage in the unlicensed wholesale distribution of drugs in interstate commerce, in violation of Title 21, United States Code, Sections 331(t), 353(e)(2)(A), and 333(b)(1)(D).

Overt Acts

58. In furtherance of the conspiracy, and to effect the illegal object thereof, the following overt acts, among others, were committed in the Northern District of California:

a. In or about March 2011, a co-conspirator not named as a defendant herein established a post office box address in the Northern District of California.

b. In or about August 2013, DAVID MILLER spoke over the telephone with an employee of an Internet Service Provider located in the Northern District of California.

c. On or about August 16, 2013, ARA KARAPEDYAN picked up cash in the Northern District of California.

d. On or about September 6, 2013, ARA KARAPEDYAN picked up cash in the Northern District of California.

e. On or about September 26, 2013, ARA KARAPEDYAN picked up cash in the

Northern District of California.

f. On or about October 22, 2013, ARA KARAPEDYAN picked up cash in the Northern District of California.

g. On or about November 12, 2013, ARA KARAPEDYAN picked up cash in the Northern District of California.

h. On or about December 31, 2013, ARA KARAPEDYAN picked up cash in the Northern District of California.

i. On or about November 9, 2014, MAXWELL STARSKY sent an e-mail to a recipient in the Northern District of California.

j. On or about January 8, 2015, SEVAK GHARGHANI delivered drugs to the Northern District of California.

All in violation of Title 18, United States Code, Section 371.

FORFEITURE ALLEGATIONS: (18 U.S.C. § 1963; 18 U.S.C. §§ 982(a)(1)(A), 981(a)(1)(C), 982(a)(2)(B), 982(a)(7), 1028(b), 1029(c); 21 U.S.C. §§ 853(a)(1) & (2); and 28 U.S.C. § 2461(c))

59. Count One of this Indictment is realleged, repeated, and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 1963.

60. Upon conviction of the offense alleged in Count One, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) KHACHIG GEUYDJIAN,

(6) ARMAN PETROSYAN,

(7) LANNA ARAPEDYAN,

(8) MAXWELL STARSKY,

(9) SEVAK GHARGHANI,

(10) JEAN DUKMAJIAN,

(11) KARINE DUKMAJIAN,

(12) ANGELA DUKMAJIAN,

(13) ARMAN DANIELIAN,

(14) ASATOUR MAGZANYAN,

(15) TIGRAN SARKISYAN,

(16) HRIPSIME KHACHTRYAN,

(17) LOUI ARTIN,

(18) HUGO MARQUEZ,

(19) ARMAN ZARGARYAN,

(20) DMITRIY KUSTOV, and

(21) DAVID MILLER

shall, pursuant to Title 18, United States Code, Section 1963, forfeit to the United States of America:

a. Any interest acquired and maintained in violation of section 1962;

b. Any interest in, security of, claim against, and property and contractual right of any kind affording a source of influence over, any enterprise which the defendants established, operated, controlled, conducted, and participated in the conduct of, in violation of section 1962; and

c. Any property constituting, and derived from, any proceeds obtained, directly and indirectly, from racketeering activity and unlawful debt collection in violation of 1962.

61. Counts Two and Three of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 982(a)(2)(B), 1028(b), and 1029(c)(1)(C).

62. Upon conviction of any of the offenses alleged in Counts Two and Three of this Indictment, defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) KHACHIG GEUYDJIAN,

(6) ARMAN PETROSYAN,

(7) LANNA KARAPEDYAN,

(8) MAXWELL STARSKY,

(9) SEVAK GHARGHANI,

(10) JEAN DUKMAJIAN,

(11) KARINE DUKMAJIAN,

(12) ANGELA DUKMAJIAN,

(13) ARMAN DANIELIAN,

(14) ASATOUR MAGZANYAN,

(15) TIGRAN SARKISYAN,

(16) HRIPSIME KHACHTRYAN,

(17) LOUI ARTIN,

(18) HUGO MARQUEZ,

(19) ARMAN ZARGARYAN,

(20) DMITRIY KUSTOV, and

(21) DAVID MILLER,

shall forfeit to the United States all property constituting and derived from or traceable to any proceeds the defendant obtained, directly or indirectly, as a result of said violations, any conveyance, including any vessel, vehicle, or aircraft used in the commission of the offense of which the person is convicted, and any property, real or personal, that is used to facilitate, or is intended to be used to facilitate, the commission of the offense.

63. Counts Four and Six of this Indictment are realleged, repeated, and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

64. Upon conviction of any of the offenses alleged in Counts Four and Six of this Indictment, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) KHACHIG GEUYDJIAN,

(6) ARMAN PETROSYAN,

(7) LANNA KARAPEDYAN,

(8) MAXWELL STARSKY,

(9) SEVAK GHARGHANI,

(10) JEAN DUKMAJIAN,

(11) KARINE DUKMAJIAN,

(12) ANGELA DUKMAJIAN,

(13) ARMAN DANIELIAN,

(14) ASATOUR MAGZANYAN,

(15) TIGRAN SARKISYAN,

(16) HRIPSIME KHACHTRYAN,

(17) LOUI ARTIN,

(18) HUGO MARQUEZ,

(19) ARMAN ZARGARYAN,

(20) DMITRIY KUSTOV,

(21) MICHAEL INMAN,

(22) ARAXIA NAZARYIAN,

(23) ALEXANDER SOLIMAN,

(24) CHERYL BARNDT,

(25) ERIC FIGUEROA,

(26) MARC ASHEGHIAN,

(27) MICHAEL ASHEGHIAN,

(28) DAVID MILLER,

(29) JAMES RUSSO,

(30) JEANNETTE COUCH,

(31) MARIE POLICHETTI,

(32) BERNARDO GUILLEN, and

(33) JAVIER RAMIREZ,

shall, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to said offense, or a conspiracy to commit said offense, including but not limited to:

a. approximately $3,017,888.30 seized from Bank of Manhattan account number 208948807, held in the name of Sky Atlantic Capital Group, Inc. on or about 24-Feb-15;

b. approximately $7,983,151.78 seized from Bank of Manhattan account number 285126789 held in the name of Sky Atlantic Capital Group, Inc. on or about 24-Feb-15;

c. approximately $1,926,579.42 seized from Associated Bank account number 2283283550 held in the name of Minnesota Independent Cooperative, Inc. on or about 25-Feb-15;

d. approximately $340,645.48 seized from Merchant Bank account number 70050342 held in the name of Minnesota Independent Cooperative, Inc. on or about 27-Feb-15;

e. approximately $716,539.66 seized from Citibank account number 205851595 held in the name of Nationwide Payment Solutions, Inc. on or about 12-Mar-15;

f. approximately $2,362.80 seized from Citibank account number 205851587 held in the name of Nationwide Payment Solutions, Inc. on or about 12-Mar-15;

g. approximately $1,910.00 seized from Citibank account number 205851280 held in the name of Westprime Systems Inc. on or about 12-Mar-15;

h. approximately $8,839.18 seized from Citibank account number 205851298 held in the name of Westprime Systems Inc. on or about 12-Mar-15;

i. approximately $4,934,463.32 held to settle the un-negotiated cashier's check number 254492 made payable to Sky Atlantic Capital Group, Inc., and originally funded by Comerica Bank account number 1894966892, held in the name of Sky Atlantic seized on or about 4-Mar-15;

j. approximately $1,241,680.82 from Comerica Bank held to settle the un-negotiated cashier's check number 254491 made payable to Sky Atlantic Capital Group, Inc., and originally funded by Comerica Bank account number 1894966884, held in the name of Sky Atlantic

seized on or about 4-Mar-15;

k. approximately $451,741.61 seized from Banco Santander account no. 3004892983, held in the name of FMC Distributors, Inc. on or about 5-Mar-15.

65. Count Five of this Indictment is realleged, repeated, and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 982(a)(1).

66. Upon conviction of the offense alleged in Count Five of this Indictment, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) KHACHIG GEUYDJIAN,

(6) ARMAN PETROSYAN,

(7) LANNA KARAPEDYAN,

(8) MAXWELL STARSKY,

(9) SEVAK GHARGHANI,

(10) JEAN DUKMAJIAN,

(11) KARINE DUKMAJIAN,

(12) ANGELA DUKMAJIAN,

(13) ARMAN DANIELIAN,

(14) ASATOUR MAGZANYAN,

(15) TIGRAN SARKISYAN,

(16) HRIPSIME KHACHTRYAN,

(17) LOUI ARTIN,

(18) HUGO MARQUEZ,

(19) ARMAN ZARGARYAN,

(20) DMITRIY KUSTOV,

(21) ARAXIA NAZARYIAN,

(22) ALEXANDER SOLIMAN,

(23) CHERYL BARNDT,

(24) MARC ASHEGHIAN,

(25) MICHAEL ASHEGHIAN,

(26) DAVID MILLER,

(27) JAMES RUSSO,

(28) JEANNETTE COUCH, and

(29) MARIE POLICHETTI,

shall, pursuant to 18 U.S.C. § 982(a)(1), forfeit to the United States any property, real and personal, involved in said violations, and any property traceable to such property including, but not limited to the following:

a. approximately $3,017,888.30 seized from Bank of Manhattan account number 208948807, held in the name of Sky Atlantic Capital Group, Inc. on or about 24-Feb-15;

b. approximately $7,983,151.78 seized from Bank of Manhattan account number 285126789 held in the name of Sky Atlantic Capital Group, Inc. on or about 24-Feb-15;

c. approximately $1,926,579.42 seized from Associated Bank account number 2283283550 held in the name of Minnesota Independent Cooperative, Inc. on or about 25-Feb-15;

d. approximately $340,645.48 seized from Merchant Bank account number 70050342 held in the name of Minnesota Independent Cooperative, Inc. on or about 27-Feb-15;

e. approximately $716,539.66 seized from Citibank account number 205851595 held in the name of Nationwide Payment Solutions, Inc. on or about 12-Mar-15;

f. approximately $2,362.80 seized from Citibank account number 205851587 held in the name of Nationwide Payment Solutions, Inc. on or about 12-Mar-15;

g. approximately $1,910.00 seized from Citibank account number 205851280 held in the name of Westprime Systems Inc. on or about 12-Mar-15;

h. approximately $8,839.18 seized from Citibank account number 205851298 held in the name of Westprime Systems Inc. on or about 12-Mar-15;

i. approximately $4,934,463.32 held to settle the un-negotiated cashier's check

number 254492 made payable to Sky Atlantic Capital Group, Inc., and originally funded by Comerica Bank account number 1894966892, held in the name of Sky Atlantic seized on or about 4-Mar-15;

j. approximately $1,241,680.82 from Comerica Bank held to settle the un-negotiated cashier's check number 254491 made payable to Sky Atlantic Capital Group, Inc., and originally funded by Comerica Bank account number 1894966884, held in the name of Sky Atlantic seized on or about 4-Mar-15;

k. approximately $451,741.61 seized from Banco Santander account no. 3004892983, held in the name of FMC Distributors, Inc. on or about 5-Mar-15.

67. Count Seven of this Indictment is realleged, repeated, and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 982(a)(7) and Title 21, United States Code, Section 853.

68. Upon conviction of the offense alleged in Count Seven of this Indictment, the defendants,

(1) ARA KARAPEDYAN,

(2) MIHRAN STEPANYAN,

(3) ARTUR STEPANYAN,

(4) GEVORK TER-MKRTCHYAN,

(5) MAXWELL STARSKY,

(6) SEVAK GHARGHANI,

(7) ARMAN DANIELIAN,

(8) HUGO MARQUEZ,

(9) ARMAN ZARGARYAN,

(10) ARAXIA NAZARYIAN,

(11) ALEXANDER SOLIMAN,

(12) CHERYL BARNDT,

(13) ERIC FIGUEROA,

(14) MARC ASHEGHIAN,

(15) MICHAEL ASHEGHIAN,

(16) DAVID MILLER,

(17) JAMES RUSSO,

(18) JEANNETTE COUCH,

(19) MARIE POLICHETTI,

(20) BERNARDO GUILLEN, and

(21) JAVIER RAMIREZ,

shall, pursuant to 21 U.S.C. § 853(a)(1) and (2), forfeit to the United States all right, title, and interest in property constituting and derived from any proceeds defendants obtained, directly or indirectly, as a result of said violations, and any property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of the said violations, or any property traceable to such property, including but not limited to:

a. approximately $3,017,888.30 seized from Bank of Manhattan account number 208948807, held in the name of Sky Atlantic Capital Group, Inc. on or about 24-Feb-15;

b. approximately $7,983,151.78 seized from Bank of Manhattan account number 285126789 held in the name of Sky Atlantic Capital Group, Inc. on or about 24-Feb-15;

c. approximately $1,926,579.42 seized from Associated Bank account number 2283283550 held in the name of Minnesota Independent Cooperative, Inc. on or about 25-Feb-15;

d. approximately $340,645.48 seized from Merchant Bank account number 70050342 held in the name of Minnesota Independent Cooperative, Inc. on or about 27-Feb-15;

e. approximately $716,539.66 seized from Citibank account number 205851595 held in the name of Nationwide Payment Solutions, Inc. on or about 12-Mar-15;

f. approximately $2,362.80 seized from Citibank account number 205851587 held in the name of Nationwide Payment Solutions, Inc. on or about 12-Mar-15;

g. approximately $1,910.00 seized from Citibank account number 205851280 held in the name of Westprime Systems Inc. on or about 12-Mar-15;

h. approximately $8,839.18 seized from Citibank account number 205851298 held in the name of Westprime Systems Inc. on or about 12-Mar-15;

i. approximately $4,934,463.32 held to settle the un-negotiated cashier's check number 254492 made payable to Sky Atlantic Capital Group, Inc., and originally funded by Comerica

Bank account number 1894966892, held in the name of Sky Atlantic seized on or about 4-Mar-15;

j. approximately $1,241,680.82 from Comerica Bank held to settle the un-negotiated cashier's check number 254491 made payable to Sky Atlantic Capital Group, Inc., and originally funded by Comerica Bank account number 1894966884, held in the name of Sky Atlantic seized on or about 4-Mar-15;

k. approximately $451,741.61 seized from Banco Santander account no. 3004892983, held in the name of FMC Distributors, Inc. on or about 5-Mar-15.

All in violation of Title 18, United States Code, Sections 981(a)(1)(A), 981(a)(1)(C), 982(a)(1), 982(a)(7), and 1963; Title 21, United States Code, Section 853; Title 28, United States Code, Section 2461(c), and Rule 32.2 of the Federal Rules of Criminal Procedure.

DATED: 4/28/15

A TRUE BILL.

FOREPERSON

MELINDA HAAG
United States Attorney

DAVID R. CALLAWAY
Chief, Criminal Division

(Approved as to form:)
W.S. WILSON LEUNG
DAMALI A. TAYLOR
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