
UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : **CRIMINAL COMPLAINT**

v. :

ARYE WEISS : Mag. No. 09-3617

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

SEE ATTACHMENT A

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 B

continued on the attached page and made a part hereof.

Robert J. Cooke, Special Agent
Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,

July __, 2009, at Newark, New Jersey

HONORABLE MARK FALK
UNITED STATES MAGISTRATE JUDGE

Signature of Judicial Officer

Attachment A

COUNT 1

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

ARYE WEISS

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

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

COUNT 2

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

ARYE WEISS

did knowingly and willfully conspire with others to conduct, control, manage, supervise, direct and own all and part of an unlicensed money transmitting business--such operation being punishable as a misdemeanor and felony under New Jersey and New York law, namely, N.J.S.A. 17:15C-24 and McKinney's Banking Law §§ 641, 650--contrary to Title 18, United States Code, Section 1960, where a coconspirator committed an overt act to effect the object of the conspiracy.

In violation of Title 18, United States Code, Section 371.

Attachment B

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 B 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 and are related in substance and in part.

1. At all times relevant to this Complaint, defendant Arye Weiss ("defendant WEISS") resided in Brooklyn, New York. A check with the New Jersey Department of Banking and Insurance and the New York State Department of Banking has revealed that defendant WEISS does not hold a license to transmit or remit money.

2. At all times relevant to this Complaint:

(a) There was a coconspirator named Eliahu "Eli" Ben Haim (hereinafter, "Coconspirator Ben Haim"), who was a resident of Elberon, New Jersey, and the principal rabbi of Congregation Ohel Yaacob, a synagogue located in Deal, New Jersey. Coconspirator Ben Haim operated several charitable tax-exempt organizations in conjunction with his synagogue, including one called Congregation Ohel Eliahu (hereinafter, "COE"). A check with the New Jersey Department of Banking and Insurance and the New York State Department of Banking has revealed that Coconspirator Ben Haim does not hold a license to transmit or remit money;

(b) There was a coconspirator with the initials I.M. (hereinafter, "Coconspirator I.M.") who was an individual based in Israel. A check with the New Jersey Department of Banking and Insurance and the New York State Department of Banking has revealed that Coconspirator I.M. does not hold a license to transmit or remit money; and

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

3. On or about June 26, 2007, Coconspirator Ben Haim met with the CW at Coconspirator Ben Haim's residence in Elberon. During the meeting, Coconspirator Ben Haim accepted a \$50,000 check, drawn upon an account for a fictitious company set up by the FBI for the purpose of enabling the CW to launder money represented to be the proceeds of illegal activities. The check was made payable to COE, Coconspirator Ben Haim's charitable organization, and was provided to Coconspirator Ben Haim with the expectation that the proceeds would be returned to the CW at a later date, minus a ten percent fee to be retained by Coconspirator Ben Haim. The CW represented that the proceeds of this \$50,000 check came from "that guy who was holding, uh, my, uh, money for me on that Florida insurance, uh, scam that I did." In response to that statement, Coconspirator Ben Haim asked "[a]nd you need forty-five thousand?" The CW responded in the affirmative, prompting Coconspirator Ben Haim to reply "[o]kay . . . Give me a couple days." During the same conversation, Coconspirator Ben Haim described Coconspirator I.M.'s activities in the following manner: "He washes money for people [u/i]. He washes money for people here . . . He gives me a check. I deposit it . . . from a third party . . . He give me -- I deposit it. I wire it to him. He gives me, uh, like, one percent." Coconspirator Ben Haim further stated that he had known Coconspirator I.M. for four to five years. At the conclusion of the conversation, the CW mentioned that the CW would be in Brooklyn the following Thursday, and offered to pick up cash on Coconspirator Ben Haim's behalf. Coconspirator Ben Haim seemed hesitant because he anticipated that it would be a large amount of money. The CW asked if the amount would be "half a mill," prompting Coconspirator Ben Haim to respond "yeah."

4. On or about June 28, 2007, Coconspirator Ben Haim met with the CW at Coconspirator Ben Haim's residence in Elberon. During the meeting, Coconspirator Ben Haim accepted from the CW a bank check in the amount of \$50,000 made payable to COE, Coconspirator Ben Haim's charitable organization. Coconspirator Ben Haim was informed by the CW that this check represented the proceeds of what the CW termed "that insurance, uh, scam deal from Florida." The CW also purported to Coconspirator Ben Haim that the CW had a great deal of money available to the CW because the CW was able to shield from the CW's ongoing bankruptcy court proceedings the money that the CW was earning on property deals involving "silent partnerships." The CW explained that "this way, you know, they give me a check or a bank check to you. They get a write off. It's good for them. I get the money back. So this way there's no trace, you know, through you, and it works out for everybody. That's why I have a lot of money coming through." Coconspirator Ben Haim was further informed by the CW

that the CW's reason for laundering the money through Coconspirator Ben Haim was "so the court doesn't know, the [bankruptcy] trustee doesn't know, no one knows nothin'." In exchange, Coconspirator Ben Haim gave the CW cash totaling approximately \$53,140, which represented the completion of two money laundering transactions: \$45,000 in cash for a \$50,000 check that the CW had provided to Coconspirator Ben Haim on June 26, 2007, and \$8,100 from a separate \$9,000 check which Coconspirator Ben Haim had received from the CW the previous day.¹ As he collated the cash to give to the CW, Coconspirator Ben Haim ran the bills through a cash-counting machine. Coconspirator Ben Haim also mentioned that he owed another individual \$495,000. This individual, according to Coconspirator Ben Haim, had wired money from Hong Kong to Israel, and stated that "he has money in Hong Kong from his -- the kickbacks from the factories." Coconspirator Ben Haim also further described the activities of Coconspirator I.M. in the following terms: "The head contact's in Israel . . . He has different people, he has, . . . he has a hundred cus-, no customer in New York [u/i] money in Israel [u/i] real estate investments, they, they want to hide their money. They don't want it to show. So they give the cash here to him and he gives me the cash . . . You see the merry-go-round? This guy's been doing it for 20, 30 years." Coconspirator Ben Haim also indicated that he would pick up cash, as coordinated by Coconspirator I.M., at locations in Brooklyn. The CW offered to pick up the cash that Coconspirator Ben Haim anticipated would be available to him the following week.

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

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

dollar bank check. Coconspirator Ben Haim agreed to provide the CW with \$90,000 in cash in exchange for this \$100,000 check. During the meeting, Coconspirator Ben Haim also mentioned that another customer had sent him "200 [thousand]" that morning, and that he was expecting another check in the near future in the amount of \$450,000.

6. On or about July 10, 2007, after Coconspirator Ben Haim contacted the CW by telephone to inform the CW that \$100,000 was available to be picked up from defendant WEISS, the CW met with defendant WEISS at defendant WEISS's residence in Brooklyn. During that meeting, defendant WEISS handed the CW a plastic bag containing approximately \$98,500 in cash. Defendant WEISS confirmed to the CW that the bag should contain \$98,500, and that there were two envelopes inside, representing cash from two different sources. However, defendant WEISS indicated that he had not counted the cash.

7. On or about July 10, 2007, after returning to New Jersey from the meeting with defendant WEISS in Brooklyn, the CW met with Coconspirator Ben Haim at Coconspirator Ben Haim's residence in Elberon. During the meeting, the CW provided to Coconspirator Ben Haim the plastic bag containing approximately \$98,500 that the CW had received from defendant WEISS. In addition, Coconspirator Ben Haim accepted from the CW a check in the amount of \$100,000 made payable to COE. In exchange, Coconspirator Ben Haim gave the CW approximately \$89,850 in cash, explaining that he was withholding money from the \$90,000 that he normally would have paid because he had inadvertently overpaid the CW during the July 2, 2007 transaction.

8. On or about August 1, 2007, Coconspirator Ben Haim met with the CW in Coconspirator Ben Haim's vehicle, as it was parked in front of a residence in Deal. During the meeting, Coconspirator Ben Haim accepted from the CW a bank check made payable to COE. The CW described the bank check, which was in the amount of \$75,000, as follows: "this is 75 from that bank schnookie deal. And I have one more 75 from him and that's the -- we got a half million from a bank . . ." Coconspirator Ben Haim wondered what he should tell authorities "[i]f they ask me where did you get this check from?" After the CW again referred to the check as stemming from a fraudulent loan, Coconspirator Ben Haim answered his own question by stating that he would tell authorities that "[the CW] mailed me an anonymous donation. . . ." During the same conversation, Coconspirator Ben Haim provided further details about Coconspirator I.M.'s laundering operation and referred to a specific individual as Coconspirator I.M.'s partner, and further stated that "there's six people involved in

this thing." Coconspirator Ben Haim also referred to the pickups of cash in New York City, and the CW offered to pick up the cash for Coconspirator Ben Haim. When the CW asked whether it would be the same guy from whom the CW had previously received money several weeks earlier, Coconspirator Ben Haim stated that the pickup "[c]ould be [in] Queens, could be a hotel in Manhattan, it could be anywhere. Lately, it's been Boro Park."

9. On or about August 6, 2007, Coconspirator Ben Haim met with the CW at Coconspirator Ben Haim's residence in Elberon. During the conversation, Coconspirator Ben Haim accepted a bank check in the amount of \$50,000 from the CW. As with previous checks, this bank check was made payable to COE. The CW described the check as follows: "This is a check for, uh, fifty thousand from that, uh, bank, uh, schnookie deal." On this occasion, Coconspirator Ben Haim gave the CW approximately \$67,500 in cash to complete the money laundering transaction from August 1, 2007, during which the CW had provided Coconspirator Ben Haim with the aforementioned \$75,000 check. Coconspirator Ben Haim also indicated that he had picked up cash from numerous individuals over the years, stating that "[i]n the five years [I'm] with [Coconspirator I.M.], maybe I saw over a hundred different people."

10. On or about August 8, 2007, the CW met with defendant WEISS at defendant WEISS's residence in Brooklyn. During the meeting, defendant WEISS provided the CW with a box of Apple Jacks cereal in which were secreted bundles containing approximately \$97,000 in cash. When the CW took possession of this box, the CW removed a few bundles and asked "[s]o this is the, uh, the ninety-seven, right?" Defendant replied "[y]eah. I didn't count it." Defendant WEISS did confirm that he had removed \$3,000, apparently for himself, noting that he had taken \$500 and then "I took for me, uh, 2,500." The CW stated that "I'll count it and, uh, should be okay." As the CW departed, the CW told defendant WEISS that "[m]aybe we'll have some more [to pick up] next week. We'll see."

11. On or about August 8, 2007, after returning to New Jersey from the meeting with defendant WEISS in Brooklyn, Coconspirator Ben Haim met with the CW at Coconspirator Ben Haim's residence in Elberon. During the meeting, the CW provided to Coconspirator Ben Haim the box of Apple Jacks cereal containing the approximately \$97,000 in cash that the CW had earlier obtained from defendant WEISS. In addition, Coconspirator Ben Haim accepted two checks from the CW, both of which were in the amount of \$5,000 and made payable to COE. In exchange for the checks, Coconspirator Ben Haim provided the CW

with approximately \$53,100 in cash. This amount included \$45,000 from the \$50,000 check which Coconspirator Ben Haim accepted on August 6, 2007, and \$8,100 pertaining to the two checks which the CW gave to Coconspirator Ben Haim during the meeting. During their conversation, Coconspirator Ben Haim spoke of his ongoing business with Coconspirator I.M., and referred to the fact that while his volume of money laundering had subsided during the current year, he had done between six and eight million dollars of laundering business per annum during the previous two years.

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

13. On or about January 14, 2008, Coconspirator Ben Haim met with the CW at Coconspirator Ben Haim's residence in Elberon. During this meeting, Coconspirator Ben Haim accepted a cashier's check from the CW in the amount of \$100,000 made payable to COE. When the CW handed Coconspirator Ben Haim the check, the CW stated "[u/i] bank check there for a hundred thousand. Now that, you have to understand, that's from one of the [Bank] schnookie deals." During their discussion, Coconspirator Ben Haim also mentioned that he had picked up cash in Brooklyn from defendant WEISS in or about late December 2007.

14. On or about January 20, 2008, Coconspirator Ben Haim met the CW at Coconspirator Ben Haim's residence in Elberon. During that meeting, Coconspirator Ben Haim gave the CW approximately \$95,200 in cash to complete their previous money laundering transactions, including the one from January 14, 2008.

15. On or about March 9, 2008, defendant WEISS met with the CW at defendant WEISS's residence in Brooklyn. During the meeting, the CW observed defendant WEISS go into a bedroom and close the door. Shortly thereafter, defendant WEISS emerged with a black plastic bag containing approximately \$50,000 in cash and gave the bag to the CW. This cash was provided to the CW at the direction of Coconspirator Ben Haim to complete two previous money laundering transactions that occurred in or about February 2008. In addition, the CW observed a list of names with corresponding amounts. This list included the name of Coconspirator Ben Haim followed by a notation for \$50,000. The CW observed at least 7 more names on this list. Defendant WEISS indicated that his cash-counting machine was broken and that a replacement had not yet been provided by a coconspirator who, he stated, worked for him.

16. On or about March 10, 2008, Coconspirator Ben Haim met with the CW in Coconspirator Ben Haim's vehicle in Deal. During the meeting, Coconspirator Ben Haim and the CW discussed the amount of money Coconspirator Ben Haim owed to the CW to complete their prior money laundering transactions. Coconspirator Ben Haim stated that he believed that he would soon have cash, as defendant WEISS was holding \$30,000 for him and another individual would soon have available another \$200,000 for him.

17. On or about June 13, 2008, Coconspirator Ben Haim met with the CW in Coconspirator Ben Haim's vehicle in Elberon. During that meeting, Coconspirator Ben Haim accepted from the CW a bank check in the amount of \$50,000. The CW informed Coconspirator Ben Haim that the funds from this check were generated from the sale of counterfeit high-end merchandise manufactured "from my factory in Brooklyn where I have the--where I make the bags. I take the labels . . ." The CW further clarified that "I'm switching the labels. . . Business is very good. Prada, Gucci, boom, boom, boom. This is from my profits. This is not--I put up 400 thousand principal. These are only my profits. Profits from this, profits from the PNC." This last remark referred to the bank fraud scheme involving PNC Bank which led to criminal charges being filed against the CW in about 2006. After Coconspirator Ben Haim demanded a higher percentage fee than he normally collected from the CW to conduct the transaction, the CW complained that "I'm a repeat customer," and

asked "[a]m I your best customer?" After Coconspirator Ben Haim responded in a hushed tone, "[n]o," the CW replied "[n]o. Why, 'cause you've got guys who do a million dollars a month . . .?" Coconspirator Ben Haim responded "[n]o, that was once upon a time." Coconspirator Ben Haim then retrieved a bag from the trunk of Coconspirator Ben Haim's car which contained a box with Power Rangers logos. The box contained tens of thousands of dollars in bundles of cash, and Coconspirator Ben Haim provided the CW with approximately \$45,000. The CW reiterated that the money from the check was "all offshore," and noted that "[w]e have the factory. We make the stuff in Brooklyn, but we offshore it," and added that "[t]here's no trace, no nothing." By way of explanation, the CW stated that "[i]t's offshore. So all the profits are hidden." After the two discussed whether Coconspirator Ben Haim would be doing additional deals with other individuals in the near future, Coconspirator Ben Haim noted, in an apparent reference to Coconspirator I.M., that "[h]e called me up 14 times. He says 'I got another 300 [thousand]. You want it?'" Coconspirator Ben Haim indicated that he had declined the offer but then noted that "I have orders for Sunday . . . I don't have enough," thus indicating that the money remaining from the Power Rangers box would be insufficient for the customers he would see on Sunday. At the conclusion of the meeting, Coconspirator Ben Haim asked the CW if the CW wished to launder "a hundred [thousand] next week?" The CW responded "[l]et me see how much, what our profits are next week," and agreed to contact Coconspirator Ben Haim if another laundering transaction was to be conducted.

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

19. On or about December 30, 2008, Coconspirator Ben Haim met the CW in Coconspirator Ben Haim's vehicle in Deal. During the meeting, Coconspirator Ben Haim provided the CW with

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

20. On or about January 18, 2009, Coconspirator Ben Haim met with the CW at a location on Ocean Parkway in Brooklyn. During the meeting, Coconspirator Ben Haim and the CW discussed a potential pickup of approximately \$150,000 in Brooklyn during the following week, the proceeds of which would be used to complete the money laundering transaction commenced on or about December 16, 2008. Coconspirator Ben Haim told the CW about "customers from two, three years ago that are calling me," and indicated that "[t]hat's a signal that the market is tight." Coconspirator Ben Haim also discussed his source for cash, Coconspirator I.M., and stated that he spoke to Coconspirator I.M. "[e]very day - every other day." Referring to Coconspirator I.M., Coconspirator Ben Haim then asked the CW "[d]id you know that he had me in the last four years send out wires every time to a different place in the world to a different name? It's unbelievable. I never saw anything like it." When the CW asked whether Coconspirator Ben Haim was referring to different locations in only Israel, Coconspirator Ben Haim replied "[n]o, all over the world. . . All over the world. From Australia to New Zealand to Uganda. I mean [u/i] every country imaginable. Turkey, you can't believe it. . . All different names. It's never the same name. . . . Switzerland, everywhere, France, everywhere, Spain China, Japan." Coconspirator Ben Haim also explained that the market for cash was tight "only in the beginning of the year and the end of the year."

21. On or about January 4, 2009, January 25, 2009, and February 13, 2009, the CW received from Coconspirator Ben Haim a total of approximately \$50,000 in further partial payment for the money laundering transaction commenced on or about December 16, 2008.

22. Between approximately June 2007 and February 2009, defendant WEISS transferred a total of more than \$300,000 to Coconspirator Ben Haim and the CW, as part of money laundering transactions.