



*United States Attorney
Southern District of New York*

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**MANHATTAN U.S. ATTORNEY CHARGES PRINCIPALS
OF AIRCRAFT PARTS DISTRIBUTORS
IN \$7 MILLION FRAUD SCHEME**

PREET BHARARA, the United States Attorney for the Southern District of New York, JAMES T. HAYES, JR., the Special Agent-In-Charge of the New York Field Office of the Department of Homeland Security's United States Immigration and Customs Enforcement ("ICE"), and KENNETH SIEGLER, the Resident Agent-In-Charge of the New York Resident Agency of the United States Defense Criminal Investigative Service ("DCIS"), announced that FARAMARZ RAFII TARI, a/k/a "Sam Rafiee," a/k/a "Rafii Tari," and STEFAN GILLIER, a/k/a "Stephan Gillier," a/k/a "Stefan R.R. Gillier, a/k/a "Roland Gillier," a/k/a "Roland Van Gorp," were charged for engaging in a scheme in which the defendants, through two aircraft part dealerships that they operated, RTF International, Inc. ("RTF"), and UN Air Service, Inc. ("UAS"), fraudulently obtained millions of dollars worth of aircraft parts from Honeywell International, Inc. ("Honeywell"), and Pratt & Whitney Component Solutions, Inc. ("Pratt & Whitney").

TARI, 52, was arrested this morning in Manhattan and is expected to appear today in Manhattan federal court before United States Magistrate Judge JAMES C. FRANCIS, IV. GILLIER, 38, who resides in Quebec, Canada, remains at large.

According to the criminal Complaint unsealed today in Manhattan federal court:

TARI and GILLIER are co-presidents of RTF, a Delaware corporation that is registered to do business in New York, which deals in aircraft parts. GILLIER ran the day-to day business activities of RTF, and TARI collected a substantial portion of RTF's profits. TARI is also the president and owner of UAS, a Delaware corporation that deals in aircraft parts, which TARI runs out of his residence in Manhattan. In addition to their professional relationship, GILLIER helped TARI obtain the Manhattan apartment from which UAS did its business by providing a reference for TARI, using an alias, and by paying TARI's initial rental fees.

RTF began obtaining aircraft parts from Honeywell in June 2004. Starting in 2005, RTF began increasing the number of parts it ordered from Honeywell, paying for them by check. RTF paid with checks written for amounts well above the cost of the parts, which created an apparent credit balance in RTF's favor. RTF wrote approximately \$16.6 million worth of checks to Honeywell but, in turn, stopped payment on approximately \$15.8 million worth of them. As a result, RTF was able to obtain approximately \$7 million worth of aircraft parts without paying for them, and RTF still turned a profit when selling the parts to customers for less than the price that Honeywell had charged RTF.

Similarly, in 2006, UAS began obtaining aircraft parts from Pratt & Whitney. UAS began stopping payment on checks it had written to Pratt & Whitney for the aircraft parts. Like RTF, UAS sold those aircraft parts to third parties for less than the price that Pratt & Whitney had charged UAS, and UAS was able to profit because it did not pay Pratt & Whitney for the parts.

TARI and GILLIER each are charged with one count of conspiracy to commit mail fraud and wire fraud, which carries a maximum potential penalty of 20 years in prison.

Mr. BHARARA praised the investigative work of ICE and DCIS, and thanked the Federal Bureau of Investigation, the United States Department of Commerce, Honeywell, and Pratt & Whitney for their assistance in this case.

"Faramarz Rafii Tari and Stefan Gillier manufactured a competitive advantage by selling aircraft parts that they allegedly never paid for," said United States Attorney PREET BHARARA. "We will continue to work with our partners at ICE and DCIS to prosecute fraud of every stripe."

"ICE is committed to working with the law enforcement community to disrupt criminal enterprises that commit crimes against legitimate businesses and society," said ICE Special Agent-in-Charge JAMES T. HAYES, JR. "Today's charges are the culmination of a superb multi-agency investigation."

"Today's charges demonstrate the ongoing commitment of the Defense Criminal Investigative Service in cooperation with our law enforcement partners and the U.S. Attorney's Office in aggressively pursuing individuals that commit these fraudulent schemes," said DCIS Resident-Agent-In-Charge KENNETH SIEGLER. "I applaud the agents and the prosecutors who worked tirelessly to bring about this result."

The prosecution is being handled by the Office's Complex Frauds Unit. Assistant United States Attorneys JASON A. MASIMORE and ZACHARY A. FEINGOLD are in charge of the prosecution.

The charges and allegations contained in the Complaint are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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