

Department of Justice

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CANADIAN MAN SENTENCED ON WIRE FRAUD CHARGES

BUFFALO, N.Y.-- U.S. Attorney William J. Hochul, Jr. announced today that Gregory Shaheen, 42, of Montreal, Quebec, Canada, who was convicted of wire fraud, was sentenced to 57 months in prison by Chief Judge William M. Skretny.

Assistant U.S. Attorney MaryEllen Kresse, who is handling the case, stated that Shaheen perpetrated two separate wire fraud schemes, both of which involved the defendant engaging in fraudulent telemarketing activities in Canada targeting victims in the United States. One of the schemes occurred from December 2004 through December 2005, and involved individuals in Buffalo and Ohio, including Ralph S. Guastaferrro, Jr., who was sentenced to 24 months in prison in June for laundering a portion of the proceeds of the defendant's illicit scheme. The other scheme, which occurred from December 2007 to March 2008, was charged in federal court in New Jersey and transferred to Buffalo for disposition.

Shaheen debited victims checking accounts or charged their credit cards for items they didn't purchase. The alleged sales were then processed using bank accounts which were set up in the United States by others involved in the schemes. The proceeds of the schemes, totaling \$1.2 million dollars, were then wire transferred to accounts controlled by the defendant in the United States and Canada.

The defendant was arrested in April 2010, attempting to enter the United States to initiate a new scheme to defraud which involved obtaining personal identifying information of individuals without their knowledge or authority, and then using that information to process payments for an alleged web-based company.

The sentencing is the culmination of an investigation on the part of Immigration and Customs Enforcement, Homeland Security Investigations, under the direction of

Special Agent in Charge James C. Spero, and the Federal Bureau of Investigation, under the direction of Special Agent in Charge Christopher M. Piehota.

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