

UNITED STATES DISTRICT COURT

for the  
District of Rhode Island

United States of America

v.

Mohamad Mohamad

*Defendant*

Case No.

1:11MJ257M

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

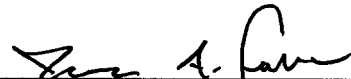
On or about the date of \_\_\_\_\_ in the county of \_\_\_\_\_ in the \_\_\_\_\_ District of  
Rhode Island, the defendant violated 18 U. S. C. § 2315, an offense described as follows:

Possession of Fraudulent State Tax Stamps in violation of 18 U.S.C. § 2315; transport, possess, sell and distribute contraband cigarettes in violation of 18 U.S.C. 2342; money laundering in violation of 18 U.S.C. 1956(a)(1); and travel in Interstate commerce with intent to distribute proceeds of any unlawful activity; or promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity in violation of 18 U.S.C. 1952.

This criminal complaint is based on these facts:

See attached Affidavit of Special Agent Joseph A. Sullivan of the Department of Homeland Security, ICE-Homeland Security Investigations (HSI).

☒ Continued on the attached sheet.

  
Complainant's signature


JOSEPH A. SULLIVAN, SPECIAL AGENT

*Printed name and title*

Sworn to before me and signed in my presence.

Date:

11-4-11

  
Judge's signature

City and state:

Providence, Rhode Island

DAVID L. MARTIN, U.S. MAGISTRATE JUDGE

*Printed name and title*

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AFFIDAVIT

I, Joseph A. Sullivan, being duly sworn, depose and state the following:

1. Your affiant is an investigative or law enforcement officer of the United States within the meaning of Section 2510(7) of Title 18, United States Code, and empowered by law to conduct investigations and to make arrests for offenses enumerated in Title 18, United States Code, Section 2516. As authorized by the Homeland Security Act of 2002, I am designated as a "Customs Officer," as defined in the Tariff Act of 1930, and an "Immigration Officer," as defined by Immigration and Nationality Act ("INA").

2. Your affiant is a Special Agent with the Department of Homeland Security, ICE-Homeland Security Investigations (HSI). Your affiant has been employed in that capacity since February 2003. Since May 2007, your affiant has been assigned to the HSI office in Providence, RI. Prior to this, your affiant was assigned to the HSI office in Los Angeles, California. As an HSI Special Agent, your affiant has conducted various criminal investigations into large criminal organizations, which engage in various federal crimes and the laundering of the proceeds of these illegal activities.

3. The facts set forth in this affidavit are based upon your affiant's personal observations, the observations of the investigative team, your affiant's training and experience, and from information obtained from witnesses, public records, and records obtained through subpoenas. This affidavit is intended to show that there is sufficient probable cause for the requested arrest warrant and does not purport to set forth all of your affiant's knowledge of or investigation into this matter. Unless specifically indicated otherwise, all conversations and statements described in this affidavit are related in substance and in part only.

PURPOSE

4. Your Affiant requests authority to arrest Mohamad Mohamad [hereinafter MOHAMAD], date of birth [REDACTED] 1976. Based upon the facts set forth below, your affiant contends that there is probable cause to believe that MOHAMAD has engaged in conduct which is in violation of 18 U.S.C. § 2315 (possession of fraudulent State tax stamps), 18 U.S.C. 2342 (transport, possess, sell and distribute contraband cigarettes), 18 U.S.C. 1956(a)(1) (money laundering) and 18 U.S.C. 1952 (travels in Interstate... with intent to distribute proceeds of any unlawful activity...; or promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity).

5. Based upon the facts set below, your affiant also contends that there is probable cause to believe that MOHAMAD's financial activity utilizing the below detailed accounts, constitutes property that was involved in a money laundering offense and are therefore forfeitable under 18 U.S.C § 981 (a) (1) (A) and 18 U.S.C. 982 (a) (1). Therefore, your Affiant also requests that Seizure Warrants be issued for the following accounts:

A. A seizure warrant for CitiBank, N.A. business account # [REDACTED] 1158, in the name of Adam Forest Products, Inc.

B. A seizure warrant for RBS Citizens Bank personal account # [REDACTED] 3689, in the name of Mohamad Mohamad.

C. A seizure warrant for RBS Citizens Bank personal account # [REDACTED] 6243, in the name of Iman A Rezek.

#### BACKGROUND

6. The State of Rhode Island Department of Revenue, Division of Taxation (DOR), has informed your affiant that a contraband cigarette smuggling ring exists in the Providence area. DOR has made several seizures of contraband cigarettes in the past year. DOR also informed your affiant that the State of Rhode Island's cigarette tax is \$3.46 per pack. This is the one of the highest state cigarette taxes in the nation, thereby making it attractive to smuggle contraband cigarettes into Rhode Island. For example, the tax in South Carolina is \$.57 per pack, North Carolina is \$.45 per pack and Virginia is \$.30 per pack. The DOR further stated that only three states in the continental U.S. do not affix state tax stamps on the cigarettes, North Carolina, South Carolina and North Dakota.

7. As a result of the investigation conducted to date, your affiant believes that MOHAMAD travels to North Carolina, South Carolina, and Virginia to obtain cigarettes for sale in Rhode Island. Your affiant believes that MOHAMAD transports large quantities of cigarettes that he purchases in the South to Rhode Island for resale to convenience stores and independent salespersons in the Rhode Island area.

8. The investigation began in December 2010, when Sergeant Kevin O'Brien of the Rhode Island State Police began investigating MOHAMAD after he received information that MOHAMAD was engaged in suspicious activity at unusual hours of the day. Sergeant O'Brien ran a check with the Massachusetts's Department of Motor Vehicles (MA/DMV). This check revealed that a Mohamad Mohamad date of birth (DOB), [REDACTED] 1976, Social Security

Number (SSN) [REDACTED] 0895, was residing at 132 Sherman Street, Apartment #8, Cambridge, MA, and possessed a MA operator's license # [REDACTED] B52.

9. In December of 2010 Detective Sergeant Kevin O'Brien of the Rhode Island State Police learned that MOHAMAD had been stopped by the Warwick Police in that City after midnight. He further determined that MOHAMAD had been in the area of the Simply Storage Facility in Warwick, Rhode Island. According to subpoenaed records received from Simply Storage Facility located at 50 O'Keefe Avenue in Warwick, RI, MOHAMAD has been renting storage unit #460 since September 2, 2010. According to the records, between September 2, 2010 and February 2011, MOHAMAD's pass code activated the entry/exit gate to the storage facility over 325 times. Between September 2010 and February 2011, on average, MOHAMAD visited the storage unit every other day. The vast majority of these entries were not during normal business hours, but rather during the late evening and early morning hours. Data gained from the gate entry time stamps showed that MOHAMAD's pass code would frequently gain entry to the storage facility, remain in the facility for up to 90 minutes, and then exit. MOHAMAD would also frequently make several entries and exits throughout the evening and early morning hours. MOHAMAD provided Simply Self Storage with a copy of his driver's license, MA [REDACTED] 352. Recently, Sergeant O'Brien obtained additional information from the storage facility. MOHAMAD continues to rent the storage unit from Simply Storage and his lease is still in effect. Between August 24, 2011 and August 27, 2011, MOHAMAD accessed the storage facility daily, usually a few times a day. On August 28, 2011, a large storm hit the area and damaged the gate. Since then, the facility has been unable to track the gate usage.

PROBABLE CAUSE - 18 U.S.C. § 2315 and 18 U.S.C. § 2342

10. In early March 2011, MOHAMAD traveled to North Carolina and South Carolina. According to subpoenaed records received from Enterprise Holdings, a vehicle leasing company, MOHAMAD frequently rents cargo vans. Based upon surveillance, your affiant believes that he uses these cargo vans for his trips to southern states with low cigarette taxes. During February 2011, MOHAMAD rented a white Chevrolet Cargo Van with MA license plate N69909. On Monday, March 7, 2011, Rocky Mount Police Department Officer Medina observed a white Chevrolet Cargo Van, MA license plate N69909, at the Country Inn hotel, 672 English Road, Rocky Mount, North Carolina at approximately 12:30 p.m. Based upon your affiant's review of hotel records received from Country Inn hotel, MOHAMAD provided a copy of his Massachusetts driver's license to the hotel upon check-in on March 7, 2011. MOHAMAD checked out of the hotel at approximately 1:38 pm. At approximately 8:15 pm, Task Force Officer (TFO) King observed MOHAMAD at Turn Key Storage, 2700 North

Wesleyan Boulevard, Rocky Mount, N.C. TFO King observed MOHAMAD next to the above-described van with the door open to storage unit 138. Rocky Mount, North Carolina (RMPD) Police Sergeant and Task Force Officer H.A. King, Jr observed several large brown boxes inside the unit. Your affiant's review of records received from Turn-Key Storage shows that MOHAMAD had a rental unit at Turn Key Storage at this time. The records also showed that MOHAMAD began renting a unit from Turn-Key Storage in August 2010 and rented a unit at different times between August 2010 and August 2011, the last month for which your affiant has received records.

11. On Tuesday, March 8, 2011, HSI SA Brian Sherota conducted surveillance of MOHAMAD's rental van in Columbia, South Carolina. SA Sherota informed your affiant that he observed the van parked at the Comfort Inn Hotel, 911 Bush River Road, Columbia, South Carolina. SA Sherota observed the van depart the hotel at approximately 1:00 pm and travel to Saibaba Wholesale. MOHAMAD then was observed going to several small convenience stores. At approximately 3:35 pm, MOHAMAD was observed placing two black trash bags filled with unknown contents into the back of the van from one of the stores. Your affiant reviewed subpoenaed records received from Comfort Inn which confirmed that MOHAMAD rented a room for several hours on March 8, 2011. Your affiant also provided SA Sherota with a photograph of MOHAMAD. SA Sherota stated that the photograph was of the person he observed. Your affiant also reviewed records received from the Days Inn, 1144 Bush River Road, Columbia, South Carolina, and observed that MOHAMAD checked in to the Days Inn on March 8, 2011 and checked out on March 9, 2011.

12. On March 8, 2011, your affiant, ATF Special Agent Kevin McNamara, and members of the RISP executed a 'Covert Entry' search warrant on MOHAMAD's storage unit, # 460, 50 O'Keefe Avenue, Warwick, RI. Agents did not seize any tangible evidence but did observe, document and photograph the contents of the storage unit. Agents observed cases of Marlboro and Newport cigarettes. Some cartons of cigarettes were in brown moving type boxes such as 'Home Depot' boxes. There was a table and a medical application form in the name of MOHAMAD in the unit. There were an estimated number of 45,000 packs of cigarettes in the storage area. None of the cigarette packs examined contained state tax stamps. SA Kevin McNamara of the Bureau of Alcohol, Tobacco, Firearms and Explosives, subsequently informed me that several identification numbers on the sides of the cigarette packs indicated the cigarettes were made in Virginia.

13. According to records received from the Days Inn, 1144 Bush River Road, Columbia, South Carolina, MOHAMAD checked in on March 16, 2011 and checked out on March 18, 2011. On March 18, 2011, your affiant spoke with TFO

King, who informed me that on March 18, 2011, he observed MOHAMAD driving a white Enterprise Rental Cargo Van. MOHAMAD was observed moving his van to the front of a cigarette store located at a shopping plaza in Rocky Mount, North Carolina. According to TFO King, MOHAMAD entered the store with nothing in his hands and after several minutes later he came out with a black bag and drove away. Sgt. King could not see what was inside the bag. A Rocky Mount police officer observed MOHAMAD stopping at Fikewood Shopping Center in Wilson, North Carolina. MOHAMAD was observed entering location 700-B at the Fikewood Shopping Center. The store does not have a name but the Officer advised it is a whole sale cigarette store. The Officer went inside 700-C and made contact with Mazin Walid Saleh. He is the manger of a cigarette store at this location. The owner of 700-B is Yousef Khalil Al-Zawaideh. The Officer added that based upon his knowledge of 700-B, the store is known to sell cigarette tax stamps and cigarettes.

14. On April 4, 2011, agents executed a second 'Covert Entry' search warrant at MOHAMAD's storage unit, # 460, 50 O'Keefe Avenue, Warwick, RI. Agents did not seize any tangible evidence but did observe, document and photograph the contents of the storage unit. Agents observed numerous boxes labeled Marlboro Red Label 100s, Marlboro Menthol 100s, Marlboro Silver Pack 100s, Maverick 'Box 100s,' Newport Menthol, Winston Gold Box, Camel, Salem and Seneca, which I know to be brand names of cigarettes. Agents estimate that there were between 180 and 200 boxes in the unit. Each box contained at least 60 cartons or 600 packs of cigarettes. The total estimated number of packs of cigarettes was between 108,000 and 120,000 packs. None of the cigarette packs examined contained state tax stamps. SA Kevin McNamara reviewed the serial numbers of the cigarettes packs examined and confirmed that they were manufactured in North Carolina and Virginia.

15. On April 7, 2011, Sergeant Kevin O'Brien with the RISP conducted surveillance of MOHAMAD. He saw MOHAMAD at the storage facility in Warwick where MOHAMAD rents a unit. A few minutes later, MOHAMAD left the facility. Around 7:00 p.m., Sergeant O'Brien observed MOHAMAD's vehicle backed all the way up in the driveway at [REDACTED], Cranston, Rhode Island. Sergeant O'Brien knows this to be the residence of Tarek Shikh Alard. MOHAMAD's vehicle abutted the garage door and was directly adjacent to the side entrance of the residence. Based upon an on-going investigation, Sgt O'Brien knows Shikh Alard owns the Station One Convenience Store located at 524 Manton Avenue, Providence, Rhode Island. Shikh Alard has a pending state charge for Forgery or Reuse of Tax Stamps and Sale of Unstamped Cigarettes. According to the Rhode Island Secretary of State online database, Shikh Alard is the President of Station One, which is filed with the state as Taimy's Mini Mart Inc. Taimy S Ruiz is listed as the Vice President and the RI DOR advised that she

is the wife of Shikh Alard. On September 25, 2011, Sergeant O'Brien used a confidential informant to purchase a pack of cigarettes from Station One Convenience Store. The informant was searched before the purchase and provided with U.S. currency in order to make the purchase. Sergeant O'Brien watched the informant as he/she entered the store. A short time later the informant exited the store and handed Sergeant O'Brien a pack of Maverick Menthol cigarettes bearing a Virginia tax stamp, but no Rhode Island tax stamp. The informant stated that he/she purchased the cigarettes in the store from a female, believed to be the manager. The female retrieved the cigarettes from a hidden compartment behind the counter.

16. SA Sherota in Columbia, South Carolina learned that MOHAMAD rented a storage unit from Public Storage, a facility located at 2832 Broad River Road, Columbia, SC 29210. According to the Lease/Rental Agreement obtained by SA Sherota, MOHAMAD began renting a 6x6 storage unit on August 10, 2010. On April 13, 2011, your affiant spoke with HSI Special Agent Brian Sherota, Columbia, SC, who was contacted by the Property Manager at Public Storage, 2832 Broad River Road, Columbia, SC. The property manager stated that he/she observed MOHAMAD at the storage facility at approximately 12:30 p.m. on April 13, 2011. The manager claimed that he/she observed MOHAMAD moving boxes marked with Marlboro out of the storage unit and into a white Enterprise van with Massachusetts license plate N80860. He/she observed about 20 or so boxes marked with Marlboro inside the storage unit.

17. On April 21, 2011, members of the RISP High Intensity Drug Trafficking Area (HIDTA) Taskforce were conducting surveillance of MOHAMAD. Officers observed MOHAMAD leave Savers Mart Convenience Store, located at 871 Elmwood Avenue, Providence, Rhode Island. MOHAMAD retrieved something from his vehicle and walked back into the convenience store carrying a large, brown grocery bag. On July 19, 2011, SA Kathleen Kelleher, working in an undercover capacity, purchased a pack of Newport cigarettes from Savers Mart, located at 871 Elmwood Avenue. The pack of Newport cigarettes had a Virginia tax stamp affixed to the bottom of the package, but no Rhode Island tax stamp.

18. On July 28, 2011, SA Kevin McNamara and members of the Rhode Island State Police conducted surveillance of MOHAMAD. At approximately 6:55 p.m., a vehicle known to be used by MOHAMAD approached the facility. SA McNamara saw MOHAMAD at the storage unit. SA McNamara recorded MOHAMAD loading boxes from the storage unit into his vehicle. At approximately 7:15 p.m., SA McNamara saw MOHAMAD leave the storage facility. MOHAMAD traveled throughout the cities of Cranston and Providence until he returned to the storage facility at 7:50 p.m. He was observed at his

storage unit again. At approximately 8:25 p.m., MOHAMAD left the facility and traveled to Rodriguez Market, located at 400 Hartford Avenue, Providence, Rhode Island. MOHAMAD met with two unknown males in the rear parking lot. MOHAMAD and the unknown males opened their respective trunks. After the meeting, MOHAMAD returned to his storage unit in Warwick. He then traveled to Al Mall's market in Cranston where he met with an unknown individual. MOHAMAD removed a box from his car and the unknown individual took the box. The unknown individual left Al Mall's market and traveled to 940 Park Avenue, Cranston, Rhode Island. Based upon records from the Rhode Island Division of Motor Vehicles, this is the residence of Omar Bukai. According to the Rhode Island Secretary of State online database, Omar Bukai owns Chalkstone Mini-mart. On October 7, 2011, Sergeant O'Brien used a confidential informant to purchase cigarettes from Chalkstone Mini-mart, although the cigarettes purchased had the proper tax stamps. On July 28, 2011, MOHAMAD left Al-Mall's market and traveled to [REDACTED] Johnston, Rhode Island. Based upon records from the Rhode Island Division of Motor Vehicles, this is the residence of Waad Alkhiamy. According to the Rhode Island Secretary of State online database, Waad Alkhiamy is the president of AJ's Variety Store. Based upon the investigation, Sergeant O'Brien knows that AJ's Variety Store is a convenience store that sells cigarettes. On October 7, 2011, Sergeant O'Brien used a confidential informant to purchase cigarettes from AJ's Variety Store. The informant purchased a pack of Newport 100's without any tax stamps affixed to the package.

19. On August 4, 2011, your affiant spoke with HSI Special Agent Farris Moore, Richmond, Virginia, who conducted surveillance of MOHAMAD at the Comfort Suites at Virginia Center Commons, 10601 Telegraph Road, Glen Allen, Virginia. Agents were able to identify MOHAMAD driving a white cargo van, Virginia license plate XHG 2511, registered to EAN Holdings, LLC<sup>1</sup>. When the vehicle was stopped an agent was able to look through the van's windows, but the van was empty. Agents discontinued surveillance after MOHAMAD went to a flea market in the Richmond, Virginia area.

20. On October 4, 2011 shortly after 4:00 p.m., a member of the RISP HIDTA team observed MOHAMAD placing items in a white van, Virginia license plate XHG 2511, parked at a Sam's Club store, in Seekonk, MA. A short time later other members of the surveillance team observed MOHAMAD as he drove the van to the storage facility in Warwick, Rhode Island. Approximately an hour and a half later, members of the surveillance team maintained intermittent surveillance on MOHAMAD to various locations in Pawtucket and

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<sup>1</sup> Your affiant knows that Enterprise vehicles are registered in the name EAN Holdings, LLC.



Cumberland, before eventually returning to the storage facility in Warwick around 8:40 p.m.

21. On October 5, 2011 at approximately 4:30 p.m., Special Agent Anya K. Whitney, an agent out of Richmond, Virginia, conducted surveillance of the white van, Virginia license plate XHG 2511. SA Whitney observed the van parked between the Comfort Inn and the Candlewood Suites Hotel located in Glen Allen, Virginia. She observed a white male with brown hair talking on his cellular phone outside of the van for approximately five minutes. The driver's side door of the van was open while the male talked on his phone. After he got off of the phone, he closed the door and walked to the passenger side door. It appeared to SA Whitney that the male retrieved something from the vehicle. She briefly lost sight of him. When she next saw him, the male was walking into the Candlewood Suites Hotel. He had three items with him: a blue rolling suitcase, a plastic grocery type bag, and a tote bag with handles. Your affiant later sent SA Whitney a picture of MOHAMAD and she confirmed that the male she had seen was MOHAMAD.

22. On October 11, 2011, your affiant spoke with the manager at Public Storage, a storage facility located at 2832 Broad River Road, Columbia, SC 29210 (referenced earlier in this affidavit). The manager stated that he/she reviewed the entry records to the storage facility and observed that an individual using MOHAMAD's entry code accessed the facility at 2:05 a.m. on October 9, 2011, and again at 2:32 p.m. on October 9, 2011. The manager also stated that an individual using MOHAMAD's entry code accessed the storage facility on October 10, 2011.

23. On October 12, 2011, at approximately 11:30 a.m., a Cambridge, MA uniformed police officer observed MOHAMAD's Enterprise rental van, license plate XHG 2511, parked on Bellis Circle, which is directly across the street from MOHAMAD's residence.

24. On October 12, 2011 at approximately 3:10 p.m., your affiant, members of the HIDTA Taskforce, and an agent from the Bureau of Alcohol, Tobacco, Firearms and Explosives executed a 'Covert Entry' search warrant at Unit 460, Simply Storage, Warwick, Rhode Island. The search team members observed numerous unorganized stacks of brown cardboard boxes piled up throughout the unit. Upon examination, some of these boxes were found to contain 60 cartons of cigarettes with each carton containing 10 packs of cigarettes, and other boxes were found to contain 30 cartons with each carton containing 10 packs of cigarettes. Several of the cigarette boxes were contained with larger plain brown boxes that held numerous loose cartons. Your affiant estimates that the storage unit contained 363 boxes of cigarettes. Assuming all of the boxes

contained 30 cartons, there were an estimated 10,890 cartons, or 108,900 packs, or 2,178,000 individual cigarettes inside the storage area. None of the cigarette packs examined had Rhode Island tax stamps affixed to them. Also located in the storage unit were twenty sheets of 240-count, tobacco tax stamps. These stamps were believed to be counterfeit. Special Agent Kevin McNamara of ATF observed the numbers "23577" and the word "Massachusetts" on each of the stamps. All total there were approximately 4,800 fraudulent tax stamps.

25. On October 26, 2011 at approximately 9:40 p.m., members of the HIDTA Taskforce were conducting surveillance on MOHAMAD'S Enterprise rental van, Virginia license plate XHG 2511, as it entered Rhode Island from Massachusetts. Members were unable to observe the driver. Members of the HIDTA Taskforce followed the van as it traveled south on Interstate 95 to Connecticut at which point surveillance was terminated.

26. On October 28, 2011, SA Anya K. Whitney conducted surveillance at the Candlewood Suites Hotel in Glen Allen, Virginia. She observed a white Enterprise rental van, Virginia license plate XHG 2511, parked in the parking lot. S/A Whitney walked past the van to enter and exit the hotel and was able to see what appeared to be dark colored blankets in the back of the van covering up items.

27. On October 28, 2011, S/A Whitney spoke to the owner of Blue and Gray Self Storage. He stated that someone using MOHAMAD'S code entered the premises at approximately 0954 hours on October 27, 2011. Someone then attempted to enter the facility later that same day at approximately 2143 hours but was unable to enter due to restrictions on the account. The owner stated that approximately three weeks prior to this date, he observed a male driving a long white cargo van at the unit D22 (registered to MOHAMAD) very late at night.

28. On October 28, 2011, S/A Whitney located the cargo van with Virginia license plate XHG2511 at the Golden Food Market, 2701 Jefferson Davis Highway, Richmond, Virginia. MOHAMAD exited the store with an unidentified male and entered the van. MOHAMAD moved the van from its original location near the store and positioned it beside a van with the name Golden Food Market labeled on the side. MOHAMED removed two brown boxes, one at a time, from under a dark colored blanket inside his van. Each of the brown boxes was filled with smaller individual white boxes. S/A Whitney observed MOHAMED take each of these larger boxes in between the two vans, where the unidentified male was located. MOHAMED and the unidentified male reappeared behind MOHAMED's van with the unidentified male carrying a single white box with a green stripe on it. MOHAMED was empty handed.

PROBABLE CAUSE - 18 U.S.C. § 1956(a)(1)(A)(i)

29. Any individual who knowingly conducts, or attempts to conduct, a "financial transaction" with proceeds from "specified unlawful activity" with specific intent to promote the "specified unlawful activity" is guilty of money laundering under 18 U.S.C. § 1956(a)(1)(A)(i). Pursuant to 18 U.S.C. § 1956(c)(7)(A), the term "specified unlawful activity" means – any act or activity constituting an offense listed in section 1961(1) . . . .” Section 1961(1) includes offenses related to the trafficking in contraband cigarettes under 18 U.S.C. § 2341-2346. Thus, transporting, possessing, selling, and distributing contraband cigarettes in violation of 18 U.S.C. § 2342 is a specified unlawful activity for purposes of the money laundering statute, and the use of the proceeds of such conduct, if used to promote the cigarette trafficking, is money laundering, in violation of 18 U.S.C. § 1956(a)(1)(A)(i).

30. According to records maintained by the Massachusetts Secretary of State, MOHAMAD was listed as the President, Vice-President, Secretary, and Treasurer of Adam Forest Products, 132 Sherman Street, Unit #8, Cambridge, MA as the business address. A Dun and Bradstreet report revealed that the business was started in 2009 with a DUNS ID: 83-241-6957 and is engaged in wholesale lumber/plywood/millwork. Sergeant O'Brien attempted to contact the business via the telephone numbers provided but was unable to speak with anyone.

CitiBank, N.A., Account # [REDACTED] 1158

31. Your affiant has reviewed records received from CitiBank, N.A., in relation to an account in the name of Adam Forest Products, Inc., 132 Sherman Street, Apt. 8, Cambridge, MA 02190. MOHAMAD is listed as the only "signer" on the account. Based upon those records, your affiant noticed over \$100,000 worth of cash deposits between July 12, 2010 and April 26, 2011. According to Citibank records, in the business account application, the applicant indicated that no cash, check, money order, or traveler's check deposits were expected and no cash withdrawals were expected. Based upon your affiant's review of the records, the only type of activity anticipated was wire transfers in and out of the account. In sum, it appears that the cash activity noted by your affiant is inconsistent with the import-export business of Adams Forest Product, Inc. This conclusion is based upon the fact that the financial records have been examined and it has been determined that lumber shipments out of the United States by that company as well as the wholesale purchase of the lumber from producers within the United States are being made through wire transfers and does not involve cash. Your affiant believes that the monies being deposited into this

account are property 'involved in' and are proceeds of the sale and smuggling of contraband cigarettes and counterfeit tax stamps. Further, your affiant has noted the debit card for this account has been used to make purchases from Enterprise Rent-a-Car for the above described rental vehicles. Based upon the observations set forth above, your affiant believes that MOHAMAD uses an Enterprise-Rent-a-Car vehicle to further his cigarette trafficking activities.

32. Specifically, your affiant noted the following deposit and withdrawal activity occurring out of the Adams Forest Products, Inc. account which your affiant believes reflects the deposit of contraband cigarette trafficking proceeds into the Adams Forest Product, Inc. account and the withdrawal of funds from that account to promote the contraband cigarette trafficking<sup>2</sup>:

Citibank 1158			
<u>Date</u>	<u>Credit</u>	<u>Debit</u>	<u>Remarks</u>
7/12/2010	\$10,000.00		16, \$50 Bills; 460, \$20 Bills
8/17/2010	\$8,980.00		449, \$20 Bills
9/3/2010		\$4,760.05	ACH Debit, Chase Epay [REDACTED] 4959
9/3/2010		\$308.09	ACH Debit, Chase Epay [REDACTED] 4046
9/23/2010		\$605.00	ACH Debit, Chase Epay [REDACTED] 1955
11/1/2010	\$9,000.00		3, \$100 Bills; 6, \$50 Bills; 420, \$20 Bills
11/12/2010		\$227.00	ACH debit (Chase ePay [REDACTED] 3070 Nov 12)
11/22/2010	\$9,900.00		490, \$20 Bills; 100, \$1.00 Bills
12/2/2010	\$8,540.00		\$3,540-5 Money Orders / \$5,000-250, \$20 Bills
12/9/2010	\$7,000.00		350, \$20 Bills
2/8/2011	\$10,000.00		499, \$20 Bills; 1, \$10 Bill; 10, \$1 Bills
2/24/2011	\$10,000.00		500, \$20 Bills
3/7/2011	\$10,000.00		\$10,000 (500, \$20 Bills)

<sup>2</sup> The deposit and withdrawal activity set forth in the chart is not reflective of all the account activity merely the activity that is being offered in support of the money laundering charge.

4/4/2011	\$10,000.00		(5 x \$100.00 bills, 14 x \$50.00 bills, 440 x \$20.00 bills)
4/26/2011	\$10,000.00		(8 x \$100.00 bills, 13 x \$50.00 bills, 406 x \$20.00 bills, 43 x \$10.00 bills)
5/13/2011		\$1,691.77	Debit Card Purchase (9499), Enterprise Rent-a-Car, Cambridge, MA
6/13/2011		\$1,699.49	Debit Card Purchase (9499), Enterprise Rent-a-Car, Cambridge, MA
7/11/2011		\$1,695.63	Debit Card Purchase (9499), Enterprise Rent-a-Car, Cambridge, MA
7/15/2011		\$207.36	RBS Citizens NA Payment
7/25/2011		\$491.91	Debit Card Purchase Card ending in 9499 (BJ Wholesale, Medford, MA)
8/3/2011		\$1,642.92	Debit Card Purchase (9499), Enterprise Rent-a-Car, Cambridge, MA
Total	\$103,420.00	\$13,329.22	

RBS Citizens Bank Account # [REDACTED] 8689

33. Your affiant has also identified a personal bank account at Citizens Bank used by MOHAMAD. In 2010, there was \$40,635.41 in cash deposited into this account. Between January 2011 and June 27, 2011, there was \$61,209.50 in cash deposited into the account in the same manner as MOHAMAD's CitiBank account. Your affiant believes that the monies being deposited into this account are property 'involved in' and are proceeds of the sale and smuggling of contraband cigarettes and counterfeit tax stamps. During this same time period, your affiant noted that funds from this personal account at Citizens Bank were used to pay Simply Storage in Warwick, Rhode Island and Public Storage in Columbia, South Carolina, two facilities where your affiant believes that MOHAMAD stores his contraband cigarettes pursuant to the cigarette trafficking activities described in this affidavit. Based upon your affiant's training and experience, and consultation with other law enforcement, your affiant knows that most illegal activity is conducted in cash. Your affiant believes that the cash deposited in MOHAMAD's personal account is the proceeds of the above-described contraband cigarette trafficking and that some of these funds were used to promote the cigarette trafficking through the rental of storage units.

RBS Citizens Bank account # [REDACTED] 6243, in the name of Iman Rezek


34. On July 29, 2011, Iman Ahmad Rezek arrived in the U.S. at JFK International Airport and took a connecting flight to Boston, MA. Visa records indicate that she arrived as a B2 Visitor, was allowed to enter the U.S. until September 1, 2011, and as a Visitor, was not allowed to work in the U.S. The records also indicate that she is the sister of Eatimad Rizk, MOHAMAD's spouse. Customs databases reveal Rezek did not declare that she was carrying over

\$10,000 in monetary instruments. As a former U.S. Customs Inspector, your affiant knows that all persons entering the U.S. are allowed to bring as much currency or monetary instruments as they wish, but the Currency and Monetary Instrument Reporting requirements require that the currency and monetary instruments in excess of \$10,000 being transported by a person be declared to Customs upon arrival. On August 18, 2011, Iman A Rezek, opened Citizens bank account number [REDACTED] 6243, using the address of [REDACTED] Cambridge, MA. An analysis of the account activity revealed a cash deposit of \$3,700 on August 18, 2011; a cash deposit of \$2,000 on August 29, 2011; and \$7,100 on October 5, 2011. Rezek wrote check #182 on the account to herself, dated for September 1, 2011, and cashed it on the same day.

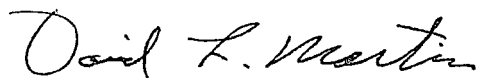
35. Based on my training and experience, your affiant knows that persons attempt to hide their illicitly obtained money by utilizing third parties. On October 14, 2011, your affiant spoke with a RBS Citizens employee in the security department. Your affiant requested security footage of MOHAMAD's deposits. The Citizens employee sought the information and observed that on October 5, 2011, a female wearing a head scarf made a branch cash deposit of \$2,000 into MOHAMAD's Citizens account '8689' and during the same counter visit, made the cash deposit of \$7,100, detailed above, into her Citizens account '6243.' Your affiant believes that the monies being deposited into this account are property 'involved in' and are proceeds of the sale and smuggling of contraband cigarettes and counterfeit tax stamps and that MOHAMAD directed Rezek to assist him in laundering these proceeds in her account and into his own.

CONCLUSION

36. Based on the information contained herein, your affiant believes there is probable cause to arrest Mohamad Mohamad for violations of 18 U.S.C. § 2315 (possession of fraudulent State tax stamps), 18 U.S.C. 2342 (transport, possess, sell and distribute contraband cigarettes), 18 U.S.C. 1956(a)(1) (money laundering) and 18 U.S.C. 1952 (travels in Interstate... with intent to distribute proceeds of any unlawful activity...; or promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity. I further submit there is probable cause to believe that the accounts described above constitutes property that was involved in a money laundering offense and is therefore forfeitable under 18 U.S.C § 981 (a) (1) (A) and 18 U.S.C. 982 (a) (1). Accordingly, your affiant requests that an arrest warrant and seizure warrants be issued.

  
\_\_\_\_\_  
Joseph A. Sullivan, Special Agent  
Homeland Security Investigations

Sworn to before me this 4th day of Nov, 2011 in Providence, RI.

  
\_\_\_\_\_  
David L. Martin

David L. Martin  
United States Magistrate Judge  
District of Rhode Island

## DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ INFORMATION ☐ INDICTMENT ☒ COMPLAINT CASE NO. \_\_\_\_\_Matter Sealed: ☐ Juvenile ☐ Other than Juvenile☐ Pre-Indictment Plea ☐ Superseding ☐ Defendant Added  
☐ Indictment ☐ Charges/Counts Added  
☐ Information

Name of District Court, and/or Judge/Magistrate Location (City)

UNITED STATES DISTRICT COURT RHODE ISLAND  
DISTRICT OF Divisional OfficeName and Office of Person  
Furnishing Information on  
THIS FORM PETER F. NERONHA  
☒ U.S. Atty ☐ Other U.S. Agency  
Phone No. \_\_\_\_\_Name of Asst.  
U.S. Attorney William J. Ferland  
(if assigned)

## PROCEEDING

Name of Complainant Agency, or Person (&amp; Title, if any)

Immigration Customs Enforcement-HSI

☐ person is awaiting trial in another Federal or State Court  
(give name of court)☐ this person/proceeding transferred from another district  
per (circle one) FRCP 20, 21 or 40. Show District☐ this is a reprosecution of charges  
previously dismissed which were  
dismissed on motion of:☐ U.S. Atty ☐ Defense☐ this prosecution relates to a  
pending case involving this same  
defendant. (Notice of Related  
Case must still be filed with the  
Clerk.)SHOW  
DOCKET NO.☐ prior proceedings or appearance(s)  
before U.S. Magistrate Judge  
regarding this defendant were  
recorded underMAG. JUDGE  
CASE NO.Place of  
offense RHODE ISLAND

County

USA vs.

Defendant: Mohamad Mohamad

Address:

**REDACTED**☐Birth  
Dateen  
icable)

Social

Issue: ☒ Warrant ☐ Summons

Location Status:

Arrest Date \_\_\_\_\_ or Date Transferred to Federal Custody \_\_\_\_\_

☐ Currently in Federal Custody☐ Currently in State Custody☐ Writ Required☐ Currently on bond☐ Fugitive

Defense Counsel (if any): \_\_\_\_\_

☐ FPD ☐ CJA ☐ RET'D☐ Appointed on Target Letter☐ This report amends AO 257 previously submitted

## OFFENSE CHARGED - U.S.C. CITATION - STATUTORY MAXIMUM PENALTIES - ADDITIONAL INFORMATION OR COMMENTS

Total # of Counts \_\_\_\_\_

Set	Title & Section/Offense Level (Petty = 1 / Misdemeanor = 3 / Felony = 4)	Description of Offense Charged	Felony/Misd.
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
		Estimated Trial Days:	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor