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CLERK U S DISTRICT COURT DISTRICT OF ARIZONA	
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REDACTED FOR
PUBLIC DISCLOSURE

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA

United States of America,

Plaintiff,

v.

1. Richard Dennis Nisbet, a.k.a. Dick
Denni, d.b.a. Last Chance Jewelers and
Dick Denni Designs
Counts 1-38

2. Laura Marye Lott, d.b.a. LMN Jewelers
LLC and Laura Marye Designs
Counts 1-38

3. Waleed Sarrar, a.k.a. Willie, d.b.a.
Scottsdale Jewels LLC
Counts 1-29

4. Christian Coxon, a.k.a. Chris, d.b.a.
Turquoise River Trading Company
Counts 1-29

5. Mency Remedio
Counts 1-38

6. Orlando Abellanosa, a.k.a. Erlando and
Lando
Counts 1-38

7. Ariel Adlawan Canedo
Counts 1-38

Defendants.

CR-19-00200-PHX-SPL (JZB)

INDICTMENT

VIO: 18 U.S.C. § 371
(Conspiracy)
Count 1

18 U.S.C. §§ 1159, 2
(Misrepresentation of Indian
Produced Goods and Products)
Counts 2-5

18 U.S.C. §§ 1341, 2
(Mail Fraud)
Counts 6-19

18 U.S.C. §§ 1343, 2
(Wire Fraud)
Counts 20-29

18 U.S.C. §§ 1956(a)(2)(A), 2
(International Promotional Money
Laundering)
Counts 30-37

18 U.S.C. §§ 1956(h), 2
(Money Laundering Conspiracy)
Count 38

18 U.S.C. § 982(a)(1);
21 U.S.C. § 853, 28 U.S.C. §
2461(c)
(Forfeiture)

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1 THE GRAND JURY CHARGES:

2 INTRODUCTION

3 1. At all times relevant to this Indictment, defendants **Richard Dennis Nisbet**,
4 a.k.a. Dick Denni, d.b.a. Last Chance Jewelers and Dick Denni Designs; **Laura Marye**
5 **Lott**, d.b.a. LMN Jewelers LLC and Laura Marye Designs; **Waleed Sarrar**, a.k.a. Willie,
6 d.b.a. Scottsdale Jewels LLC; **Christian Coxon**, a.k.a. Chris, d.b.a. Turquoise River
7 Trading Company; **Mency Remedio**; **Orlando Abellanosa**, a.k.a. Erlando and Lando; and
8 **Ariel Adlawan Canedo**, conspired and schemed, with each other and others, to design
9 jewelry in the Native-American Indian-style; manufacture the jewelry in the Republic of
10 the Philippines (“Philippines”) with Filipino labor; import the jewelry from the Philippines
11 to Arizona without indelible markings, as required by law; and display, advertise, and sell
12 the jewelry to customers based on false representations that the jewelry items were made
13 by Indians in the United States.

14 2. To perpetrate the conspiracy and schemes to defraud, the conspirators/co-
15 schemers communicated with each other by phone calls, text messages, and email; used
16 private commercial shipping services such as FedEx to import jewelry from the Philippines
17 to the United States; paid for the jewelry inventory through credit cards, including via web-
18 based credit card processors, and by check; charged the credit cards of customers who
19 purchased the imported Indian-style jewelry; and wired money from the United States to
20 the Philippines to pay for the jewelry-making operations in the Philippines.

21 3. The term “Indian” means any individual who is a member of an Indian tribe,
22 or is certified as an Indian artisan by an Indian tribe.

23 INDIVIDUALS AND RELEVANT ENTITIES

24 4. **Richard Dennis Nisbet** (“Nisbet”) is **Laura Marye Lott’s** father. He is not
25 Indian. He resided in Arizona and managed the Indian-style jewelry-making operation in
26 the Philippines. He owned and operated the jewelry businesses **Last Chance Jewelers**
27 and **Dick Denni Designs**. **Nisbet** used the telephone number XXX-XXX-3575 and the
28 email address rdnisb3t@XXXXXXX.com.

1 5. **Last Chance Jewelers** was a business registered by **Nisbet** in the State of
2 Arizona in or around 2002. **Nisbet**, through Last Chance Jewelers, manufactured Indian-
3 style jewelry in the Philippines using Filipino labor, imported the jewelry to the United
4 States, and sold the jewelry to various wholesale and retail businesses in Arizona and
5 elsewhere.

6 6. **Dick Denni** was a jewelry hallmark under which **Nisbet** and his
7 conspirators/co-schemers manufactured and sold Indian-style jewelry that was made in the
8 Philippines. **Dick Denni**, which is a shortened form of the name Richard Dennis, is an
9 alias of **Nisbet**.

10 7. **Laura Marye Lott, née Nisbet, (“Lott”)** was **Nisbet’s** daughter. **Lott** also
11 is not Indian. She resided in Arizona where she received Indian-style jewelry
12 manufactured in and imported from the Philippines. She delivered the Indian-style jewelry
13 to retail stores across the country including in Arizona, Texas, California, and Colorado,
14 and collected payments from retail stores. **Lott** owned and operated the jewelry business
15 **LMN Jewelers LLC** and the business **Laura Marye Designs**. **Lott** used the telephone
16 number XXX-XXX-6383, and the email addresses llott1213@XXXXXX.com and
17 llott1213@XXXXXX.com.

18 8. **LMN Jewelers LLC** was a business registered by **Lott** in the State of
19 Arizona in or around 2014. **Lott**, through LMN Jewelers, manufactured Indian-style
20 jewelry in the Philippines using Filipino labor, imported the jewelry to the United States,
21 and sold the jewelry to various retail businesses in Arizona and elsewhere.

22 9. **Waleed Sarrar (“Sarrar”)** owned and operated **Scottsdale Jewels LLC**, a
23 jewelry store in Scottsdale, Arizona that advertised it sold authentic Indian-made jewelry.
24 He purchased imported Indian-style jewelry that was manufactured in the Philippines from
25 **Lott** and falsely advertised and displayed the jewelry to the public as authentic Indian-
26 made jewelry made in the United States. **Sarrar** used the email addresses
27 waleedsarrar@XXXXXX.com and wwsarrar@XXXXXX.com.

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1 10. **Scottsdale Jewels LLC** was a jewelry business registered in the State of
2 Arizona, in or around 2010, and operated by defendant **Sarrar** in Old Town Scottsdale,
3 Arizona. The store also offered online sales at its website www.scottsdalejewels.com.

4 11. **Christian Coxon** (“**Coxon**”) owned and operated **Turquoise River**
5 **Trading Company**, a jewelry store in San Antonio, Texas that advertised it sold authentic
6 Indian-made jewelry. He purchased imported Indian-style jewelry that was manufactured
7 in the Philippines from **Lott** and falsely advertised and displayed the jewelry to the public
8 as authentic Indian-made jewelry made in the United States. **Coxon** used the telephone
9 number XXX-XXX-3609.

10 12. **Turquoise River Trading Company** was a jewelry business operated by
11 defendant **Coxon** in San Antonio, Texas since at least 2013.

12 13. **Mency Remedio** (“**Remedio**”) was a manager of the Indian-style jewelry-
13 manufacturing operation in Cebu City, Philippines. She communicated extensively with
14 her conspirators/co-schemers by email about this operation, including jewelry design,
15 payroll, and jewelry shipments from the Philippines to the United States. **Remedio** used
16 the email address mency.lcjewelers@XXXXXXX.com.

17 14. **Orlando Abellanosa** (“**Abellanosa**”) was a Filipino jewelry smith who
18 made Indian-style jewelry in Cebu City, Philippines. He received wire transfers of money
19 from U.S.-based conspirators/co-schemers that were used to fund this operation in the
20 Philippines. He also communicated extensively with his conspirators/co-schemers by
21 email about Indian-style jewelry. **Abellanosa** used the email address
22 lando.lcjewelers@XXXXXXX.com.

23 15. **Ariel Adlawan Canedo** (“**Canedo**”) was a Filipino jewelry smith who made
24 Indian-style jewelry in Cebu City, Philippines. He received wire transfers of money from
25 U.S.-based conspirators/co-schemers that were used to fund this operation in the
26 Philippines. He also communicated extensively with his conspirators/co-schemers by
27 email about Indian-style jewelry. **Canedo** used the email address
28 ariel.lcjewelers@XXXXXXX.com.

1 and Indian tribe, resident within the United States, when in truth and in fact,
2 as they there and then well knew and believed, the jewelry was not Indian
3 produced, an Indian product, and the product of a particular Indian and Indian
4 tribe, in violation of 18 U.S.C. § 1159 (Misrepresentation of Indian Produced
5 Goods and Products);

- 6 b. To cause to be mailed and to be delivered and received from the United States
7 Postal Service, or any private or commercial interstate carrier, any document,
8 matter or thing in furtherance of a scheme and artifice to defraud the United
9 States and the people of the United States of money and property, and to
10 obtain money and property by means of false and fraudulent pretenses,
11 representations, and promises in violation of 18 U.S.C. § 1341 (Mail Fraud);
- 12 c. To cause to be transmitted by means of wire communications in interstate
13 and foreign commerce, writings, signs, signals, and sounds in furtherance of
14 a scheme and artifice to defraud the United States and the people of the
15 United States of money and property, and to obtain money and property by
16 means of false and fraudulent pretenses, representations, and promises, in
17 violation of 18 U.S.C. § 1343 (Wire Fraud); and
- 18 d. To willfully and knowingly enter and introduce, and attempt to enter and
19 introduce, into the commerce of the United States, imported merchandise,
20 that is, Indian-styled jewelry manufactured in the Philippines, by means of a
21 false and fraudulent practice and appliance, to wit, importing Indian-style
22 jewelry manufactured in the Philippines without an indelible country-of-
23 origin marking, in violation of 19 C.F.R. 134.43(c) (Failure to Indelibly Mark
24 Imported Goods/Native American-Style Jewelry), in violation of 18 U.S.C.
25 §§ 542, 545 (Entry of Goods by Means of False Statements and Smuggling
26 Goods Into the United States).

1 both **Last Chance Jewelers** and **Dick Denni**, and bearing an account
2 number ending in -3259 (hereinafter “Nisbet BMO Account”);

3 (3) **Lott** was a signatory on a Wells Fargo bank checking account
4 associated with **LMN Jewelers LLC**, and bearing an account number
5 ending in -2114 (hereinafter “Lott Wells Fargo Checking Account”); and

6 (4) **Lott** was a signatory on a Wells Fargo business savings bank account
7 associated with **Laura Marye Designs**, and bearing an account number
8 ending in -3002 (hereinafter Lott Wells Fargo Savings Account).

9 e. The jewelry was not indelibly marked with its country of origin, namely the
10 Philippines, in violation of U.S. law, which enabled the conspirators/co-
11 schemers to fraudulently display, advertise, and sell the jewelry to the U.S.
12 public as Indian-made jewelry.

13 f. Indian-style jewelry was imported via the commercial interstate carrier
14 FedEx from the Philippines to Arizona, where it was received by defendants
15 and conspirators/co-schemers. At least 14 such jewelry shipments, with a
16 total declared value of about \$130,000, were inspected at a port of entry. At
17 least 13 other shipments, with a declared value of about \$95,000, were not
18 inspected at a port of entry.

19 g. Jewelry was also smuggled through the Philippines Post and the U.S. Postal
20 Service, and by being hand-carried from the Philippines to the United States,
21 which enabled the jewelry shipments to avoid inspection by federal
22 authorities at a port of entry, and enabled the conspirators/co-schemers to
23 avoid paying import duties.

24 h. **Lott** personally delivered the imported jewelry to jewelry retailers across the
25 United States. **Lott** frequently collected payments by check and credit card,
26 including via web-based credit card payment processors such as Square, Inc.
27 and Total System Services (TSYS).

28 i. **Coxon** paid for imported Indian-style jewelry that **Lott** delivered to him via

1 checks made out to **Nisbet**, **LMN Jewelers**, **Last Chance Jewelers**, and
2 **Laura Marye Designs**. **Coxon's** checks were deposited in the Joint Wells
3 Fargo Account, the Lott Wells Fargo Account, the Nisbet BMO Account,
4 and the Lott Wells Fargo Savings Account.

- 5 j. **Sarrar** paid for imported Indian-style jewelry that **Lott** delivered to him via
6 checks from his BBVA Compass checking account made out to **Lott**.
- 7 k. Jewelry store owners and employees described, displayed, advertised, and
8 sold the inauthentic jewelry to the general public as having been made by
9 Indians. Payments were collected from customers by credit card in physical
10 stores and online via the stores' websites.
- 11 l. Conspirators/co-schemers communicated about the operations of the
12 fraudulent jewelry scheme by e-mail, phone calls, and text messages.

13 **Overt Acts**

14 24. In furtherance of the conspiracy, and to effect the objects thereof, the
15 following overt acts, among others, were committed in the District of Arizona, and
16 elsewhere:

17 **Nisbet and His Conspirators Studied and Copied Jewelry Designs**

18 **Made by Real Indian Artists**

- 19 a. On or about May 17, 2016, **Nisbet** sent an email with the subject "Will
20 vandever" to **Sarrar** and to unindicted conspirator W.M.S. The email
21 included an attachment of an image showing four Indian-style pendants.
22 Will Vandever was a well-known Navajo Indian jewelry artist.
- 23 b. In an email thread dated on or about July 17, 2016, **Nisbet** instructed **Canedo**
24 to stamp an item with the initials WV. In this email thread, **Nisbet** wrote:
25 "Wv. Stands for will vandever. Like the picture".
- 26 c. In an email thread dated on or about December 1, 2016, with the subject
27 "VANDEVER RING SAMPLE," **Nisbet** instructed **Canedo** to "Make a
28 mold." **Canedo** replied "yes, its already done."

- 1 d. In an email dated on or about March 17, 2017, unindicted conspirator W.M.S.
2 sent an email to **Nisbet** stating: “Yeah Richard hi this is [W.M.S.] I talk to
3 Laura I have an order of red spiny like the Navajo stuff you make it the last
4 few months we need it in Red. we need rings pendants earrings link braclate
5 cuff. You know nice cutting & nice stone. All shape marquees oval round
6 square tear drop. Navajo style sets 3 pec 4 pec sets rings”. **Nisbet** replied:
7 “Vandever style.”
- 8 e. On or about October 26, 2017, **Nisbet** sent an email with the subject “NEW
9 ORDER VANDERER 2656,” to **Abellanos**, **Canedo**, and **Remedio**. It
10 stated, in part, “LETS PUT THIS ORDER FIRST AND NOT THE
11 CLUSTER, SAME CUSTOMER, THIS ORDER IS EASIER AND
12 FASTER, THESE ARE VANEDEVER PCS”
- 13 f. During the course of the conspiracy, **Lott** maintained in her Google Drive
14 account, an electronic copy of a “Certificate of Navajo Indian Blood” issued
15 by “The Navajo Nation.” The certificate included the Indian Census Roll
16 Number associated with D.T., a member of the Navajo Nation, and the
17 certificate had been altered to remove D.T.’s name.

18 **Communications Between Defendants About the Conspiracy/Scheme**

- 19 g. On or about April 25, 2018, **Coxon** and **Lott** exchanged the following
20 verbatim text messages:

21 Christian Coxon: Have you already left for your trip or do you still
22 have to pack

23 Laura Marye Lott: I’m still packing what do you want me to pack

24 Christian Coxon: I need some nicer neckwear. I still have the little
25 stuff from last time. But the dragonfly and the other nice pieces are
26 gone.

27 Laura Marye Lott: Ok

28 Christian Coxon: I need single stone earrings rings bracelets pendants

1 even neckwear if you have it. Bring me whatever you have that is
2 kind of Navajo style.

3 Laura Marye Lott: Ok

4 Christian Coxon: Put me in some cuffs to

5 Christian Coxon: Maybe some men's rings to

- 6 h. On or about February 18, 2016, **Nisbet** sent an email to **Canedo** instructing
7 **Canedo** about how to stamp a bracelet, which stated: "Only one link is
8 stamped on any Lbr if every link is stamped they know this is a casting for
9 sure and no artist stamps every link." "Lbr" is believed to be shorthand for
10 "long bracelet."
- 11 i. On or about December 14, 2016, **Lott** sent an email to **Remedio** with the
12 subject "Is this serious!!!" The email stated: "Are you guys kidding me with
13 these bracelets you made below? The order said same inlay and design for
14 the black onyx and Opal I get one of each I didn't order 2 bracelets!!!! I
15 ordered 1". **Lott's** email included two images of jewelry.
- 16 j. On or about March 24, 2017, **Nisbet** sent an email to **Abellanosa** and
17 **Canedo**, with the subject "Signature." The email stated: "On these new
18 items customer I don't think wants Lmn. We are talking now in what he
19 wants."
- 20 k. On or about April 4, 2017, **Nisbet** sent an email to **Remedio** with the subject
21 "Re: Ship Friday." The email stated: "We have to figure this out. New law
22 starting. Suppose to mark jewelry where it was made. Going thru mail. We
23 won't have to."
- 24 l. On or about April 20, 2017, **Nisbet** sent an email to a conspirator in the
25 Philippines at the email address maevaleroso@XXXXXX.com with the
26 subject "Supplies." The email stated: "Ok. I will buy supplies. And send
27 next week. Is there anything you need. I will send some. Opal. Real block
28 spiny orange. Rosetta Stone is red. Real turquoise. Block turq. Malachite.

1 Real. Lapis and. Block. Black block. I will be there around the 10 if may or
2 a little sooner. We can have a meeting at park mall I will bring sister inlaw.
3 Stamp jewelry. LL. Sterling”.

4 m. On or about March 24, 2017, **Nisbet** sent an email to **Abellanosa**, and
5 **Canedo** with the subject “Fake jewelry investigation.” The email stated:
6 “Google this. Prosecution fake Native American jewelry. People are going
7 to court right now. That is why sales are slow. So we don’t have problems.
8 Go back to using the Lmn stamp on everything.”

9 n. On or about August 15, 2017, **Nisbet** sent an email to **Abellanosa**, **Canedo**,
10 and **Remedio** with the subject “CUSTOMS AND REAL CORAL.” The
11 email stated: “WHY DID WE SHIP KC ITEMS WITH REAL CORAL THE
12 RULES ARE I WILL HAND CARRY OR SEND BY MAIL. CUSTOMS
13 SEIZED ALL THE KC ITEMS WITH CORAL,, WE HAVE ALSO
14 EXCEDED OUR AMOUNT OF VIOLATIONS ALLOWED, I HAVE
15 BEEN WARNED NEXT TIME THEY WILL SEIZE ALL OF THE
16 JEWELRY FOR ANY VIOLATIONS OF FISH AND WILDLIFE . . .
17 THEY WILL CHECK EVERY ITEM WE SEND FROM NOW ON. IF
18 THIS HAPPENS YOU CAN BET PAYDAYS AND EVERYTHING ELSE
19 WILL BE LATE IF I DONT HAVE SOMETHING TO SELL”.

20 o. On or about August 19, 2017, **Nisbet** sent an email to **Remedio** with the
21 subject “Re: Send pist office. Tuesday or Wednesday.” The email stated in
22 part: “We need to start using post office. Duties are up to 700\$ a month. No
23 duties if we use post office Also. I don’t want them to see what. We do.”

24 p. On or about October 5, 2017, **Lott** sent an email to **Nisbet** with the subject
25 “Re: ORDER N 4101.” The email stated: “Here are two orders for N 4101
26 in sponge coral and TMSB I need silver dividers in the inlay also there is two
27 orders (they look the same but I need 1 in standard men’s size and 1 I n
28 standard women’s size) Please look at each order carefully 😊 Thanks dad!”

- 1 q. On or about February 21, 2018, **Lott** sent a text message to **Nisbet** stating:
2 “Just got the package I’m thinking it’s faster with fed ex.” On the same date,
3 **Nisbet** replied by text message: “You not taking into the fact you get three
4 shipments a month. Month. It’s cheapest. No duties or taxes. And I can
5 shipbreal coral items. Speed. Is. the lowest of priorities. When we get three
6 shipments. And I dont pay. Duties now that gsp is expires that’s. 500-900
7 a month”.
- 8 r. On or about April 4, 2018, **Nisbet** sent an email to **Abellanosa, Canedo, and**
9 **Remedio** with the subject “Thus is why business is so bad.” The email
10 stated: “Go to news.national geographic.com. You Can. Read. the whole
11 article.”
- 12 s. On or about April 4, 2018, **Nisbet** sent an email to **Remedio** with the subject
13 “Re: History’s Biggest Fake American Indian Art Conspiracy Revealed,”
14 which included the entire text of a National Geographic article titled “Biggest
15 Fake Native American Art Conspiracy Revealed,” as well as a hyperlink to
16 the original article. The article discussed federal investigations of Native
17 American jewelry fraud involving counterfeit jewelry manufactured in the
18 Philippines. The article stated: “Higher-end jewelry knockoffs are copied
19 from one-of-a-kind pieces by master Indian artisans and stamped with initials
20 and symbols to mimic an artist’s hallmark.”
- 21 t. On or about April 4, 2018, **Nisbet** sent an email to **Abellanosa and Canedo**
22 with the subject “SHOP AT HOUSE.” The email stated: “BECAUSE OF THE
23 PROLEM HERE IN STATES WE NEED TO GET YOU TWO SET UP WITH
24 WORK AT HOME I WANT TO LOOK OUT FOR US, YOU ARE THE ONLY
25 ONES I HAVE TALKED TO ABOUT SETTING UP SHOP AT YOUR HOME
26 KEEP THIS SILENT PLEASE”.
- 27 u. On or about April 5, 2018, as part of the same email thread between **Nisbet**
28 and **Remedio, Nisbet** wrote: “you need to print a few pages and give to the

1 workers so that they know what I am dealing with here, its not easy right
2 now everyone scared to buy.” **Nisbet** also wrote “ITS ALREADY
3 HURTING US WITH VERY SLOW SALES. THATS WHY I CANT
4 KEEP THE WHOLE FACTORY WORKING, I AM TRYING TO SAVE
5 ALL THE JOBS I CAN SO I HAVE TO MAKE HARD DECISIONS LIKE
6 SOME TIME OFF FOR SOME WORKERS.” **Remedio** replied, “Yes sir.
7 I hope they understand.” **Remedio** also wrote: “This would hurt us too sir.
8 Cebu Philippines factory is mentioned specifically.”

- 9 v. On or about April 5, 2018, **Nisbet** sent an email to **Abellanosa**, **Canedo**, and
10 **Remedio**, with the subject “what inlayers to work.” The email stated, in part,
11 “the news article has slowed the whole industry down even real indian is
12 being effected”.

13 **Fraudulent Displays of Imported Jewelry as Indian-Made**

- 14 w. On or about April 20, 2017, unindicted conspirator N.L., an employee at
15 S.F.T., an Indian-style jewelry and crafts store owned by J.Y. and located in
16 Galveston, Texas, displayed, offered for sale, and sold as genuine Indian
17 jewelry for approximately \$214 to an undercover agent, jewelry that had in
18 fact been manufactured in the Philippines in the Indian-style. The jewelry
19 was paid for by credit card. The jewelry was not permanently or indelibly
20 marked as made in the Philippines. On this date, S.F.T. had several large
21 signs posted outside of the store that read “Native American Jewelry and
22 Art.”
- 23 x. On or about April 21, 2017, **Coxon** displayed and offered for sale from his
24 business **Turquoise River Trading Company**, located in San Antonio,
25 Texas, to the public, as genuine Indian jewelry, Indian-style jewelry
26 manufactured in the Philippines.
- 27 y. On or about April 21, 2017, defendant **Coxon’s** business **Turquoise River**
28 **Trading Company**, located in San Antonio, Texas, displayed a printed sign

1 near the store's entrance that depicted an Indian Chief wearing a feather
2 headdress and stated, in part, "Handmade Native American Art."

3 z. On or about May 1, 2017, an employee at T.H., an Indian-style jewelry and
4 crafts store owned by R.R. and A.R., located in Sedona, Arizona, displayed,
5 offered for sale, and sold for approximately \$266 to an undercover agent, as
6 genuine Indian jewelry made by Navajo artist named Dick Denni, Indian-
7 style jewelry that had been manufactured in the Philippines. The jewelry was
8 paid for via PayPal. The jewelry was not permanently or indelibly marked
9 as made in the Philippines.

10 aa. On or about May 16, 2017, an employee at **Coxon's** business Turquoise
11 River Trading, in San Antonio, Texas, displayed, offered for sale, and sold
12 for approximately \$1,113 to an undercover agent, as genuine Indian jewelry
13 made by Navajo artists, Indian-style jewelry that had been manufactured in
14 the Philippines. The jewelry was not permanently or indelibly marked as
15 made in the Philippines. The payment was made by credit card. Before the
16 purchase was completed, the employee spoke to **Coxon** by phone to obtain
17 more information about the Indian-style jewelry that the undercover agent
18 expressed interest in purchasing.

19 bb. On or about January 31, 2018, an employee at T.H., an Indian-style jewelry
20 and crafts store owned by R.R. and A.R., located in Sedona, Arizona,
21 displayed, offered for sale, and sold for about approximately \$350 to an
22 undercover agent, as genuine Indian jewelry made by Navajo artist named
23 **Dick Denni**, Indian-style jewelry that had been manufactured in the
24 Philippines. The jewelry was paid for by credit card. The jewelry was not
25 permanently or indelibly marked as made in the Philippines.

26 cc. On or about May 8, 2018, **Sarrar**, from his business **Scottsdale Jewels LLC**,
27 located in Scottsdale, Arizona, displayed and offered for sale for over \$1000,
28 and sold for approximately \$917 to an undercover agent, as genuine Indian

1 jewelry made by Navajo artists, five items of Indian-style jewelry that were
 2 manufactured in the Philippines. The jewelry was not permanently or
 3 indelibly marked as made in the Philippines.

4 In violation of 18 U.S.C. §§ 371 and 2.

5 **COUNTS 2-5**

6 **(Misrepresentation of Indian Produced Goods and Products)**

7 25. The factual allegations in Paragraphs 1-19, 23, and 24 of this Indictment are
 8 re-alleged and incorporated as though fully set forth herein.

9 26. On or about the dates listed below, in the District of Arizona and elsewhere,
 10 the defendants, **Richard Dennis Nisbet, Laura Marye Lott, Waleed Sarrar, Christian**
 11 **Coxon, Mency Remedio, Orlando Abellanosa, and Ariel Adlawan Canedo**, along with
 12 other individuals and entities known and unknown to the Grand Jury, did knowingly
 13 display and offer for sale for \$1,000 and more, a good, specifically: items of jewelry, in a
 14 manner that suggested that the good was Indian produced, an Indian product, and the
 15 product of a particular Indian and Indian tribe, resident within the United States, when in
 16 truth and in fact, as they there and then well knew and believed, the good was not Indian
 17 produced, an Indian product, and the product of a particular Indian and Indian tribe, as
 18 more specifically described below:

19

Count	Date (On or About)	Store
2	May 1, 2017	T.H.
3	May 16, 2017	Turquoise River Trading Company
4	January 31, 2018	T.H.
5	May 8, 2018	Scottsdale Jewels

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 21
 22
 23
 24 In violation of 18 U.S.C. §§ 1159 and 2.

25 **COUNTS 6-19**

26 **(Mail Fraud)**

27 27. The factual allegations in Paragraphs 1-19, 23 and 24 of this Indictment are
 28 re-alleged and incorporated as though fully set forth herein.

1 28. Beginning in or about January 2016, and continuing through on or about the
2 date of the Indictment, in the District of Arizona and elsewhere, the defendants, **Richard**
3 **Dennis Nisbet, Laura Marye Lott, Christian Coxon, Waleed Sarrar, Mency Remedio,**
4 **Orlando Abellanosa, and Ariel Adlawan Canedo,** along with other individuals and
5 entities known and unknown to the Grand Jury, with the intent to defraud, willfully
6 participated in, with knowledge of its fraudulent nature, the above-described scheme and
7 artifice to defraud and obtain money by materially false and fraudulent pretenses,
8 representations, and promises.

9 29. On or about the dates listed below, in the District of Arizona and elsewhere,
10 for the purposes of executing or attempting to execute the above-described scheme and
11 artifice to defraud, the defendants knowingly caused to be delivered by private and
12 commercial interstate carrier FedEx, according to the direction thereon, shipments of
13 jewelry from the Philippines to the United States, with each instance being a separate count
14 of the Indictment:

Count	Date (On or About)	Port of Entry	Sender	Receiver
6	01/27/2016	San Francisco, CA	Carico Lake Traders #225 Cogon Pardo Cebu City, Philippines	Laura Lott 2221 E. Union Hills #144 Phoenix, AZ 85024
7	02/17/2016	San Francisco, CA	L.D. #225 Cogon Pardo Cebu City, Cebu, Philippines	Laura Lott 2221 E. Union Hills #144 Phoenix, AZ 85024
8	04/11/2016	Anchorage, AK	L.D. #225 Cogon Pardo Cebu City, Philippines	Laura Lott 2221 E. Union Hills #144 Phoenix, AZ 85024
9	05/09/2016	Anchorage, AK	L.D. #225 Cogon Pardo Cebu City, Cebu, Philippines	Laura Lott 24654 N. Lake Pleasant Pkwy Ste 103 MB 524 Peoria, AZ 85383

1	10	07/27/2016	Anchorage, AK	L.D. #225 Cogon Pardo Cebu City, Cebu, Philippines	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
2					
3	11	10/09/2016	Anchorage, AK	L.D. #225 Cogon Pardo Cebu City, Cebu, Philippines	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
4					
5	12	12/10/2016	Anchorage, AK	Ariel Canedo Carico Lake Traders 225 Cogon Pardo Cebu City, Cebu, Philippines	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
6					
7	13	01/26/2017	Anchorage, AK	Ariel Canedo Carico Lake Traders 225 Cogon Pardo Cebu City, Cebu, Philippines	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
8					
9	14	03/24/2017	Anchorage, AK	Ariel Canedo Carico Lake Traders 225 Cogon Pardo Cebu City, Cebu, Philippines	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
10					
11	15	06/22/2017	Anchorage, AK	Orlando Abellanosa Carico Lake Traders 225 Cogon Pardo	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
12					
13	16	07/26/2017	Anchorage, AK	Orlando Abellanosa Carico Lake Traders 225 Cogon Pardo	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
14					
15	17	08/14/2017	Anchorage, AK	Orlando Abellanosa Carico Lake Traders 225 Cogon Pardo	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
16					
17	18	08/28/2017	Anchorage, AK	Orlando Abellanosa Carico Lake Traders 225 Cogon Pardo	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
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19	10/20/2017	Anchorage, AK	Orlando Abellanosa Carico Lake Traders 225 Cogon Pardo Cebu City, Cebu, Philippines	Laura Lott LMN Jewelers LLC 18850 N. 16th Place Phoenix, AZ 85024
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In violation of 18 U.S.C. §§ 1341 and 2.

COUNTS 20-29

(Wire Fraud)

30. The factual allegations in Paragraphs 1-19, 23, and 24 of this Indictment are re-alleged and incorporated as though fully set forth herein.

31. Beginning in or about January 2016, and continuing through on or about the date of the Indictment, in the District of Arizona and elsewhere, for the purposes of executing or attempting to execute the above-described scheme and artifice to defraud, the defendants **Richard Dennis Nisbet, Laura Marye Lott, Waleed Sarrar, Christian Coxon, Mency Remedio, Orlando Abellanosa, and Ariel Adlawan Canedo**, along with other individuals and entities known and unknown to the Grand Jury, with the intent to defraud, willfully participated in, with knowledge of its fraudulent nature, the above-described scheme and artifice to defraud and obtain money by materially false and fraudulent pretenses, representations, and promises.

32. On or about the dates listed below, in the District of Arizona and elsewhere, for the purposes of executing or attempting to execute the above-described scheme and artifice to defraud, the defendants knowingly transmitted and caused to be transmitted, by means of wire and radio communications in interstate commerce, certain writings, pictures, signals, and sounds, to and from the District of Arizona and elsewhere, as set forth below, with each instance being a separate count of this Indictment:

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Count	Wire Date (On or About)	Sender	Receiver	Item Sent
20	03/22/2016	Christian Coxon d.b.a. Turquoise River Trading	Laura Lott d.b.a. LMN Jewelers	Check deposit for \$2795 to Lott Wells Fargo Checking Account, ending in - 2114
21	04/13/2016	Christian Coxon d.b.a. Turquoise River Trading	Richard Nisbet	Check deposit for \$1660 to Joint Wells Fargo Account, ending in -7724
22	12/14/2016	Lott from llott1213@XXX.com	Remedio at mency.lcjewelers@XXXXXXX.com	Email stating: "Are you guys kidding me with these bracelets you made below? The order said same inlay and design for the black onyx and Opal I get one of each I didn't order 2 bracelets!!!! I ordered 1".
23	07/17- 18/2016	Nisbet from rdnisb3t@XXX.com	Canedo at ariel.lcjewelers@XXXXXXX.com	Email stating: "If u stamped Lmn that's ok. If not. Wv. Stands for will vandever. Like the picture."
24	01/11/2017	Lott from telephone number XXX- XXX-6383	N.L. to telephone number XXX- XXX-7432	Text message stating: "Good morning [N.L.]!!! Hope things are good!!!! I sent the earrings the other day. Also wanted to let you and [J.Y.] know I'll be in Houston January 15 let me know if you guys want me to stop by."

1 2 3 4 5 6	25	03/24/2017	Nisbet from <u>rdnisb3t@XXX</u> <u>XXX.com</u>	Canedo at <u>ariel.lcjewelers@</u> <u>XXXXXX.com</u> and Abellanosa at <u>lando.lcjewelers@</u> <u>XXXXXX.com</u>	Email stating: "Google this. Prosecution fake Native American jewelry. People are going to court right now. That is why sales are slow. So we don't have problems. Go back to using the Lmn stamp on everything."
7	26	04/11/2017	Waleed Sarrar	Lott d.b.a. LMN Jewelers	Credit card charge for \$1000
8	27	05/02/2017	T.H.	Lott d.b.a. LMN Jewelers	Credit card charge for \$5708
9	28	03/07/2018	Coxon d.b.a. Turquoise River Trading	Lott d.b.a. Laura Marye Designs	Check deposit for \$1711 to Lott Wells Fargo Savings Account, ending in - 3002
10 11 12 13 14 15 16 17 18	29	04/25/2018	Coxon from telephone number XXX-XXX-3609	Lott to telephone number XXX-XXX-6383	Text message stating: "I need single stone earrings rings bracelets pendants even neckwear if you have it. Bring me whatever you have that is kind of Navajo style."

19 In violation of 18 U.S.C. §§ 1343 and 2.

20 **COUNTS 30-37**

21 **(International Promotion Money Laundering)**

22 33. The factual allegations in Paragraphs 1-19, 23-24, 29, and 32 of this
23 Indictment are re-alleged and incorporated as though fully set forth herein.

24 34. On or about the dates listed below, in the District of Arizona and elsewhere,
25 the defendants, **Richard Dennis Nisbet, Laura Marye Lott, Mency Remedio, Orlando**
26 **Abellanosa, and Ariel Adlawan Canedo**, along with other individuals and entities known
27 and unknown to the Grand Jury, did transfer and attempt to transfer funds, from a place in
28 the United States, to a place outside the United States, that is the Philippines, with the intent

1 to promote the carrying on of specified unlawful activity, that is mail fraud and wire fraud,
2 with each instance being a separate count of the Indictment:

3 Count	Date	From	To	Amount
4 30	02/16/2016	Nisbet BMO Account, ending in -3259	L.D.	\$3000
5 31	05/03/2016	Nisbet BMO Account, ending in -3259	L.D.	\$1500
6 32	10/19/2016	Nisbet BMO Account, ending in -3259	L.D.	\$5000
7 33	02/10/2017	Nisbet BMO Account, ending in -3259	L.D.	\$5500
8 34	04/28/2017	Nisbet BMO Account, ending in -3259	L.D.	\$6000
9 35	07/05/2017	Nisbet BMO Account, ending in -3259	Abellanosa or Canedo	\$6000
10 36	09/01/2017	Nisbet BMO Account, ending in -3259	Abellanosa or Canedo	\$7000
11 37	03/12/2018	Joint Wells Fargo Account, ending in -7724	Abellanosa	\$1500

12 In violation of 18 U.S.C. §§ 1956(a)(2)(A) and 2.

13 **COUNT 38**

14 **(Money Laundering Conspiracy)**

15 35. The factual allegations in Paragraphs 1-19, 23, 29, 32, and 34 of this
16 Indictment are re-alleged and incorporated as though fully set forth herein.

17 36. Beginning in or about January 2016, and continuing through on or about the
18 date of the Indictment, in the District of Arizona and elsewhere, the defendants, **Richard**
19 **Dennis Nisbet, Laura Marye Lott, Mency Remedio, Orlando Abellanosa, and Ariel**
20 **Adlawan Canedo**, and other individuals and entities known and unknown to the Grand
21 Jury, knowingly conspired and agreed with each other and with other persons, both known
22 and unknown to the Grand Jury, to commit an offense against the United States in violation
23 of Title 18, United States Code, Section 1956(a)(2)(A), to wit: to transport, transmit and
24 transfer and attempt to transport, transmit and transfer a monetary instrument and funds
25
26
27
28

1 from a place in the United States to and through a place outside the United States with the
2 intent to promote the carrying on of specified unlawful activity.

3 In violation of 18, U.S.C. §§ 1956(h) and 2.

4 **FORFEITURE ALLEGATION**

5 **[18 U.S.C. § 982(a)(1); 21 U.S.C. § 853; 28 U.S.C. § 2461(c)]**

6 37. The Grand Jury re-alleges and incorporates the allegations of Counts 1
7 through 38 of this Indictment, which are incorporated by reference as though fully set forth
8 herein.

9 38. Pursuant to Title 18, United States Code, Section 982(a)(1), Title 21, United
10 States Code, Section 853, and Title 28, United States Code, Section 2461(c), and upon
11 conviction of one or more of the offenses alleged in Counts 1 through 38 of this Indictment,
12 defendant(s) shall forfeit to the United States all right, title, and interest in any and all
13 property, real or personal, involved in such offense(s), or any property traceable to such
14 property involved in the offense(s), or conspiracy to commit such offense(s), including the
15 following: (a) all money or other property that was the subject of each transaction,
16 transportation, transmission or transfer in violation of a statute listed in Title 18, United
17 States Code, Section 982, (b) all other property constituting proceeds obtained as a result
18 of those violations, and (c) all property used in any manner or part to commit or to facilitate
19 the commission of those violations including, but not limited to the sum of money
20 representing the amount of money involved in the offense(s) and the property named
21 below.

22 \$3,507.31 in United States currency;

23 \$579.87 in United States currency; and

24 A sum of money equal to at least \$767,801.84 in United States currency,
25 representing the amount of money involved in the offense(s).

26 If any of the above-described forfeitable property, as a result of any act or omission
27 of the defendant(s):

28 (1) cannot be located upon the exercise of due diligence,

1 (2) has been transferred or sold to, or deposited with, a third party,
2 (3) has been placed beyond the jurisdiction of the court,
3 (4) has been substantially diminished in value, or
4 (5) has been commingled with other property which cannot be divided without
5 difficulty,
6 it is the intent of the United States to seek forfeiture of any other property of said
7 defendant(s) up to the value of the above-described forfeitable property, pursuant to Title
8 21, United States Code, Section 853(p).

9 All in accordance with Title 18, United States Code, Section 982, Title 21, United
10 States Code, Section 853, Title 28, United States Code, Section 2461(c), and Rule 32.2,
11 Federal Rules of Criminal Procedure.

12 A TRUE BILL

13
14
15 s/
FOREPERSON OF THE GRAND JURY
16 Date: February 26, 2019

17 ELIZABETH A. STRANGE
18 First Assistant United States Attorney
19 District of Arizona

20 s/
PETER SEXTON
21 Assistant U.S. Attorney

22 BRIAN A. BENCZKOWSKI
23 Assistant Attorney General
Criminal Division, U.S. Department of Justice

24
25 s/
MONA SAHAF
26 Trial Attorney
27 U.S. Department of Justice, Criminal Division
Human Rights and Special Prosecutions

28