

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

<b>UNITED STATES OF AMERICA</b>	<b>:</b>	<b>CRIMINAL NO.</b> _____
<b>v.</b>	<b>:</b>	<b>DATE FILED:</b> _____
<b>JAMEEL EL-FAHEL,</b> <b>a/k/a “Jimmy”</b>	<b>:</b>	<b>VIOLATIONS 18 U.S.C. § 371</b> <b>(Conspiracy to Defraud the IRS</b>
<b>YACOUB SALIB,</b> <b>a/k/a “Jacob”</b>	<b>:</b>	<b>- 2 Counts)</b> <b>18 U.S.C. § 1001 (False Statement</b>
<b>ISSAM AZAR,</b> <b>a/k/a “Sam”</b>	<b>:</b>	<b>- 1 Count)</b> <b>18 U.S.C. § 1344 (Bank Fraud</b>
<b>RIMA FAHL, ESQUIRE</b>	<b>:</b>	<b>- 1 Count)</b> <b>18 U.S.C. § 1957 (Money</b>
<b>MICHEL KASTOUN</b>	<b>:</b>	<b>Laundering - 2 Counts)</b> <b>18 U.S.C. § 2</b>
<b>MAHA KASTOUN</b>	<b>:</b>	<b>Notice of Forfeiture</b>

**INDICTMENT**

**COUNT ONE**

**CONSPIRACY TO DEFRAUD THE IRS: 18 U.S.C. § 371**

**THE GRAND JURY CHARGES THAT:**

At all times material to this Indictment:

**THE DEFENDANTS & THEIR BUSINESSES**

1. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** owned and operated the Beirut Restaurant in Allentown, Pennsylvania.
2. Defendant **YACOUB SALIB, a/k/a “Jacob,”** owned and operated clothing manufacturing businesses in Allentown and Bethlehem, Pennsylvania under several names, including Fountain Hill Sportswear, Fountain Hill Manufacturing and Rochelle Manufacturing.

These businesses are referred to as “Salib’s businesses” throughout this indictment.

3. Defendant **ISSAM AZAR, a/k/a “Sam,”** owned and operated Azar Fashions, Inc., which was located at 201 North 3<sup>rd</sup> Street, Allentown, Pennsylvania, 18102. Azar Fashions provided cutting and sewing services to various customers in the garment industry.

4. Defendant **RIMA FAHL** was an attorney licensed to practice law in the Commonwealth of Pennsylvania. She practiced law in a law office located at 137 North 5<sup>th</sup> Street, Allentown, Pennsylvania, 18102.

#### **EL-FAHEL'S BANK ACCOUNTS**

5. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** opened a business checking account under the name of Beirut Restaurant at Meridian Bank, account number 361-00192-9, on or about July 14, 1982.

6. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** opened a business checking account under the name of J & K Fashion at Meridian Bank, account number 5137-7931, on or about April 14, 1994.

7. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** opened a business checking account under the name of J & K Fashion at PNC Bank, account number 90-0018-8251, on or about March 12, 1996.

#### **MONETARY TRANSACTIONS**

8. Section 5313 of Title 31, United States Code, required financial institutions

involved in transactions of \$10,000.00 or more to file currency transaction reports with the Secretary of the Treasury.

9. Section 5324 of Title 31, United States Code, prohibited any person from structuring a financial transaction for the purpose of evading the currency transaction reporting requirement described in paragraph 8 above.

### **EMPLOYMENT TAX REQUIREMENTS**

10. The Internal Revenue Code and regulations require employers to withhold from employees' paychecks and to pay to the IRS certain payroll taxes, including Federal Income Tax Withholding ("FITW") and the Federal Insurance Contributions Act ("FICA") taxes as follows:

a. Employers are required to withhold FITW on the wages of employees and pay the money withheld to the IRS;

b. FICA contributions are to be made up of four components: the employee's and employer's equal shares of 6.2% for Social Security and 1.45% for Medicare taxes. An employer is also required to withhold the employee's share and contribute it together with the equal employer's share, a total of 15.30% of wages, to the IRS;

c. Employers are required to file a quarterly combined FITW and FICA tax return on an Employer's Quarterly Tax Return, IRS Form 941, in the case of a corporation, or annually on IRS Form 1040, Schedule C, in the case of a sole proprietorship;

d. Employers are required to file an annual reconciliation of the quarterly tax return, IRS Form 940, in the case of a corporation, or on IRS Form 1040, Schedule C, in the case of a sole proprietorship; and

e. Employers are required to issue to each employee and file with the IRS an IRS Form W-2 reporting all wages paid, and all FITW and FICA withheld.

### **THE CONSPIRACY**

11. From in or about November, 1995, the exact date being unknown to the Grand Jury, and continuing thereafter until in or about December, 1998, in the Eastern District of Pennsylvania and elsewhere, defendants

**JAMEEL EL-FAHEL,  
a/k/a “Jimmy”  
YACOUB SALIB,  
a/k/a “Jacob”  
ISSAM AZAR,  
a/k/a “Sam”  
and  
RIMA FAHL**

knowingly and intentionally conspired and agreed together and with each other and with other persons both known and unknown to the Grand Jury, to defraud the United States by willfully impeding, impairing, obstructing, and defeating the lawful government functions of the Internal Revenue Service of the Department of the Treasury (“IRS”) in the ascertainment, computation, assessment, and collection of the revenue; to wit, employment taxes.

### **THE MANNER AND MEANS OF THE CONSPIRACY**

12. Defendants **JAMEEL EL-FAHEL, a/k/a “Jimmy,” YACOUB SALIB, a/k/a “Jacob,” ISSAM AZAR, a/k/a “Sam” and RIMA FAHL** used a deceptive check-exchange scheme to pay unreported cash wages to employees and then not withhold or pay any

employment tax. The purpose of the scheme was to enrich the defendants by allowing them to retain the amounts owed in employment tax and to generate unreported cash income for their own personal use and benefit.

It was part of the conspiracy that:

13. Defendants **YACOUB SALIB, a/k/a “Jacob”** and **ISSAM AZAR, a/k/a “Sam”** provided customer checks to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** for deposit into El-Fahel's bank accounts.

14. Defendants **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and **RIMA FAHL** wrote numerous checks against those bank accounts back to defendants **YACOUB SALIB, a/k/a “Jacob”** and **ISSAM AZAR, a/k/a “Sam”** and their agents.

15. Defendants **YACOUB SALIB, a/k/a “Jacob”** and **ISSAM AZAR, a/k/a “Sam”** each employed more than fifty employees at their respective businesses. The employees were paid unreported cash wages, as well as reported payroll wages, for services rendered.

16. Defendants **YACOUB SALIB, a/k/a “Jacob”** and **ISSAM AZAR, a/k/a “Sam”** received numerous checks from business customers in payment for services rendered by Salib's businesses and Azar Fashions.

17. Defendants **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and **RIMA FAHL** used bank accounts under the name of J & K Fashion to deposit business checks for defendants **YACOUB SALIB, a/k/a “Jacob”** and **ISSAM AZAR, a/k/a “Sam”** and provide cash and checks written against the J & K Fashion accounts to defendants **YACOUB SALIB, a/k/a “Jacob”** and **ISSAM AZAR, a/k/a “Sam”** and others, in amounts usually less than \$10,000.00 to

avoid currency transaction reporting requirements, to pay unreported cash wages to employees of Salib's businesses and Azar Fashions.

18. Defendants **YACOUB SALIB, a/k/a "Jacob,"** **ISSAM AZAR, a/k/a "Sam"** and others cashed the checks provided by defendants **JAMEEL EL-FAHEL, a/k/a "Jimmy"** and **RIMA FAHL** and used the cash to pay unreported cash wages to employees of Salib's businesses and Azar Fashions.

19. Defendants **YACOUB SALIB, a/k/a "Jacob"** and **ISSAM AZAR, a/k/a "Sam"** paid **JAMEEL EL-FAHEL, a/k/a "Jimmy"** and **RIMA FAHL** a three percent fee, more or less, for depositing their business checks and providing cash and checks back to **YACOUB SALIB, a/k/a "Jacob"** and **ISSAM AZAR, a/k/a "Sam"** to pay unreported cash wages to employees. The three percent fee was never reported to the Internal Revenue Service as income.

20. Defendants **YACOUB SALIB, a/k/a "Jacob"** and **ISSAM AZAR, a/k/a "Sam"** directed business customers, including N & H Corporation, to wire transfer payment for services rendered directly to bank accounts established for Salib's businesses and Azar Fashions.

21. Defendant **ISSAM AZAR, a/k/a "Sam"** wrote checks against the Azar Fashions account to Rochelle Manufacturing and others so that defendant **YACOUB SALIB, a/k/a "Jacob"** and others could exchange those checks with defendant **JAMEEL EL-FAHEL, a/k/a "Jimmy"** and **RIMA FAHL** in order to pay unreported cash wages to employees of Salib's businesses and Azar Fashions.

22. Defendants **YACOUB SALIB, a/k/a "Jacob"** and **ISSAM AZAR, a/k/a "Sam"** never withheld, paid or reported the employment tax due and owing to the Internal Revenue

Service for the cash wages of at least \$2,000,000.00 paid to their employees.

### **OVERT ACTS**

In furtherance of the conspiracy, and to achieve its objects, defendants **JAMEEL EL-FAHEL, a/k/a “Jimmy,” YACOUB SALIB, a/k/a “Jacob,” ISSAM AZAR, a/k/a “Sam,”** and **RIMA FAHL** and other persons known and unknown to the grand jury, committed the following overt acts, among others, within the Eastern District of Pennsylvania and elsewhere:

1. In or about November, 1995, defendant **YACOUB SALIB, a/k/a “Jacob”** met with defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** to discuss a check-exchange arrangement. Defendants **YACOUB SALIB, a/k/a “Jacob”** and **JAMEEL EL-FAHEL, a/k/a “Jimmy”** agreed that **YACOUB SALIB, a/k/a “Jacob”** would deposit business checks with **JAMEEL EL-FAHEL, a/k/a “Jimmy”** for a three percent fee, more or less. The defendants further agreed that **JAMEEL EL-FAHEL, a/k/a “Jimmy”** would provide cash and checks back to **YACOUB SALIB, a/k/a “Jacob.”**

2. In or about August, 1996, defendant **RIMA FAHL** advised defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** to direct defendant **YACOUB SALIB, a/k/a “Jacob”** and **ISSAM AZAR, a/k/a “Sam”** (1) to deposit customer checks into the Azar Fashion account; (2) to write checks from Azar to Salib’s businesses; and (3) to exchange J & K Fashion checks for the Azar checks, rather than for the customer checks, all to enable defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and others to escape tax liability, if faced with an IRS audit, by issuing an IRS Form 1099 to check recipients as if each recipient was a subcontractor.

**SALIB’S BUSINESS INCOME 1995-1996**

**Fountain Hill Sportswear - 1995**

3. From in or about November, 1995 through in or about December, 1995, defendant **YACOUB SALIB, a/k/a “Jacob”** delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** nine checks from various business customers, made payable to Fountain Hill Sportswear in the aggregate amount of \$93,486.21, as reflected below, each check constituting an overt act:

<b>CHECK DATE</b>	<b>CHECK #</b>	<b>AMOUNT</b>	<b>PAYOR</b>	<b>PAYABLE TO:</b>	<b>DATE OF DEPOSIT</b>
11/21/95	18888	\$ 9,846.87	TRICOR FABRICS INC	FOUNTAIN HILL SPORTSWEAR	11/22/95
11/24/95	1640	\$ 29,068.06	PERFORMANCE SPORTS APPAREL INC	FOUNTAIN HILL SPORTSWEAR	11/27/95
12/1/95	1694	\$ 10,452.38	PERFORMANCE SPORTS APPAREL INC	FOUNTAIN HILL SPORTSWEAR	12/4/95
12/7/95	8097	\$ 10,589.74	SKIP'S CUTTING, INC.	FOUNTAIN HILL SPORTSWEAR	12/11/95
12/8/95	1740	\$ 8,188.36	PERFORMANCE SPORTS APPAREL INC	FOUNTAIN HILL SPORTSWEAR	12/11/95
12/14/95	8233	\$ 7,200.66	SKIP'S CUTTING, INC.	FOUNTAIN HILL SPORTSWEAR	12/18/95
12/15/95	18748	\$ 5,377.74	N.G.N. & CO.	FOUNTAIN HILL SPORTSWEAR	12/18/95
12/16/95	1783	\$ 9,142.40	PERFORMANCE SPORTS APPAREL INC	FOUNTAIN HILL SPORTSWEAR	12/20/95
12/21/95	8356	\$ 3,620.00	SKIP'S CUTTING, INC.	FOUNTAIN HILL SPORTSWEAR	12/22/95
<b>1995 TOTAL</b>		<b>\$ 93,486.21</b>			

4. From in or about November, 1995 through in or about December, 1995, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 3 above, into the J & K Fashion account at Meridian Bank, account no. 5137-7931, each deposit constituting an overt act.

**Fountain Hill Sportswear - 1996**

5. From in or about January, 1996 through in or about April, 1996, defendant **YACOUB SALIB, a/k/a “Jacob”** delivered or caused to be delivered to defendant **JAMEEL**

**EL-FAHEL, a/k/a “Jimmy,”** 12 checks from various business customers, made payable to Fountain Hill Sportswear in the aggregate amount of \$90,994.86, as reflected below, each check constituting an overt act:

CHECK DATE	CHECK #	AMOUNT	PAYOR	PAYABLE TO:	DATE OF DEPOSIT
1/8/96	18935	\$ 4,707.81	N.G.N. & CO.	FOUNTAIN HILL SPORTSWEAR	1/10/96
1/16/96	19004	\$ 3,224.00	N.G.N. & CO.	FOUNTAIN HILL SPORTSWEAR	1/16/96
1/25/96	23901	\$ 6,581.31	S.L. DANIELLE, INC.	FOUNTAIN HILL SPORTSWEAR	1/29/96
2/8/96	23999	\$ 1,817.34	S.L. DANIELLE, INC.	FOUNTAIN HILL SPORTSWEAR	2/13/96
2/9/96	24008	\$ 4,213.30	S.L. DANIELLE, INC.	FOUNTAIN HILL SPORTSWEAR	2/13/96
2/23/96	19315	\$ 5,720.36	N.G.N. & CO.	FOUNTAIN HILL SPORTSWEAR	2/23/96
2/23/96	24263	\$ 4,561.45	S.L. DANIELLE, INC.	FOUNTAIN HILL SPORTSWEAR	2/27/96
unreadable	19647	\$ 15,750.00	N.G.N. & CO.	FOUNTAIN HILL SPORTSWEAR	3/15/96
3/13/96	3414	\$ 879.79	B. LEVINE TEXTILES, INC.	FOUNTAIN HILL SPORTSWEAR	3/19/96
unreadable	19747	\$ 17,048.51	N.G.N. & CO.	FOUNTAIN HILL SPORTSWEAR	3/25/96
unreadable	19920	\$ 9,736.43	N.G.N. & CO.	FOUNTAIN HILL SPORTSWEAR	4/4/96
4/15/96	24706	\$ 16,754.56	S.L. DANIELLE, INC.	FOUNTAIN HILL SPORTSWEAR	4/16/96
<b>1996 TOTAL</b>		<b>\$ 90,994.86</b>			

6. From in or about January, 1996 through in or about April, 1996, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 5 above, into the J & K Fashion account at Meridian Bank, account no. 5137-7931, each deposit constituting an overt act.

7. From in or about May, 1996 through in or about November, 1996, defendant **YACOUB SALIB, a/k/a “Jacob”** delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** 23 checks from various business customers, made payable to Fountain Hill Sportswear in the aggregate amount of \$372,400.72, as reflected below, each check constituting an overt act:

CHECK DATE	CHECK #	AMOUNT	PAYOR	PAYABLE TO	DATE OF DEPOSIT
5/8/96	24873	\$ 28,104.41	S.L. Danielle, Inc.	Fountain Hill Sportswear	5/10/96

5/9/96	24908	\$ 51,335.49	S.L. Danielle, Inc.	Fountain Hill Sportswear	5/10/96
5/15/96	24947	\$ 24,534.78	S.L. Danielle, Inc.	Fountain Hill Sportswear	5/16/96
5/20/96	7046	\$ 13,527.00	Sue & Sam Company	Fountain Hill Sportswear	5/23/96
5/20/96	7047	\$ 24,180.00	Sue & Sam Company	Fountain Hill Sportswear	5/23/96
5/29/96	7082	\$ 28,709.33	Sue & Sam Company	Fountain Hill Sportswear	5/29/96
7/13/96	21028	\$ 12,481.34	N.G.N. & Co.	Fountain Hill Sportswear	7/12/96
7/23/96	21266	\$ 22,005.00	N.G.N. & Co.	Fountain Hill Sportswear	7/26/96
8/2/96	21358	\$ 20,701.98	N.G.N. & Co.	Fountain Hill Sportswear	8/5/96
unreadable	21461	\$ 6,237.00	N.G.N. & Co.	Fountain Hill Sportswear	8/9/96
unreadable	21545	\$ 11,921.00	N.G.N. & Co.	Fountain Hill Sportswear	8/16/96
unreadable	21581	\$ 4,639.63	N.G.N. & Co.	Fountain Hill Sportswear	8/23/96
8/30/96	21664	\$ 14,109.02	N.G.N. & Co.	Fountain Hill Sportswear	8/30/96
9/16/96	25934	\$ 2,592.84	S.L. Danielle, Inc.	Fountain Hill Sportswear	9/17/96
9/27/96	22082	\$ 4,043.03	N.G.N. & Co.	Fountain Hill Sportswear	9/30/96
10/4/96	478	\$ 10,542.25	N.G.N. & Co.	Fountain Hill Sportswear	10/7/96
10/11/96	22251	\$ 10,008.77	N.G.N. & Co.	Fountain Hill Sportswear	10/11/96
10/18/96	22320	\$ 10,429.75	N.G.N. & Co.	Fountain Hill Sportswear	10/18/96
10/21/96	26219	\$ 8,087.29	S.L. Danielle, Inc.	Fountain Hill Sportswear	10/22/96
10/25/96	22412	\$ 21,953.45	N.G.N. & Co.	Fountain Hill Sportswear	10/28/96
11/1/96	22540	\$ 17,075.82	N.G.N. & Co.	Fountain Hill Sportswear	11/1/96
11/8/96	22682	\$ 6,981.31	N.G.N. & Co.	Fountain Hill Sportswear	11/12/96
11/15/96	22808	\$ 18,200.23	N.G.N. & Co.	Fountain Hill Sportswear	11/18/96
<b>TOTAL</b>		<b>\$ 372,400.72</b>			

8. From in or about May, 1996 through in or about November, 1996, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 7 above, into the J & K Fashion account at PNC Bank, account no. 90-0018-8251, each deposit constituting an overt act.

**Fountain Hill Manufacturing - 1995**

9. From in or about November, 1995 through in or about December, 1995, defendant **YACOUB SALIB, a/k/a “Jacob”** delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** 14 checks from various business customers, made payable to Fountain Hill Manufacturing in the aggregate amount of \$181,394.40, as reflected below, each check constituting an overt act:

CHECK DATE	CHECK #	AMOUNT	PAYOR	PAYABLE TO:	DATE OF DEPOSIT
11/3/95	7949	\$ 9,000.00	N&H CORPORATION	FOUNTAIN HILL MFG.	11/3/95
11/3/95	7948	\$ 9,800.00	N&H CORPORATION	FOUNTAIN HILL MFG.	11/3/95
11/10/95	8007	\$ 24,489.03	N&H CORPORATION	FOUNTAIN HILL MFG.	11/10/95
11/17/95	8059	\$ 28,260.83	N&H CORPORATION	FOUNTAIN HILL MFG.	11/17/95
11/22/95	44978	\$ 16,002.89	WRIGHTS KNITWEAR CORPORATION	FOUNTAIN HILL MFG.	11/24/95
11/22/95	8108	\$ 15,482.62	N&H CORPORATION	FOUNTAIN HILL MFG.	11/24/95
11/30/95	45143	\$ 10,520.45	WRIGHTS KNITWEAR CORPORATION	FOUNTAIN HILL MFG.	12/4/95
12/1/95	8180	\$ 12,439.58	N&H CORPORATION	FOUNTAIN HILL MFG.	12/4/95
unreadable	18541	\$ 11,266.31	N.G.N. & CO.	FOUNTAIN HILL MFG.	12/4/95
12/6/95	45298	\$ 6,141.40	WRIGHTS KNITWEAR CORPORATION	FOUNTAIN HILL MFG.	12/11/95
12/8/95	8235	\$ 9,016.71	N&H CORPORATION	FOUNTAIN HILL MFG.	12/11/95
12/15/95	8291	\$ 5,880.88	N&H CORPORATION	FOUNTAIN HILL MFG.	12/18/95
12/22/95	8339	\$ 11,743.97	N&H CORPORATION	FOUNTAIN HILL MFG.	12/22/95
12/29/95	8351	\$ 11,349.73	N&H CORPORATION	FOUNTAIN HILL MFG.	1/2/96
<b>TOTAL 1995</b>		<b>\$ 181,394.40</b>			

10. From in or about November, 1995 through in or about January, 1996, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 9 above, into the J & K Fashion account at Meridian Bank, account no. 5137-7931, each deposit constituting an overt act.

**Fountain Hill Manufacturing - 1996**

11. From in or about January, 1996 through in or about May, 1996, defendant **YACOUB SALIB, a/k/a “Jacob”** delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** 35 checks from various business customers, made payable to Fountain Hill Manufacturing in the aggregate amount of \$923,856.60, as reflected below, each check constituting an overt act:

CHECK DATE	CHECK #	AMOUNT	PAYOR	PAYABLE TO:	DATE OF DEPOSIT
1/5/96	8427	\$ 24,303.16	N&H CORPORATION	FOUNTAIN HILL MFG.	1/10/96

4/1/96	1542	\$ 3,000.00	AMERICAN ACCENTS, INC.	FOUNTAIN HILL MFG.	4/3/96
4/10/96	1550	\$ 3,600.00	AMERICAN ACCENTS, INC.	FOUNTAIN HILL MFG.	4/12/96
5/1/96	1651	\$ 2,016.33	AMERICAN ACCENTS, INC.	FOUNTAIN HILL MFG.	5/6/96
5/31/96	1691	\$ 1,931.50	SO FUN, INC.	FOUNTAIN HILL MFG.	6/3/96
2/2/96	2329	\$ 2,979.32	MAKE INC.	FOUNTAIN HILL	2/5/96
5/10/96	6912	\$ 14,070.80	SUE AND SAM CO. INC.	FOUNTAIN HILL MFG.	5/13/96
1/12/96	8462	\$ 12,894.23	N&H CORPORATION	FOUNTAIN HILL MFG.	1/16/96
1/22/96	8533	\$ 43,698.91	N&H CORPORATION	FOUNTAIN HILL MFG.	1/22/96
1/26/96	8575	\$ 33,420.63	N&H CORPORATION	FOUNTAIN HILL MFG.	1/30/96
2/5/96	8628	\$ 38,293.50	N&H CORPORATION	FOUNTAIN HILL MFG.	2/6/96
2/19/96	8740	\$ 40,000.00	N&H CORPORATION	FOUNTAIN HILL MFG.	2/20/96
2/12/96	8746	\$ 51,049.01	N&H CORPORATION	FOUNTAIN HILL MFG.	2/13/96
2/26/96	8806	\$ 10,512.04	N&H CORPORATION	FOUNTAIN HILL MFG.	2/27/96
2/26/96	8807	\$ 30,000.00	N&H CORPORATION	FOUNTAIN HILL MFG.	2/27/96
3/4/96	8857	\$ 42,551.99	N&H CORPORATION	FOUNTAIN HILL MFG.	3/5/96
2/26/96	8862	\$ 2,300.00	MAGGIES CLOSET INC.	FOUNTAIN HILL	2/26/96
3/11/96	8923	\$ 45,573.50	N&H CORPORATION	FOUNTAIN HILL MFG.	3/12/96
3/18/96	8977	\$ 51,242.43	N&H CORPORATION	FOUNTAIN HILL MFG.	3/19/96
3/25/96	9042	\$ 50,283.96	N&H CORPORATION	FOUNTAIN HILL MFG.	3/26/96
4/1/96	9149	\$ 52,033.68	N&H CORPORATION	FOUNTAIN HILL MFG.	4/2/96
4/4/96	9170	\$ 20,000.00	N&H CORPORATION	FOUNTAIN HILL MFG.	4/4/96
4/8/96	9173	\$ 27,817.22	N&H CORPORATION	FOUNTAIN HILL MFG.	4/9/96
4/15/96	9225	\$ 48,695.64	N&H CORPORATION	FOUNTAIN HILL MFG.	4/16/96
4/22/96	9322	\$ 45,597.24	N&H CORPORATION	FOUNTAIN HILL MFG.	4/23/96
4/29/96	9398	\$ 47,043.50	N&H CORPORATION	FOUNTAIN HILL MFG.	4/30/96
5/7/96	9470	\$ 31,587.16	N&H CORPORATION	FOUNTAIN HILL MFG.	5/8/96
5/13/96	9483	\$ 24,340.36	N&H CORPORATION	FOUNTAIN HILL MFG.	5/14/96
5/21/96	9578	\$ 36,261.67	N&H CORPORATION	FOUNTAIN HILL MFG.	5/22/96
3/15/96	9852	\$ 11,827.61	U.S. COLORS, INC.	FOUNTAIN HILL MFG.	3/19/96
3/21/96	9883	\$ 7,905.74	U.S. COLORS, INC.	FOUNTAIN HILL MFG.	3/22/96
3/29/96	9974	\$ 7,582.84	U.S. COLORS, INC	FOUNTAIN HILL MFG.	4/2/96
4/4/96	10086	\$ 5,438.89	U.S. COLORS, INC	FOUNTAIN HILL MFG.	4/9/96
3/29/96	17222	\$ 3,862.77	SO FUN, INC.	FOUNTAIN HILL MFG.	4/3/96
5/3/96	24856	\$ 50,140.97	S.L. DANIELLE, INC.	FOUNTAIN HILL MFG.	5/6/96
		\$ 923,856.60			

12. From in or about January, 1996 through in or about June, 1996, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 11 above, into the J & K Fashion account at Meridian Bank, account no. 5137-7931, each deposit constituting an overt act.

13. From in or about March, 1996 through in or about October, 1996, defendant **YACOUB SALIB, a/k/a “Jacob”** directed 29 wire transfers in the aggregate amount

of \$570,936.59 payable to Fountain Hill Manufacturing, from S.L. Danielle, Inc. and Sew Be It Corporation to the J & K Fashion account at Meridian Bank, account no. 5137-7931, as reflected below, each wire transfer constituting an overt act:

<u>AMOUNT</u>	<u>PAYOR</u>	<u>PAYABLE TO:</u>	<u>DATE OF WIRE</u>
\$ 31,256.19	S.L. DANIELLE, INC.	FOUNTAIN HILL	3/5/96
\$ 49,975.00	S.L. DANIELLE, INC.	FOUNTAIN HILL	3/11/96
\$ 20,706.98	S.L. DANIELLE, INC.	FOUNTAIN HILL	3/14/96
\$ 47,930.51	S.L. DANIELLE, INC.	FOUNTAIN HILL MFG.	3/19/96
\$ 19,975.00	S.L. DANIELLE, INC.	FOUNTAIN HILL	3/29/96
\$ 28,753.68	S.L. DANIELLE, INC.	FOUNTAIN HILL MFG.	3/29/96
\$ 39,975.00	S.L. DANIELLE, INC.	FOUNTAIN HILL	4/4/96
\$ 29,335.45	S.L. DANIELLE, INC.	FOUNTAIN HILL	4/11/96
\$ 21,674.79	S.L. DANIELLE, INC.	FOUNTAIN HILL	4/22/96
\$ 30,936.47	S.L. DANIELLE, INC.	FOUNTAIN HILL	4/25/96
\$ 10,308.34	S.L. DANIELLE, INC.	FOUNTAIN HILL	4/29/96
\$ 16,159.15	S.L. DANIELLE, INC.	FOUNTAIN HILL	4/29/96
\$ 16,586.97	S.L. DANIELLE INC.	FOUNTAIN HILL	5/24/96
\$ 17,007.44	S.L. DANIELLE INC.	FOUNTAIN HILL	6/7/96
\$ 31,594.06	S.L. DANIELLE INC.	FOUNTAIN HILL	6/13/96
\$ 28,045.94	S.L. DANIELLE INC.	FOUNTAIN HILL	6/20/96
\$ 15,644.12	S.L. DANIELLE INC.	FOUNTAIN HILL	6/27/96
\$ 14,174.73	S.L. DANIELLE INC.	FOUNTAIN HILL	7/3/96
\$ 8,082.69	S.L. DANIELLE INC.	FOUNTAIN HILL	7/26/96
\$ 3,268.20	S.L. DANIELLE INC.	FOUNTAIN HILL	7/29/96
\$ 6,631.60	S.L. DANIELLE INC.	FOUNTAIN HILL	8/9/96
\$ 16,406.94	SEW BE IT CORP.	FOUNTAIN HILL	8/16/96
\$ 21,983.06	S.L. DANIELLE INC.	FOUNTAIN HILL	8/16/96
\$ 1,435.00	S.L. DANIELLE INC.	FOUNTAIN HILL	8/23/96
\$ 2,970.59	SEW BE IT CORP.	FOUNTAIN HILL	8/23/96
\$ 10,397.00	S.L. DANIELLE INC.	FOUNTAIN HILL	8/23/96
\$ 8,073.93	S.L. DANIELLE INC.	FOUNTAIN HILL	10/9/96
\$ 13,616.15	SEW BE IT CORP.	FOUNTAIN HILL	10/10/96
\$ 8,031.61	SEW BE IT CORP.	FOUNTAIN HILL	10/25/96
<b>\$ 570,936.59</b>			

14. From in or about May, 1996 through in or about November, 1996, defendant **YACOUB SALIB, a/k/a “Jacob”** delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** 47 checks from various business customers, made

payable to Fountain Hill Manufacturing, in the aggregate amount of \$1,077,655.38, as reflected below, each check constituting an overt act:

<u>CHECK DATE</u>	<u>CHECK #</u>	<u>AMOUNT</u>	<u>PAYOR</u>	<u>PAYABLE TO</u>	<u>DATE OF DEPOSIT</u>
7/3/96	374	\$ 16,081.00	N.G.N. & Co.	Fountain Hill	7/5/96
8/23/96	5556	\$ 4,895.93	American Standard Apparel Corp.	Fountain Hill	8/27/96
9/20/96	5667	\$ 1,676.58	American Standard Apparel Corp.	Fountain Hill	9/23/96
5/13/96		\$ 19,968.50	Sue & Sam Company	Fountain Hill Mfg.	5/16/96
5/28/96	9596	\$ 43,503.21	N&H Corp.	Fountain Hill Mfg.	5/29/96
6/4/96	7193	\$ 17,874.01	Sue & Sam Co.	Fountain Hill Mfg.	6/5/96
6/4/96	7194	\$ 25,000.00	Sue & Sam Co.	Fountain Hill Mfg.	6/5/96
6/4/96	9722	\$ 35,855.38	N&H Corp.	Fountain Hill Mfg.	6/5/96
6/5/96	7238	\$ 21,823.63	Sue & Sam Co.	Fountain Hill Mfg.	6/7/96
6/11/96	9777	\$ 40,031.17	N&H Corp.	Fountain Hill Mfg.	6/12/96
6/18/96	9824	\$ 46,775.55	N&H Corp.	Fountain Hill Mfg.	6/19/96
6/25/96	9841	\$ 39,037.09	N&H Corp.	Fountain Hill Mfg.	6/26/96
6/26/96	20899	\$ 14,218.43	N.G.N. & Co.	Fountain Hill Mfg.	6/28/96
6/28/96	17835	\$ 1,287.60	So Fun, Inc.	Fountain Hill Mfg.	7/1/96
6/28/96	17833	\$ 1,287.60	So Fun, Inc.	Fountain Hill Mfg.	7/1/96
7/2/96	9937	\$ 25,151.69	N&H Corp.	Fountain Hill Mfg.	7/2/96
7/12/96	5408	\$ 1,673.23	American Standard Apparel	Fountain Hill Mfg.	7/15/96
7/16/96	7643	\$ 19,899.72	Sue & Sam Co. Inc.	Fountain Hill Mfg.	7/17/96
7/16/96	10037	\$ 14,063.10	N&H Corp.	Fountain Hill Mfg.	7/18/96
7/18/96	7684	\$ 20,000.00	Sue & Sam Co. Inc.	Fountain Hill Mfg.	7/19/96
7/19/96	388	\$ 4,690.91	N.G.N. & Co.	Fountain Hill Mfg.	7/19/96
7/24/96	7737	\$ 12,356.14	Sue & Sam Co. Inc.	Fountain Hill Mfg.	7/26/96
7/24/96	10047	\$ 17,471.56	N&H Corp.	Fountain Hill Mfg.	7/26/96
7/25/96	20761	\$ 19,500.00	Ashmore	Fountain Hill Mfg.	7/26/96
8/1/96	10158	\$ 10,813.13	N&H Corp.	Fountain Hill Mfg.	8/1/96
8/1/96	7825	\$ 770.00	Sue & Sam Co. Inc.	Fountain Hill Mfg.	8/5/96
8/8/96	10208	\$ 23,547.06	N&H Corp.	Fountain Hill Mfg.	8/9/96
8/16/96	10260	\$ 12,648.20	N&H Corp.	Fountain Hill Mfg.	8/16/96
8/22/96	10304	\$ 28,392.62	N&H Corp.	Fountain Hill Mfg.	8/23/96
8/30/96	10359	\$ 44,447.63	N&H Corp.	Fountain Hill Mfg.	8/30/96
9/12/96	3755	\$ 4,629.15	Levle Modes, Inc.	Fountain Hill Mfg.	9/12/96
9/12/96	25921	\$ 5,570.34	S.L. Danielle, Inc.	Fountain Hill Mfg.	9/12/96
9/13/96	5645	\$ 5,711.47	American Standard Apparel Corp.	Fountain Hill Mfg.	9/16/96
9/13/96	10452	\$ 45,169.81	N&H Corp.	Fountain Hill Mfg.	9/16/96
9/16/96	2470	\$ 1,304.00	Sew Be It Corp.	Fountain Hill Mfg.	9/17/96
9/19/96	3799	\$ 9,118.25	Levle Modes, Inc.	Fountain Hill Mfg.	9/20/96
9/20/96	1001	\$ 1,829.00	Sew Be It Corp.	Fountain Hill Mfg.	9/23/96

9/20/96	3832	\$ 8,028.75	Levle Modes, Inc.	Fountain Hill Mfg.	9/23/96
9/20/96	10494	\$ 44,959.80	N&H Corp.	Fountain Hill Mfg.	9/23/96
9/27/96	3884	\$ 6,913.45	Levle Modes, Inc.	Fountain Hill Mfg.	9/30/96
9/27/96	10528	\$ 51,125.67	N&H Corp.	Fountain Hill Mfg.	9/30/96
10/4/96	10571	\$ 48,209.50	N&H Corp.	Fountain Hill Mfg.	10/7/96
10/11/96	10614	\$ 53,464.36	N&H Corp.	Fountain Hill Mfg.	10/11/96
10/17/96	1462	\$ 3,852.45	Platinum Sportswear Ltd.	Fountain Hill Mfg.	10/18/96
10/18/96	10668	\$ 70,589.53	N&H Corp.	Fountain Hill Mfg.	10/18/96
10/25/96	10716	\$ 69,756.10	N&H Corp.	Fountain Hill Mfg.	10/28/96
11/1/96	10769	\$ 62,683.08	N&H Corp.	Fountain Hill Mfg.	11/1/96
<b>TOTAL</b>		<b>\$ 1,077,655.38</b>			

15. From in or about May, 1996 through in or about November, 1996, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 14 above, into the J & K Fashion account at PNC Bank, account no. 90-0018-8251, each deposit constituting an overt act.

**SALIB'S BUSINESS INCOME 1996-1998**

**Azar Fashions**

16. In or about November, 1996, per the direction of defendants **JAMEEL EL-FAHEL and RIMA FAHL**, defendant **YACOUB SALIB, a/k/a “Jacob”** directed his customer, N & H Corporation, to send checks in payment for services rendered by Salib’s businesses, to Azar Fashions, a subcontractor for Salib’s businesses.

17. In or about November, 1996 through in or about December, 1996, N & H Corporation, at the direction of the defendant **YACOUB SALIB, a/k/a “Jacob,”** provided 7 checks made payable to Azar Fashions to defendant **ISSAM AZAR, a/k/a “Sam”** in the aggregate amount of \$292,548.89, as reflected below, each check constituting an overt act:

DATE OF DEPOSIT	AMOUNT OF ITEM	PAYOR	CHECK NO.
11/12/96	\$ 82,890.11	N&H CORP.	10819

11/26/96	\$ 21,911.81	N&H CORP.	10911
12/2/96	\$ 24,778.43	N&H CORP.	11000
12/10/96	\$ 22,835.11	N&H CORP.	11040
12/16/96	\$ 65,966.09	N&H CORP.	11053
12/20/96	\$ 24,790.44	N&H CORP.	11147
12/30/96	\$ 49,376.90	N&H CORP.	11160
	\$ 292,548.89		

18. From in or about November, 1996, through in or about December, 1996, defendant **ISSAM AZAR, a/k/a “Sam”** deposited the N & H Corporation checks, identified in paragraph 17 above, into the Azar Fashions account at PNC Bank, account no. 90-0031-9258, each deposit constituting an overt act.

19. In or about December, 1996, defendant **ISSAM AZAR, a/k/a “Sam”** wrote three checks against his Azar Fashions account at PNC Bank, made payable to Rochelle Manufacturing in the aggregate amount of \$18,200, and provided those checks to **YACOUB SALIB, a/k/a “Jacob,”** as reflected below, each check constituting an overt act:

DATE OF DEPOSIT	AMOUNT	PAYOR	PAYABLE TO	CHECK NO.
12/9/96	\$ 6,200.00	Azar Fashions, Inc.	Rochell Manufacturing, Inc.	1122
12/17/96	\$ 4,000.00	Azar Fashion, Inc.	Rochell Manufacturing, Inc.	1160
12/17/96	\$ 8,000.00	Azar Fashion, Inc.	Rochell Manufacturing, Inc.	1151
	\$ 18,200.00			

20. In or about December, 1996, defendant **YACOUB SALIB, a/k/a “Jacob”** delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** the checks identified in paragraph 19 above in the aggregate amount of \$18,200.00.

21. In or about December, 1996, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 19 above into the J & K Fashion account

at PNC Bank, account no. 90-0018-8251, each deposit constituting an overt act.

22. In or about January, 1997 through in or about September, 1997, N & H Corporation, at the direction of **YACOB SALIB, a/k/a “Jacob,”** provided 21 checks to **ISSAM AZAR, a/k/a “Sam”** in the aggregate amount of \$1,032,427.84, and made payable to Azar Fashions, as reflected below, each check constituting an overt act:

<u>DATE OF DEPOSIT</u>	<u>AMOUNT OF ITEM</u>	<u>PAYOR</u>	<u>CHECK NO.</u>
1/6/97	\$ 32,163.87	N&H CORP.	11212
1/13/97	\$ 31,367.75	N&H CORP.	11265
1/21/97	\$ 34,058.52	N&H CORP.	11310
1/28/97	\$ 50,330.79	N&H CORP.	11396
2/4/97	\$ 44,117.43	N&H CORP.	11443
2/10/97	\$ 60,128.78	N&H CORP.	11470
2/18/97	\$ 68,633.65	N&H CORP.	11571
2/25/97	\$ 44,132.81	N&H CORP.	11630
3/4/97	\$ 81,275.62	N&H CORP.	11676
3/11/97	\$ 60,958.62	N&H CORP.	11734
3/18/97	\$ 62,910.89	N&H CORP.	11785
3/25/97	\$ 38,160.16	N&H CORP.	11847
4/1/97	\$ 49,551.66	N&H CORP.	11909
4/8/97	\$ 70,526.62	N&H CORP.	11971
4/9/97	\$ 60,000.00	N&H CORP.	11972
4/16/97	\$ 80,761.47	N&H CORP.	12033
4/17/97	\$ 8,967.00	N&H CORP.	12040
4/23/97	\$ 83,620.29	N&H CORP.	12108
4/29/97	\$ 7,951.91	N&H CORP.	12110
5/6/97	\$ 2,810.00	N&H CORP.	12194
9/29/97	\$ 60,000.00	N&H CORP.	13464
	\$ 1,032,427.84		

23. In or about January, 1997 through in or about September, 1997, **ISSAM AZAR, a/k/a “Sam”** deposited the N & H Corporation checks, identified in paragraph 22 above, into the Azar Fashions account at PNC Bank, account no. 90-0031-9258, each deposit constituting an overt act.

24. In or about December, 1996 through September, 1997, **ISSAM AZAR,**

a/k/a “Sam” wrote 59 checks against his Azar Fashions account at PNC Bank, made payable to Rochelle Manufacturing in the aggregate amount of \$532,330.00, and provided those checks to YACOUB SALIB, a/k/a “Jacob” as reflected below, each check constituting an overt act:

DATE OF CHECK	CHECK #	AMOUNT	PAYOR	PAYABLE TO	DATE OF DEPOSIT
1/10/97	1291	\$ 12,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	1/13/97
12/20/96	1181	\$ 7,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	1/14/97
1/12/97	1253	\$ 8,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	1/22/97
1/18/97	1316	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	1/22/97
1/23/97	1343	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	1/29/97
1/25/97	1350	\$ 2,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	1/29/97
2/5/97	1364	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	2/12/97
2/8/97	1401	\$ 2,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	2/12/97
2/10/97	1393	\$ 13,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	2/12/97
2/12/97	1416	\$ 6,180.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	2/19/97
2/14/97	1427	\$ 11,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	2/19/97
2/19/97	1458	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	2/26/97
2/24/97	1451	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	2/26/97
2/25/97	1479	\$ 5,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/5/97
2/28/97	1492	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/5/97
3/7/97	1536	\$ 1,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/12/97
3/7/97	1527	\$ 6,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/12/97
3/12/97	1509	\$ 5,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/12/97
3/12/97	1508	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/12/97
3/12/97	1551	\$ 1,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/19/97
3/19/97	1567	\$ 8,500.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/19/97
3/19/97	1548	\$ 13,500.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/19/97

3/21/97	5004	\$ 14,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	3/26/97
3/28/97	5047	\$ 7,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	4/2/97
4/4/97	5079	\$ 11,500.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	4/9/97
4/6/97	5062	\$ 14,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	4/9/97
4/14/97	5123	\$ 13,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	4/16/97
4/16/97	5157	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	4/17/97
4/18/97	5166	\$ 12,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	4/23/97
4/25/97	5210	\$ 12,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	4/28/97
4/25/97	5201	\$ 8,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	5/1/97
4/29/97	5214	\$ 12,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	5/8/97
5/5/97	5236	\$ 10,500.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	5/8/97
5/9/97	5275	\$ 9,500.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	5/15/97
5/15/97	5286	\$ 17,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	5/15/97
5/18/97	5312	\$ 18,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	5/22/97
5/20/97	5319	\$ 5,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	5/22/97
5/29/97	5350	\$ 5,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	5/29/97
5/29/97	5351	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	5/29/97
5/30/97	5392	\$ 12,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	6/5/97
6/5/97	5419	\$ 13,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	6/12/97
6/12/97	5465	\$ 13,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	6/19/97
6/19/97	5508	\$ 3,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	6/26/97
6/22/97	5513	\$ 6,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	6/26/97
6/22/97	5492	\$ 14,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	6/26/97
7/2/97	5553	\$ 5,150.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	7/3/97
7/5/97	5538	\$ 14,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	7/3/97
7/3/97	5579	\$ 13,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	7/10/97
7/10/97	5582	\$ 1,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	7/10/97
7/16/97	5614	\$ 11,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	7/17/97

7/24/97	5694	\$ 7,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	7/24/97
7/31/97	5765	\$ 7,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	7/31/97
8/18/97	5834	\$ 9,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	8/14/97
8/14/97	5864	\$ 10,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	8/21/97
8/28/97	5905	\$ 11,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	8/29/97
8/8/97	5803	\$ 7,000.00	Azar Fashion, Inc.	Rochelle Manufacturing, Inc.	8/7/97
9/16/97	6031	\$ 3,000.00	Azar Fashion Inc.	Rochelle Manufacturing, Inc.	9/26/97
9/4/97	5962	\$ 6,000.00	Azar Fashion Inc.	Rochelle Manufacturing, Inc.	9/12/97
09/31/1997	6068	\$ 7,500.00	Azar Fashion Inc.	Rochelle Manufacturing, Inc.	10/3/97
<b>TOTAL 1997</b>		<b>\$ 532,330.00</b>			

25. In or about December, 1996, through in or about October, 1997, defendant

**YACOUB SALIB, a/k/a “Jacob”** delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** the checks identified in paragraph 24 above in the aggregate amount of \$532,330.00.

26. In or about December, 1996 through in or about October, 1997, defendant

**JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 24 above into the J & K Fashion account at PNC Bank, account number 90-0018-8251, each deposit constituting an overt act.

27. In or about May, 1997 through in or about December, 1997, N & H

Corporation, at the direction of defendant **YACOUB SALIB, a/k/a “Jacob,”** transmitted by wire transfer, on 37 occasions to the Azar Fashions account at PNC Bank, account number 90-0031-9258 under the control of defendant **ISSAM AZAR, a/k/a “Sam,”** an aggregate amount of \$2,971,107.38, as reflected below, each wire transfer constituting an overt act:

DATE OF WIRE	AMOUNT	PAYOR	

5/1/97	\$ 83,005.01	N&H CORP.	WIRE TRANSFER
5/7/97	\$ 105,546.68	N&H CORP.	WIRE TRANSFER
5/15/97	\$ 128,077.93	N&H CORP.	WIRE TRANSFER
5/22/97	\$ 168,678.01	N&H CORP.	WIRE TRANSFER
5/29/97	\$ 112,758.94	N&H CORP.	WIRE TRANSFER
6/5/97	\$ 123,816.11	N&H CORP.	WIRE TRANSFER
6/12/97	\$ 110,732.16	N&H CORP.	WIRE TRANSFER
6/19/97	\$ 90,000.00	N&H CORP.	WIRE TRANSFER
6/26/97	\$ 90,000.00	N&H CORP.	WIRE TRANSFER
6/26/97	\$ 23,598.30	N&H CORP.	WIRE TRANSFER
6/27/97	\$ 25,000.00	N&H CORP.	WIRE TRANSFER
7/3/97	\$ 122,987.82	N&H CORP.	WIRE TRANSFER
7/10/97	\$ 90,231.51	N&H CORP.	WIRE TRANSFER
7/14/97	\$ 60,000.00	N&H CORP.	WIRE TRANSFER
7/17/97	\$ 105,160.53	N&H CORP.	WIRE TRANSFER
7/31/97	\$ 96,314.10	N&H CORP.	WIRE TRANSFER
8/7/97	\$ 59,276.76	N&H CORP.	WIRE TRANSFER
8/14/97	\$ 64,525.97	N&H CORP.	WIRE TRANSFER
8/21/97	\$ 67,983.42	N&H CORP.	WIRE TRANSFER
8/28/97	\$ 46,884.54	N&H CORP.	WIRE TRANSFER
9/5/97	\$ 62,037.95	N&H CORP.	WIRE TRANSFER
9/12/97	\$ 47,743.31	N&H CORP.	WIRE TRANSFER
9/19/97	\$ 66,098.63	N&H CORP.	WIRE TRANSFER
9/26/97	\$ 72,122.72	N&H CORP.	WIRE TRANSFER
10/3/97	\$ 83,231.02	N&H CORP.	WIRE TRANSFER
10/17/97	\$ 96,431.92	N&H CORP.	WIRE TRANSFER
10/24/97	\$ 56,422.99	N&H CORP.	WIRE TRANSFER
10/30/97	\$ 74,026.68	N&H CORP.	WIRE TRANSFER
11/6/97	\$ 86,123.40	N&H CORP.	WIRE TRANSFER
11/13/97	\$ 91,378.45	N&H CORP.	WIRE TRANSFER
11/20/97	\$ 79,054.57	N&H CORP.	WIRE TRANSFER
11/26/97	\$ 90,170.82	N&H CORP.	WIRE TRANSFER
12/4/97	\$ 74,525.67	N&H CORP.	WIRE TRANSFER
12/12/97	\$ 51,882.67	N&H CORP.	WIRE TRANSFER
12/18/97	\$ 65,450.61	N&H CORP.	WIRE TRANSFER
12/24/97	\$ 79,119.79	N&H CORP.	WIRE TRANSFER
12/31/97	\$ 20,708.39	N&H CORP.	WIRE TRANSFER
	\$ 2,971,107.38		

28. In or about January, 1998 through in or about December, 1998, N & H Corporation, at the direction of defendant **YACOUB SALIB, a/k/a “Jacob”** transmitted by wire transfer on 58 occasions to the Azar Fashions account at PNC Bank, account no. 90-0031-9258, under the control of defendant **ISSAM AZAR, a/k/a “Sam,”** an aggregate amount of \$3,859,014.16, as reflected below, each wire transfer constituting an overt act:

DATE OF DEPOSIT	AMOUNT OF ITEM	PAYOR	CHECK NO.
1/8/98	\$ 65,279.86	N&H CORP.	WIRE TRANSFER
1/15/98	\$ 76,602.18	N&H CORP.	WIRE TRANSFER
1/22/98	\$ 82,293.74	N&H CORP.	WIRE TRANSFER
1/29/98	\$ 94,186.61	N&H CORP.	WIRE TRANSFER
2/5/98	\$ 82,298.03	N&H CORP.	WIRE TRANSFER
2/12/98	\$ 86,149.13	N&H CORP.	WIRE TRANSFER
2/19/98	\$ 105,000.00	N&H CORP.	WIRE TRANSFER
2/19/98	\$ 23,812.72	N&H CORP.	WIRE TRANSFER
2/26/98	\$ 100,464.66	N&H CORP.	WIRE TRANSFER
3/5/98	\$ 4,267.99	N&H CORP.	WIRE TRANSFER
3/5/98	\$ 105,000.00	N&H CORP.	WIRE TRANSFER
3/12/98	\$ 4,771.97	N&H CORP.	WIRE TRANSFER
3/18/98	\$ 105,000.00	N&H CORP.	WIRE TRANSFER
3/26/98	\$ 31,788.45	N&H CORP.	WIRE TRANSFER
4/2/98	\$ 105,000.00	N&H CORP.	WIRE TRANSFER
4/9/98	\$ 22,919.60	N&H CORP.	WIRE TRANSFER
4/9/98	\$ 105,000.00	N&H CORP.	WIRE TRANSFER
4/16/98	\$ 80,178.28	N&H CORP.	WIRE TRANSFER
4/23/98	\$ 72,463.88	N&H CORP.	WIRE TRANSFER
4/30/98	\$ 94,838.53	N&H CORP.	WIRE TRANSFER
5/7/98	\$ 76,062.14	N&H CORP.	WIRE TRANSFER
5/14/98	\$ 78,649.09	N&H CORP.	WIRE TRANSFER
5/21/98	\$ 103,288.87	N&H CORP.	WIRE TRANSFER
5/28/98	\$ 83,705.98	N&H CORP.	WIRE TRANSFER
6/4/98	\$ 94,684.13	N&H CORP.	WIRE TRANSFER
6/11/98	\$ 91,635.34	N&H CORP.	WIRE TRANSFER
6/18/98	\$ 71,281.83	N&H CORP.	WIRE TRANSFER
6/25/98	\$ 61,892.47	N&H CORP.	WIRE TRANSFER
7/2/98	\$ 62,969.74	N&H CORP.	WIRE TRANSFER
7/9/98	\$ 55,636.03	N&H CORP.	WIRE TRANSFER
7/16/98	\$ 74,989.50	N&H CORP.	WIRE TRANSFER
7/23/98	\$ 65,249.20	N&H CORP.	WIRE TRANSFER
7/30/98	\$ 73,780.17	N&H CORP.	WIRE TRANSFER
8/6/98	\$ 65,038.06	N&H CORP.	WIRE TRANSFER
8/13/98	\$ 74,120.34	N&H CORP.	WIRE TRANSFER
8/20/98	\$ 30,637.32	N&H CORP.	WIRE TRANSFER
8/20/98	\$ 39,113.76	N&H CORP.	WIRE TRANSFER
8/27/98	\$ 65,176.04	N&H CORP.	WIRE TRANSFER
9/3/98	\$ 36,205.97	N&H CORP.	WIRE TRANSFER
9/4/98	\$ 25,666.76	N&H CORP.	WIRE TRANSFER
9/10/98	\$ 32,363.84	N&H CORP.	WIRE TRANSFER
9/11/98	\$ 10,712.78	N&H CORP.	WIRE TRANSFER
9/17/98	\$ 67,146.08	N&H CORP.	WIRE TRANSFER
9/24/98	\$ 62,944.25	N&H CORP.	WIRE TRANSFER
10/1/98	\$ 70,505.59	N&H CORP.	WIRE TRANSFER
10/8/98	\$ 65,168.81	N&H CORP.	WIRE TRANSFER
10/15/98	\$ 63,086.52	N&H CORP.	WIRE TRANSFER
10/22/98	\$ 76,819.10	N&H CORP.	WIRE TRANSFER

10/29/98	\$	59,954.77	N&H CORP.	WIRE TRANSFER
11/5/98	\$	64,567.31	N&H CORP.	WIRE TRANSFER
11/12/98	\$	79,943.47	N&H CORP.	WIRE TRANSFER
11/19/98	\$	68,641.25	N&H CORP.	WIRE TRANSFER
11/25/98	\$	60,837.67	N&H CORP.	WIRE TRANSFER
12/3/98	\$	55,268.21	N&H CORP.	WIRE TRANSFER
12/10/98	\$	66,436.35	N&H CORP.	WIRE TRANSFER
12/17/98	\$	58,864.30	N&H CORP.	WIRE TRANSFER
12/23/98	\$	63,539.88	N&H CORP.	WIRE TRANSFER
12/30/98	\$	55,115.61	N&H CORP.	WIRE TRANSFER
	\$	3,859,014.16		

**PAYMENT OF CASH WAGES TO EMPLOYEES**

**J & K Fashion Account - Meridian Bank**

29. From in or about November, 1995 through in or about December, 1995, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote 19 checks against his J & K Fashion account at Meridian Bank, account no. 5137-7931, made payable to various individuals, in the aggregate amount of \$88,311.00, as reflected below, each check constituting an overt act:

<u>CHECK DATE</u>	<u>CHECK NUMBER</u>	<u>PAYEE</u>	<u>AMOUNT</u>	<u>DATE CASHED</u>
11/10/95	911	HM	\$ 5,000.00	11/10/95
11/10/95	912	HM	\$ 3,745.00	11/13/95
11/17/95	917	HM	\$ 6,560.00	11/17/95
11/20/95	918	HM	\$ 5,000.00	11/20/95
11/20/95	919	HM	\$ 5,000.00	11/20/95
11/22/95	920	HM	\$ 5,000.00	11/22/95
11/22/95	923	HM	\$ 6,794.00	11/24/95
12/1/95	933	HM	\$ 4,000.00	12/1/95
12/1/95	934	HM	\$ 4,700.00	12/1/95
12/1/95	936	HM	\$ 600.00	12/4/95
12/1/95	938	HM	\$ 1,690.00	12/4/95
12/6/95	943	HM	\$ 4,000.00	12/6/95

12/8/95	945	HM	\$ 7,988.00	12/11/95
12/8/95	947	HM	\$ 5,000.00	12/11/95
12/20/95	952	HM	\$ 5,000.00	12/20/95
12/29/95	960	HM	\$ 3,000.00	12/29/95
12/26/95	955	ISSAM AZAR	\$ 5,000.00	12/26/95
11/17/95	915	SM	\$ 6,000.00	11/17/95
12/6/95	944	SM	\$ 4,234.00	12/8/95
			\$ 88,311.00	

30. From in or about November, 1995 through in or about December, 1995, the individual payees listed above and others known and unknown to the grand jury, cashed the checks at Meridian Bank and other unknown financial institutions and provided the cash to defendant **YACOUB SALIB, a/k/a “Jacob”** and others to pay unreported cash wages to employees of Salib’s businesses and Azar Fashions.

31. From in or about January, 1996 through in or about October, 1996, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote checks against his J & K Fashion account at Meridian Bank, account no. 5137-7931, made payable to cash and various individuals, in the aggregate amount of \$253,962, as reflected below, each check constituting an overt act:

<u>CHECK DATE</u>	<u>CHECK NUMBER</u>	<u>PAYEE</u>	<u>AMOUNT</u>	<u>DATE CASHED</u>
2/20/96	1010	CASH	\$ 1,200.00	2/21/96
4/4/96	1088	CASH	\$ 5,000.00	4/4/96
4/21/96	1506	CASH	\$ 2,000.00	4/23/96
4/22/96	1509	CASH	\$ 5,500.00	4/23/96
4/30/96	1524	CASH	\$ 5,000.00	5/1/96
5/3/96	1530	CASH	\$ 7,000.00	5/6/96
5/16/96	1542	CASH	\$ 3,000.00	5/17/96
2/1/96	989	EB	\$ 1,300.00	2/5/96
3/1/96	1026	EB	\$ 1,500.00	3/4/96
3/8/96	1042	EB	\$ 7,730.00	3/8/96
3/14/96	1054	EB	\$ 9,862.00	3/15/96
4/4/96	1086	EB	\$ 7,000.00	4/4/96
2/20/96	1009	FOUNTAIN HILL MFG.	\$ 5,000.00	2/22/96
2/12/96	999	GS	\$ 6,000.00	2/12/96
4/4/96	1089	GS	\$ 5,000.00	4/4/96

1/22/96	971	HM	\$ 8,000.00	1/22/96
1/28/96	979	HM	\$ 5,000.00	1/29/96
2/5/96	993	HM	\$ 3,600.00	2/6/96
2/27/96	1020	HM	\$ 3,800.00	2/27/96
3/1/96	1025	HM	\$ 3,500.00	3/1/96
3/4/96	1034	HM	\$ 1,000.00	3/5/96
3/4/96	1035	HM	\$ 800.00	3/5/96
3/8/96	1043	HM	\$ 2,270.00	3/9/96
3/13/96	1050	HM	\$ 4,000.00	3/13/96
3/15/96	1057	HM	\$ 8,000.00	3/15/96
3/15/96	1056	HM	\$ 3,200.00	3/16/96
4/2/96	1081	HM	\$ 5,000.00	4/2/96
4/4/96	1087	HM	\$ 5,000.00	4/4/96
4/12/96	1099	HM	\$ 7,000.00	4/12/96
5/2/96	1527	HM	\$ 6,000.00	5/2/96
5/17/96	1544	HM	\$ 3,000.00	5/18/96
6/6/96	1556	HM	\$ 7,000.00	6/7/96
8/27/96	1599	HM	\$ 2,700.00	8/28/96
8/28/96	1600	HM	\$ 1,500.00	8/29/96
4/30/96	1523	KB	\$ 1,500.00	5/1/96
5/24/96	1546	KB	\$ 6,000.00	5/24/96
5/19/96	1554	KB	\$ 3,000.00	5/31/96
6/6/96	1558	KB	\$ 1,500.00	6/7/96
6/14/96	1565	KB	\$ 2,100.00	6/14/96
1/28/96	981	NS	\$ 4,000.00	1/29/96
2/5/96	990	NS	\$ 1,000.00	2/6/96
2/13/96	1001	NS	\$ 1,000.00	2/14/96
2/20/96	1008	NS	\$ 5,000.00	2/20/96
5/16/96	1543	NS	\$ 3,000.00	5/17/96
5/31/96	1555	NS	\$ 4,000.00	5/31/96
6/6/96	1557	NS	\$ 4,000.00	6/7/96
6/13/96	1564	NS	\$ 3,000.00	6/14/96
6/21/96	1569	NS	\$ 5,000.00	6/21/96
6/21/96	1570	NS	\$ 3,000.00	6/21/96
6/28/96	1573	NS	\$ 5,000.00	6/28/96
6/28/96	1574	NS	\$ 3,000.00	6/28/96
8/21/96	1591	NS	\$ 1,000.00	8/21/96
8/27/96	1597	NS	\$ 1,300.00	8/28/96
8/29/96	1305	NS	\$ 4,100.00	9/3/96
10/10/96	1310	NS	\$ 5,000.00	10/11/96
10/24/96	1313	NS	\$ 6,000.00	10/25/96
3/19/96	1066	NS	\$ 22,000.00	3/20/96
3/15/96	1059	SM	\$ 4,000.00	3/15/96
1/31/96	984	YS	\$ 1,000.00	2/2/96
2/27/96	1017	YS	\$ 2,000.00	2/27/96
			\$ 253,962.00	

32. From in or about January, 1996 through in or about October, 1996, the

individual payees listed above and others known and unknown to the grand jury, cashed the checks at Meridian Bank and other unknown financial institutions, and provided the cash to defendant **YACOUB SALIB, a/k/a “Jacob”** and others to pay unreported cash wages to employees of Salib’s businesses and Azar Fashions.

33. From in or about February, 1997 through in or about May, 1997, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote checks against his J & K Fashion account at Meridian Bank, account no. 5137-7931, made payable to various individuals listed below, in the aggregate amount of \$76,600, as reflected below, each check constituting an overt act:

<u>CHECK DATE</u>	<u>CHECK NUMBER</u>	<u>PAYEE</u>	<u>AMOUNT</u>	<u>DATE CASHED</u>
2/7/97	1317	AE	\$ 8,800.00	2/7/97
2/14/97	1321	AE	\$ 3,700.00	2/14/97
3/14/97	1609	AE	\$ 1,200.00	3/14/97
3/21/97	1612	AE	\$ 5,500.00	3/21/97
4/4/97	1617	AE	\$ 4,000.00	4/4/97
4/10/97	1618	AE	\$ 1,000.00	4/11/97
4/17/97	1620	AE	\$ 7,500.00	4/18/97
4/29/97	1622	AE	\$ 2,400.00	4/29/97
2/19/97	1601	DC	\$ 9,000.00	2/20/97
2/7/97	1318	NS	\$ 5,900.00	2/7/97
2/14/97	1324	NS	\$ 6,500.00	2/14/97
2/19/97	1602	NS	\$ 7,000.00	2/21/97
2/28/97	1604	NS	\$ 8,000.00	2/28/97
3/7/97	1607	NS	\$ 2,000.00	3/7/97
3/14/97	1610	NS	\$ 1,500.00	3/14/97
5/30/97	1623	NS	\$ 2,600.00	5/31/97
			<b>\$ 76,600.00</b>	

34. From in or about February, 1997 through in or about May, 1997, the individual payees listed above and others known and unknown to the grand jury, cashed the checks at Meridian Bank and other unknown financial institutions and provided the cash to

**YACOUB SALIB, a/k/a “Jacob”** and others to pay unreported cash wages to employees of Salib’s businesses and Azar Fashions

**J & K Fashion Account - PNC Bank**

35. From in or about April, 1996 through in or about December, 1996, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote checks against his J & K Fashion account at PNC Bank, account no. 90-0018-8251, made payable to various individuals, in the aggregate amount of \$698,418, as reflected below, each check constituting an overt act:

<b>CHECK DATE</b>	<b>CHECK NUMBER</b>	<b>PAYABLE TO</b>	<b>AMOUNT</b>	<b>DATE CASHED</b>
10/4/96	2268	AE	\$ 6,250.00	10/4/96
10/10/96	2282	AE	\$ 5,000.00	10/11/96
10/24/96	2323	AE	\$ 3,500.00	10/25/96
11/14/96	2342	AE	\$ 3,000.00	11/15/96
11/1/96	2361	AE	\$ 4,000.00	11/1/96
11/4/96	2368	AE	\$ 2,000.00	11/6/96
11/29/96	2389	AE	\$ 6,283.00	11/29/96
12/3/96	2397	AE	\$ 7,000.00	12/3/96
12/13/96	2411	AE	\$ 8,250.00	12/13/96
12/20/96	2421	AE	\$ 6,065.00	12/20/96
12/27/96	2427	AE	\$ 5,000.00	12/27/96
9/21/96	2237	BROADWAY	\$ 2,500.00	9/23/96
8/30/96	2073	BROADWAY FASHION	\$ 2,500.00	8/30/96
5/24/96	2155	CASH	\$ 9,000.00	5/24/96
5/30/96	2165	CASH	\$ 7,500.00	5/31/96
6/14/96	2182	CASH	\$ 6,388.00	6/14/96
5/29/96	2167	CASH	\$ 9,000.00	5/31/96
6/6/96	2173	CASH	\$ 3,500.00	6/12/96
5/9/96	2130	CASH	\$ 5,000.00	5/10/96
5/16/96	2142	CASH	\$ 5,000.00	5/17/96
5/16/96	2145	CASH	\$ 5,000.00	5/17/96
5/3/96	2045	CASH	\$ 3,000.00	5/3/96
5/20/96	2150	CASH	\$ 3,000.00	5/20/96
6/14/96	2179	CASH	\$ 9,000.00	6/14/96
6/13/96	2185	CASH	\$ 7,000.00	6/17/96
6/19/96	2187	CASH	\$ 5,000.00	6/19/96
5/28/96	2168	CASH	\$ 9,000.00	5/31/96
6/6/96	2174	CASH	\$ 9,000.00	6/7/96
10/11/96	2289	DC	\$ 1,050.00	10/15/96
5/1/96	2039	EB	\$ 3,000.00	5/1/96
8/9/96	2122	EB	\$ 1,370.00	8/12/96

7/5/96	2079	EB	\$	7,468.00	7/5/96
6/21/96	2194	EB	\$	6,000.00	6/21/96
8/16/96	2057	GS	\$	5,000.00	8/16/96
8/23/96	2068	GS	\$	6,677.00	8/26/96
7/5/96	2078	GS	\$	9,000.00	7/5/96
7/12/96	2084	GS	\$	6,500.00	7/12/96
7/26/96	2106	GS	\$	9,000.00	7/26/96
8/9/96	2121	GS	\$	6,500.00	8/12/96
6/21/96	2192	GS	\$	5,946.00	6/24/96
6/28/96	2196	GS	\$	8,000.00	6/28/96
9/18/96	2228	GS	\$	9,500.00	9/20/96
9/20/96	2233	GS	\$	5,500.00	9/20/96
9/21/96	2238	GS	\$	3,100.00	9/23/96
9/26/96	2251	GS	\$	9,500.00	9/27/96
9/30/96	2261	GS	\$	3,480.00	9/30/96
10/31/96	2357	GS	\$	450.00	11/4/96
12/6/96	2409	GS	\$	1,860.00	12/9/96
10/4/96	2272	GS	\$	9,000.00	10/4/96
12/13/96	2414	HA	\$	3,400.00	12/13/96
11/29/98	2391	HS	\$	7,000.00	11/29/96
10/25/96	2324	HM	\$	8,000.00	10/28/96
4/9/96	2020	HM	\$	8,000.00	4/10/96
4/16/96	2025	HM	\$	6,000.00	4/16/96
4/16/96	2026	HM	\$	2,000.00	4/16/96
4/22/96	2032	HM	\$	5,627.00	4/23/96
4/30/96	2037	HM	\$	20,000.00	4/30/96
5/3/96	2043	HM	\$	4,000.00	5/6/96
5/5/96	2049	HM	\$	7,500.00	5/8/96
8/16/96	2053	HM	\$	6,000.00	8/16/96
8/30/96	2072	HM	\$	9,500.00	8/30/96
7/5/96	2076	HM	\$	9,000.00	7/5/96
7/12/96	2082	HM	\$	9,000.00	7/12/96
7/19/96	2091	HM	\$	9,000.00	7/19/96
7/26/96	2102	HM	\$	9,500.00	7/26/96
8/2/96	2111	HM	\$	9,500.00	8/2/96
8/9/96	2119	HM	\$	9,500.00	8/9/96
5/14/96	2137	HM	\$	3,000.00	5/14/96
5/14/96	2138	HM	\$	10,000.00	5/14/96
6/6/96	2177	HM	\$	7,000.00	6/10/96
6/21/96	2191	HM	\$	9,000.00	6/21/96
6/25/96	2195	HM	\$	2,000.00	6/26/96
6/28/96	2197	HM	\$	8,088.00	6/28/96
7/2/96	2200	HM	\$	3,500.00	7/2/96
9/12/96	2216	HM	\$	9,500.00	9/13/96
9/21/96	2236	HM	\$	3,100.00	9/23/96
9/27/96	2255	HM	\$	4,640.00	9/30/96
10/10/96	2279	HM	\$	2,000.00	10/10/96
11/8/96	2330	HM	\$	2,500.00	11/8/96
10/29/96	2352	HM	\$	4,800.00	10/29/96
12/3/96	2399	HM	\$	1,500.00	12/3/96
12/9/96	2408	HM	\$	9,000.00	12/9/96

8/21/96	2066	HM	\$	9,500.00	8/23/96
8/10/96	2123	HM	\$	3,200.00	8/12/96
9/6/96	2211	HM	\$	5,000.00	9/9/96
9/13/96	2219	HM	\$	7,000.00	9/13/96
9/13/96	2220	HM	\$	2,883.00	9/16/96
7/5/96	2077	JACOB SALIB	\$	9,000.00	7/5/96
6/21/96	2193	JACOB SALIB	\$	5,000.00	6/21/96
11/7/96	2326	JS	\$	9,500.00	11/8/96
11/12/96	2338	JS	\$	8,000.00	11/15/96
5/6/96	2050	KB	\$	4,000.00	5/8/96
12/27/96	2428	KB	\$	9,900.00	12/17/96
7/12/96	2087	NS	\$	8,000.00	7/12/96
8/2/96	2116	NS	\$	6,000.00	8/2/96
10/4/96	2273	NS	\$	4,000.00	10/4/96
10/10/96	2290	NS	\$	3,000.00	10/15/96
10/17/96	2304	NS	\$	5,000.00	10/18/96
10/21/96	2310	NS	\$	1,000.00	10/22/96
11/8/96	2329	NS	\$	5,000.00	11/8/96
11/18/96	2345	NS	\$	3,250.00	11/18/96
10/31/96	2360	NS	\$	6,000.00	11/1/96
11/29/96	2394	NS	\$	9,500.00	11/29/96
12/13/96	2412	NS	\$	4,000.00	12/13/96
10/23/96	2316	NIS	\$	9,000.00	10/25/96
10/31/96	2358	NIS	\$	9,500.00	11/1/96
10/17/96	2297	NIS	\$	9,000.00	10/18/96
10/10/96	2288	RM	\$	1,100.00	10/15/96
12/20/96	2419	SE	\$	6,140.00	12/20/96
12/20/96	2422	SE	\$	1,940.00	12/20/96
7/18/96	2090	YACOUB SALIB	\$	5,000.00	7/18/96
8/2/96	2115	YACOUB SALIB	\$	8,413.00	8/2/96
6/28/96	2198	YACOUB SALIB	\$	5,000.00	7/1/96
10/16/96	2295	YACOUB SALIB	\$	3,000.00	10/17/96
11/5/96	2369	YACOUB SALIB	\$	1,800.00	11/6/96
8/16/96	2059	YACOUB SALIB	\$	3,000.00	8/16/96
7/19/96	2095	YACOUB SALIB	\$	8,000.00	7/19/96
5/1/96	2041	YS	\$	3,000.00	5/1/96
			\$	<b>698,418.00</b>	

36. From in or about April, 1996 through in or about December, 1996, the individual payees listed above and others known and unknown to the grand jury, cashed the checks at PNC Bank and other unknown financial institutions and provided the cash to defendant **YACOUB SALIB, a/k/a “Jacob”** and others to pay unreported cash wages to employees of Salib’s businesses and Azar Fashions.

37. From in or about January, 1997 through in or about December, 1997, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and **RIMA FAHL** wrote checks against the J & K Fashion account at PNC Bank, account no. 90-0018-8251, made payable to cash and various individuals, in the aggregate amount of \$655,401.61, as reflected below, each check constituting an overt act:

<u>CHECK DATE</u>	<u>CHECK NUMBER</u>	<u>PAYABLE TO</u>	<u>AMOUNT</u>	<u>DATE CASHED</u>
1/1/97	2434	AE	\$ 7,671.00	1/3/97
1/2/97	2435	AE	\$ 4,850.00	1/3/97
1/10/96	2439	AE	\$ 6,700.00	1/10/97
1/17/97	2449	AE	\$ 6,750.00	1/17/97
1/24/97	2456	AE	\$ 9,600.00	1/24/97
1/27/97	2467	AE	\$ 9,500.00	1/31/97
2/18/97	2482	AE	\$ 400.00	2/18/97
2/19/97	2493	AE	\$ 7,568.00	2/21/97
2/28/97	2502	AE	\$ 1,600.00	2/28/97
2/28/97	2503	AE	\$ 9,100.00	2/28/97
3/7/97	2509	AE	\$ 9,500.00	3/7/97
3/10/97	2514	AE	\$ 950.00	3/11/97
3/14/97	2517	AE	\$ 9,500.00	3/14/97
3/21/97	2524	AE	\$ 9,500.00	3/21/97
3/27/97	2531	AE	\$ 9,400.00	3/28/97
4/1/97	2535	AE	\$ 750.00	4/1/97
4/4/97	2540	AE	\$ 9,200.00	4/4/97
4/10/97	2544	AE	\$ 2,000.00	4/10/97
4/10/97	2547	AE	\$ 9,800.00	4/11/97
4/17/97	2587	AE	\$ 9,500.00	4/18/97
4/25/97	2594	AE	\$ 2,400.00	4/25/97
5/1/97	2556	AE	\$ 9,000.00	5/2/97
5/8/97	2562	AE	\$ 9,500.00	5/9/97
5/14/97	2569	AE	\$ 4,000.00	5/15/97
5/14/97	2574	AE	\$ 9,000.00	5/16/97
5/23/97	3413	AE	\$ 9,500.00	5/23/97
5/29/97	3423	AE	\$ 9,450.00	5/30/97
6/3/97	3428	AE	\$ 2,100.00	6/4/97
6/5/97	3432	AE	\$ 8,000.00	6/5/97
6/10/97	3439	AE	\$ 3,000.00	6/10/97
6/12/97	3449	AE	\$ 3,200.00	6/13/97
6/16/97	3551	AE	\$ 4,000.00	6/18/97
7/11/97	3468	AE	\$ 9,000.00	7/11/97
7/24/97	3491	AE	\$ 9,500.00	7/24/97
6/27/97	3572	CASH	\$ 9,000.00	6/27/97
7/3/97	3458	CASH	\$ 2,022.80	7/3/97

7/3/97	3461	CASH	\$ 8,000.00	7/3/97
7/10/97	3472	CASH	\$ 8,000.00	7/11/97
7/17/97	3487	CASH	\$ 8,880.00	7/21/97
7/17/97	3486	CASH	\$ 9,000.00	7/22/97
7/24/97	3492	CASH	\$ 9,828.00	7/25/97
8/1/97	3499	CASH	\$ 9,640.00	8/1/97
8/8/97	3502	CASH	\$ 9,900.00	8/8/97
8/8/97	3503	CASH	\$ 971.00	8/11/97
8/15/97	3509	CASH	\$ 9,900.00	8/15/97
8/15/97	3511	CASH	\$ 3,269.00	8/18/97
8/22/97	3517	CASH	\$ 9,900.00	8/22/97
9/26/97	3528	CASH	\$ 7,142.81	9/26/97
10/31/97	2604	CASH	\$ 9,800.00	10/31/97
6/10/97	3442	DC	\$ 6,290.00	6/13/97
6/27/97	3573	DC	\$ 4,380.00	6/27/97
3/20/97	2521	DC	\$ 3,000.00	3/20/97
5/7/97	2558	EB	\$ 2,000.00	5/8/97
5/8/97	2563	EB	\$ 3,000.00	5/9/97
5/15/97	2573	EB	\$ 3,825.00	5/16/97
5/23/97	3412	EB	\$ 2,000.00	5/23/97
5/23/97	3414	EB	\$ 3,000.00	5/23/97
5/29/97	3422	EB	\$ 2,400.00	5/30/97
12/3/97	2614	GS	\$ 5,000.00	12/4/97
2/20/97	2490	GS	\$ 9,400.00	2/21/97
4/4/97	2538	GS	\$ 9,355.00	4/4/97
4/17/97	2584	GS	\$ 9,500.00	4/18/97
10/3/97	3531	GS	\$ 1,225.00	10/3/97
10/9/97	3537	GS	\$ 1,201.00	10/10/97
1/24/97	2457	NS	\$ 8,440.00	1/24/97
1/31/97	2470	NS	\$ 7,400.00	1/31/97
5/15/97	2575	NS	\$ 1,450.00	5/16/97
5/22/97	3407	NS	\$ 3,550.00	5/23/97
6/12/97	3444	NS	\$ 7,500.00	6/13/97
6/2/97	3561	NS	\$ 8,870.00	6/20/97
6/27/97	3575	NS	\$ 6,085.00	6/27/97
7/3/97	3464	NS	\$ 6,460.00	7/3/97
7/3/97	3465	NS	\$ 3,000.00	7/3/97
7/11/97	3467	NS	\$ 6,020.00	7/11/97
8/1/97	3498	NS	\$ 2,000.00	8/1/97
8/22/97	3521	NS	\$ 1,830.00	8/22/97
1/3/97	2436	SE	\$ 5,550.00	1/6/97
1/17/97	2448	SE	\$ 8,550.00	1/17/97
2/28/97	2499	SE	\$ 9,825.00	2/28/97
1/24/97	2454	SE	\$ 9,300.00	1/24/97
1/31/97	2465	SE	\$ 2,814.00	1/31/97
1/31/97	2466	SE	\$ 9,126.00	1/31/97
2/7/97	2473	SE	\$ 2,710.00	2/7/97
2/14/97	2478	SE	\$ 4,670.00	2/14/97
3/7/97	2510	SE	\$ 1,400.00	3/7/97
3/7/97	2511	SE	\$ 5,978.00	3/7/97
3/15/97	2519	SE	\$ 5,600.00	3/14/97

3/21/97	2522	SE	\$ 7,280.00	3/21/97
3/28/97	2532	SE	\$ 6,445.00	3/28/97
4/10/97	2545	SE	\$ 3,000.00	4/10/97
4/11/97	2550	SE	\$ 9,265.00	4/11/97
4/15/97	2580	SE	\$ 1,200.00	4/15/97
4/17/97	2585	SE	\$ 610.00	4/18/97
4/24/97	2591	SE	\$ 7,560.00	4/25/97
5/2/97	2552	SE	\$ 5,215.00	5/2/97
5/9/97	2564	SE	\$ 8,015.00	5/9/97
5/15/97	3402	SE	\$ 8,000.00	5/16/97
5/19/97	3403	SE	\$ 5,000.00	5/20/97
5/22/97	3408	SE	\$ 9,250.00	5/22/97
5/23/97	3409	SE	\$ 8,100.00	5/23/97
5/23/97	3410	SE	\$ 3,000.00	5/23/97
5/25/97	3416	SE	\$ 1,000.00	5/23/97
5/30/97	3425	SE	\$ 6,775.00	5/30/97
6/5/97	3431	SE	\$ 9,260.00	6/5/97
6/12/97	3447	SE	\$ 6,200.00	6/12/97
6/12/97	3443	SE	\$ 6,000.00	6/13/97
6/19/97	3557	SE	\$ 9,780.00	6/20/97
			\$ 655,401.61	

38. From in or about January, 1997 through in or about December, 1997, defendants **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and **RIMA FAHL** delivered or caused to be delivered the checks listed above to defendant **YACOUB SALIB, a/k/a “Jacob”** and others known and unknown to the grand jury. The individual payees listed above and others known and unknown to the grand jury, cashed the checks at PNC Bank and other unknown financial institutions and provided the cash to defendant **YACOUB SALIB, a/k/a “Jacob”** and others to pay unreported cash wages to employees of Salib’s businesses and Azar Fashions.

39. In or about August, 1997, through in or about October, 1997, defendant **RIMA FAHL** maintained exclusive control and authority over the J & K Fashion account and delivered J & K Fashion checks to **YACOUB SALIB, a/k/a “Jacob”** and others to pay unreported cash wages to employees of Salib’s businesses.

**Rochelle Manufacturing - 1998**

40. From in or about January, 1998 through September, 1998, **YACOUB SALIB, a/k/a “Jacob”** wrote checks against the Rochelle Manufacturing account at PNC Bank, account no. 90-00825-142, made payable to various individuals, in the aggregate amount of \$172,794.75, as reflected below, each check constituting an overt act:

<b>Date of Check</b>	<b>CHECK No.</b>	<b>PAYEE</b>	<b>AMOUNT</b>	<b>DATE CASHED</b>
2/27/98	1311	AH	\$ 8,240.00	3/6/98
1/9/98	1132	AH	\$ 13,000.00	1/8/98
7/24/98	1875	AE	\$ 6,993.00	7/24/98
7/30/98	1896	AE	\$ 2,050.00	7/30/98
7/24/98	1874	EB	\$ 9,694.00	7/24/98
8/21/98	1985	EB	\$ 7,002.00	8/21/98
8/21/98	1986	EB	\$ 4,527.00	8/28/98
8/28/98	2030	EB	\$ 3,399.75	8/28/98
8/28/98	2031	EB	\$ 4,000.50	8/28/98
8/28/98	2032	EB	\$ 8,586.00	8/28/98
9/11/98	2074	EB	\$ 2,996.00	9/11/98
9/11/98	2075	EB	\$ 9,135.00	9/11/98
9/19/98	2095	EB	\$ 6,548.00	10/1/98
9/18/98	2080	EB	\$ 8,052.00	9/18/98
9/18/98	2082	EB	\$ 4,720.00	9/21/98
6/19/98	1737	EB	\$ 6,352.50	6/19/98
6/26/98	1768	EB	\$ 8,766.00	6/26/98
7/3/98	1794	EB	\$ 6,192.00	7/3/98
7/17/98	1844	EB	\$ 3,600.00	7/17/98
8/13/98	1955	EB	\$ 15,450.00	8/14/98
9/4/98	2045	EB	\$ 9,693.00	9/4/98
9/4/98	2047	EB	\$ 7,798.00	9/4/98
9/4/98	2044	EB	\$ 7,500.00	9/25/98
9/4/98	2046	EB	\$ 7,500.00	9/25/98
3/2/98	1320	NS	\$ 1,000.00	3/3/98
			\$ 172,794.75	

41. From in or about January, 1998 through in or about October, 1998, the individual payees listed above and others known and unknown to the grand jury, cashed the checks identified above at PNC Bank and other financial institutions and provided the cash to defendant **YACOUB SALIB, a/k/a “Jacob”** and others to pay unreported cash wages to employees of Salib’s businesses and Azar Fashions.

42. On or about December 22, 1997, defendant **RIMA FAHL** advised defendant **YACOUB SALIB, a/k/a “Jacob”** and E.B. to issue IRS Form 1099s to other individuals to escape tax liability for income diverted to defendant **JAMEEL EL-FAHEL’S, a/k/a “Jimmy”** J & K Fashion account, and to conceal the conspiracy from the Internal Revenue Service.

43. From in or about November, 1996 through in or about December, 1996, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote 4 checks against his J & K Fashion account at PNC Bank, account no. 90-0018-8251, made payable to fictitious payees in the aggregate amount of \$27,900, as reflected below, each check constituting an overt act:

<u>Fictitious Payee</u>	<u>Date</u>	<u>Amount</u>
Hason Azaren	12-13-96	\$3,400
Hason Safy	11-29-96	\$7,000
Juan Safi	11-07-96	\$9,500
Johan Safi	11-12-96	\$8,000

44. From in or about November, 1996 through in or about December, 1996, defendant **YACOUB SALIB, a/k/a “Jacob”** cashed, or caused others to cash the 4 checks made payable to fictitious payees, identified in paragraph 43 above, and used the cash to pay cash wages to Fountain Hill Manufacturing employees.

#### **Failure to Withhold**

45. From in or about December, 1995 through in or about January, 1999, defendant **YACOUB SALIB, a/k/a “Jacob”** on at least eleven occasions did not withhold or pay the employment tax due and owing to the Internal Revenue Service for the unreported cash wages paid to Salib’s employees, each act constituting an overt act.

46. From in or about December, 1995 through in or about January, 1999, defendant **ISSAM AZAR, a/k/a “Sam”** on at least eleven occasions did not withhold or pay the employment tax due and owing to the Internal Revenue Service for the unreported cash wages paid to Azar Fashions employees, each act constituting an overt act.

**Foreign Transfer of Proceeds**

47. On or about the dates listed below, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** caused the wire transfer of funds obtained and accumulated from the check-exchange conspiracy, from the J & K Fashion account at PNC Bank, account number 90-0018-8251, to ABN AMRO Bank, Hamra Branch, Beirut Lebanon, payable to Abdaullah Fahel as reflected below, each wire transfer constituting an overt act:

<u>Date of Wire Transfer</u>	<u>Amount</u>
3/9/1998	\$100,000.00
3/18/1998	\$100,000.00
3/25/1998	\$60,000.00

All in violation of Title 18, United States Code, Section 371.

## COUNT TWO

### CONSPIRACY TO DEFRAUD THE IRS: 18 U.S.C. § 371

#### THE GRAND JURY FURTHER CHARGES THAT:

At all times material to this indictment:

#### THE DEFENDANTS & THEIR BUSINESSES

1. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** owned and operated the Beirut Restaurant in Allentown, Pennsylvania.
2. Defendants **MICHEL KASTOUN** and **MAHA KASTOUN** owned and operated together K & J Sportswear, which was located at 731 North Meadow Street, Allentown, Pennsylvania, 18102. K & J Sportswear provided cutting and sewing services to various customers in the garment industry.

#### EL-FAHEL'S BANK ACCOUNTS

3. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** opened a business checking account under the name of Beirut Restaurant at Meridian Bank, account number 361-00192-9, on or about July 14, 1982.
4. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** opened a business checking account under the name of J & K Fashion at Meridian Bank, account number 5137-7931, on or about April 14, 1994.

## **MONETARY TRANSACTIONS**

5. Section 5313 of Title 31, United States Code, required financial institutions involved in transactions of \$10,000.00 or more to file currency transaction reports with the Secretary of the Treasury.

6. Section 5324 of Title 31, United States Code, prohibited any person from structuring a financial transaction for the purpose of evading the currency transaction reporting requirement described in paragraph 5 above.

## **EMPLOYMENT TAX REQUIREMENTS**

7. The Internal Revenue Code and regulations require employers to withhold from employees' paychecks and to pay to the IRS certain payroll taxes, including Federal Income Tax Withholding ("FITW") and the Federal Insurance Contributions Act ("FICA") taxes as follows:

- a. Employers are required to withhold FITW on the wages of employees and pay the money withheld to the IRS;
- b. FICA contributions are to be made up of four components: the employee's and employer's equal shares of 6.2% for Social Security and 1.45% for Medicare taxes. An employer is also required to withhold the employee's share and contribute it together with the equal employer's share, a total of 15.30% of wages, to the IRS;
- c. Employers are required to file a quarterly combined FITW and FICA tax return on an Employer's Quarterly Tax Return, IRS Form 941, in the case of a corporation, or annually on IRS Form 1040, Schedule C, in the case of a sole proprietorship;
- d. Employers are required to file an annual reconciliation of the

quarterly tax return, IRS Form 940, in the case of a corporation, or on IRS Form 1040, Schedule C, in the case of a sole proprietorship; and

e. Employers are required to issue to each employee and file with the IRS an IRS Form W-2 reporting all wages paid, and all FITW and FICA withheld.

### **THE CONSPIRACY**

8. From in or about December, 1993, the exact date being unknown to the Grand Jury, and continuing thereafter until on or about January, 1996, in the Eastern District of Pennsylvania and elsewhere, defendants

**JAMEEL EL-FAHEL,  
a/k/a “Jimmy”  
MICHEL KASTOUN  
and  
MAHA KASTOUN**

knowingly and intentionally conspired and agreed together and with each other and with other persons both known and unknown to the Grand Jury, to defraud the United States by willfully impeding, impairing, obstructing, and defeating the lawful government functions of the Internal Revenue Service of the Department of the Treasury (“IRS”) in the ascertainment, computation, assessment, and collection of the revenue; to wit, employment taxes.

### **THE MANNER AND MEANS OF THE CONSPIRACY**

9. Defendants **JAMEEL EL-FAHEL, a/k/a “Jimmy,” MICHEL KASTOUN** and **MAHA KASTOUN** used a deceptive check-exchange scheme to pay unreported cash wages to employees in cash and then not withhold or pay any employment tax. The purpose of the

scheme was to enrich the defendants by allowing them to retain the amounts owed in employment tax and to generate unreported cash income for their own personal use and benefit.

It was part of the conspiracy that:

10. Defendants **MICHEL KASTOUN** and **MAHA KASTOUN** provided customer checks to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** for deposit into El-Fahel's bank accounts.

11. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote numerous checks against those bank accounts back to defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and their agents.

12. Defendants **MICHEL KASTOUN** and **MAHA KASTOUN** employed more than twenty-five employees at K & J Sportswear. The employees were paid unreported cash wages, as well as reported payroll wages, for services rendered.

13. Defendants **MICHEL KASTOUN** and **MAHA KASTOUN** received numerous checks from business customers in payment for services rendered by K & J Sportswear.

14. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** used bank accounts under the name of J & K Fashion and Beirut Restaurant to deposit business checks for defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and provide cash and checks, written against the J & K Fashion and Beirut Restaurant accounts to defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and others, in amounts usually less than \$10,000.00 to avoid currency transaction reporting requirements, to pay unreported cash wages to K & J Sportswear employees.

15. Defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and others cashed the checks provided by defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and used the cash to pay unreported cash wages to K & J Sportswear employees.

16. Defendants **MICHEL KASTOUN** and **MAHA KASTOUN** paid **JAMEEL EL-FAHEL, a/k/a “Jimmy”** a three percent fee, more or less, for depositing their business checks and providing cash and checks back to defendants **MICHEL KASTOUN** and **MAHA KASTOUN** to pay the unreported cash wages to employees. The three percent fee was never reported to the Internal Revenue Service as income.

17. Defendants **MICHEL KASTOUN** and **MAHA KASTOUN** never withheld, paid or reported the employment tax due and owing to the Internal Revenue Service for the unreported cash wages of at least \$700,000.00 paid to K & J Sportswear employees.

#### **OVERT ACTS**

In furtherance of the conspiracy, and to achieve its objects, defendants **JAMEEL EL-FAHEL, a/k/a “Jimmy,” MICHEL KASTOUN, MAHA KASTOUN** and other persons known and unknown to the grand jury, committed the following overt acts, among others, within the Eastern District of Pennsylvania and elsewhere:

1. In or about December, 1993, defendants **MICHEL KASTOUN** and **MAHA KASTOUN** met with defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** to discuss a check-exchange arrangement. Defendants **MICHEL KASTOUN** and **MAHA KASTOUN** agreed that **JAMEEL EL-FAHEL, a/k/a “Jimmy”** would deposit K & J Sportswear business checks for a three percent fee, more or less. The defendants further agreed that **JAMEEL EL-**

**FAHEL, a/k/a “Jimmy”** would provide cash and checks back to defendants **MICHEL KASTOUN** and **MAHA KASTOUN**.

**K & J SPORTSWEAR INCOME 1993-1995**

2. In or about December, 1993, defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and others delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** two checks from Coordinated Apparel, made payable to K & J Sportswear, in the aggregate amount of \$34,620.77, as reflected below, each check constituting an overt act:

CHECK DATE	AMOUNT	PAYOR	PAYABLE TO:	DATE OF DEPOSIT
12/2/93	\$ 16,336.83	Coordinated Apparel Group, Inc.	K&J Sportswear	12/3/93
12/21/93	\$ 18,283.94	Coordinated Apparel Group, Inc.	K&J Sportswear	12/20/93
<b>TOTAL</b>	<b>\$ 34,620.77</b>			

3. In or about December, 1993, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 2 above, into the Beirut Restaurant account at PNC Bank, account no. 361-001-929, each deposit constituting an overt act.

4. From in or about January, 1994 through in or about August, 1994, defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and others delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** 31 checks from various business customers, made payable to K & J Sportswear in the aggregate amount of \$293,237.45, as reflected below, each check constituting an overt act:

CHECK DATE	AMOUNT	PAYOR	PAYABLE TO	DATE OF DEPOSIT
------------	--------	-------	------------	-----------------

1/5/94	\$ 3,549.48	Bino Enterprises, LTD	K&J Sportswear	1/7/94
1/6/94	\$ 393.72	Bino Enterprises, LTD	K&J Sportswear	1/10/94
1/7/94	\$ 825.00	Bino Enterprises, LTD	K&J Sportswear	1/10/94
1/7/94	\$ 7,680.00	Bino Enterprises, LTD	K&J Sportswear	1/10/94
1/10/94	\$ 7,680.00	Bino Enterprises, LTD	K&J Sportswear	1/10/94
1/11/94	\$ 9,000.00	Bino Enterprises, LTD	K&J Sportswear	1/21/94
1/28/94	\$ 808.00	Bino Enterprises, LTD	K&J Sportswear	1/31/94
2/9/94	\$ 3,478.00	Bino Enterprises, LTD	K&J Sportswear	2/10/94
2/22/94	\$ 11,358.63	Coordinated Apparel Group, Inc.	K&J Sportswear	2/23/94
2/22/94	\$ 10,000.00	So Fun Inc.	K&J Sportswear	3/2/94
3/15/94	\$ 15,959.79	Bino Enterprises, LTD	K&J Sportswear	3/16/94
3/18/94	\$ 1,549.60	Reenie Rich, Inc.	K&J Sportswear	3/21/94
3/18/94	\$ 349.80	Reenie Rich, Inc.	K&J Sportswear	3/21/94
3/18/94	\$ 1,037.50	Reenie Rich, Inc.	K&J Sportswear	3/21/94
3/29/94	\$ 22,953.61	Bino Enterprises, LTD	K&J Sportswear	3/30/94
4/1/94	\$ 12,339.32	Coordinated Apparel Group, Inc.	K&J Sportswear	3/31/94
4/7/94	\$ 7,142.28	Coordinated Apparel Group, Inc.	K&J Sportswear	4/8/94
4/11/94	\$ 14,924.98	Bino Enterprises, LTD	K&J Sportswear	4/12/94
4/21/94	\$ 13,673.50	Bino Enterprises, LTD	K&J Sportswear	4/22/94
4/22/94	\$ 9,300.00	Bino Enterprises, LTD	K&J Sportswear	4/26/94
5/4/94	\$ 12,072.48	Bino Enterprises, LTD	K&J Sportswear	5/9/94
5/20/94	\$ 11,594.82	Wright's Knitwear Corp.	K&J Sportswear	5/24/94
5/27/94	\$ 6,005.89	Wright's Knitwear Corp.	K&J Sportswear	5/31/94
6/2/94	\$ 16,697.94	Wright's Knitwear Corp.	K&J Sportswear	6/6/94
6/15/94	\$ 14,765.77	So Fun Inc.	K&J Sportswear	6/17/94
6/23/94	\$ 18,411.52	Wright's Knitwear Corp.	K&J Sportswear	6/28/94
7/12/94	\$ 8,743.77	Coordinated Apparel Group, Inc.	K&J Sportswear	7/13/94
7/22/94	\$ 9,749.73	Wright's Knitwear Corp.	K&J Sportswear	7/25/94
7/28/94	\$ 15,310.15	Wright's Knitwear Corp.	K&J Sportswear	8/1/94
8/4/94	\$ 12,940.06	Wright's Knitwear Corp.	K&J Sportswear	8/9/94
8/18/94	\$ 12,942.11	So Fun Inc.	K&J Sportswear	8/22/94
<b>TOTAL 1994</b>	<b>\$ 293,237.45</b>			

5. From in or about January, 1994 through in or about August, 1994, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 4 above, into the Beirut Restaurant account at PNC Bank, account no. 361-001-929, each deposit constituting an overt act.

6. From in or about August, 1994, through in or about December, 1994, defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and others delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** 9 checks from various business customers, made payable to K & J Sportswear in the aggregate amount of \$194,426.72, as

reflected below, each check constituting an overt act:

<b>CHECK</b>				<b>DATE OF</b>
<b>DATE</b>	<b>AMOUNT</b>	<b>PAYOR</b>	<b>PAYABLE TO:</b>	<b>DEPOSIT</b>
8/24/94	\$ 16,530.76	Wrights Knitwear Corp.	K&J Sportswear	8/29/94
9/2/94	\$ 40,904.19	Coordinated Apparel Group, Inc.	K&J Sportswear	9/6/94
9/16/94	\$ 39,460.49	Coordinated Apparel Group, Inc.	K&J Sportswear	9/16/94
9/23/94	\$ 24,932.55	Coordinated Apparel Group, Inc.	K&J Sportswear	9/26/94
11/2/94	\$ 9,401.77	Wrights Knitwear Corp.	K&J Sportswear	11/7/94
11/14/94	\$ 9,629.75	So Fun, Inc	K&J Sportswear	11/14/94
11/16/94	\$ 14,640.48	Wrights Knitwear Corp.	K&J Sportswear	11/21/94
12/6/94	\$ 11,926.19	Wrights Knitwear Corp.	K&J Sportswear	12/12/94
12/19/94	\$ 27,000.54	Nazareth Century Mills, Inc.	K&J Sportswear	12/27/94
<b>TOTAL</b>	<b>\$ 194,426.72</b>			

7. From in or about August, 1994 through in or about December, 1994, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 6 above, into the J & K Fashion account at Meridian Bank, account no. 5137-7931, each deposit constituting an overt act.

8. From in or about January, 1995 through in or about December, 1995, defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and others delivered or caused to be delivered to defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy,”** 61 checks from various business customers, made payable to K & J Sportswear, in the aggregate amount of \$686,260.03, as reflected below, each check constituting an overt act:

<b>CHECK</b>				<b>DATE OF</b>
<b>DATE</b>	<b>AMOUNT</b>	<b>CHECK FROM:</b>	<b>PAYABLE TO:</b>	<b>DEPOSIT</b>
1/9/95	\$ 27,755.71	Nazareth Century Mills, Inc.	K&J Sportswear	1/13/95
1/17/95	\$ 14,749.03	Nazareth Century Mills, Inc.	K&J Sportswear	1/23/95
1/24/95	\$ 17,681.39	S.L. Danielle, Inc	K&J Sportswear	1/30/95
2/2/95	\$ 17,242.75	Wright's Knitwear Corp.	K&J Sportswear	2/7/95
2/9/95	\$ 455.44	So Fun, Inc.	K&J Sportswear	2/13/95
2/3/95	\$ 1,080.44	Reenie Rich, Inc.	K&J Sportswear	2/13/95
1/27/95	\$ 1,101.43	Reenie Rich, Inc.	K&J Sportswear	2/13/95
1/24/95	\$ 1,856.39	Nazareth Century Mills, Inc.	K&J Sportswear	2/13/95

1/25/95	\$ 2,341.25	Jumbles, Inc.	K&J Sportswear	2/13/95
2/9/95	\$ 4,500.00	So Fun, Inc.	K&J Sportswear	2/13/95
2/2/95	\$ 6,000.00	So Fun, Inc.	K&J Sportswear	2/13/95
2/9/95	\$ 10,633.30	Wright's Knitwear Corp.	K&J Sportswear	2/13/95
2/16/95	\$ 20,275.99	Wright's Knitwear Corp.	K&J Sportswear	2/21/95
2/23/95	\$ 13,111.37	Wright's Knitwear Corp.	K&J Sportswear	2/27/95
3/2/95	\$ 13,954.96	Wright's Knitwear Corp.	K&J Sportswear	3/7/95
3/9/95	\$ 17,391.96	Stony Creek	K&J Sportswear	3/13/95
3/16/95	\$ 11,392.45	So Fun, Inc.	K&J Sportswear	3/20/95
3/17/95	\$ 23,004.07	S.L. Danielle, Inc	K&J Sportswear	3/28/95
3/23/95	\$ 23,635.98	Stony Creek	K&J Sportswear	4/4/95
4/6/95	\$ 26,575.14	Stony Creek	K&J Sportswear	4/10/95
4/19/95	\$ 22,000.00	S.L. Danielle, Inc	K&J Sportswear	4/21/95
4/27/95	\$ 23,006.73	Stony Creek	K&J Sportswear	5/1/95
5/3/95	\$ 13,747.00	Next Generation Sportswear	K&J Sportswear	5/5/95
5/5/95	\$ 12,061.39	Stony Creek	K&J Sportswear	5/10/95
5/12/95	\$ 29,229.32	Stony Creek	K&J Sportswear	5/19/95
5/26/95	\$ 11,380.61	So Fun, Inc.	K&J Sportswear	5/30/95
5/19/95	\$ 15,994.05	Stony Creek	K&J Sportswear	6/5/95
6/8/95	\$ 20,219.22	S.L. Danielle, Inc	K&J Sportswear	6/9/95
6/14/95	\$ 2,082.40	So Fun, Inc.	K&J Sportswear	6/19/95
6/14/95	\$ 9,651.23	So Fun, Inc.	K&J Sportswear	6/19/95
6/21/95	\$ 29,646.70	S.L. Danielle, Inc	K&J Sportswear	6/23/95
7/5/95	\$ 800.00	So Fun, Inc.	K&J Sportswear	7/7/95
7/5/95	\$ 2,676.36	So Fun, Inc.	K&J Sportswear	7/7/95
6/27/95	\$ 12,921.09	Nazareth Century Mills, Inc.	K&J Sportswear	7/7/95
7/5/95	\$ 20,580.70	So Fun, Inc.	K&J Sportswear	7/7/95
7/20/95	\$ 8,467.04	Stony Creek	K&J Sportswear	8/18/95
7/19/95	\$ 29,170.18	S.L. Danielle, Inc	K&J Sportswear	8/18/95
8/10/95	\$ 29,765.96	Nazareth Century Mills, Inc.	K&J Sportswear	8/18/95
9/11/95	\$ 5,493.80	Paris Accessories, Inc	K&J Sportswear	9/18/95
9/8/95	\$ 8,769.74	Stony Creek	K&J Sportswear	9/18/95
9/14/95	\$ 7,253.65	Kahn-Lucas-Lancaster, Inc.	K&J Sportswear	9/22/95
9/20/95	\$ 8,312.55	S.L. Danielle, Inc	K&J Sportswear	9/22/95
9/22/95	\$ 2,403.24	Stony Creek	K&J Sportswear	9/29/95
unreadable	\$ 5,650.97	So Fun, Inc.	K&J Sportswear	9/29/95
9/26/95	\$ 7,073.48	Kahn-Lucas-Lancaster, Inc.	K&J Sportswear	10/2/95
9/22/95	\$ 3,273.75	Paris Accessories, Inc	K&J Sportswear	10/10/95
10/5/95	\$ 5,273.49	S.L. Danielle, Inc	K&J Sportswear	10/10/95
10/6/95	\$ 6,813.25	Stony Creek	K&J Sportswear	10/18/95
10/20/95	\$ 2,987.33	Paris Accessories, Inc	K&J Sportswear	10/24/95
10/20/95	\$ 4,500.00	Paula's Father, Inc.	K&J Sportswear	10/24/95
11/2/95	\$ 10,774.85	S.L. Danielle, Inc	K&J Sportswear	11/3/95
10/26/95	\$ 3,426.24	So Fun, Inc.	K&J Sportswear	11/6/95
11/9/95	\$ 14,102.62	S.L. Danielle, Inc	K&J Sportswear	11/10/95
11/16/95	\$ 7,251.32	S.L. Danielle, Inc	K&J Sportswear	11/17/95
11/22/95	\$ 10,000.00	So Fun, Inc.	K&J Sportswear	12/4/95
11/21/95	\$ 9,334.44	S.L. Danielle, Inc	K&J Sportswear	11/24/95
11/30/95	\$ 2,033.36	S.L. Danielle, Inc	K&J Sportswear	12/12/95
11/17/95	\$ 2,535.93	Stony Creek	K&J Sportswear	12/12/95
11/17/95	\$ 2,563.56	Stony Creek	K&J Sportswear	12/12/95

11/27/95	\$ 3,274.63	Stony Creek	K&J Sportswear	12/12/95
12/13/95	\$ 5,018.80	Wright's Knitwear Corp.	K&J Sportswear	12/22/95
<b>TOTAL</b>	<b>\$ 686,260.03</b>			

9. From in or about January, 1995 through in or about December, 1995, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** deposited the checks identified in paragraph 8 above, into the J & K Fashion account at Meridian Bank, account no. 5137-7931, each deposit constituting an overt act.

**PAYMENT OF CASH WAGES TO EMPLOYEES**

**Beirut Restaurant Account - PNC Bank**

10. In or about December, 1993, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote checks against his Beirut Restaurant account at PNC Bank, account no. 361-001929, made payable to E.B., in the aggregate amount of \$9,000, as reflected below, each check constituting an overt act:

CHECK	CHECK			DATE
DATE	NUMBER	PAYABLE TO	AMOUNT	CASHED
12/3/93	419	EB	\$ 3,000.00	12/3/93
12/9/93	421	EB	\$ 6,000.00	12/10/93
		<b>TOTAL FOR 1993</b>	<b>\$ 9,000.00</b>	

11. In or about December, 1993 E.B. cashed the checks at PNC Bank, and provided the cash to defendants **MICHEL KASTOUN** and **MAHA KASTOUN** to pay unreported cash wages to K & J Sportswear employees.

12. From in or about January, 1994 through in or about September, 1994, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote 48 checks against his Beirut Restaurant

account at PNC Bank, account no. 361-001929, made payable to cash and various individuals, in the aggregate amount of \$217,665.30, as reflected below, each check constituting an overt act:

<u>DATE</u>	<u>CHECK</u>			<u>BANK</u>
<u>WRITTEN</u>	<u>NUMBER</u>	<u>PAYABLE TO</u>	<u>AMOUNT</u>	<u>DATE</u>
1/11/94	435	Cash	\$ 4,800.00	1/12/94
2/10/94	455	Cash	\$ 3,662.00	2/11/94
3/15/94	465	Cash	\$ 4,000.00	3/18/94
3/30/94	472	Cash	\$ 7,494.00	3/31/94
4/11/94	479	Cash	\$ 5,000.00	4/15/94
8/11/94	1124	Cash	\$ 3,667.00	8/11/94
3/22/94	470	Cash	\$ 5,000.00	3/24/94
1/13/94	434	Cash	\$ 5,000.00	1/14/94
1/15/94	433	Cash	\$ 5,000.00	1/24/94
3/10/94	464	Cash	\$ 6,000.00	3/11/94
3/21/94	468	Cash	\$ 3,390.00	3/23/94
3/30/94	474	Cash	\$ 5,000.00	4/14/94
3/2/94	462	Cash	\$ 5,631.00	3/2/94
4/11/94	478	Cash	\$ 4,624.00	4/14/94
1/21/94	437	EB	\$ 3,800.00	1/21/94
4/28/94	485	EB	\$ 5,000.00	4/29/94
5/5/94	492	EB	\$ 6,331.00	5/6/94
8/9/94	1122	EB	\$ 4,000.00	8/11/94
8/11/94	1123	EB	\$ 5,681.30	8/10/94
8/17/94	728	EB	\$ 4,500.00	8/19/94
8/24/94	733	EB	\$ 4,500.00	8/25/94
8/25/94	734	EB	\$ 4,500.00	8/25/94
9/5/94	1127	EB	\$ 5,586.00	9/7/94
4/7/94	477	EB	\$ 5,000.00	4/8/94
4/24/94	487	GB	\$ 5,000.00	4/26/94
4/14/94	481	GB	\$ 6,000.00	4/15/94
1/31/94	451	Maha Kastoun	\$ 5,000.00	2/4/94
2/17/94	460	Maha Kastoun	\$ 4,000.00	2/18/94
3/16/94	466	Maha Kastoun	\$ 4,640.00	3/18/94
3/31/94	448	Maha Kastoun	\$ 4,000.00	4/6/94
4/17/94	449	Maha Kastoun	\$ 4,093.00	4/22/94
4/27/94	484	Maha Kastoun	\$ 2,000.00	4/29/94
5/10/94	491	Maha Kastoun	\$ 4,100.00	5/10/94
5/30/94	702	Maha Kastoun	\$ 5,363.00	6/1/94
5/31/94	706	Maha Kastoun	\$ 3,885.00	6/7/94
6/13/94	714	Maha Kastoun	\$ 4,364.00	6/20/94
6/21/94	716	Maha Kastoun	\$ 6,704.00	6/22/94
6/28/94	721	Maha Kastoun	\$ 4,000.00	7/2/94
7/5/94	720	Maha Kastoun	\$ 3,043.00	7/11/94
7/13/94	1102	Maha Kastoun	\$ 1,569.00	7/18/94
7/28/94	1111	Maha Kastoun	\$ 2,554.00	7/29/94
8/2/94	1113	Maha Kastoun	\$ 4,000.00	8/2/94
8/15/94	727	Maha Kastoun	\$ 3,000.00	8/17/94
8/18/94	729	Maha Kastoun	\$ 4,500.00	8/19/94

8/22/94	732	Maha Kastoun	\$ 3,184.00	8/29/94
4/10/94	475	Michel Kastoun	\$ 4,000.00	4/15/94
7/7/94	725	Michel Kastoun	\$ 7,000.00	7/14/94
1/21/94	436	Michel Kastoun	\$ 4,500.00	1/28/94
		<b>TOTAL</b>	<b>\$ 217,665.30</b>	

13. From in or about January, 1994 through in or about September, 1994, the individual payees listed above and others known and unknown to the grand jury, cashed the checks at PNC Bank and other unknown financial institutions and provided the cash to defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and others to pay unreported cash wages to K & J Sportswear employees.

14. From in or about September, 1994 through in or about December, 1994, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote 25 checks against his J & K Fashion account at Meridian Bank, account number 5137-7931, made payable to cash and various individuals listed below, in the aggregate amount of \$128,111.68, as reflected below, each check constituting an overt act:

<u>DATE OF</u>	<u>CHECK</u>			<u>DATE</u>
<u>CHECK</u>	<u>NUMBER</u>	<u>PAYABLE TO</u>	<u>AMOUNT</u>	<u>CASHED</u>
11/3/94	135	CASH	\$ 4,000.00	11/4/94
9/15/94	113	EB	\$ 5,000.00	9/16/94
9/25/94	116	EB	\$ 4,000.00	9/23/94
9/28/94	121	EB	\$ 6,000.00	9/29/94
9/29/94	122	EB	\$ 6,000.00	9/30/94
11/7/94	137	EB	\$ 4,000.00	11/9/94
11/17/94	140	EB	\$ 4,000.00	11/15/94
12/16/94	148	EB	\$ 5,000.00	12/16/94
12/26/94	151	EB	\$ 6,460.00	12/29/94
12/21/94	149	EB	\$ 5,000.00	12/29/94
12/29/94	152	EB	\$ 2,500.00	12/30/94
9/6/94	101	MAHA KASTOUN	\$ 7,200.00	9/6/94
9/13/94	103	MAHA KASTOUN	\$ 5,000.00	9/13/94
9/20/94	105	MAHA KASTOUN	\$ 5,000.00	9/20/94
9/28/94	117	MAHA KASTOUN	\$ 6,000.00	9/29/94
9/30/94	118	MAHA KASTOUN	\$ 6,171.00	10/6/94
10/7/94	125	MAHA KASTOUN	\$ 6,433.00	10/7/94

10/3/94	123	MAHA KASTOUN	\$ 6,000.00	10/7/94
11/9/94	138	MAHA KASTOUN	\$ 4,000.00	11/9/94
11/16/94	139	MAHA KASTOUN	\$ 4,000.00	11/17/94
11/21/94	141	MAHA KASTOUN	\$ 6,347.68	11/25/94
12/22/94	150	MAHA KASTOUN	\$ 5,000.00	12/27/94
9/8/94	108	MICHEL KASTOUN	\$ 5,000.00	9/12/94
9/15/94	104	MICHEL KASTOUN	\$ 5,000.00	9/16/94
9/25/94	106	MICHEL KASTOUN	\$ 5,000.00	10/7/94
		<b>TOTAL - 1994</b>	<b>\$ 128,111.68</b>	

15. From in or about September, 1994 through in or about December, 1994, the individual payees listed above and others known and unknown to the grand jury, cashed the checks at Meridian Bank and other unknown financial institutions and provided the cash to defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and others to pay unreported cash wages to K & J Sportswear employees.

16. In or about March, 1995, defendant **JAMEEL EL-FAHEL, a/k/a "Jimmy"** wrote checks against the Beirut Restaurant account at PNC Bank, account no. 361-001929, made payable to various individuals, in the aggregate amount of \$20,950.13, as reflected below, each check constituting an overt act:

<u>CHECK DATE</u>	<u>CHECK NUMBER</u>	<u>PAYABLE TO</u>	<u>AMOUNT</u>	<u>DATE CASHED</u>
3/14/95	1131	Maha Kastoun	\$ 6,950.13	3/14/95
3/15/95	744	EB	\$ 5,000.00	3/16/95
3/23/95	1134	EB	\$ 5,000.00	3/23/95
3/28/95	746	EB	\$ 4,000.00	3/31/95
		<b>TOTAL FOR 1995</b>	<b>\$ 20,950.13</b>	

17. In or about March, 1995, defendant **MAHA KASTOUN** and E.B. cashed the checks identified above at PNC Bank and provided the cash to defendant **MICHEL**

KASTOUN to pay unreported cash wages to K & J Sportswear employees.

**J & K Fashion Account - Meridian Bank.**

18. From in or about January, 1995 through in or about December, 1995, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote 70 checks against his J & K Fashion account at Meridian Bank, account no. 5137-7931, made payable to various individuals, in the aggregate amount of \$370,566.72, as reflected below each check constituting an overt act:

<u>DATE OF</u>	<u>CHECK</u>			<u>DATE</u>
<u>CHECK</u>	<u>NUMBER</u>	<u>PAYABLE TO</u>	<u>AMOUNT</u>	<u>CASHED</u>
2/24/95	183	DC	\$ 5,000.00	2/24/95
1/6/95	153	EB	\$ 5,000.00	1/6/95
1/10/95	156	EB	\$ 7,000.00	1/12/95
1/18/95	160	EB	\$ 5,000.00	1/20/95
1/27/95	164	EB	\$ 5,000.00	1/26/95
2/2/95	167	EB	\$ 5,000.00	2/2/95
2/6/95	169	EB	\$ 5,000.00	2/9/95
2/14/95	176	EB	\$ 5,000.00	2/24/95
2/2/95	186	EB	\$ 5,000.00	3/1/95
2/24/95	181	EB	\$ 5,000.00	3/2/95
3/8/95	189	EB	\$ 5,000.00	3/7/95
3/16/95	192	EB	\$ 5,000.00	3/16/95
3/20/95	194	EB	\$ 5,000.00	3/23/95
3/27/95	195	EB	\$ 6,000.00	3/31/95
4/4/95	201	EB	\$ 6,000.00	4/6/95
4/6/95	200	EB	\$ 4,000.00	4/7/95
4/10/95	208	EB	\$ 5,000.00	4/10/95
4/13/95	209	EB	\$ 5,000.00	4/13/95
4/18/95	211	EB	\$ 5,000.00	4/21/95
4/28/95	217	EB	\$ 5,000.00	4/28/95
5/3/95	220	EB	\$ 5,000.00	5/6/95
5/11/95	226	EB	\$ 5,000.00	5/12/95
5/26/95	242	EB	\$ 5,000.00	5/26/95
6/2/95	245	EB	\$ 5,000.00	6/2/95
6/5/95	248	EB	\$ 5,000.00	6/9/95
6/9/95	249	EB	\$ 4,500.00	6/9/95
6/14/95	256	EB	\$ 5,000.00	6/15/95
6/22/95	259	EB	\$ 5,000.00	6/23/95
6/28/95	263	EB	\$ 5,000.00	6/30/95
7/12/95	275	EB	\$ 5,000.00	7/14/95
8/23/95	280	EB	\$ 5,000.00	8/25/95
8/24/95	281	EB	\$ 5,000.00	8/25/95
11/2/95	903	EB	\$ 4,450.00	11/3/95
11/17/95	914	EB	\$ 7,000.00	11/17/95
1/9/95	155	MAHA KASTOUN	\$ 7,000.00	1/12/95

1/19/95	161	MAHA KASTOUN	\$ 5,000.00	1/19/95
1/25/95	163	MAHA KASTOUN	\$ 5,000.00	1/26/95
2/1/95	166	MAHA KASTOUN	\$ 5,000.00	2/2/95
2/9/95	170	MAHA KASTOUN	\$ 5,000.00	2/9/95
2/13/95	177	MAHA KASTOUN	\$ 5,000.00	2/17/95
2/21/95	179	MAHA KASTOUN	\$ 4,276.00	2/23/95
2/22/95	180	MAHA KASTOUN	\$ 5,000.00	2/23/95
2/26/95	185	MAHA KASTOUN	\$ 5,000.00	3/2/95
3/7/95	188	MAHA KASTOUN	\$ 5,000.00	3/9/95
3/13/95	191	MAHA KASTOUN	\$ 6,510.00	3/14/95
3/29/95	196	MAHA KASTOUN	\$ 6,500.00	3/29/95
3/31/95	197	MAHA KASTOUN	\$ 6,000.00	4/4/95
4/10/95	198	MAHA KASTOUN	\$ 6,500.00	4/11/95
4/10/95	205	MAHA KASTOUN	\$ 5,000.00	4/13/95
4/12/95	199	MAHA KASTOUN	\$ 6,500.00	4/19/95
4/15/95	207	MAHA KASTOUN	\$ 5,900.00	5/2/95
6/6/95	247	MAHA KASTOUN	\$ 6,532.00	6/5/95
6/7/95	269	MAHA KASTOUN	\$ 5,049.00	7/17/95
7/7/95	268	MAHA KASTOUN	\$ 5,000.00	7/21/95
8/23/95	282	MAHA KASTOUN	\$ 7,000.00	8/29/95
9/5/95	283	MAHA KASTOUN	\$ 8,000.00	9/5/95
9/11/95	284	MAHA KASTOUN	\$ 5,000.00	9/12/95
9/18/95	285	MAHA KASTOUN	\$ 5,000.00	9/22/95
9/28/95	293	MAHA KASTOUN	\$ 5,000.00	9/29/95
11/23/95	924	MAHA KASTOUN	\$ 7,000.00	11/25/95
1/30/95	165	MICHEL KASTOUN	\$ 6,828.00	2/21/95
2/13/95	174	MICHEL KASTOUN	\$ 6,000.00	2/21/95
2/15/95	175	MICHEL KASTOUN	\$ 6,510.00	2/23/95
4/12/95	206	MICHEL KASTOUN	\$ 5,000.00	4/25/95
6/11/95	252	MICHEL KASTOUN	\$ 5,000.00	6/20/95
6/23/95	257	MICHEL KASTOUN	\$ 1,381.50	6/27/95
6/27/95	260	MICHEL KASTOUN	\$ 8,457.00	7/7/95
10/24/95	299	MICHEL KASTOUN	\$ 3,550.00	10/31/95
11/6/95	907	MICHEL KASTOUN	\$ 3,323.22	11/6/95
12/2/95	932	MICHEL KASTOUN	\$ 2,800.00	12/7/95
		<b>TOTAL - 1995</b>	<b>\$ 370,566.72</b>	

19. From in or about January, 1995 through in or about December, 1995, the individual payees listed above and others known and unknown to the grand jury, cashed the checks at Meridian Bank and other unknown financial institutions and provided the cash to defendants **MICHEL KASTOUN** and **MAHA KASTOUN** and others to pay unreported cash wages to K & J Sportswear employees.

20. From in or about December, 1993 through in or about January, 1996, defendants **MICHEL KASTOUN** and **MAHA KASTOUN**, on at least seven occasions did not withhold or pay the employment tax due and owing to the Internal Revenue Service for the unreported cash wages paid to K & J Sportswear employees, each act constituting an overt act.

All in violation of Title 18, United States Code, Section 371.

**COUNT THREE**

**FALSE STATEMENT: 18 U.S.C. § 1001**

**THE GRAND JURY FURTHER CHARGES THAT:**

At all times material to this indictment:

1. Defendant **RIMA FAHL** was an attorney licensed to practice law in the Commonwealth of Pennsylvania. She practiced law in a law office located at 137 North 5<sup>th</sup> Street, Allentown, Pennsylvania, 18102.
2. In or about November, 1996, defendant **YACOUB SALIB, a/k/a “Jacob”** retained defendant **RIMA FAHL** as his attorney, regarding a bankruptcy matter.
3. In or about December, 1996, defendants **RIMA FAHL** and **YACOUB SALIB, a/k/a “Jacob”** prepared and assisted in the preparation of schedules listing the assets and liabilities of Fountain Hill Sportswear, a corporation owned by defendant **YACOUB SALIB, a/k/a “Jacob,”** in anticipation of a bankruptcy filing.
4. In or about December, 1996, through on or about February 11, 1997, defendant **RIMA FAHL** learned that defendant **YACOUB SALIB, a/k/a “Jacob”** owned sewing machine equipment and transferred the ownership of that equipment to other companies to give the appearance that he and Fountain Hill Sportswear did not own any sewing machines.
5. On or about February 11, 1997, defendant **RIMA FAHL** and **YACOUB SALIB, a/k/a “Jacob”** filed or caused to be filed amended schedules with the United States Bankruptcy Court reflecting Fountain Hill Sportswear business income, as reflected below:

<u>Year</u>	<u>Income</u>
1993	\$ 535,000.00
1994	\$ 135,000.00
1995	\$ 00.00
1996	\$ 00.00

6. On or about February 11, 1997, defendant **RIMA FAHL** and **YACOUB SALIB, a/k/a “Jacob”** appeared before John Carroll, Chapter 7 Trustee, United States Bankruptcy Court for an examination of debtor hearing regarding Fountain Hill Sportswear income and assets.

7. On or about February 11, 1997, defendant **YACOUB SALIB, a/k/a “Jacob,”** in the presence of defendant **RIMA FAHL** and bankruptcy trustee, John Carroll, signed a Debtor’s Oath form stating that he would testify truthfully and that he would be subject to prosecution for perjury if he knowingly testified falsely.

8. On or about February 11, 1997, in response to a question by the bankruptcy trustee regarding business income in 1995 and 1996, defendant **RIMA FAHL** stated that Fountain Hill Sportswear equipment was confiscated at the end of 1994 and that work in 1995 and 1996 was performed by subcontractors.

9. On or about February 11, 1997, in response to questions from the bankruptcy trustee regarding the status of Fountain Hill Sportswear equipment in 1994, defendant **YACOUB SALIB, a/k/a “Jacob”** stated that the equipment was repossessed by the bank because Fountain Hill Sportswear defaulted on a loan.

10. On or about February 11, 1997, in the Eastern District of Pennsylvania, the defendants

**YACOUB SALIB,  
a/k/a “Jacob”  
and  
RIMA FAHL**

in a matter within the jurisdiction of the United States Bankruptcy Trustee, an agency of the United States Bankruptcy Court, a judicial branch of the United States, knowingly and willfully made, and aided and abetted the making of a materially false, fictitious, and fraudulent statement and representation that property and assets, that is, sewing machines and equipment, belonging to Fountain Hill Sportswear, had been repossessed by a bank in 1994, when as the defendants then and there well knew, a bank never repossessed that property and those assets of Fountain Hill Sportswear.

In violation of Title 18, United States Code, Section 1001 and 2.

**COUNT FOUR**

**BANK FRAUD: 18 U.S.C. § 1344**

**THE GRAND JURY FURTHER CHARGES THAT:**

At all times material to this indictment:

1. PNC Bank was a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation, certificate number 6384.
2. Bank of Pennsylvania was a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation, certificate number 00695-5.
3. From on or about September 4, 1998, to on or about September 10, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

**JAMEEL EL-FAHEL,  
a/k/a “Jimmy”**

knowingly executed and attempted to execute a scheme to defraud Bank of Pennsylvania and PNC Bank and to obtain monies owned by and under the care, custody, and control of both banks

by means of false and fraudulent pretenses, representations, and promises, that is, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** accepted two home equity loans, totaling \$340,000.00 from both Bank of Pennsylvania and PNC Bank, using his residence at 2757 Suncrest Drive, Allentown, Pennsylvania as collateral for both loans, without disclosing the other loan to either bank, knowing that he placed both banks at risk by fraudulently pledging the same collateral to secure each loan.

## The Scheme

### The First Mortgage

4. Defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and H.E. owned and resided in their principal residence at 2757 Suncrest Drive, Allentown, Pennsylvania.

5. On or about February, 1992, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and H.E. purchased the residence at 2757 Suncrest Drive, Allentown, Pennsylvania, for a purchase price of \$370,000.00.

6. On or about February, 1992, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and H.E. obtained a first mortgage in the amount of \$200,000.00 from First Pennsylvania Bank, which was used toward the purchase price of their home at 2757 Suncrest Drive, Allentown, Pennsylvania.

7. From in or about 1992 through in or about at least 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and H.E. paid monthly principal and interest payments to First Pennsylvania Bank to pay off the first mortgage as required.

### Fraudulent Second Mortgage - PNC Bank

8. In or about June or July, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** met with V.S. at PNC Bank, Fullerton Branch, Allentown, Pennsylvania, and submitted a commercial loan application to PNC Bank for a loan amount of \$250,000.00 using the Beirut Restaurant as collateral.

9. In or about July, 1998, PNC Bank declined defendant **JAMEEL EL-FAHEL’S**,

a/k/a **“Jimmy”** loan application, because the business commercial loan was for a personal purpose.

10. In or about August, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** submitted a home equity loan application to PNC Bank for a loan amount of \$200,000.00.

11. In or about August, 1998, V.S. advised defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** that PNC Bank might make a counter offer on the loan amount based on the equity available in the home.

12. In or about August, 1998, PNC Bank caused an appraisal to be conducted on defendant **JAMEEL EL-FAHEL’S, a/k/a “Jimmy”** residence at 2757 Suncrest Drive, Allentown, Pennsylvania.

13. On or about September 2, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** accepted a loan offer of \$145,000.00 and agreed to mortgage, grant and convey his residence, 2757 Suncrest Drive, Allentown, Pennsylvania as collateral for the loan. He further warranted and represented to PNC Bank that the property, 2757 Suncrest Drive, Allentown, Pennsylvania was “unencumbered except for encumbrances now recorded.”

14. On or about September, 10, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** received the \$145,000.00 home equity loan proceeds by direct transfer from PNC Bank to his PNC Bank account, account number 9000188251.

15. On or about September 10, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** caused the wire transfer of \$150,000.00 from his PNC Bank account, account number 9000188251, to ABN AMRO Bank, Hamra Branch, Beirut, Lebanon, payable to Abdaullah Fahel.

**Fraudulent Second Mortgage - Bank of Pennsylvania**

16. In or about August, 1998, R.H. advised defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** and M. K., a bank officer at Bank of Pennsylvania, that a home equity loan, not a business loan, would be a more appropriate transaction for defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** based on the equity in his home.

17. In or about August, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** submitted a home equity loan application to Bank of Pennsylvania for a loan amount of \$200,000.00.

18. In or about August, 1998, Bank of Pennsylvania caused an appraisal to be conducted on defendant **JAMEEL EL-FAHEL’S, a/k/a “Jimmy”** residence at 2757 Suncrest Drive, Allentown, Pennsylvania, which reflected an appraised value of \$455,000.00.

19. On or about September 4, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** agreed to accept a home equity loan in the amount of \$195,000.00 and agreed to bargain, sell, grant and convey to Bank of Pennsylvania, his residence, 2757 Suncrest Drive, Allentown, Pennsylvania, as collateral for the loan.

20. On or about September 10, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** received the \$195,000.00 home equity loan from Bank of Pennsylvania, which was deposited directly into his Beirut Restaurant bank account.

21. On or about September 10, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** wrote a check from the Beirut Restaurant account, made payable to himself in the amount of \$190,000.00, and deposited that check into his J & K Fashion account at PNC Bank.

22. On or about September 30, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** caused the wire transfer of \$170,000.00 from his PNC Bank account, account number 9000188251, to ABN AMRO Bank, Hamra Branch, Beirut, Lebanon, payable to Abdaullah Fahel.

23. In or about September, 1998, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** mortgaged the same asset twice to obtain two home equity loans from two banks without disclosing to either bank that he was mortgaging his principal residence to each to secure the loans.

24. From in or about May, 1999, through in or about September, 1999, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** stopped making monthly payments to PNC Bank, causing a default on the loan and a loss to PNC Bank in the amount of approximately \$139,100.94.

25. From in or about July, 1999, through in or about November, 1999, defendant **JAMEEL EL-FAHEL, a/k/a “Jimmy”** stopped making monthly payments to Bank of Pennsylvania, causing Bank of Pennsylvania to foreclose on the El-Fahel residence at 2757 Suncrest Drive, Allentown, Pennsylvania and causing a loss of approximately \$199,000.00.

In violation of Title 18, United States Code, Section 1344.

**COUNTS FIVE and SIX**

**MONEY LAUNDERING: 18 U.S.C. § 1957**

**THE GRAND JURY FURTHER CHARGES THAT:**

At all times material to this indictment:

1. Paragraphs one, two and four through twenty-five of Count Four of this indictment are realleged here.
2. On or about the dates set forth below, in the Eastern District of Pennsylvania and elsewhere, defendant

**JAMEEL EL-FAHEL,  
a/k/a “Jimmy”**

knowingly engaged in monetary transactions affecting interstate or foreign commerce in criminally derived property of a value greater than \$10,000, described more fully below, and such property was derived from a specified unlawful activity, that is, bank fraud, in violation of Title 18, United States Code, Section 1344:

<b><u>COUNT</u></b>	<b><u>DATE</u></b>	<b><u>DESCRIPTION</u></b>
Five	9/10/98	Wire transfer of \$150,000.00 from the defendant's PNC Bank account, account number 90-0018-8251 to ABN AMRO Bank, Hamra Branch, Beirut, Lebanon.

<u>COUNT</u>	<u>DATE</u>	<u>DESCRIPTION</u>
Six	9/30/98	Wire transfer of \$170,000.00 from the defendant's PNC Bank account, account number 90-0018-8251 to ABN AMRO Bank, Hamra Branch, Beirut, Lebanon.

In violation of Title 18, United States Code, Section 1957.

## NOTICE OF FORFEITURE

1. As a result of the violations of Title 18, United States Code, Section 1957, set forth in counts five and six of this Indictment, the defendant

**JAMEEL EL-FAHEL,  
a/k/a “Jimmy”**

shall forfeit to the United States of America any and all property, real and personal, involved in such offenses, and any property traceable to such property, including, but not limited to, the sum of \$340,000.00.

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b), incorporating 21 U.S.C. § 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Section 982.

**A TRUE BILL:**

---

**GRAND JURY FOREPERSON**

---

**PATRICK L. MEEHAN**  
**United States Attorney**