
UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon. Michael A. Hammer
 :
 v. : Mag. No. 19-4102
 :
 LIOR ATIYAS : **CRIMINAL COMPLAINT**
 a/k/a "David Cohen," :
 and :
 LOLA LARIOS :
 a/k/a "Michelle Jacobs" :


I, Special Agent Jason Fernandes, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

I further state that I am a Special Agent with the United States Department of Transportation, Office of Inspector General, and that this complaint is based on the following facts:

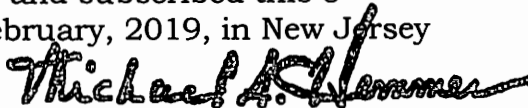
SEE ATTACHMENT B

Continued on the attached page and made a part hereof:



Jason Fernandes, Special Agent
U.S. Department of Transportation,
Office of Inspector General

Sworn to and subscribed this 6th
day of February, 2019, in New Jersey



HONORABLE MICHAEL A. HAMMER
UNITED STATES MAGISTRATE JUDGE

ATTACHMENT A

Conspiracy to Commit Wire Fraud

From as early as in or around January 2016 through in or around January 2019, in the District of New Jersey and elsewhere, the defendants,

LIOR ATIYAS,
a/k/a "David Cohen,"
and
LOLA LARIOS,
a/k/a "Michelle Jacobs,"

did knowingly and intentionally conspire and agree with each other and with others known and unknown, to devise a scheme and artifice to defraud, and to obtain money and property from the victims by means of false and fraudulent pretenses, representations, and promises, and for the purpose of executing such scheme and artifice, did knowingly and intentionally transmit and cause to be transmitted by means of wire communications in interstate commerce, certain writings, signs, signals, pictures, and sounds, contrary to Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Section 1349.

ATTACHMENT B

I, Jason Fernandes, am a Special Agent, with the United States Department of Transportation (“DOT”), Office of Inspector General. I have knowledge of the following facts based upon both my investigation and discussions with other law enforcement personnel and others. Because this affidavit is being submitted for the limited purpose of establishing probable cause to support the issuance of a complaint, I have not set forth each and every fact that I know concerning this investigation. Where statements of others are related herein, they are related in substance and part. Where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged.

The Conspiracy

1. The object of the conspiracy was for defendants Lior Atiyas, a/k/a “David Cohen” (“ATYAS”), and Lola Larios, a/k/a “Michelle Jacobs” (“LARIOS”), and their co-conspirators to enrich themselves by regularly extorting the customers of their moving companies to pay drastically increased fees for moving services once the customer was in a vulnerable state and unable to refuse their demands.

2. Defendants ATYAS and LARIOS carried out this conspiracy by creating a number of moving companies (collectively, the “Target Companies”) that were used interchangeably in an effort to hide the true identity of their primary moving company, Premier Relocations LLC (“PREMIER”), which received numerous customer complaints and negative Internet reviews. The investigation has revealed that ATYAS was the owner and manager of PREMIER as well as many of the Target Companies and that LARIOS was a manager of PREMIER and many of the Target Companies.

3. Representatives of the Target Companies, often ATYAS or LARIOS, would quote customers “low-ball” price estimates for moving household goods. After the customers agreed to do business with the Target Companies, and after employees of the Target Companies loaded the customers’ goods onto the Target Companies’ moving trucks, employees of the Target Companies, acting at the direction of ATYAS and LARIOS, would drastically raise the price of the move (often two or three times that of the quoted estimate), and then refuse to deliver the customers’ goods until they paid the increased price. The Target Companies consistently, over a number of years and hundreds of moves, raised final prices for moves above the allowed increase from initial estimates as provided by federal regulations.

Moving Fraud Scheme

4. The federal regulations governing moving companies are set forth in 49 C.F.R. § 375. As relevant here, after a customer contacts a moving

company, the company provides the customer with either a binding or a non-binding estimate of the moving cost pursuant to a telephonic or visual inventory of the goods to be moved. A non-binding estimate is not binding as the final charges are based upon the actual weight or volume of the shipment, the services provided, and the tariff provisions in effect. However, pursuant to 49 CFR § 375.703(b), the final price may not be increased to more than ten percent above the initial estimate. A binding estimate is based on the quantities and services detailed in the estimate. Pursuant to 49 C.F.R. § 375.403, for binding estimates, the moving company is required to deliver the household goods, as contracted, upon full payment of the original estimate amount. Any additional costs (based on actual weight) can be billed after the goods have been delivered.

5. It was often the case in this conspiracy that representatives of the Target Companies, often ATIYAS and LARIOS, would provide estimates and agree to move a customers' household goods without specifying whether their estimates were binding or non-binding. Regardless of the type of estimate, however, moving companies are not authorized to revise the estimate after the goods have been loaded on the moving truck and then proceed to move the goods without the customer agreeing to the revised estimate.

6. The Target Companies advertised their moving services to the public through various websites that would offer competitive prices on interstate moves across the country. Thus, customers who requested moving services from the Target Companies were given estimates that were often below market rates.

7. The co-conspirators concealed the scheme by creating the various Target Companies as chameleon companies—often registering them through fictitious owners and listing fictitious addresses as their headquarters—to avoid detection by law enforcement. The Target Companies used names of old moving companies that are no longer in existence, or variations on names of other legitimate moving companies currently in operation. For example, one of the Target Companies was called “Empire Move,” which advertised its services through a website www.empiremovers.net, used a DOT number that is assigned to an entity known to law enforcement (not PREMIER and not a Target Company) that is based out of Puerto Rico, and used the address for the location of another moving company, “Empire Movers LLC.” According to DOT records, “Empire Movers LLC” is a legitimate moving company, based out of New York, New York, that has no connection to PREMIER, Empire Move, or any of the Target Companies.

8. Because PREMIER received many customer complaints and negative reviews due to its practice of dramatic price hikes, ATIYAS and LARIOS would use the names of the other Target Companies to advertise moving services that would ultimately be performed by PREMIER. For

example, if customers contacted such Target Companies as Metro Van Lines, Lyon Moving and Storage, or Empire Move, all phone calls and emails from customers would be handled by representatives of the Target Companies, including ATIYAS and LARIOS.

9. In furtherance of the scheme, after potential customers requested moving quotes from the Target Companies, a representative from the Target Companies would contact the customer and provide a “low-ball” estimate based on a telephonic inventory of the household goods conducted by the customer and the representative. In certain instances, the Target Companies requested and were provided with customers’ credit card information over the telephone to process deposit payments. The Target Companies would email a moving estimate to the customer and requested that the customer email back a signed estimate, along with credit card information in order to process a deposit payment.

10. During the agreed-upon move date, or sometimes after the agreed-upon move date, employees of the Target Companies would arrive at the victims’ residences and begin packing and loading the household goods. At various points in the loading process, and often times after the household goods were completely loaded, representatives of the Target Companies would explain to the victims in person or over the telephone that there were more household goods than previously estimated and, therefore, a significant amount of additional money was due. This amount of money, which was often in excess of twice the amount of the estimate (and in one instance was ten times more than the original estimate), was demanded by the Target Companies to be paid, often in cash, before the Target Companies would deliver the household goods to the victim, in violation of the ten percent price-increase restriction outlined in 49 CFR § 375.703(b).

11. If the victim refused to pay the increased price, representatives of the Target Companies would threaten to keep the victim’s household goods in storage, sometimes with fees, until the total payment was made. In several instances, ATIYAS and LARIOS threatened to auction the victims’ household goods unless they received payment by a certain date. In at least one instance, after demanding 1,000 percent more than the initial estimate, and after the victim refused to pay, the Target Company, at ATIYAS’s direction, never delivered the victim’s household goods.

12. Alternatively, the Target Companies’ representatives and the victim would argue until agreeing on a price that was lower than the increased price, yet still much higher than the original estimate.

13. When a victim called to complain about price increases and other issues, ATIYAS, LARIOS, or other co-conspirators would generally field the calls. The co-conspirators would often keep the victim on hold for significant

periods of time, disconnect the victim's call, argue with the victim, and/or transfer the victim's call to another co-conspirator, all in an attempt to avoid the victim's complaint.

14. Most victims, because of their need to access their numerous personal items, would often pay the inflated cost of the move to ensure that their possessions were delivered.

15. On or about October 18, 2018, law enforcement executed a lawfully obtained search warrant of PREMIER's offices at 57 Midland Avenue, in Elmwood Park, New Jersey. Documents and information obtained during the search revealed that, between January 2016 and October 2018, the Target Companies conducted hundreds moves, of which at least 188 involved final costs that were above the permissible 10 percent increase of the estimates. The aggregate difference between the estimates reviewed by law enforcement and the final balances for those victims' moves is over \$400,000.