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8 IN THE UNITED STATES DISTRICT COURT
 9 FOR THE EASTERN DISTRICT OF CALIFORNIA

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UNITED STATES OF AMERICA,)
)
 12 Plaintiff,)
)
 13 v.)

2:08-CV-02752-JAM-GGH

**STIPULATION TO STAY
 FURTHER PROCEEDINGS AND
 ORDER**

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APPROXIMATELY \$23,770.87 IN U.S.)
 CURRENCY SEIZED FROM BANK OF)
 AMERICA ACCOUNT NO. 0050 1112 8989,)
 HELD IN THE NAME OF G&R EMPIRE,)
 16 LLC,)

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APPROXIMATELY \$6,741.29 IN U.S.)
 CURRENCY SEIZED FROM BANK OF)
 AMERICA ACCOUNT NO. 0050 1113 0692,)
 HELD IN THE NAME OF PHOENIX CASH &)
 19 CARRY, LLC,)

DATE: N/A
 TIME: N/A
 COURTROOM: N/A

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APPROXIMATELY \$9,774.73 IN U.S.)
 CURRENCY SEIZED FROM BANK OF)
 AMERICA ACCOUNT NO. 0049 6875 8911,)
 HELD IN THE NAME OF IDEAL TOBACCO,)
 22 WHOLESALE, INC.,)

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APPROXIMATELY \$7,054.55 IN U.S.)
 CURRENCY SEIZED FROM WELLS FARGO)
 BANK ACCOUNT NO. 671-0134131, HELD)
 24 IN THE NAME OF BITTAR FAMILY TRUST,)

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APPROXIMATELY \$31,402.20 IN U.S.)
 CURRENCY SEIZED FROM WELLS FARGO)
 BANK ACCOUNT NO. 091-1704013, HELD)
 27 IN THE NAME OF RAED MOURI AND)
 LOUDY EGHO,)

1 APPROXIMATELY \$29,095.02 IN U.S.)
CURRENCY SEIZED FROM WELLS FARGO)
2 BANK ACCOUNT NO. 071-0335696, HELD)
IN THE NAME OF BITTAR FAMILY TRUST,)
3)
4 APPROXIMATELY 6,954 TOTAL BOXES OF)
ASSORTED SMOKEABLE OTP EVIDENCE)
(CONTAINING APPROXIMATELY 431,447)
5 UNITS OF SMOKEABLE OTP) RECOVERED)
FROM IDEAL TOBACCO WHOLESALE,)
6)
7 APPROXIMATELY 22 TOTAL BOXES OF)
SMOKEABLE OTP EVIDENCE (CONTAINING)
APPROXIMATELY 1,350 UNITS OF)
8 SMOKEABLE OTP) RECOVERED FROM THE)
ABF DELIVERY TRUCK AT IDEAL)
9 TOBACCO WHOLESALE, AND)
10)
11 APPROXIMATELY 87,595 UNITS OF)
ASSORTED SMOKEABLE OTP EVIDENCE)
RECOVERED FROM PHOENIX CASH &)
12 CARRY,)

13 Defendants.)

14 UNITED STATES OF AMERICA,)
15 Plaintiff,)
16 v.)

17 APPROXIMATELY \$4,023.00 IN U.S.)
CURRENCY,)
18 APPROXIMATELY \$1,280.00 IN U.S.)
CURRENCY,)
19)
20 APPROXIMATELY \$6,268.00 IN U.S.)
CURRENCY,)
21 APPROXIMATELY \$5,510.00 IN U.S.)
CURRENCY, and)

22 APPROXIMATELY 169 Boxes of)
23 SMOKELESS TOBACCO,)
24 Defendants.)

25)
26 Plaintiff United States of America, and Claimants G&R Empire
27 LLC; Phoenix Cash & Carry LLC; Raed "Roy" Mouri and Loudy Egho;
28 George Bittar, as trustee of the Bittar Family Trust, dated

2:09-CV-00111-JAM-GGH

1 December 23, 2003; George Bittar; and Ideal Tobacco Wholesale, Inc.
2 (hereafter referred to collectively as "claimants"), by and through
3 their respective counsel, hereby stipulate that a stay is necessary
4 in the above-entitled actions, and request that the Court enter an
5 order staying all further proceedings until December 2, 2011,
6 except as otherwise set forth in this stipulation, due to an on-
7 going criminal investigation against Phoenix Cash & Carry LLC, G&R
8 Empire LLC, Ideal Tobacco Wholesale, Inc., Raed Mouri, and George
9 Bittar.

10 1. Each of the claimants has filed a claim to the defendant
11 property, but have not yet filed their Answers and will not be
12 required to do so until the stay contemplated by this stipulation
13 expires.

14 2. The stay is requested pursuant to 18 U.S.C. §§ 981(g)(1)
15 and 981(g)(2). The United States contends that Raed Mouri and
16 George Bittar and others were involved in a scheme to defraud the
17 California Board of Equalization out of excise taxes due on the
18 sale of tobacco products. The United States further contends that
19 Mouri, Bittar, and others used the U.S. mail to execute the fraud
20 scheme, and that the proceeds of the scheme are traceable to the
21 seized tobacco products and to the bank accounts from which the
22 defendant funds were seized. The United States further contends
23 that the defendant funds were involved in money laundering
24 transactions. Raed Mouri and George Bittar deny these allegations.

25 3. To date no one has been charged with any criminal offense
26 by state, local, or federal authorities, and it is the United
27 State's position that the statute of limitations has not expired on
28 potential criminal charges relating to the fraud scheme.

1 Nevertheless, the United States intends to depose claimants Raed
2 and Mouri regarding their claims, their ownership and/or management
3 of Phoenix Cash & Carry LLC, G&R Empire LLC, Ideal Tobacco
4 Wholesale, Inc., and their involvement in the sale of tobacco
5 products into California. If discovery proceeds at this time,
6 claimants will be placed in the difficult position of either
7 invoking their Fifth Amendment rights against self-incrimination
8 and losing the ability to pursue their claims to the defendant
9 property, or waiving their Fifth Amendment rights and submitting to
10 a deposition and potentially incriminating themselves. If they
11 invoke their Fifth Amendment rights, the United States will be
12 deprived of the ability to explore the factual basis for the claims
13 they filed with this court.

14 4. In addition, claimants intend to depose, among others,
15 the agents involved with this investigation, including but not
16 limited to the agents with the Bureau of Alcohol, Tobacco, Firearms
17 & Explosives and the California Board of Equalization. Allowing
18 depositions of the law enforcement officers at this time would
19 adversely affect the ability of the federal authorities to
20 investigate the alleged underlying criminal conduct.

21 5. The parties recognize that proceeding with these actions
22 at this time has potential adverse effects on the investigation of
23 the underlying criminal conduct and/or upon the claimants' ability
24 to prove their claim to the property and to assert any defenses to
25 forfeiture. For these reasons, the parties jointly request that
26 these matters be stayed until December 2, 2011, in accordance with
27 the terms of this stipulation. At that time the parties will

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1 advise the court of the status of the criminal investigation, if
2 any, and will advise the court whether a further stay is necessary.

3 Dated: 5/24/11

BENJAMIN B. WAGNER
United States Attorney

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By /s/ Kevin C. Khasigian
KEVIN C. KHASIGIAN
Assistant U.S. Attorney

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7 Dated: May 24, 2011

/s/ Jeffrey B. Setness
JEFFREY B. SETNESS
Mayall, Hurley, Knutsen,
Smith & Green
Attorneys for G&R Empire LLC; Phoenix
Cash & Carry LLC; Raed "Roy" Mouri
and Loudy Egho; George Bittar, as
trustees of the Bittar Family Trust,
dated December 23, 2003; George
Bittar; and Ideal Tobacco Wholesale,
Inc.

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(Original signature retained by
attorney)

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ORDER

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For the reasons set forth above, these matters are stayed
pursuant to 18 U.S.C. §§ 981(g) (1) and 981(g) (2) until December 2,
2011, in accordance with the terms of this stipulation. On or
before December 2, 2011, the parties will advise the court whether
a further stay is necessary.

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IT IS SO ORDERED.

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Dated: 5/27/2011

/s/ John A. Mendez
JOHN A. MENDEZ
United States District Judge

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