

1 BENJAMIN B. WAGNER
 United States Attorney
 2 KEVIN C. KHASIGIAN
 Assistant U.S. Attorney
 3 501 I Street, Suite 10-100
 Sacramento, CA 95814
 4 Telephone: (916)554-2700
 5 Attorneys for the United States

6
 7
 8 IN THE UNITED STATES DISTRICT COURT
 9 FOR THE EASTERN DISTRICT OF CALIFORNIA
 10

11 UNITED STATES OF AMERICA,) 2:08-CV-02752-JAM-GGH
)
 12 Plaintiff,)
)
 13 v.) **REQUEST FOR EXTENSION OF STAY**
) **OF FURTHER PROCEEDINGS AND**
) **ORDER**

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

17 APPROXIMATELY \$6,741.29 IN U.S.) DATE: N/A
 CURRENCY SEIZED FROM BANK OF) TIME: N/A
 18 AMERICA ACCOUNT NO. 0050 1113 0692,) COURTROOM: N/A
 HELD IN THE NAME OF PHOENIX CASH &)
 19 CARRY, LLC,)

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

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

25)
 APPROXIMATELY \$31,402.20 IN U.S.)
 26 CURRENCY SEIZED FROM WELLS FARGO)
 BANK ACCOUNT NO. 091-1704013, HELD)
 27 IN THE NAME OF RAED MOURI AND)
 LOUDY EGHO,)
 28)

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 &)
CARRY,)

12)
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 APPROXIMATELY \$6,268.00 IN U.S.)
20 CURRENCY,)

21 APPROXIMATELY \$5,510.00 IN U.S.)
CURRENCY, and)

22)
23 APPROXIMATELY 169 Boxes of)
SMOKELESS TOBACCO,)

24 Defendants.)
25

2:09-CV-00111-JAM-GGH

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

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 submit the following Request for
4 Extension of Stay of Further Proceedings and Proposed Order.

5 This matter was stayed on May 25, 2011, based on the on-going
6 criminal investigation against Phoenix Cash & Carry LLC, G&R Empire
7 LLC, Ideal Tobacco Wholesale, Inc., Raed Mouri, and George Bittar.
8 The parties state as follows to support a further stay in the case:

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

13 2. A further stay is requested pursuant to 18 U.S.C. §§
14 981(g)(1) and 981(g)(2). The United States contends that Raed
15 Mouri and George Bittar and others were involved in a scheme to
16 defraud the California Board of Equalization out of excise taxes
17 due on the sale of tobacco products. The United States further
18 contends that Mouri, Bittar, and others used the U.S. mail to
19 execute the fraud scheme, and that the proceeds of the scheme are
20 traceable to the seized tobacco products and to the bank accounts
21 from which the defendant funds were seized. The United States
22 further contends that the defendant funds were involved in money
23 laundering transactions. Raed Mouri and George Bittar deny these
24 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 March 2, 2012, in accordance with the
27 terms of this stipulation. At that time the parties will
28 advise the court of the status of the criminal investigation, if

1 any, and will advise the court whether a further stay is necessary.

2

3

4 Dated: 11/29/2011

BENJAMIN B. WAGNER
United States Attorney

5

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

6

7

8 Dated: 11/29/2011

/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.

9

10

11

12

13

14

(As authorized on 11/29/2011)

15

16

17

ORDER

18

19

20

21

22

23

24

IT IS SO ORDERED.

25

Dated: 11/29/2011

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

26

27

28