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 7
 8 **IN THE UNITED STATES DISTRICT COURT**
 9 **EASTERN DISTRICT OF CALIFORNIA**

10
 11 **UNITED STATES OF AMERICA,**
 12 **Plaintiff,**
 13 **v.**
 14 **APPROXIMATELY \$23,770.87 IN U.S.**
 15 **CURRENCY SEIZED FROM BANK OF**
 16 **AMERICA ACCOUNT NO. 0050 1112 8989,**
 17 **HELLED IN THE NAME OF G&R EMPIRE,**
 18 **LLC, et al.,**
 19 **Defendants,**

2:08-CV-02752-JAM-CKD
STIPULATION FOR EXTENSION OF
STAY OF FURTHER PROCEEDINGS
AND ORDER

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

20 **UNITED STATES OF AMERICA,**
 21 **Plaintiff,**
 22 **v.**
 23 **APPROXIMATELY \$4,023.00 IN U.S.**
 24 **CURRENCY, et al.,**
 25 **Defendants,**

2:09-CV-00111-JAM-CKD

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

1 dated December 23, 2003; George Bittar; and Ideal Tobacco Wholesale, Inc. (hereafter
2 referred to collectively as “claimants”), by and through their respective counsel, hereby
3 submit the following Stipulation for Extension of Stay of Further Proceedings and Proposed
4 Order.

5 This matter was previously stayed on January 8, 2009, May 20, 2009, September 10,
6 2009, March 5, 2010, July 2, 2010, January 7, 2011, May 25, 2011, November 30, 2011,
7 March 1, 2012, May 25, 2012, September 6, 2012, December 6, 2012, and March 6, 2013,
8 based on the on-going criminal investigation against Phoenix Cash & Carry LLC, G&R
9 Empire LLC, Ideal Tobacco Wholesale, Inc., Raed Mouri, and George Bittar. The parties
10 state as follows to support a further stay in the case:

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

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

23 3. To date no one has been charged with any criminal offense by state, local, or
24 federal authorities, and it is the United State’s position that the statute of limitations has
25 not expired on potential criminal charges relating to the fraud scheme. Nevertheless, the
26 United States intends to depose claimants Mouri and Bittar regarding their claims, their
27 ownership and/or management of Phoenix Cash & Carry LLC, G&R Empire LLC, Ideal
28 Tobacco Wholesale, Inc., and their involvement in the sale of tobacco products into

1 California. If discovery proceeds at this time, claimants will be placed in the difficult
2 position of either invoking their Fifth Amendment rights against self-incrimination and
3 losing the ability to pursue their claims to the defendant property, or waiving their Fifth
4 Amendment rights and submitting to a deposition and potentially incriminating
5 themselves. If they invoke their Fifth Amendment rights, the United States will be
6 deprived of the ability to explore the factual basis for the claims they filed with this court.

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

12 5. The parties recognize that proceeding with these actions at this time has
13 potential adverse effects on the investigation of the underlying criminal conduct and/or
14 upon the claimants' ability to prove their claim to the property and to assert any defenses
15 to forfeiture. For these reasons, the parties jointly request that these matters be stayed
16 until September 3, 2013, in accordance with the terms of this stipulation. At that time the
17 parties will advise the court of the status of the criminal investigation, if any, and will
18 advise the court whether a further stay is necessary.

19 Dated: 5/30/13

BENJAMIN B. WAGNER
United States Attorney

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

23
24 Dated: 5/30/13

/s/ Jeffrey B. Setness
JEFFREY B. SETNESS
Attorney 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.
(Authorized by email)

1 **ORDER**

2 For the reasons set forth above, these matters are stayed pursuant to 18 U.S.C. §§
3 981(g)(1) and 981(g)(2) until September 3, 2013, in accordance with the terms of this
4 stipulation. On or before September 3, 2013, the parties will advise the court whether a
5 further stay is necessary.

6 **IT IS SO ORDERED.**

7 Dated: 5/31/2013

8 /s/ John A. Mendez
9 JOHN A. MENDEZ
10 United States District Court Judge
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