

IN THE UNITED STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF MISSOURI  
WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

(1) CRAIG SHEFFLER,  
[DOB: 11/18/1969]

(2) DAVID BISHOP,  
[DOB: 08/13/1970]

(3) T. CAMERON JONES,  
[DOB: 05/15/1956]

(4) GHOLAMREZA "REZA" TADAIYON,  
[DOB: 02/22/1963]

(5) GERALD E. BARBER,  
[DOB: 07/07/1946]

(6) HARRY NAJIM,  
[DOB: 10/26/1947]

(7) WILLIAM F. PARRY,  
[DOB: 11/06/1960]

(8) TARA SUNDOWN,  
[DOB: 03/31/1965]

(9) PHILIP CHRIST,  
[DOB: 07/09/1959]

(10) MOUSA JUMA,  
[DOB: 07/17/1951]

(11) TEDDY FRENCHMAN,  
[DOB: 02/26/1974]

(12) MARK BISHOP,  
[DOB: 08/09/1959]

(13) PIOTR HOFFMANN,  
[DOB: 12/30/1973]

(14) PAYAM KHEIMEHDOOZ,  
[DOB: 03/21/1971]

Case No. \_\_\_\_\_

COUNT ONE: ***ALL DEFENDANTS***

18 U.S.C. § 371

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNT TWO: ***Craig Sheffler, David Bishop,  
Jones, Tadaiyon, Barber, Parry, and Mark Bishop***

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNT THREE: ***Craig Sheffler, David Bishop,  
Jones, Tadaiyon, Barber, and Hoffmann***

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNT FOUR: ***Craig Sheffler, David Bishop,  
Jones, Tadaiyon, Barber, and Hoffmann***

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNT FIVE: ***Craig Sheffler, David Bishop,  
Jones, Barber, Parry, Juma, and Tornabene***

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

(15) MOHSEN ROSTAMI,  
[DOB: 03/21/1966]

(16) SALVATORE TORNABENE,  
[DOB: 06/28/1969]

(17) NICOLE SHEFFLER  
[DOB: 08/23/1977]

(18) AJ'S CANDY & TOBACCO, LLC.

Defendants.

COUNT SIX: *Craig Sheffler, David Bishop, Jones, Barber, Parry, and Sundown*

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNT SEVEN: *Craig Sheffler, David Bishop, Jones, Tadayon, Frenchman and Hoffmann*

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNT EIGHT: *Craig Sheffler, David Bishop, Jones, Tadayon, Frenchman, Mark Bishop and Hoffmann*

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNT NINE: *Craig Sheffler, David Bishop, Jones, Tadayon, Parry, Frenchman, Mark Bishop, and Hoffmann*

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNT TEN: *Craig Sheffler, David Bishop, Jones, Tadayon, Parry, Frenchman, Mark Bishop, and Hoffmann*

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNTS ELEVEN and TWELVE: ***Craig Sheffler, David Bishop, Jones, Tadaiyon, Frenchman, and Kheimehdooz***

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNTS THIRTEEN, FOURTEEN and FIFTEEN: ***Craig Sheffler, David Bishop, Jones, Tadaiyon, Kheimehdooz, and Rostami***

18 U.S.C. §§ 2342(a), 2344(a) and 2

NMT: 5 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class D Felony

\$100 Mandatory Special Assessment

COUNT SIXTEEN: ***Craig Sheffler, David Bishop, Jones, Tadaiyon, and Barber***

18 U.S.C. §§ 1343 and 2

NMT: 20 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class C Felony

\$100 Mandatory Special Assessment

COUNT SEVENTEEN: ***Craig Sheffler, David Bishop, Jones, Tadaiyon, and Barber***

18 U.S.C. §§ 1343 and 2

NMT: 20 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class C Felony

\$100 Mandatory Special Assessment

COUNT EIGHTEEN: ***Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Frenchman***

18 U.S.C. §§ 1343 and 2

NMT: 20 Years Imprisonment

NMT: \$250,000 Fine

NMT: 3 Years Supervised Release

Class C Felony

\$100 Mandatory Special Assessment

COUNT NINETEEN: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Frenchman*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT TWENTY: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Sundown*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT TWENTY-ONE: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, Parry, and Sundown*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT TWENTY-TWO: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, Parry, and Sundown*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT TWENTY-THREE: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Frenchman*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT TWENTY-FOUR: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Frenchman*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT TWENTY-FIVE: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, Sundown, and Frenchman*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT TWENTY-SIX: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Frenchman*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT TWENTY-SEVEN: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Frenchman*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT TWENTY-EIGHT: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, Sundown, Juma, and Frenchman*  
18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

**COUNT TWENTY-NINE: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, Sundown, Juma, and Frenchman***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

**COUNT THIRTY: *Craig Sheffler, David Bishop, Jones, and Tadaiyon***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

**COUNT THIRTY-ONE: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and AJ's Candy & Tobacco, LLC***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

**COUNT THIRTY-TWO: *Craig Sheffler, David Bishop, Jones, Tadaiyon, and Barber***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

**COUNT THIRTY-THREE: *Craig Sheffler, David Bishop, Jones, Tadaiyon, and Barber***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT THIRTY-FOUR: ***Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Frenchman***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT THIRTY-FIVE: ***Craig Sheffler, David Bishop, Jones, and Tadaiyon***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT THIRTY-SIX: ***Craig Sheffler, David Bishop, Jones, and Tadaiyon***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT THIRTY-SEVEN: ***Parry***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT THIRTY-EIGHT: ***Parry***

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT THIRTY-NINE: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, Frenchman, and AJ's Candy & Tobacco, LLC*

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 3 Years Supervised Release  
Class C Felony  
\$100 Mandatory Special Assessment

COUNT FORTY: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, Frenchman and AJ's Candy & Tobacco, LLC*

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 5 Years Supervised Release  
Class B Felony  
\$100 Mandatory Special Assessment

COUNT FORTY-ONE: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, Frenchman, and AJ's Candy & Tobacco, LLC*

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 5 Years Supervised Release  
Class B Felony  
\$100 Mandatory Special Assessment

COUNT FORTY-TWO: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Frenchman*

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 5 Years Supervised Release  
Class B Felony  
\$100 Mandatory Special Assessment

COUNT FORTY-THREE: *Craig Sheffler, David Bishop, Jones, Tadaiyon, Barber, and Frenchman*

18 U.S.C. §§ 1343 and 2  
NMT: 20 Years Imprisonment  
NMT: \$250,000 Fine  
NMT: 5 Years Supervised Release  
Class B Felony  
\$100 Mandatory Special Assessment



COUNT FORTY-FOUR: *Craig Sheffler and Najim*

18 U.S.C. § 1956(h)

NMT: 20 Years Imprisonment

NMT: \$500,000 Fine

NMT: 3 Years Supervised Release

Class C Felony

\$100 Mandatory Special Assessment

FORFEITURE ALLEGATION

18 U.S.C. § 981 and 28 U.S.C. § 2461

Defendant No.	Defendant Name	Counts Charged
1	Craig Sheffler	Counts 1 through 36; Counts 39 through 44
2	David Bishop	Counts 1 through 36; Counts 39 through 43
3	T. Cameron Jones	Counts 1 through 36; Counts 39 through 43
4	Gholamreza "Reza" Tadaiyon	Counts 1 through 36; Counts 39 through 43
5	Gerald E. Barber	Counts 1 through 6; Counts 16 through 29; Counts 31 through 34; Counts 29 through 43
6	Harry Najim	Counts 1 and 44
7	William F. Parry	Counts 1, 2, 5, 6, 9, 10, 21, 22, 37, and 38
8	Tara Sundown	Counts 1, 6, 20, 21, 22, 25, 28, and 29
9	Philip Christ	Count 1
10	Mousa Juma	Counts 1, 5, 28, and 29
11	Teddy Frenchman	Counts 1, 7, 8, 9, 10, 11, 12, 18, 19, 23, 24, 25, 26, 27, 28, 29, 34, 39, 40, 41, 42, and 43
12	Mark Bishop	Counts 1, 2, 8, 9, and 10
13	Piotr Hoffmann	Counts 1, 3, 4, 7, 8, 9, and 10
14	Payam Kheimehdooz	Counts 1, 11, 12, 13, 14, and 15
15	Mohsen Rostami	Counts 1, 13, 14, and 15
16	Salvatore Tornabene	Counts 1 and 5
17	Nicole Sheffler	Count 1
18	AJ's Wholesale	Counts 1, 31, 39, 40, and 41

## INDICTMENT

### THE GRAND JURY CHARGES THAT:

#### COUNT ONE

From on or about July 2010, and continuing until on or about January 26, 2012, said dates being approximate, in the Western District of Missouri and elsewhere, the defendants, CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, GHOLAMREZA “REZA” TADAIYON, GERALD E. BARBER, HARRY NAJIM, WILLIAM F. PARRY, TARA SUNDOWN, PHILIP CHRIST, MOUSA JUMA, TEDDY FRENCHMAN, MARK BISHOP, PIOTR HOFFMANN, PAYAM KHEIMEHDOOZ, MOHSEN ROSTAMI, NICOLE SHEFFLER, SALVATORE TORNABENE and AJ’S CANDY & TOBACCO, LLC, did knowingly and intentionally combine, conspire, confederate and agree with others both known and unknown, to commit offenses against the United States, that is, wire fraud, in violation of Title 18, United States Code, Section 1343; contraband cigarette trafficking, in violation of Title 18, United States Code, Sections 2341 through 2346.

#### Background and General Allegations

1. During all times relevant to this conspiracy, unindicted co-conspirator 1 (hereinafter “UCC 1”) and CRAIG SHEFFLER owned and operated Cheap Tobacco Wholesale (CTW), a cigarette wholesale business located in Independence, Missouri. UCC 1 operated the business with the assistance of CRAIG and NICOLE SHEFFLER until UCC 1’s death on October 27, 2011, at which time CRAIG SHEFFLER took over operations.

2. During all times relevant to this conspiracy, GHOLAMREZA “REZA” TADAIYON (hereinafter TADAIYON) owned and operated Brand Name Connoisseurs, Corp. (hereinafter BNC), a business located in Florida. Neither TADAIYON nor BNC was a licensed

New York tobacco wholesaler authorized to bring cigarettes into the State of New York.

PAYAM KHEIMEHDOOZ and MOHSEN ROSTAMI worked as drivers for TADAIYON.

3. During all times relevant to this conspiracy, DAVID BISHOP was the owner of DKB Trade Concepts, a Canadian corporation located in Montréal, Québec. MARK BISHOP and PIOTR HOFFMANN worked as drivers for DAVID BISHOP.

4. During all times relevant to this conspiracy, T. CAMERON JONES owned and operated Manufacturer's Production Exchange (MPX) in Quilcene, Washington.

5. During all times relevant to this conspiracy, the Seneca Cayuga Tobacco Company (SCTC), an Oklahoma tobacco company, was in the business of manufacturing and distributing its own brands of cigarettes. During all times relevant to this conspiracy, GERALD E. BARBER was President of SCTC.

6. During all times relevant to this conspiracy, Ho-Chunk, Inc. (HCI), a Nebraska corporation, was the parent company of HCI Distribution Company (HCID), a tobacco distribution company and HCI Logistics (HCIL), a transportation logistics company. TEDDY FRENCHMAN was the Manager of Warehouse Operations for HCID.

7. During all times relevant to this conspiracy, WILLIAM F. PARRY owned and operated Wolf's Run, located in Irving, New York, a business that, among other things, operated a gas station, convenience store, and trucking transport business. Neither WILLIAM F. PARRY nor Wolf's Run was a licensed New York tobacco wholesaler authorized to bring cigarettes into New York State. SALVATORE TORNABENE was a driver for WILLIAM F. PARRY.

8. During all times relevant to this conspiracy, TARA SUNDOWN operated Jan's Smoke Shop, (Tonawanda Seneca Nation Enterprises, TSNE) a business that, among other things, operated a gas station and convenience store. Neither TARA SUNDOWN nor Jan's

Smoke Shop/TSNE was a licensed New York tobacco wholesaler authorized to bring cigarettes into New York State. Jan's is located in Bascom, New York.

9. During all times relevant to this conspiracy, AJ's Candy and Tobacco Products, LLC (hereinafter AJ's), was a business that distributed tobacco products and other items to retail businesses. AJ's was not a licensed New York tobacco wholesaler authorized to bring cigarettes into New York State. Unindicted Co-Conspirator 2 is the owner of AJ's.

10. During all times relevant to this conspiracy, MOUSA JUMA owned and operated Juma Brothers, Inc., located in Portsmouth, Virginia, a business that distributed tobacco products and other items to retail businesses. Juma Brothers, Inc. was a licensed tobacco wholesaler in Virginia.

11. During all times relevant to this conspiracy, HARRY NAJIM was a partner in the Adams Jones Law Firm, P.A., located in Wichita, Kansas. HARRY NAJIM was the attorney for CTW, UCC 1, and CRAIG SHEFFLER.

12. During the course of this conspiracy, TADAIYON received approximately \$1,280,000 in gross profit on these transactions.

13. During the course of this conspiracy, DAVID BISHOP received approximately \$303,000 in wire transfers and approximately \$133,000 in cash for his "brokerage fees."

14. During the course of this conspiracy, T. CAMERON JONES received approximately \$154,000 for his "brokerage fees."

15. During the course of this conspiracy, PIOTR HOFFMANN received approximately \$24,250 in wire transfers.

16. New York State, through the Department of Taxation and Finance, pre-collects an excise tax of \$4.35 per pack of cigarettes from wholesalers for sales to Indian nations and tribes,

as a result of Chapter 134 of the New York State Laws of 2010. This taxing scheme was upheld by the United States Court of Appeals for the Second Circuit in *Oneida Nation of New York v. Cuomo*, 645 F.3d 154 (2d Cir. 2011)(hereinafter the *Oneida* decision). The New York State taxing scheme for cigarettes was enforced shortly after the *Oneida* decision was issued. Thereafter, all cigarettes being brought into the State of New York were required to prepay an excise tax of \$4.35 per pack of cigarettes (\$43.50 per carton).

17. Federal and New York State law requires that tax stamps be affixed to cigarette packages – prior to their sale to consumers – reflecting that the required state taxes have been paid. Cigarette packages without the appropriate stamps are considered to be “unstamped” and a quantity in excess of \$10,000 unstamped cigarettes are “contraband cigarettes” as defined in 18 U.S.C. § 2341(2). North Carolina, South Carolina, and North Dakota do not require tax stamps.

18. Only licensed wholesalers may purchase unstamped cigarettes. This is done either directly through the cigarette manufacturer or through other wholesalers. Under New York State law, it is the obligation of state-licensed stamping agents, *i.e.* wholesalers, to prepay the excise tax and affix stamps on all cigarette packs.

19. In order to receive the appropriate stamps, New York State law requires prepayment of the cigarette excise tax. Under New York State’s “prior approval system,” cigarette wholesalers must receive prior approval from the New York State Department of Taxation and Finance before cigarettes may be transported into the state.

20. Under state and federal law, tobacco wholesalers must accurately report the sales of cigarettes to the state(s) where the sale occurs.

21. The State of Missouri requires tobacco wholesalers to accurately report the source of all cigarettes purchased and the disposition of those cigarettes. During the course of the

conspiracy, in the reports filed by CTW, CRAIG SHEFFLER falsely reported that the source of the cigarettes purchased from the ATF undercover operation was Cross Bridge, LLC, a defunct Florida corporation.

22. The contraband cigarettes sold by the ATF undercover operation were packaged as follows: 20 cigarettes in a package, 10 packages in a carton (200 cigarettes), and 60 cartons in a case (12,000 cigarettes).

### **Manner and Means**

23. It was part of the conspiracy that UCC 1, CRAIG SHEFFLER, and TADAIYON would make regular purchases in Kansas City, Missouri, of contraband cigarettes from undercover agents (UCAs) of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) in exchange for U.S. currency.

24. It was part of the conspiracy that T. CAMERON JONES and DAVID BISHOP would coordinate the orders between UCC 1, CRAIG SHEFFLER and TADAIYON. TADAIYON and GERALD E. BARBER would coordinate the cigarette orders from the vendors in New York State – including WILLIAM F. PARRY, TARA SUNDOWN, AJ's and HCID in Nebraska.

25. WILLIAM F. PARRY, TARA SUNDOWN, AJ's and Keith Stoldt transported and caused to be transported into New York State unstamped cigarettes without prior approval by the New York Department of Taxation and Finance and without first paying the required \$4.35 per pack excise tax. PARRY would then sell those unstamped, untaxed cigarettes at Wolf's Run store. SUNDOWN would then sell those unstamped, untaxed cigarettes at Jan's Smoke shop. AJ's and PARRY would also sell those unstamped, untaxed cigarettes to other smoke shops on

the reservations in New York State. Stoldt would then sell those unstamped, untaxed cigarettes at his Totem Pole Smoke Shop.

26. It was further a part of the conspiracy that WILLIAM F. PARRY, TARA SUNDOWN, AJ's and Keith Stoldt would wire transfer money across state lines to prepay for orders of unstamped cigarettes. At the time of those wire transfers, WILLIAM F. PARRY, TARA SUNDOWN, AJ's and Keith Stoldt knew they were purchasing unstamped cigarettes with the intent that the New York State excise tax would not be pre-collected, thus allowing the sale of the cigarettes at a considerable discount and depriving New York State of its tax revenue.

27. WILLIAM F. PARRY, TARA SUNDOWN, AJ's and Keith Stoldt would place the order for unstamped cigarettes through PHILIP CHRIST and GERALD E. BARBER. BARBER, using SCTC, would then place orders for those unstamped cigarettes from TADAIYON and BNC. TADAIYON would forward the order to DAVID BISHOP, and DAVID BISHOP would e-mail the order for the unstamped cigarettes to SHEFFLER and CTW in Independence, Missouri.

28. After the orders had been placed, through the end of September 22, 2011, TADAIYON, MARK BISHOP and PIOTR HOFFMANN would pick-up the unstamped cigarettes in the Kansas City, Missouri area and transport them to the SCTC in Grove, Oklahoma. From SCTC, the unstamped cigarettes would be transported to Wolf's Run, Jan's Smoke Shop, AJ's and the Totem Pole Smoke Shop in New York State by Wolf's Run or a common carrier.

29. After September 22, 2011, TADAIYON, MARK BISHOP, PIOTR HOFFMANN, PAYAM KHEIMEHDOOZ and MOHSEN ROSTAMI would pick-up the orders of unstamped cigarettes from the undercover ATF warehouse in Kansas City, Missouri, or at the CTW

warehouse in Independence, Missouri, and then transport them directly to the HCID in Nebraska. TEDDY FRENCHMAN, at HCID, would coordinate with HCIL to have the unstamped cigarettes transported to Jan's Smoke Shop, AJ's and the Totem Pole Smoke Shop in New York State.

30. At no point during the conspiracy timeframe was the New York State excise tax paid on these cigarette transactions. From the post-*Oneida* date, June, 2011, through the end of the conspiracy, the total state excise tax lost to New York State was approximately \$8,148,420.

### **Overt Acts**

31. In furtherance of the conspiracy and to effect the objects of the conspiracy, the following overt acts, among others, were committed in the Western District of Missouri and elsewhere:

- (a) Between July 2010 and February 2011, ATF undercover agents sold 263,847 cartons of contraband cigarettes to UCC 1 and SHEFFLER in exchange for \$ 5,087,377.
- (b) On March 2, 2011, UCC 1 and TADAIYON met with ATF undercover agents in Las Vegas, Nevada, to discuss future business in untaxed Marlboro cigarettes.
- (c) On March 16, 2011, UCC 1 and HARRY NAJIM met with an ATF undercover agent in Wichita, Kansas, to discuss cigarette deals with TADAIYON.
- (d) In March, 2011, UCC 1 and CRAIG SHEFFLER purchased 3820 cartons of untaxed cigarettes from the ATF undercover agent in Kansas City, Missouri, in exchange for \$ 1,067,731.



- (e) On or about April 15, 2011, UCC 1 and TADAIYON purchased contraband cigarettes from the ATF undercover operation in Kansas City, Missouri:
- (1) The ATF undercover agent was paid \$417,695 in cash and a \$62,000 check for 12,780 cartons of Marlboro cigarettes, and 8,400 cartons of other contraband cigarettes. TADAIYON inspected the cigarettes and placed labels on the pallets of cigarettes.
  - (2) On April 15, 2011, SALVATORE TORNABENE picked up the 12,780 cartons of Marlboro cigarettes from the ATF undercover warehouse in Kansas City, Missouri. SALVATORE TORNABENE informed the ATF undercover agents that his boss, WILLIAM F. PARRY, had done nine or ten other deals with TADAIYON.
- (f) On May 6, 2011, UCC 1 and SHEFFLER paid the ATF undercover agent \$421,550 in currency and a check for \$70,000 for 230 cases of Marlboro cigarettes and 170 cases of other cigarettes. 180 cases of Marlboro cigarettes were delivered to AJ's in New York State.
- (g) On May 26, 2011, UCC 1 paid the ATF undercover agent \$453,650 in cash and a \$280,000 check for 23,400 cartons of Marlboro cigarettes and 9,000 cartons of other contraband cigarettes. MARK BISHOP picked up the 12,800 cartons of Marlboro cigarettes at the ATF undercover warehouse in Kansas City, Missouri. The contraband cigarettes were delivered to AJ's and Wolf's Run in New York State.

- (h) On June 9, 2011, UCC1 paid the ATF undercover agent \$227,830 in cash and a \$550,000 check for 12,060 cartons of Marlboro cigarettes and 12,000 cartons of other contraband cigarettes. MARK BISHOP picked up 9,720 cartons of Marlboro cigarettes at the ATF undercover warehouse in Kansas City, Missouri. The contraband cigarettes were delivered to Totem Pole in New York State.
- (i) On June 23, 2011, UCC1 paid the ATF undercover agent \$475,450 in cash for 9,360 cartons of Marlboro cigarettes and 15,240 cartons of other contraband cigarettes. PIOTR HOFFMANN picked up 7,560 cartons of Marlboro cigarettes at the ATF undercover warehouse in Kansas City, Missouri. The contraband cigarettes were delivered to AJ's and other smoke shops in New York State.
- (j) On July 14, 2011, UCC 1 paid the ATF undercover agent \$500,000 in cash and a \$12,541 check for 12,600 cartons of Marlboro cigarettes and other contraband cigarettes. MARK BISHOP picked up 7,920 cartons of Marlboro cigarettes at the ATF undercover warehouse in Kansas City, Missouri. The contraband cigarettes were delivered to HCID in Nebraska.
- (k) On August 4, 2011, CRAIG SHEFFLER paid the ATF undercover agent \$541,725 in cash for 132 cases (7,920 cartons) of Marlboro cigarettes, and other cigarettes. The following acts were taken by the co-conspirators in this transaction:

- (1) On July 20, 2011, DAVID BISHOP sent an e-mail to JONES and CRAIG SHEFFLER with an order of 264 cases of contraband cigarettes;
- (2) On August 2, 2011, CRAIG SHEFFLER e-mailed JONES and DAVID BISHOP an invoice to BNC for 7,920 cartons of Marlboro cigarettes in the amount of \$249,480;
- (3) On August 3, 2011, TADAIYON e-mailed BARBER requesting a copy of the SCTC's tobacco license. BARBER e-mailed TADAIYON a copy of the SCTC tobacco manufacturer's license issued by the Seneca Cayuga Tribe of Oklahoma;
- (4) On August 3, 2011, DAVID BISHOP reserved a U-Haul truck for pickup in Kansas City, Missouri, on August 4, 2011, and drop-off in Tulsa, Oklahoma. DAVID BISHOP forwarded the e-mail confirmation to TADAIYON and MARK BISHOP;
- (5) On August 4, 2011, MARK BISHOP inspected and picked up 132 cases of unstamped Marlboro cigarettes at the ATF undercover warehouse in Kansas City, Missouri. MARK BISHOP told the undercover agents that he was going to Nebraska;
- (6) On August 4, 2011, TADAIYON drove the U-Haul truck with the unstamped Marlboro cigarettes to SCTC in Grove, Oklahoma;
- (7) The contraband cigarettes were transported from Oklahoma to Totem Pole Smoke Shop in New York State by Wolf's Run

Transport, the company owned by WILLIAM F. PARRY. PARRY was paid \$7,950 by BNC for transportation fees.

(8) CHRIST was paid a commission for brokering this sale to Totem Pole.

(1) On August 18, 2011, SHEFFLER paid the ATF undercover agent \$551,220 cash for 132 cases (7,920 cartons) of Marlboro cigarettes and other cigarettes. The following acts were taken by the co-conspirators in this transaction:

(1) On August 8, 2011, DAVID BISHOP sent an e-mail to JONES and CRAIG SHEFFLER for the next order to be delivered on August 18, 2011;

(2) On August 16, 2011, CRAIG SHEFFLER sent by e-mail to JONES and DAVID BISHOP an invoice for 7,920 cartons of untaxed Marlboro cigarettes in the amount of \$257,400.

(3) On August 16, 2011, DAVID BISHOP booked a flight for HOFFMANN to fly from Montréal to Kansas City on August 17, 2011, and return from Tulsa to Montréal on August 18, 2011;

(4) On August 18, 2011, HOFFMANN arrived at the ATF undercover warehouse in Kansas City, Missouri, in a U-Haul truck. HOFFMANN took custody of 132 cases of Marlboro cigarettes and told the ATF undercover agents he was driving a load of cigarettes to Virginia;

- (5) TADAIYON and HOFFMANN delivered the contraband cigarettes to SCTC in Grove, Oklahoma. Thereafter, BARBER made arrangements for HCID to transport the contraband cigarettes to the Totem Pole Smoke Shop in New York State.
- (m) On September 15, 2011, CRAIG SHEFFLER purchased 15,480 cartons (258 cases) of untaxed Marlboro cigarettes and 5,760 (96 cases) cartons of untaxed Newport cigarettes from the ATF undercover agents for \$613,080. CRAIG SHEFFLER paid \$490,000 of this amount in cash. The following acts were taken by the co-conspirators in this transaction:
- (1) On September 13, 2011, CRAIG SHEFFLER sent an e-mail to JONES and DAVID BISHOP concerning the amount of premium cigarettes available;
  - (2) On September 14, 2011, DAVID BISHOP sent an e-mail to CRAIG SHEFFLER and directed CRAIG SHEFFLER to invoice BNC for the cigarettes and to pay JONES and DAVID BISHOP \$.50 a carton for the Marlboro cigarettes and \$1.00 per carton for the Newports;
  - (3) On September 14, 2011, CRAIG SHEFFLER sent an e-mail to DAVID BISHOP and JONES an invoice for BNC for 5,400 cartons (90 cases) of Marlboro cigarettes and 2,880 cartons (48 cases) of Newport cigarettes;
  - (4) On September 13, 2011, TADAIYON sent an e-mail to BARBER an invoice from BNC in the amount of \$321,120 for the same

brand and quantities of cigarettes invoiced by CRAIG SHEFFLER to BNC;

- (5) On September 15, 2011, the following wire transfers took place in order to complete the sale of the contraband cigarettes:
  - (A) Totem Pole transferred \$102,600 to SCTC;
  - (B) Wolf's Run transferred \$235,080 to the SCTC;
  - (C) TSNE/Jan's Smoke Shop transferred \$378,720 to SCTC;
  - (D) SCTC transferred \$690,660 to BNC; and
  - (E) BNC transferred \$582,660 to CTW.
- (6) On September 15, 2011, DAVID BISHOP sent an e-mail to TADAIYON and HOFFMANN to give them CRAIG SHEFFLER's contact information and directions in order to pick up the contraband cigarettes from CTW's warehouse;
- (7) On September 16, 2011, TADAIYON and HOFFMANN drove with the contraband cigarettes from Independence, Missouri, to Grove, Oklahoma. The truck was stopped by the Missouri Highway Patrol near Neosho, Missouri. The driver was PIOTR HOFFMANN who provided a bill of lading to the trooper which identified the cigarettes as coming from BNC corporation, 23208 E. US 24 Highway, Independence, Missouri, to SCTC in Grove, Oklahoma. The bill of lading also listed the carrier as being Wolf's Run Transport;

(8) On September 19, 2011, TORNABENE was stopped by Missouri Highway Patrol troopers near Springfield, Missouri, in the Penske rental truck. The driver, TORNABENE, originally told the trooper that the cigarettes were coming from an Indian Reservation and were being delivered to an Indian Reservation. TORNABENE then told the trooper that cigarettes were coming from and going to a tobacco wholesaler. TORNABENE then told an ATF agent that he had flown to Oklahoma City to the pickup the cigarettes from the Seneca Cayuga Indian Reservation, in Grove, Oklahoma, and was driving them to Virginia. The ATF agent called Juma brothers in Virginia and confirmed with MOUSA JUMA that the cigarettes were being delivered to his business.

(n) On September 29, 2011, CRAIG SHEFFLER purchased 258 cases of untaxed Marlboro cigarettes and 96 cases of untaxed Newport cigarettes from the ATF undercover agents for \$580,131 and a check for \$33,000. During this transaction, NICOLE SHEFFLER carried an orange bucket into the ATF undercover warehouse which contained two paper bags with approximately \$400,000 in cash. The following acts were taken by the co-conspirators in this transaction:

(1) On September 27, 2011, CRAIG SHEFFLER sent an e-mail to JONES and DAVID BISHOP with an invoice for 11,040 cartons (184 cases) of Marlboro cigarettes and 3,360 cartons (56 cases) of Newport cigarettes in the amount of \$474,720;

- (2) On September 27, 2011, DAVID BISHOP forwarded TADAIYON the CTW invoice he had received from SHEFFLER;
- (3) On September 28, 2011, TADAIYON e-mailed BARBER a BNC invoice for the same brands and quantities of cigarettes as in the CTW invoice, in the amount of \$545,280;
- (4) On September 27, 2011, Totem Pole wired \$540,960 to SCTC; HCID wired \$36,480 to SCTC, for a total of \$577,440;
- (5) On September 28, 2011, SCTC wired \$545,280 to BNC;
- (6) On September 29, 2011, BNC wired CTW \$474,720;
- (7) On September 29, 2011, HOFFMANN arrived at the ATF undercover warehouse in Kansas City, Missouri. The contraband cigarettes were loaded on the U-Haul truck which had been rented by TADAIYON. CRAIG SHEFFLER had the undercover agent count \$8,880 in currency and place it in an envelope. CRAIG SHEFFLER gave the envelope to HOFFMANN and explained there was a commission sheet inside the envelope;
- (8) On September 29, 2011, HOFFMANN and TADAIYON drove the contraband cigarettes from Kansas City, Missouri, to HCID in Winnebago, Nebraska;
- (9) The cigarettes were unloaded at HCID and the packing slip was signed by TEDDY FRENCHMAN; and



- (10) The contraband cigarettes were delivered from HCID to Totem Pole in New York State less the 16 cases of Marlboro cigarettes which were purchased by HCID.
- (o) October 13, 2011, SHEFFLER paid the ATF undercover agent \$638,240 in currency and a \$10,000 check for 354 cases of contraband cigarettes. The following acts were taken by the co-conspirators in this transaction:
  - (1) On October 11, 2011, CRAIG SHEFFLER sent an e-mail to JONES and DAVID BISHOP an invoice to BNC for 13,860 cartons of Marlboro cigarettes and 4,320 cartons of Newport cigarettes in the amount of \$601,650;
  - (2) On October 11, 2011, DAVID BISHOP forwarded the invoice to TADAIYON;
  - (3) On October 11, 2011, DAVID BISHOP e-mailed CRAIG SHEFFLER a request from TADAIYON to split the previous invoice into two invoices;
  - (4) On October 13, 2011, HOFFMANN arrived at the undercover warehouse in Kansas City, Missouri, in a Penske truck. The first amount of the shipment was loaded onto the Penske truck. MARK BISHOP arrived at the undercover warehouse in Kansas City, Missouri, driving a U-Haul truck. The U-Haul truck was loaded with the remaining amount of cigarettes;
  - (5) HOFFMANN drove the Penske truck containing the contraband cigarettes to the Holiday Inn express in North Kansas City,

Missouri. In the hotel parking lot, HOFFMANN exchanged vehicles with WILLIAM F. PARRY. ATF agents followed PARRY with the load of cigarettes from Kansas City, Missouri, to Terre Haute, Indiana. Agents in Buffalo, New York, observed the same Penske truck arrive early the following morning at Wolf's Run in Irving, New York;

(6) HOFFMANN and TADAIYON drove the U-Haul truck with the remaining contraband cigarettes to HCID in Winnebago, Nebraska; and

(7) HCID purchased approximately \$226,500 worth of the contraband cigarettes and the remaining cigarettes were shipped to Totem Pole in New York State.

(p) On October 27, 2011, CRAIG SHEFFLER purchased 354 cases of contraband cigarettes from the ATF undercover operation in Kansas City, Missouri, in exchange for \$633,250 in currency. NICOLE SHEFFLER was present during the transaction. The following acts were taken by the co-conspirators to carry out this transaction:

(1) On October 25, 2011, CRAIG SHEFFLER e-mailed JONES and DAVID BISHOP an invoice for 215 cases of untaxed Marlboro cigarettes and 60 cases of untaxed Newport cigarettes;

(2) On October 27, 2011, the following wire transfers took place in order to carry out this transaction:

- (A) Jan's/TSNE, in Akron, New York, wire transferred \$509,400 to the SCTC in Grove, Oklahoma;
  - (B) SCTC wire transferred BNC \$509,000; and
  - (C) BNC wired transferred CTW \$545,250.
- (3) On October 27, 2011, HOFFMANN arrived at the ATF undercover warehouse in Kansas City, Missouri, in a Penske truck. The truck was loaded with contraband cigarettes as listed on the invoice sent to JONES and DAVID BISHOP;
- (4) On October 27 and 28, 2011, HOFFMANN and TADAIYON drove the Penske truck loaded with contraband cigarettes from Kansas City, Missouri, to HCID in Winnebago, Nebraska;
- (5) October 31, 2011, BARBER e-mailed FRENCHMAN to let him know that the cigarettes needed to be shipped to Jan's; and
- (6) Thereafter, the contraband cigarettes were delivered from HCID in Nebraska to Jan's in Akron, New York.
- (q) On November 3, 2011, HARRY NAJIM met with the ATF undercover agent in Kansas City, Missouri, to discuss the purchase of semi-trucks with the proceeds of the cigarette transactions.
- (r) On November 10, 2011, CRAIG SHEFFLER purchased 354 cases of contraband cigarettes from the ATF undercover operation in Kansas City, Missouri. CRAIG SHEFFLER paid the undercover agents \$600,260 in United States currency and a \$33,000 check. NICOLE SHEFFLER brought three sealed bags containing a total of \$300,000 to the warehouse.

The following acts were taken by the co-conspirators in carrying out this transaction:

- (1) On November 9, 2011, CRAIG SHEFFLER sent an e-mail to JONES and DAVID BISHOP with invoices for shipments of contraband cigarettes. The first invoice was for 9,540 cartons of untaxed Marlboro cigarettes in the amount of \$310,050. The second invoice was for 4,500 cartons of “Special” (Marlboro) and 4,320 cartons of Newport cigarettes in the amount of \$297,450;
- (2) On November 9, 2011, TADAIYON sent an e-mail from BNC with invoices to BARBER at SCTC for the same brand and amount of cigarettes reflected in the earlier CTW invoices to BNC;
- (3) On November 10, 2011, HOFFMANN arrived in a Penske truck and MARK BISHOP arrived in a U-Haul truck at the ATF undercover warehouse in Kansas City, Missouri. The Penske truck was loaded with the cigarettes listed in the first invoice and the U-Haul was loaded with the amount of cigarettes listed on the second invoice;
- (4) On November 10 and 11, 2011, MARK BISHOP and PAYAM KHEIMEDOOZ drove the U-Haul truck loaded with contraband cigarettes from Kansas City, Missouri, to HCID in Winnebago, Nebraska;

- (5) On November 10 and 11, 2011, HOFFMANN and TADAIYON drove the Penske truck loaded with contraband cigarettes from Kansas City, Missouri to HCID in Winnebago, Nebraska; and
- (6) HCID arranged for the delivery of cigarettes from HCID to Totem Pole Smoke Shop in New York State. TEDDY FRENCHMAN signed on behalf of the shipper.
- (s) On November 22, 2011, CRAIG SHEFFLER purchased 352 cases of contraband cigarettes from the ATF undercover operation in Kansas City, Missouri. CRAIG SHEFFLER did not make the payment to the ATF agents during this transaction. CRAIG SHEFFLER outlined a breakdown of payments for the purchases of semi-trucks to be coordinated by attorney HARRY NAJIM. CRAIG SHEFFLER agreed to give NAJIM approximately \$625,000 to purchase the Peterbilt semi-trucks for the undercover agent. CRAIG SHEFFLER stated he would pay NAJIM's law firm \$9,000 and \$60,000 in cash to NAJIM. The following acts were taken by the co-conspirators to carry out this transaction:
  - (1) On November 21, 2011, CRAIG SHEFFLER sent an e-mail to DAVID BISHOP and JONES with two invoices from CTW to BNC. The first invoice was for 12,120 cartons of Marlboro cigarettes and 5,760 cartons of Newport cigarettes. The second invoice was for 3,240 cartons of Marlboro cigarettes for MOUSA JUMA;

- (2) On November 21, 2011, CRAIG SHEFFLER, JONES and DAVID BISHOP had a three-way telephone conversation in which DAVID BISHOP told CRAIG SHEFFLER there would be a new driver because Customs refused entry to MARK BISHOP;
- (3) On November 21, 2011, MARK BISHOP called CRAIG SHEFFLER and told CRAIG SHEFFLER that the second wire transfer had been completed and that CRAIG SHEFFLER did need to meet TADAIYON at the CTW warehouse. MARK BISHOP told CRAIG SHEFFLER it was okay to send the money for DAVID BISHOP with PAYAM KHEIMEHDOOZ. MARK BISHOP said to put the money in an envelope;
- (4) On November 22, 2011, Jan's/TSNE wire transferred \$741,600 to SCTC;
- (5) On November 22, 2011, SCTC wired \$717,840 to BNC; and Juma Brothers wire transferred \$102,960 to BNC, for a total of \$820,800 wired to BNC; BNC wired transferred \$700,800 to CTW;
- (6) On November 22, 2011, CRAIG SHEFFLER and PAYAM KHEIMEHDOOZ arrived at the ATF undercover warehouse in Kansas City, Missouri, driving a Budget rental truck. The truck was loaded with 256 cases of untaxed Marlboro cigarettes and 96 cases of untaxed Newport cigarettes. Thereafter, PAYAM KHEIMEHDOOZ met TADAIYON and they drove to HCID in Winnebago, Nebraska;

- (7) On November 23, 2011, the cigarettes were delivered to HCID in Winnebago, Nebraska. TEDDY FRENCHMAN signed the bill of lading and packing slip on behalf of HCID. TADAIYON sent an e-mail to BARBER to let him know the cigarettes were delivered and included a picture of the pallets of cigarettes; and
- (8) HCIL arranged for the transportation of the untaxed cigarettes from HCID in Nebraska to TSNE/Jan's in New York.
- (t) On November 29, 2011, CRAIG SHEFFLER purchased 15,480 cartons of untaxed Marlboro cigarettes and 5,760 cartons of untaxed Newport cigarettes at a cost of \$633,240. CRAIG SHEFFLER paid \$685,600 in cash for these cigarettes and other cigarettes. CRAIG SHEFFLER told the undercover agents he was going to load the cigarettes on his truck and take it to his warehouse because he was not going to wait on the Canadians. The following acts were taken by the co-conspirators in carrying out this transaction:
- (1) On November 29, 2011, CRAIG SHEFFLER telephoned NICOLE SHEFFLER to instruct her to take checks to a check cashing business and pickup \$500,000 to buy cigarettes from "Bill" (the undercover agent);
- (2) On December 1, 2011, TADAIYON sent an e-mail to CRAIG SHEFFLER, JONES and DAVID BISHOP to say that he had to go to U-Haul to get a truck since Budget rental car did not honor the reservation and Penske was out;

- (3) On or about December 1 and 2, 2011, PAYAM KHEIMEHDOOZ and TADAIYON delivered the untaxed cigarettes from Missouri to HCID in Winnebago, Nebraska. TEDDY FRENCHMAN signed the bills of lading for the shipment of cigarettes;
  - (4) On December 1, 2011, TADAIYON e-mailed BARBER revisions to invoices 186 and 187. BARBER replied to TADAIYON that invoice 186 was Totem Pole Smoke Shop and invoice 187 was CHRIST's order;
  - (5) On December 5, 2011, a HCID employee e-mailed BARBER an invoice for the shipments BARBER was cross docking through HCID to smoke shops in New York State. The invoice was for \$4,470; and
  - (6) On or about December 6, 2011, HCIL arranged for the shipment of the cigarettes to Totem Pole Smoke Shop in Basom, New York, and AJ's in Irving, New York.
- (u) On December 9, 2011, CRAIG SHEFFLER met the agents at the undercover ATF warehouse and purchased 558 cases of untaxed cigarettes for \$600,000 in currency. SHEFFLER left a balance owed of \$246,950. The following acts were taken by the co-conspirators in carrying out this transaction:
- (1) On December 7, 2011, CRAIG SHEFFLER sent an e-mail to JONES, DAVID BISHOP and TADAIYON concerning the quantity of cigarettes available;



- (2) On December 8, 2011, CRAIG SHEFFLER, JONES and DAVID BISHOP had a three-way telephone conversation in which they discussed the ongoing trafficking in contraband cigarettes;
  - (3) On December 13, 2011, CRAIG SHEFFLER sent an e-mail to JONES, DAVID BISHOP and TADAIYON with an invoice to BNC for 13,260 cartons of Marlboro cigarettes and 4,740 cartons of Newport cigarettes, in the amount of \$598,800;
  - (4) On, about and between December 13 and 17, 2011, TADAIYON, PAYAM KHEIMEHDOOZ and MOHSEN ROSTAMI delivered the untaxed cigarettes to HCID in Winnebago, Nebraska, using rental trucks. TEDDY FRENCHMAN signed the bill of lading's for invoice 191, which included 246 cases of Marlboro cigarettes and Newport cigarettes;
  - (5) On December 19, 2011, an HCID employee e-mailed BARBER an invoice for the HCID warehouse cross docking of cigarettes that were shipped to Totem Pole Smoke Shop; and
  - (6) On or about December 28, 2011, the contraband cigarettes were delivered to Totem Pole Smoke Shop in New York.
- (v) On December 16, 2011, PARRY purchased 110 cases of untaxed Marlboro cigarettes and 30 cases of untaxed Newport cigarettes from ATF undercover agents for \$265,800 in cash. The transaction took place in Irving, New York.

(w) On January 19, 2012, CRAIG SHEFFLER purchased 15,480 cartons of untaxed Marlboro cigarettes and 5,760 cartons of untaxed Newport cigarettes from the ATF undercover operation in Kansas City, Missouri. CRAIG SHEFFLER paid the undercover agents \$433,300 in currency for the cigarettes and agreed to pay the balance of \$199,940 during the next meeting on January 23, 2012. The following acts were taken by the co-conspirators in carrying out this transaction:

- (1) On January 13, 2012, TADAIYON sent an e-mail to FRENCHMAN about the availability of premium cigarettes for delivery on or about January 19, 2012;
- (2) On January 16, 2012, SHEFFLER sent an e-mail to JONES, DAVID BISHOP and TADAIYON to confirm the amount of premium cigarettes available or purchase on January 19, 2012. SHEFFLER requested a down payment from TADAIYON of \$200,000-\$250,000 due to the size of the order;
- (3) On January 16, 2012, SHEFFLER sent an e-mail to JONES, DAVID BISHOP and TADAIYON with an invoice to BNC for 14,880 cartons of untaxed Marlboros cigarettes and 5,400 cartons of untaxed Newport cigarettes, in the amount of \$665,160;
- (4) On January 17, 2012, TADAIYON sent an e-mail to FRENCHMAN with an invoice to HCID for 5,520 cartons of untaxed Marlboros cigarettes and 2,520 cartons of untaxed Newport cigarettes in the amount of \$311,610;

- (5) On January 18, 2012, TADAIYON sent an e-mail to JONES, DAVID BISHOP and CRAIG SHEFFLER with a copy of a wire confirmation in the amount of \$200,000 as partial payment for the invoice;
- (6) On January 19, 2012, BARBER e-mailed an employee at AJ's an invoice from SCTC for 6,300 cartons of Marlboro cigarettes in the amount of \$242,550;
- (7) On, about and between January 19 and 20, 2012, TADAIYON, PAYAM KHEIMEHDOOZ, and ROSTAMI delivered the cigarettes in rental trucks from Kansas City, Missouri, to HCID in Winnebago, Nebraska. FRENCHMAN signed the bill of lading for the invoice which included 204 cases of Marlboro cigarettes and Newport cigarettes; and HCID purchased 51 cases of untaxed Marlboro cigarettes; and
- (8) On about and between January 23 and 26, 2012, HCID made arrangements for the shipment of the 48 cases of contraband cigarettes to Totem Pole Smoke Shop in New York and 105 cases of Marlboro cigarettes to AJ'S in New York.
- (x) On January 26, 2012, CRAIG SHEFFLER purchased 15,480 cartons of Marlboro cigarettes and 8,640 cartons of Newport cigarettes from the ATF undercover operation in Kansas City, Missouri. CRAIG SHEFFLER paid the undercover agents \$740,000 in cash with a balance left of \$185,400.

The following acts were taken by the co-conspirators in carrying out this transaction:

- (1) On January 24, 2012, CRAIG SHEFFLER e-mailed JONES, DAVID BISHOP and TADAIYON an invoice to BNC for 15,480 cartons of Marlboro cigarettes and 5,760 cartons of Newport cigarettes in the amount of \$696,960. CRAIG SHEFFLER requested a down payment from TADAIYON of \$300,000 due to the size of the order;
  - (2) On January 25, 2012, TADAIYON e-mailed JONES, DAVID BISHOP and CRAIG SHEFFLER a copy of a wire confirmation in the amount of \$250,000 as partial payment for the invoice;
  - (3) On January 26, 2012, TADAIYON, KHEIMEHDOOZ, and ROSTAMI picked up the contraband cigarettes at SHEFFLER's warehouse, CTW, and drove two rental trucks from Kansas City, Missouri. The trucks were stopped by the Iowa State Patrol on Interstate 29 in Iowa. These cigarettes were seized at that time by the Iowa Highway Patrol and ATF agents.
- (y) None of the co-conspirators reported the sales of the unstamped cigarettes listed above to New York State, as required by law.
- (z) None of the co-conspirators obtained prior approval from the New York Department of Taxation and Finance for the transportation of the above-listed cigarettes into New York State, as required by law.

(aa) None of the co-conspirators prepaid the New York State excise tax on the unstamped cigarettes listed above, as required by law.

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

**CONTRABAND CIGARETTE TRAFFICKING ACT**

**COUNT TWO**

On or about August 4, 2011, in the Western District Missouri and elsewhere, the defendants GHOLAMREZA “REZA” TADAIYON, MARK BISHOP, and WILLIAM F. PARRY, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, and GERALD E. BARBER, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Section 2341:

<b>Count</b>	<b>Date</b>	<b>Defendants/ Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
2	August 4, 2011	MARK BISHOP, TADAIYON, & PARRY	7,920	Oklahoma & New York

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.

**COUNT THREE**

On or about the following date set forth below, in the Western District Missouri and elsewhere, the defendants GHOLAMREZA “REZA” TADAIYON and PIOTR HOFFMANN, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, and GERALD E. BARBER, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Section 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
3	August 18, 2011	HOFFMANN & TADAIYON	7,920	Oklahoma & New York

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.

**COUNT FOUR**

On or about the following date set forth below, in the Western District Missouri and elsewhere, the defendants GHOLAMREZA “REZA” TADAIYON and PIOTR HOFFMANN, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, and GERALD E. BARBER, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Section 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
4	September 15, 2011	HOFFMANN & TADAIYON	17,460	Oklahoma & New York

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.

**COUNT FIVE**

On or about the following date set forth below, in the Western District Missouri and elsewhere, the defendant SALVATORE TORNABENE, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, GERALD E. BARBER, MOUSA JUMA, and WILLIAM F. PARRY, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Section 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
5	September 19, 2011	TORNABENE	8,280	Oklahoma & Virginia

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.

**COUNT SIX**

On or about the following date set forth below, in the Western District Missouri and elsewhere, the defendants WILLIAM F. PARRY, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, GERALD E. BARBER, and TARA SUNDOWN, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Section 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
6	September 21, 2011	PARRY	9,180	New York

All in violation of Title 18, United States Code, Sections 2342(a) 2344(a) and 2.

**COUNT SEVEN**

On or about September 29, 2011, in the Western District Missouri and elsewhere, the defendants GHOLAMREZA “REZA” TADAIYON and PIOTR HOFFMANN, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, and TEDDY FRENCHMAN, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Section 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
7	September 29, 2011	HOFFMANN & TADAIYON	14,400	Nebraska & New York

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.

**COUNT EIGHT**

On or about October 13, 2011, in the Western District Missouri and elsewhere, the defendants GHOLAMREZA “REZA” TADAIYON, MARK BISHOP, WILLIAM F. PARRY and PIOTR HOFFMANN, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, and TEDDY FRENCHMAN, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Sections 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
8	October 13, 2011	HOFFMANN, PARRY, MARK BISHOP, & TADAIYON	18,180	Nebraska & New York

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.



**COUNT NINE**

On or about October 27, 2011, in the Western District Missouri and elsewhere, the defendants GHOLAMREZA TADIYON and PIOTR HOFFMANN, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, and TEDDY FRENCHMAN, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Section 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
9	October 27, 2011	HOFFMANN & TADAIYON	16,500	Nebraska & New York

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.

**COUNT TEN**

On or about November 10, 2011, in the Western District Missouri and elsewhere, the defendants GHOLAMREZA “REZA” TADAIYON, MARK BISHOP and PIOTR HOFFMANN, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, and TEDDY FRENCHMAN, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Section 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
10	November 10, 2011	HOFFMANN, MARK BISHOP & TADAIYON	18,360	Nebraska & New York

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.

**COUNTS ELEVEN AND TWELVE**

On or about the dates listed below, in the Western District Missouri and elsewhere, the defendants GHOLAMREZA “REZA” TADAIYON and PAYAM KHEIMEHDOOZ, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, and TEDDY FRENCHMAN, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Sections 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
11	November 22, 2011	TADAIYON & KHEIMEHDOOZ	21,120	Nebraska & New York
12	November 29, 2011	TADAIYON & KHEIMEHDOOZ	17,880	Nebraska & New York

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.

**COUNTS THIRTEEN, FOURTEEN AND FIFTEEN**

On or about the dates listed below, in the Western District Missouri and elsewhere, the defendants GHOLAMREZA TADIYON, PAYAM KHEIMEHDOOZ and MOHSEN ROSTAMI, aided and abetted by CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, and TEDDY FRENCHMAN, did knowingly ship, transport, receive, possess, sell, distribute, and purchase in excess of 10,000 contraband cigarettes, as defined in Title 18, United States Code, Sections 2341:

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
13	December 9, 2011	KHEIMEHDOOZ, ROSTAMI, & TADAIYON	18,000	Nebraska & New York

<b>Count</b>	<b>Date</b>	<b>Drivers</b>	<b>Cartons of Cigarettes</b>	<b>Delivered from Kansas City, Missouri to:</b>
14	January 19, 2012	KHEIMEHDOOZ, ROSTAMI, & TADAIYON	20,280	Nebraska & New York
15	January 26, 2012	KHEIMEHDOOZ, ROSTAMI, & TADAIYON	21,240	Iowa

All in violation of Title 18, United States Code, Sections 2342(a), 2344(a) and 2.

**WIRE FRAUD**

1. The allegations contained in Count One are hereby realleged and incorporated by reference as though set forth in full.

2. On or about the dates set forth below, and the Western District Missouri, the defendants named below, did knowingly, intentionally, and unlawfully devise, execute and attempt to execute a scheme and artifice to defraud the State of New York, and to obtain money by means of false and fraudulent pretenses, representations, or promises, did transmit or cause to be transmitted in interstate or foreign commerce cigarette orders and other communications, by means of the a wire communication, certain signs, signals, pictures or sounds, for the purpose of executing a scheme or artifice:

<b>Count</b>	<b>Date</b>	<b>Wire Transmission from and to:</b>	<b>Defendants</b>
16	July 20, 2011	E-mail from David Bishop in Canada to JONES in Washington and SHEFFLER in Missouri	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, and BARBER
17	August 2, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington state and D. Bishop in Canada	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, and BARBER
18	August 8, 2011	E-mail from D. Bishop in Canada to JONES in Washington and SHEFFLER in Missouri	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and FRENCHMAN

<b>Count</b>	<b>Date</b>	<b>Wire Transmission from and to:</b>	<b>Defendants</b>
19	August 16, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and FRENCHMAN
20	September 13, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (available)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and SUNDOWN
21	September 14, 2011	E-mail from D. Bishop in Canada to SHEFFLER in Missouri (rev. invoice requested)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, PARRY, and SUNDOWN
22	September 14, 2011	E-mail from SHEFFLER in Missouri to D. Bishop in Canada and JONES in Washington (rev. invoice)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, PARRY, and SUNDOWN
23	September 27, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (invoice)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and FRENCHMAN
24	October 11, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (invoice)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and FRENCHMAN
25	October 25, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (invoice)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, SUNDOWN, and FRENCHMAN
26	November 7, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (available)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and FRENCHMAN
27	November 9, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (invoice)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and FRENCHMAN

<b>Count</b>	<b>Date</b>	<b>Wire Transmission from and to:</b>	<b>Defendants</b>
28	November 16, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (available)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, SUNDOWN, JUMA, and FRENCHMAN
29	November 21, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (invoice)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, SUNDOWN, JUMA, and FRENCHMAN
30	November 21, 2011	Telephone call from D. Bishop in Canada to SHEFFLER in Missouri and JONES in Washington regarding transportation	CRAIG SHEFFLER, DAVID BISHOP, JONES, and TADAIYON
31	November 29, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (available)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and AJ'S
32	November 30, 2011	Telephone call from D. Bishop in Canada to SHEFFLER in Missouri and JONES in Washington	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, and BARBER
33	December 1, 2011	Telephone call from SHEFFLER in Missouri to JONES in Washington regarding price decrease	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, and BARBER
34	December 6, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (available)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and FRENCHMAN
35	December 8, 2011	Telephone call from D. Bishop in Canada to SHEFFLER in Missouri and JONES in Washington	CRAIG SHEFFLER, DAVID BISHOP, JONES, and TADAIYON
36	December 13, 2011	E-mail from SHEFFLER in Missouri to JONES in Washington D. Bishop in Canada and TADAIYON in Florida (invoice)	CRAIG SHEFFLER, DAVID BISHOP, JONES, and TADAIYON
37	December 8, 2011	Telephone call from ATF U/C in Missouri to WILLIAM PARRY in New York	WILLIAM F. PARRY

<b>Count</b>	<b>Date</b>	<b>Wire Transmission from and to:</b>	<b>Defendants</b>
38	December 12, 2011	Telephone call between WILLIAM F. PARRY in New York and ATF U/C in Missouri	WILLIAM F. PARRY
39	January 16, 2012	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (available)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, FRENCHMAN, and AJ'S
40	January 16, 2012	E-mail from SHEFFLER in Missouri to JONES in Washington and D. Bishop in Canada (invoice)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, FRENCHMAN, and AJ'S
41	January 18, 2012	E-mail from TADAIYON in Florida to JONES in Washington, D. Bishop in Canada and SHEFFLER in Missouri	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, FRENCHMAN, and AJ'S
42	January 24, 2012	E-mail from SHEFFLER in Missouri to JONES in Washington D. Bishop in Canada and TADAIYON in Florida (invoice)	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and FRENCHMAN
43	January 25, 2012	E-mail from TADAIYON in Florida to JONES in Washington, D. BISHOP in Canada and SHEFFLER in Missouri	CRAIG SHEFFLER, DAVID BISHOP, JONES, TADAIYON, BARBER, and FRENCHMAN

All in violation of Title 18, United States Code, Sections 1343 and 2.

**Count 44**

**Money Laundering Conspiracy**

From on or about March 2011 through December 2011, in the Western District of Missouri and elsewhere, defendants CRAIG SHEFFLER, HARRY NAJIM, and others known and unknown to the grand jury, knowing that the property involved in financial transactions affecting interstate commerce represented the proceeds of some form of unlawful activity, did knowingly combine, conspire, confederate and agree together and with each other to conduct such financial transactions, which, in fact, involved proceeds of specified unlawful activity, that is, trafficking in contraband cigarettes in violation of 18 U.S.C. §§ 2341 - 2343, knowing that the transactions were designed in

whole or in part to conceal or disguise the nature, the location, the source, the ownership, and the control of the proceeds of such specified unlawful activity, in violation of 18 U.S.C. § 1956(a)(1)(B)(i), and to knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000, which was derived from the specified unlawful activity stated above, in violation of 18 U.S.C. § 1957.

### **MANNER AND MEANS**

As part of the manner and means by which the conspiracy was carried out, defendant CRAIG SHEFFLER, along with others, would make regular purchases in Kansas City, Missouri, of contraband cigarettes from undercover agents of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) in exchange for U.S. currency. Between April 15, 2011, and January 26, 2012, CRAIG SHEFFLER and UCC 1 paid the ATF agents approximately \$9 million in cash and assets.

During the conspiracy, an ATF undercover agent was introduced to defendant HARRY NAJIM by UCC 1. NAJIM was the attorney for UCC1 and the company Cheap Tobacco Wholesale (CTW). The undercover agent requested that NAJIM set up a “phony company” to hide some of the large cash payments received from UCC 1, CRAIG SHEFFLER and CTW. In May 2011, NAJIM established FBNA, Inc. (Fly By Night Airlines), as a Missouri corporation for the ATF undercover agent to acquire assets with the proceeds from the cigarette sales. UCC 1 did not pay the ATF undercover agents for the purchase of contraband cigarettes on May 26 and June 9, 2011. Instead, UCC 1 provided two cashier’s checks to NAJIM, in the amount of \$280,000 and \$270,000. On June 10, 2011, NAJIM purchased an airplane for \$550,000 in the name of FBNA, Inc., which was delivered from Kansas to Missouri.

In the fall of 2011, NAJIM discussed purchasing Peterbilt trucks for the ATF undercover agent with proceeds of the contraband cigarette transactions. On November 22, 2011, the ATF

undercover agents sold 354 cases of contraband cigarettes to CRAIG SHEFFLER (CTW). No cash was paid to ATF in this transaction. Instead, Sheffler gave the money for this exchange to NAJIM in order to purchase four Peterbilt semi-trucks. On November 23, 2011, NAJIM purchased four Peterbilt semi-trucks in Wichita, Kansas, for \$ 556,881, titled in the name of FBNA. The trucks were later delivered to the ATF undercover agent. Thereafter, CRAIG SHEFFLER delivered \$60,000 in cash to NAJIM as payment for his services in this transaction.

All in violation of Title 18, United States Code, Section 1956(h).

### **ALLEGATIONS OF FORFEITURE**

#### **FIRST ALLEGATION OF FORFEITURE**

1. The Grand Jury realleges and incorporates by reference the allegations in Counts One through Forty-Three of this Indictment for the purpose of alleging forfeiture to the United States pursuant to Title 18, United States Code, Sections 371, 981(a)(1)(C), 1343, and 2341 through 2346, and Title 28, United States Code, Section 2461.

2. As a result of the offenses alleged in Counts One through Forty-Three, the defendants CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, GHOLAMREZA “REZA” TADAIYON, GERALD E. BARBER, HARRY NAJIM, WILLIAM F. PARRY, TARA SUNDOWN, PHILIP CHRIST, MOUSA JUMA, TEDDY FRENCHMAN, MARK BISHOP, PIOTR HOFFMANN, PAYAM KHEIMEHDOOZ, MOHSEN ROSTAMI, NICOLE SHEFFLER, SALVATORE TORNABENE and AJ’s CANDY AND TOBACCO, LLC, shall forfeit to the United States any property, real and personal, constituting, or derived from proceeds traceable to the offenses set forth in Counts One through Forty-Three, including but not limited to the following property:



## Money Judgment and Other Property Traceable to the Offense

Any property, real and personal, constituting, or derived from proceeds traceable to the offenses set forth in Counts One through Forty-Three, and a money judgment in an amount of United States currency representing any property, real and personal, constituting, or derived from proceeds traceable to the offenses set forth in Counts One through Forty-Three, and all interest and proceeds traceable thereto, as such money judgment represents the proceeds obtained by defendants , CRAIG SHEFFLER, DAVID BISHOP, T. CAMERON JONES, GHOLAMREZA “REZA” TADAIYON, GERALD E. BARBER, HARRY NAJIM, WILLIAM F. PARRY, TARA SUNDOWN, PHILIP CHRIST, MOUSA JUMA, TEDDY FRENCHMAN, MARK BISHOP, PIOTR HOFFMANN, PAYAM KHEIMEHDOOZ, MOHSEN ROSTAMI, NICOLE SHEFFLER, SALVATORE TORNABENE and AJ’s CANDY AND TOBACCO, LLC in that such sum in aggregate, constitutes or is derived from, proceeds traceable to the offenses set forth in Counts One through Forty-Three.

## Substitute Assets

If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendants

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or

(5) has been commingled with other property which cannot be subdivided without difficulty; it is the intent of the United States pursuant to 21 U.S.C. § 853 to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property.

All in violation of Title 18, United States Code, Sections 371, 981(a)(1)(C), 1343, and 2341 through 2346, and Title 28, United States Code, Section 2461.

## **SECOND ALLEGATION OF FORFEITURE**

1. The Grand Jury realleges and incorporates by reference the allegations in Counts One through Forty-Four of this Indictment for the purpose of alleging forfeiture to the United States pursuant to Title 18, United States Code, Sections, 982(a)(1) and 1956(h).

2. As a result of the offense alleged in Count Forty-Four, the defendants CRAIG SHEFFLER and HARRY NAJIM, shall forfeit to the United States any property, real and personal, involved in the offense set forth in Count Forty-Four, or any property traceable to such property, including but not limited to the following property:

Money Judgment and Other Property Traceable to the Offense

Any property, real and personal, involved in the offense set forth in Count Forty-Four, or any property traceable to such property, and a money judgment in an amount of United States currency representing any property, real and personal, involved in the offense set forth in Count Forty-Four, or any property traceable to such property, as such money judgment represents the property involved in the offense set forth in Count Forty-Four committed by CRAIG SHEFFLER and HARRY NAJIM.

Substitute Assets

If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendants

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be subdivided without

difficulty; it is the intent of the United States pursuant to 21 U.S.C. § 853 to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property.

All in violation of Title 18, United States Code, Sections 982(a)(1) and 1956(h).

A TRUE BILL

8/13/13  
DATE

/s/James Washington  
FOREPERSON OF THE SPECIAL GRAND JURY

/s/Paul S. Becker  
Paul S. Becker  
Assistant United States Attorney  
Chief, Violent Crimes Strike Force Unit

/s/Justin G. Davids  
Justin G. Davids, #57661  
Assistant United States Attorney  
Violent Crimes Strike Force Unit