

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
)
) No. 08 CR 993
) Judge Wayne R. Andersen
)
)
SOHRAB TEBYANIAN)

PLEA AGREEMENT

1. This Plea Agreement between the United States Attorney for the Northern District of Illinois, PATRICK J. FITZGERALD, and defendant SOHRAB TEBYANIAN, and his attorney, MICHAEL D. MONICO, is made pursuant to Rule 11 of the Federal Rules of Criminal Procedure. The parties to this Agreement have agreed upon the following:

Charge in This Case

2. Count Two of the Superseding Indictment charges defendant with money laundering, in violation of Title 18, United States Code, Section 1956(h).
3. Defendant has read the charge against him contained in the Superseding Indictment, and that charge has been fully explained to him by his attorney.
4. Defendant fully understands the nature and elements of the crime with which he has been charged.

Charge to Which Defendant is Pleading Guilty

5. By this Plea Agreement, defendant agrees to enter a voluntary plea of guilty to Count Two of the Superseding Indictment. Count Two of the Superseding Indictment charges defendant with participating in a conspiracy to conduct and attempt to conduct

financial transactions affecting interstate and foreign commerce, involving the proceeds of specified unlawful activities as alleged in Count 1, that specified unlawful activity being the conspiracy to distribute and possess with intent to distribute controlled substances, knowing that the transactions were designed to conceal and disguise the nature, location, source, ownership, and control of the proceeds and to avoid a transaction reporting requirement under State or Federal law, and to engage in and attempt to engage in monetary transactions in criminally derived property of a value greater than \$10,000 and derived from the same specified unlawful activities, in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(I) & (ii), 1957, and 2; in violation of Title 18, United States Code, Section 1956. In addition, as further provided below, defendant agrees to the entry of a forfeiture judgment.

Factual Basis

6. Defendant will plead guilty because he is in fact guilty of the charge contained in Count Two of the Superseding Indictment. In pleading guilty, defendant admits the following facts and that those facts establish his guilt beyond a reasonable doubt, and establish a basis for forfeiture of the property described elsewhere in this Plea Agreement:

From a date unknown to the grand jury, but beginning by 2001, and continuing to on or about May of 2006, and later, in and about Scott County in the Southern District of Iowa and elsewhere, defendant and co-defendants Mario Murray, and Jeanette Murray did knowingly and intentionally conspire with other persons known and unknown to the Grand

Jury to commit offenses against the United States, to knowingly and intentionally conduct and attempt to conduct financial transactions affecting interstate and foreign commerce, which transactions involved the proceeds of specified unlawful activities as alleged in Count One of the superseding indictment, knowing that the transactions were designed, in whole and in part, to conceal and disguise the nature, location, source, ownership, and control of the proceeds and to avoid the transaction reporting requirements under State or Federal law, and did conspire to knowingly engage in and attempt to engage in monetary transactions in criminally derived property of a value greater than \$10,000 and derived from the same specified unlawful activities, and while conducting and attempting to conduct such financial and monetary transactions the defendants knew that the property involved in the transaction represented the proceeds of some form of unlawful activity.

More specifically, defendant owned and operated a fur business known as “Andriana Furs.” Andriana Furs is a retail business that sells fur coats, jackets, and stoles, leather items, and clothing accessories. The business has three locations in the Chicago area.

From as early as 2001 or earlier, co-defendant Mario Murray reached an agreement with defendant, co-defendant Jeanette Murray, and others that they would conduct financial transactions involving illegal drug proceeds knowing that the transactions were designed to conceal and disguise the nature, location, source, ownership, and control of the proceeds, to avoid a transaction reporting requirement under State or Federal law, and to engage in monetary transactions in criminally derived property of a value greater than \$10,000 with

funds derived from drug dealing. This conspiracy remained in effect and continued until March of 2007 and later.

As part of this money laundering conspiracy, co-defendants Mario Murray, Jeanette Murray, and Individual A formed "D & J Realty Company" for the purpose of laundering drug money and to purchase assets with drug funds generated by co-defendant Mario Murray's drug sales. D & J Realty LLC was registered in the state of Illinois as a Limited Liability Corporation on March 3, 2001. At that time, documents showed that D & J's ownership was broken down into the following: 90% ownership by co-defendant Jeanette Murray and 10% ownership by Individual A. On October 1, 2003, the ownership changed with Individual A giving up her interest and co-defendant Jeanette Murray becoming 100% owner. During 2005, co-defendant Jeanette Murray signed an agreement purporting to give co-defendant Mario Murray a 80% ownership share in D & J Realty LLC starting on January 1, 2005. On paper, co-defendant Jeanette Murray retained her 20% ownership share of the company. D&J Realty maintained business bank accounts at Founders Bank and Mid-America Bank.

During the conspiracy and in furtherance of it, co-defendant Mario Murray, co-defendant Jeanette Murray, and Individual A, with the assistance of defendant, purchased a 10 unit apartment building at 8000-02 South Lafayette Avenue in Chicago, Illinois with net proceeds of the specified unlawful activities. A real estate contract was endorsed by Individual B on March 20, 2001 and \$25,000 in earnest money was deposited on or about

that day by Individual B in the form of a cashier's check. The building at 8000-02 South Lafayette Avenue was purchased May 4, 2001, for \$287,000 in a cash sale. Individuals A and B executed the settlement statement on behalf of a land trust for the purchase of the property. The beneficiary of the Land Trust Number 1109598 is D&J Realty LLC.

Prior to the purchase of this property, co-defendant Jeanette Murray and Individual A signed the articles of incorporation for D&J Realty LLC on March 30, 2001. Co-defendant Jeanette Murray also signed a land trust agreement number 1109598 dated April 30, 2001, naming D&J Realty LLC as the holder of the land trust for the 10 unit apartment building located at 8000-02 S. Lafayette Ave, Chicago, IL. D&J Realty LLC was established to be the holding company / beneficiary for Land Trust Number 1109598. Individual B negotiated with the seller for the purchase of 8000-02 South Lafayette Avenue. Both Individual A and Mario Murray were at the showing and the closing of the apartment building located at 8000-02 South Lafayette Avenue. Individual B obtained a \$25,000 cashier's check drawn on funds from her personal account.

Defendant assisted co-defendant Mario Murray in concealing over \$260,000 in United States currency, which was used for the purchase of 8000-02 S. Lafayette Avenue. Specifically, a large sum of United States currency was funneled into the business and personal bank accounts controlled by defendant, including the bank accounts of Andriana Furs and C&S Realty LLC, a realty company owned by defendant. Furthermore, defendant structured more than 40 currency deposits in 72 days to knowingly evade the \$10,000

reporting requirement. Co-defendant Mario Murray provided drug proceeds to defendant in the denominations of \$100, \$50, \$20 and \$10. Co-defendant Mario Murray delivered the currency to the 535 N. Michigan Avenue location of Andriana Furs in Chicago. Defendant at a relevant time knew the cash he was receiving constituted net proceeds of the specified unlawful activities.

During the years 2001, 2002 and 2003, defendant issued co-defendant Mario Murray Andriana Furs payroll checks, even though Murray performed little, if any, work for Andriana Furs. After co-defendant Mario Murray was removed from the payroll in 2003, defendant instructed the manager of Andriana Furs on 95th Street to verify co-defendant Mario Murray's employment to anyone who should ask (including law enforcement), even though he did not work there. Co-defendant Mario Murray continued to list his "employment" at Adriana Furs to creditors, and did so as recently as December 2006 when Murray purchased of an Audi A8 and in May 2006 when Murray applied for a mortgage for the purchase of the property located at 16814 Sheridan's Trail, Orland Park, Illinois.

Defendant agreed to continue to keep co-defendant Mario Murray on the Andriana Furs payroll, and increased his monthly "salary" from \$3,000 per month to \$5,000 per month. This arrangement was made for the purpose of allowing defendant to use of 8000-02 South Lafayette Avenue as the collateral for a \$400,000 business loan taken by "MMILINIA Inc." and defendant. Co-defendant Mario Murray also continued to provide defendant with drug-derived currency during this time period while claiming to be employed by defendant.

In all, the defendant agreed to launder approximately \$407,088.00 in net proceeds from the drug dealing activities for co-defendant Mario Murray and his co-conspirators.

7. The foregoing facts are set forth solely to assist the Court in determining whether a factual basis exists for defendant's plea of guilty and criminal forfeiture, and are not intended to be a complete or comprehensive statement of all the facts within defendant's personal knowledge regarding the charged crimes and related conduct.

Maximum Statutory Penalties

8. Defendant understands that the charge to which he is pleading guilty carries the following statutory penalties:

a. A maximum sentence of 20 years' imprisonment. This offense also carries a maximum fine of \$500,000, or twice the gross gain or gross loss resulting from that offense, whichever is greater. Defendant further understands that the judge also may impose a term of supervised release of not more than three years.

b. In accord with Title 18, United States Code, Section 3013, defendant will be assessed \$100 on the charge to which he has pled guilty, in addition to any other penalty imposed.

Sentencing Guidelines Calculations

9. Defendant understands that in imposing sentence the Court will be guided by the United States Sentencing Guidelines. Defendant understands that the Sentencing

Guidelines are advisory, not mandatory, but that the Court must consider the Guidelines in determining a reasonable sentence.

10. For purposes of calculating the Sentencing Guidelines, the parties agree on the following points:

a. **Applicable Guidelines.** The Sentencing Guidelines to be considered in this case are those in effect at the time of sentencing. The following statements regarding the calculation of the Sentencing Guidelines are based on the Guidelines Manual currently in effect, namely the November 2008 Guidelines Manual.

b. **Offense Level Calculations.**

i. The base offense level for the charge in Count Two of the superseding indictment, pursuant to Guideline §2S1.1(a)(2), is 8;

ii. The value of the laundered funds is approximately \$407,088.00. Pursuant to Guideline §2B1.1(b)(1)(H), the total offense level is therefore increased by 14;

iii. Defendant was convicted under 18 U.S.C. § 1956. Pursuant to Guideline §2B1.1(b)(2)(B), the total offense level is therefore increased by 2;

iv. The offense of conviction involved sophisticated money laundering. Pursuant to Guideline §2B1.1(b)(3), the total offense level is therefore increased by 2;

v. The parties agree that defendant played neither an aggravating, nor a mitigating, role in the offense within the meaning of Guideline §3B1.1 and Guideline §3B1.2. Accordingly, no points are added to, or subtracted from, the total offense level.

vi. Defendant has clearly demonstrated a recognition and affirmative acceptance of personal responsibility for his criminal conduct. If the government does not receive additional evidence in conflict with this provision, and if defendant continues to accept responsibility for his actions within the meaning of Guideline §3E1.1(a), including by furnishing the United States Attorney's Office and the Probation Office with all requested financial information relevant to his ability to satisfy any fine that may be imposed in this case, a two-level reduction in the offense level is appropriate.

vii. In accord with Guideline §3E1.1(b), defendant has timely notified the government of his intention to enter a plea of guilty, thereby permitting the government to avoid preparing for trial and permitting the Court to allocate its resources efficiently. Therefore, as provided by Guideline §3E1.1(b), if the Court determines the offense level to be 16 or greater prior to determining that defendant is entitled to a two-level reduction for acceptance of responsibility, the government will move for an additional one-level reduction in the offense level.

c. **Criminal History Category.** With regard to determining defendant's criminal history points and criminal history category, based on the facts now known to the

government, defendant's criminal history points equal zero and defendant's criminal history category is I.

d. **Anticipated Advisory Sentencing Guidelines Range.** Therefore, based on the facts now known to the government, the anticipated offense level is 23, which, when combined with the anticipated criminal history category of I, results in an anticipated advisory Sentencing Guidelines range of 46 to 57 months' imprisonment, in addition to any supervised release, fine, and restitution the Court may impose.

e. Defendant and his attorney and the government acknowledge that the above Guideline calculations are preliminary in nature and based on facts known to the parties as of the time of this Plea Agreement. Defendant understands that the Probation Office will conduct its own investigation and that the Court ultimately determines the facts and law relevant to sentencing, and that the Court's determinations govern the final Guideline calculation. Accordingly, the validity of this Agreement is not contingent upon the probation officer's or the Court's concurrence with the above calculations, and defendant shall not have a right to withdraw his plea on the basis of the Court's rejection of these calculations.

f. Both parties expressly acknowledge that while none of the Guideline calculations set forth above are binding on the Court or the Probation Office, the parties have agreed pursuant to Fed. R. Crim. P. 11(c)(1)(B) that certain components of those calculations – specifically, those set forth above in subparagraph (b) of this paragraph – are binding on

the parties, and it shall be a breach of this Plea Agreement for either party to present or advocate a position inconsistent with the agreed calculations set forth in the identified subparagraphs.

g. Defendant understands that with the exception of the Guideline provisions identified above as binding on the parties, the Guideline calculations set forth above are non-binding predictions, upon which neither party is entitled to rely, and are not governed by Fed. R.Crim. P. 11(c)(1)(B). Errors in applying or interpreting any of the Sentencing Guidelines (other than those identified above as binding) may be corrected by either party prior to sentencing. The parties may correct these errors either by stipulation or by a statement to the Probation Office or the Court, setting forth the disagreement regarding the applicable provisions of the Guidelines. The validity of this Plea Agreement will not be affected by such corrections, and defendant shall not have a right to withdraw his plea, nor the government the right to vacate this Plea Agreement, on the basis of such corrections.

Cooperation

11. Defendant agrees he will fully and truthfully cooperate in any matter in which he is called upon to cooperate by a representative of the United States Attorney's Office for the Northern District of Illinois or the Southern District of Iowa. This cooperation shall include providing complete and truthful information in any investigation and pre-trial preparation and complete and truthful testimony in any criminal, civil or administrative proceeding.

Agreements Relating to Sentencing

12. At the time of sentencing, the government shall make known to the sentencing judge the extent of defendant's cooperation. If the government determines that defendant has continued to provide full and truthful cooperation as required by this plea agreement, then the government shall move the Court, pursuant to Guideline §5K1.1, to depart downward from the low end of the applicable Guideline range. Defendant understands that the decision to depart from the applicable guidelines range rests solely with the Court. The government will make no recommendation regarding the sentence to be imposed.

13. If the government does not move the Court, pursuant to Sentencing Guideline §5K1.1, to depart from the applicable Guideline range, as set forth above, the preceding paragraph of this plea agreement will be inoperative, and the Court shall impose a sentence taking into consideration the factors set forth in 18 U.S.C. § 3553(a) as well as the Sentencing Guidelines without any downward departure for cooperation pursuant to §5K1.1. Defendant may not withdraw his plea of guilty because the government has failed to make a motion pursuant to Sentencing Guideline §5K1.1.

14. It is understood by the parties that the sentencing judge is neither a party to nor bound by this Plea Agreement and may impose a sentence up to the maximum penalties as set forth above. Defendant further acknowledges that if the Court does not accept the sentencing recommendation of the parties, defendant will have no right to withdraw his guilty plea.

15. Defendant agrees to pay the special assessment of \$100 at the time of sentencing with a cashier's check or money order payable to the Clerk of the U.S. District Court.

Forfeiture

16. The indictment charges that defendant is liable to the United States for \$407,088.00. By entry of a guilty plea to Count Two of the indictment, defendant acknowledges that the funds identified above are subject to forfeiture.

17. Defendant agrees to the entry of a forfeiture judgment in the amount of \$407,088.00, which property was involved in money laundering offenses or is traceable to such property. Prior to sentencing, defendant agrees to the entry of a preliminary order of forfeiture relinquishing any right of ownership he has in the above-described funds, and further agrees to the seizure of these funds.

18. Defendant understands that forfeiture of this property shall not be treated as satisfaction of any fine, cost of imprisonment, or any other penalty the Court may impose upon defendant in addition to the forfeiture judgment.

Presentence Investigation Report/Post-Sentence Supervision

19. Defendant understands that the United States Attorney's Office in its submission to the Probation Office as part of the Pre-Sentence Report and at sentencing shall fully apprise the District Court and the Probation Office of the nature, scope and extent of defendant's conduct regarding the charge against him, and related matters. The government

will make known all matters in aggravation and mitigation relevant to the issue of sentencing, including the nature and extent of defendant's cooperation.

20. Defendant agrees to truthfully and completely execute a Financial Statement (with supporting documentation) prior to sentencing, to be provided to and shared among the Court, the Probation Office, and the United States Attorney's Office regarding all details of his financial circumstances, including his recent income tax returns as specified by the probation officer. Defendant understands that providing false or incomplete information, or refusing to provide this information, may be used as a basis for denial of a reduction for acceptance of responsibility pursuant to Guideline §3E1.1 and enhancement of his sentence for obstruction of justice under Guideline §3C1.1, and may be prosecuted as a violation of Title 18, United States Code, Section 1001 or as a contempt of the Court.

21. For the purpose of monitoring defendant's compliance with his obligations to pay a fine during any term of supervised release to which defendant is sentenced, defendant further consents to the disclosure by the IRS to the Probation Office and the United States Attorney's Office of defendant's individual income tax returns (together with extensions, correspondence, and other tax information) filed subsequent to defendant's sentencing, to and including the final year of any period of supervised release to which defendant is sentenced. Defendant also agrees that a certified copy of this Plea Agreement shall be sufficient evidence of defendant's request to the IRS to disclose the returns and return information, as provided for in Title 26, United States Code, Section 6103(b).

Acknowledgments and Waivers Regarding Plea of Guilty

Nature of Plea Agreement

22. This Plea Agreement is entirely voluntary and represents the entire agreement between the United States Attorney and defendant regarding defendant's criminal liability in case 08 CR 993.

23. This Plea Agreement concerns criminal liability only. Except as expressly set forth in this Agreement, nothing herein shall constitute a limitation, waiver or release by the United States or any of its agencies of any administrative or judicial civil claim, demand or cause of action it may have against defendant or any other person or entity. The obligations of this Agreement are limited to the United States Attorney's Office for the Northern District of Illinois and cannot bind any other federal, state or local prosecuting, administrative or regulatory authorities, except as expressly set forth in this Agreement.

24. Defendant understands that nothing in this Plea Agreement shall limit the Internal Revenue Service (IRS) in its collection of any taxes, interest or penalties from defendant.

Waiver of Rights

25. Defendant understands that by pleading guilty he surrenders certain rights, including the following:

a. **Trial rights.** Defendant has the right to persist in a plea of not guilty to the charge against him, and if he does, he would have the right to a public and speedy trial.

I. The trial could be either a jury trial or a trial by the judge sitting without a jury. Defendant has a right to a jury trial. However, in order that the trial be conducted by the judge sitting without a jury, defendant, the government, and the judge all must agree that the trial be conducted by the judge without a jury.

ii. If the trial is a jury trial, the jury would be composed of twelve citizens from the district, selected at random. Defendant and his attorney would participate in choosing the jury by requesting that the Court remove prospective jurors for cause where actual bias or other disqualification is shown, or by removing prospective jurors without cause by exercising peremptory challenges.

iii. If the trial is a jury trial, the jury would be instructed that defendant is presumed innocent, that the government has the burden of proving defendant guilty beyond a reasonable doubt, and that the jury could not convict him unless, after hearing all the evidence, it was persuaded of his guilt beyond a reasonable doubt. The jury would have to agree unanimously before it could return a verdict of guilty or not guilty.

iv. If the trial is held by the judge without a jury, the judge would find the facts and determine, after hearing all the evidence, whether or not the judge was persuaded that the government had established defendant's guilt beyond a reasonable doubt.

v. At a trial, whether by a jury or a judge, the government would be required to present its witnesses and other evidence against defendant. Defendant would

be able to confront those government witnesses and his attorney would be able to cross-examine them.

vi. At a trial, defendant could present witnesses and other evidence in his own behalf. If the witnesses for defendant would not appear voluntarily, he could require their attendance through the subpoena power of the Court. A defendant is not required to present any evidence.

vii. At a trial, defendant would have a privilege against self-incrimination so that he could decline to testify, and no inference of guilt could be drawn from his refusal to testify. If defendant desired to do so, he could testify in his own behalf.

b. **Waiver of appellate and collateral rights.** Defendant further understands he is waiving all appellate issues that might have been available if he had exercised his right to trial. Defendant is aware that Title 28, United States Code, Section 1291, and Title 18, United States Code, Section 3742, afford a defendant the right to appeal his conviction and the sentence imposed. Acknowledging this, if the government makes a motion at sentencing for a downward departure pursuant to Sentencing Guideline § 5K1.1, defendant knowingly waives the right to appeal his conviction, any pre-trial rulings by the Court, and any part of the sentence (or the manner in which that sentence was determined), including any term of imprisonment and fine within the maximums provided by law, and including any order of restitution or forfeiture, in exchange for the concessions made by the United States in this Plea Agreement. In addition, defendant also waives his right to

challenge his conviction and sentence, and the manner in which the sentence was determined, and (in any case in which the term of imprisonment and fine are within the maximums provided by statute) his attorney's alleged failure or refusal to file a notice of appeal, in any collateral attack or future challenge, including but not limited to a motion brought under Title 28, United States Code, Section 2255. The waiver in this paragraph does not apply to a claim of involuntariness, or ineffective assistance of counsel, which relates directly to this waiver or to its negotiation, nor does it apply to a request by defendant pursuant to Sentencing Guideline §1B1.10 and 18 U.S.C. § 3582(c) for a reduction of sentence as a result of an amendment to the Sentencing Guidelines applicable to defendant and expressly made retroactive by the United States Sentencing Commission.

c. Defendant understands that by pleading guilty he is waiving all the rights set forth in the prior paragraphs. Defendant's attorney has explained those rights to him, and the consequences of his waiver of those rights.

26. Defendant understands that he has the right to be prosecuted for any criminal offense in the district or districts where the offense was committed. Defendant has, pursuant to Fed. R. Crim. Proc. 20, requested that the prosecution of his case be transferred from the Southern District of Iowa to the Northern District of Illinois. By signing this Plea Agreement, defendant knowingly consents to prosecution of the charge against him in the Northern District of Illinois and waives any objection to the venue of this prosecution.

Other Terms

27. Defendant agrees to cooperate with the United States Attorney's Office in collecting any unpaid fine for which defendant is liable, including providing financial statements and supporting records as requested by the United States Attorney's Office.

28. Defendant agrees to cooperate with the IRS in any tax examination or audit of defendant which directly or indirectly relates to or arises out of the course of conduct which defendant has acknowledged in this Plea Agreement, by transmitting to the IRS original records or copies thereof, and any additional books and records which the IRS may request. Nothing in this paragraph precludes defendant from asserting any legal or factual defense to taxes, interest, and penalties that may be assessed by the IRS.

29. Defendant understands that pursuant to Title 12, United States Code, Section 1829, his conviction in this case will prohibit him from directly or indirectly participating in the affairs of any financial institution insured by the Federal Deposit Insurance Corporation (FDIC) except with the prior written consent of the FDIC and, during the ten years following his conviction, the additional approval of this Court. Defendant further understands that if he violates this prohibition, he may be punished by imprisonment for up to five years and a fine of up to \$1,000,000.

30. Defendant understands that the government has the right to seek defendant's truthful testimony before a grand jury or a district court.

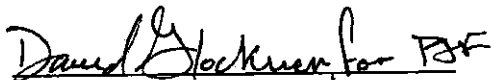
34. Should the judge refuse to accept defendant's plea of guilty, this Plea Agreement shall become null and void and neither party will be bound thereto.

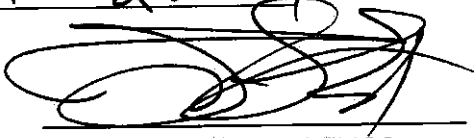
35. Defendant and his attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this Plea Agreement to cause defendant to plead guilty.

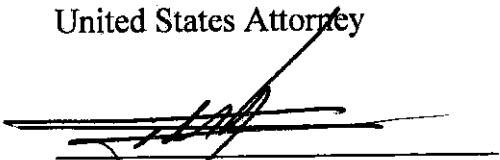
36. Defendant acknowledges that he has read this Plea Agreement and carefully reviewed each provision with his attorney. Defendant further acknowledges that he understands and voluntarily accepts each and every term and condition of this Agreement.

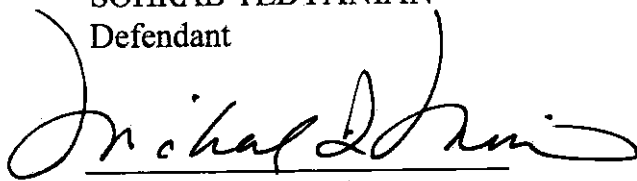
AGREED THIS DATE:

1. 23-09


PATRICK J. FITZGERALD
United States Attorney


SOHRAB TEBYANIAN
Defendant


T. MARKUS FUNK
Assistant U.S. Attorney


MICHAEL D. MONICO
Attorney for Defendant