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AUSA Susan Gillooly (313) 226-9577

United States District Court

Eastern Judicial District of Michigan

United States of America

CRIMINAL COMPLAINT

v.

Kassem BAZZI

Case:2:08-mj-30494


Judge: Unassigned,

Filed: 11-07-2008 At 5:00 PM

Sealed Criminal Complaint (ml)

I, the undersigned complainant being duly sworn state the following is true and correct to the best of my knowledge and belief. On numerous occasions between August 28, 2008 and October 17, 2008, in Wayne County, in the Eastern Judicial District of Michigan, defendant did knowingly conspire to ship, transport, receive, possess, sell, distribute, or purchase contraband cigarettes, in violation of Title 18 United States Code, section(s) 2342. I further state that I am a Special Agent for the Bureau of Alcohol, Tobacco, Firearms and Explosives, and that this complaint is based on the following facts contained on the attached affidavit.

Continued on the attached sheet and made a part hereof: Yes No

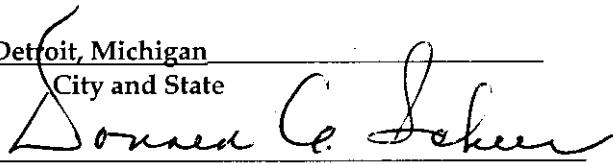

Signature of Complainant
George F. Linen
Special Agent ATF

Sworn to before me and subscribed in my presence,

November 7, 2008
Date

at Detroit, Michigan
City and State

Magistrate Judge Donald Scheer
Name & Title of Judicial Officer


Signature of Judicial Officer

AFFIDAVIT

I, Special Agent George F. Linen, being duly sworn, depose and state the following:

1. I make this affidavit from personal knowledge based on my participation in this investigation, including witness interviews by myself and/or other law enforcement agents, communications with others who have personal knowledge of the events and circumstances described herein, and information gained through my training and experience. The information outlined below is provided for the limited purpose of establishing probable cause and does not contain all details or all facts of which I am aware relating to this investigation.
2. I have been employed as a Special Agent with the U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives since 2004. I have been involved in numerous investigations of Federal firearms, narcotics, explosives and tobacco trafficking violations. I have received formal training from the ATF National Academy and the Federal Law Enforcement Training Center and have participated in investigations related to Federal firearms and tobacco trafficking laws. These investigations have resulted in the arrest and conviction of criminal defendants on Federal firearms, narcotics, explosives and tobacco trafficking charges.
3. Your affiant knows that, at all relevant times, the State of Michigan requires a tax stamp to be affixed to individual packs of cigarettes as proof of payment of the applicable tax. The current tax in Michigan is \$2.00 per pack, which is significantly higher than the tax on cigarettes sold in Virginia (\$.30), South Carolina (\$.07), and some other southern states.
4. Pursuant to Title 18, United States Code, Section 2341, the term "contraband cigarettes" means a quantity in excess of 10,000 cigarettes, which bear no evidence of the payment of applicable State or local cigarette taxes in the State or locality where such cigarettes are found, if the State or local government requires a stamp, impression, or any other indication to be placed on packages or other containers of cigarettes to evidence payment of cigarette taxes.
5. Since September 2006, I have been involved in an investigation involving the trafficking of contraband cigarettes in metropolitan Detroit, Michigan by Ali BAZZI, Farid BAZZI, Nasser BAZZI, Mohamad BAZZI, Kassem BAZZI, Ali KAHWAJI and others.

6. On January 22, 2007, agents conducted an undercover meeting between two (2) confidential informants (CI-1 and CI-2) and Nasser Kassem BAZZI at the Speedy Gas Station located at 14417 Linwood, Detroit, MI. Surveillance observed a Ford SUV, MI plate 4GEN61, registered to a Sanaa Ali BAZZI, located at the station. BAZZI indicated that he has been in the business for a long time, has four (4) locations of distribution and was interested in purchasing counterfeit Michigan tax stamps.
7. On January 25, 2007, Ali Kassem BAZZI purchased 70,000 contraband cigarettes from CI-1, all packs bearing counterfeit State of Michigan tax stamps, for a total price of \$11,650. Surveillance observed BAZZI unloading the contraband at a Speedy gas station, located at 14417 Linwood, Detroit, MI.
8. On February 7, 2007, Ali Kassem BAZZI and Nasser BAZZI purchased 90,400 contraband cigarettes from CI-1, all packs bearing counterfeit State of Michigan tax stamps, for a total price of \$15,350. Partial payment in the amount of \$8,350 was paid at the time of the deal. Surveillance observed BAZZI unloading contraband at the Speedy gas station, located at 14417 Linwood, Detroit, MI.
9. On February 8, 2007, agents conducted a monitored and recorded meeting between CI-1 and Ali BAZZI in order to collect the \$7,000 owed on the contraband purchased on February 7, 2007. The meeting was located at the Speedy gas station, located at 14417 Linwood, Detroit, MI. Nasser BAZZI was present for the deal and working the cash register.
10. On March 9, 2007, Ali BAZZI and Mohamed BAZZI purchased 30,000 contraband cigarettes from CI-1, all packs bearing counterfeit State of Michigan tax stamps, for a total price of \$6,420. The contraband was delivered to the Speedy gas station, located at 14417 Linwood, Detroit, MI. Mohamed BAZZI was present for the deal and asked CI-1 when the next order of contraband cigarettes would be ready.
11. On April 12, 2007, Ali BAZZI purchased 60,000 contraband cigarettes from CI-1, all packs bearing counterfeit State of Michigan tax stamps, at the Speedy gas station, located at 14417 Linwood, Detroit, MI for a total cost of \$10,200. Ali BAZZI stated that Nasser BAZZI had brought \$5000 of the purchase money from another station owned by the BAZZI's. Ali BAZZI stated that he was stamping additional packs of unstamped cigarettes individually by affixing the stamps with tape. Agents understand this process to be lifting half of the stamp from a stamped pack and applying that half to an unstamped pack. This method produces two (2) packs of cigarettes with one-half of a stamp on each.

12. On July 9, 2007, Ali BAZZI purchased 42,000 contraband cigarettes from CI-1, all packs bearing counterfeit State of Michigan tax stamps, for a total price of \$7,140. Surveillance observed the contraband being unloaded at the Speedy gas station, located at 14417 Linwood, Detroit, MI.
13. On August 22, 2007, Ali BAZZI purchased 24,000 contraband cigarettes from CI-1, all packs bearing counterfeit State of Michigan tax stamps, for a total price of \$3,990. Surveillance observed BAZZI unload the contraband into the Speedy gas station, located at 14417 Linwood, Detroit, MI.
14. On February 7, 2008, Ali BAZZI, Mohamed BAZZI and Nasser BAZZI purchased 102,000 contraband cigarettes from an ATF undercover agent, all packs bearing counterfeit State of Michigan tax stamps, for a total cost of \$15,300. The contraband was delivered to the Coastal Gas Station (previously a Speedy gas station), located at 14417 Linwood, Detroit, MI. Nasser BAZZI arrived during the deal with a plastic bag containing US currency. CI-1 advised that Nasser BAZZI brought a total of \$7000 as payment for contraband cigarettes.
15. On February 7, 2008, surveillance was conducted relating to an undercover sale. Surveillance observed Ali BAZZI unloading cigarettes into the Coastal gas station, located at 14417 Linwood, Detroit, MI. A dark colored Mercury Mountaineer, MI plate 4GEN61 (registered to Sanaa Ali BAZZI) was observed traveling to 14127 Linwood and then returning to 14417 Linwood. Surveillance later observed contraband being loaded into the vehicle and delivered to a Marathon gas station, located at 9300 Livernois Ave, Detroit MI. Surveillance also observed a black Dodge Charger, MI plate BCG1760 (registered to a Sanaa Ali BAZZI) at the Coastal Station at 14417 Linwood. Contraband was later loaded into the Charger.
16. On February 8, 2008, Ali BAZZI and Farid BAZZI purchased 102,000 contraband cigarettes from an ATF undercover agent, all packs bearing counterfeit State of Michigan tax stamps, for a total cost of \$15,300. The contraband was delivered to the Coastal Gas Station, located at 14417 Linwood, Detroit, MI.
17. On February 8, 2008, surveillance was conducted relating to an undercover sale. Surveillance observed contraband being unloaded at the Coastal Station at 14417 Linwood, Detroit, MI. A brown Jeep, MI plate BBD6931, (registered to a Reda Mohamed BERRO) was loaded with contraband. Surveillance followed the Jeep directly to 16076 Streicher Rd, Brownstown, MI. The residents include a Brandi HUDSON and an Emery HUDSON. Emery HUDSON has a criminal history which lists Felony Tobacco Tax Violation charges.

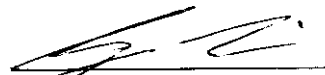
18. On March 6, 2008, Ali BAZZI, Farid BAZZI, Nasser BAZZI and Mohamed BAZZI purchased 186,000 contraband cigarettes from an ATF undercover agent, all packs bearing counterfeit State of Michigan tax stamps, for a total price of \$26,530. The contraband was delivered to the Coastal station at 14417 Linwood, Detroit MI.
19. On March 6, 2008, surveillance was conducted relating to an undercover sale. Surveillance observed the black Dodge Charger, Mercury Mountaineer, and Jeep Grand Cherokee at the Coastal gas station. Ali BAZZI was observed unloading cigarettes into the station. Surveillance observed contraband being loaded into the Charger and followed it directly to a Marathon gas station located at 9300 Livernois, then to the "Hollywood House of Tobacco" located at 19501 West Warren, Detroit, MI, and finally to the Sunoco station located at the corner of Inkster and Van Born Rd, Taylor, MI.
20. On March 11, 2008, Ali BAZZI, Nasser BAZZI and Farid BAZZI purchased 96,000 contraband cigarettes from an ATF undercover agent, for a total price of \$12,000. The contraband was delivered to Ali BAZZI's residence at 15 Ashby Lane in Dearborn, MI.
21. On March 11, 2008, surveillance was conducted relating to an undercover sale. Surveillance observed a dark Jeep Commander, MI plate BBD 7251, and a dark Jeep Cherokee, MI plate BTP7858 in the driveway of 15 Ashby Lane. The contraband was loaded into BAZZI's garage. Soon after, the previously identified dark Mercury Mountaineer (Nasser BAZZI) and black Dodge Charger (Farid BAZZI) arrived at the residence.
22. On April 2, 2008, Ali BAZZI purchased 144,000 contraband cigarettes from an ATF undercover agent, 36,000 cigarettes in packs which were unstamped and the remainder of the packs bearing counterfeit State of Michigan tax stamps, for a total price of \$21,240. The contraband was delivered to 15 Ashby Lane in Dearborn, MI.
23. On April 22, 2008, Ali BAZZI and Farid BAZZI purchased 226,000 contraband cigarettes from an ATF undercover agent, 180,000 cigarettes in packs which were unstamped and 46,000 cigarettes in packs which were stamped with counterfeit State of Michigan tax stamps, for a total price of \$29,600. The contraband was delivered to 15 Ashby Lane, Dearborn, MI.
24. On April 22, 2008, surveillance was conducted relating to an undercover sale. Surveillance observed the previously identified black Dodge Charger arrive at 15 Ashby Lane. A taupe colored Jeep Cherokee, MI plate BUQ2166, later arrived at the residence and backed partially into the garage where they loaded cigarettes into the rear of the vehicle. Surveillance then followed the Cherokee to a vacant

warehouse where they met with a white Mercury Mountaineer, MI plate OHTX64. Contraband was transferred between the vehicles.

25. On May 13, 2008, Ali BAZZI, Nasser BAZZI and Farid BAZZI purchased 254,600 contraband cigarettes from an ATF undercover agent, 120,000 cigarettes in packs which were unstamped, for a total price of \$35,000. The contraband was delivered to 15 Ashby Lane, Dearborn, MI.
26. On June 5, 2008 Ali BAZZI and Farid BAZZI purchased 304,400 contraband cigarettes from an ATF undercover agent, 132,000 cigarettes in packs which were unstamped and the remainder in packs which were stamped with counterfeit State of Michigan tax stamps, for a total price of \$43,245. The contraband was delivered to the Marathon gas station, located at 9300 Livernois Ave, Detroit, MI.
27. On June 5, 2008, surveillance was conducted relating to an undercover sale. Surveillance observed the previously identified black Dodge Charger arrive at the Marathon Station. Nasser BAZZI, in the previously identified Mercury Mountaineer, arrived at 9300 Livernois and loaded contraband into his vehicle and delivered the contraband directly to the Coastal gas station at 14417 Linwood, Detroit, MI. Surveillance observed a black over tan Ford Explorer, MI plate BLR 2530, arrive at 9300 Livernois, Detroit, MI. This vehicle was found to be registered to Ali Salah KAHWAJI (DOB: 06/16/78) at 6427 Oakman Blvd., Dearborn, MI. Contraband was loaded into the vehicle and followed directly to 6427 Oakman Blvd, Dearborn, MI. The contraband was unloaded into the side door of the residence. A Chevy Lumina, MI plate BAT 7472, was observed at 9300 Livernois where it was loaded with contraband. This vehicle was found to be registered to Mousa Adnan FARAJ at 15303 Colson St., Dearborn, MI. It was followed to Hollywood Tobacco, located at Minock and Warren where the contraband was unloaded.
28. On June 20, 2008, Ali BAZZI, Nasser BAZZI and Farid BAZZI purchased 237,000 contraband cigarettes from an ATF undercover agent, all packs bearing counterfeit State of Michigan tax stamps, for a total of \$31,710. The delivery took place at 14417 Linwood, Detroit, MI.
29. On June 27, 2008, Ali BAZZI, Farid BAZZI and Nasser BAZZI purchased 291,000 contraband cigarettes from an ATF undercover agent, all packs bearing counterfeit State of Michigan tax stamps, for a total of \$36,440. The delivery took place at 9300 Livernois, Detroit, MI.
30. On July 9, 2008, Ali BAZZI, Nasser BAZZI, Ali KAHWAJI and Farid BAZZI purchased 225,800 contraband cigarettes from an ATF undercover agent, all packs bearing counterfeit State of Michigan tax stamps, for a total of \$36,031. The delivery took place at 9300 Livernois, Detroit, MI. Nasser BAZZI, Farid BAZZI and Ali BAZZI were all present, along with two employees of the store.

31. On July 9, 2008, surveillance of a UC sale to Ali BAZZI revealed Ali KAHWAJI load two master cases of contraband cigarettes into his previously identified Ford Explorer and proceed to 6427 Oakman Blvd, Dearborn, MI. Agents further followed KAHWAJI to the Citgo station located at 17537 Grand River, Detroit, MI and unload two half cases.
32. On July 17, 2008, Ali BAZZI, Ali KAHWAJI and Farid BAZZI purchased 278,200 contraband cigarettes from an ATF undercover agent, all packs bearing counterfeit state of Michigan tax stamps, for a total of \$42,250. The delivery took place at 9300 Livernois, Detroit, MI. During this deal, Ali KAHWAJI was asked by Ali BAZZI to go and obtain additional funds. KAHWAJI departed and returned later with currency to complete the transaction.
33. Surveillance on July 17, 2008 revealed Ali KAHWAJI travel from 9300 Livernois to the Citgo at 17537 Grand River, Detroit, MI to obtain money as confirmed by an ATF undercover agent.
34. On August 11, 2008, Ali BAZZI, Nasser BAZZI and Farid BAZZI purchased 350,600 contraband cigarettes from an ATF undercover agent, all packs bearing counterfeit state of Michigan tax stamps, for a total of \$49,420. The delivery took place at 6 Lanson Ct., Dearborn, MI.
35. On August 19, 2008, undercover agents purchased packs of cigarettes bearing ATF applied counterfeit State of Michigan tax stamps from the stations located at 14127 Linwood, Detroit, MI and 14417 Linwood, Detroit, MI.
36. On August 26, 2008, undercover agents purchased packs of cigarettes bearing ATF applied counterfeit State of Michigan tax stamps from the station located at 17537 Grand River, Detroit, MI.
37. On August 28, 2008, Ali BAZZI, Kassem BAZZI, Nasser BAZZI and Farid BAZZI purchased 220,000 contraband cigarettes from ATF undercover agents, all packs bearing counterfeit state of Michigan tax stamps, for a total of \$34,070. The delivery took place at 6 Lanson Ct., Dearborn, MI. Kassem BAZZI conducted counter-surveillance during this deal. Counter-surveillance is a technique used by criminals in an effort to reveal law enforcement, or any other individuals who may have a negative impact on the illegal act. Surveillance observed the previously identified black over tan Ford Explorer, registered to Ali KAHWAJI, arrive at the location and proceed directly to 6427 Oakman Blvd., Dearborn, MI.
38. On September 11, 2008, Ali BAZZI, Farid BAZZI and Ali KAHWAJI purchased 237,000 contraband cigarettes from ATF undercover agents, all packs bearing counterfeit State of Michigan tax stamps, for a total of \$36,860. The delivery took place at 9300 Livernois, Detroit, MI.

39. From May 7, 2008 to October 2, 2008, Ali BAZZI utilized a cellular telephone to contact an undercover ATF Agent approximately 136 different occasions in furtherance of his cigarette trafficking activities.
40. Based on the aforementioned facts, I have probable cause to believe that, in the Eastern District of Michigan:
- a. Ali BAZZI did knowingly conspire to ship, transport, receive, possess, sell, distribute, or purchase contraband cigarettes or contraband smokeless tobacco in violation of Title 18 United States Code, section 2342.
 - b. Farid BAZZI did knowingly conspire to ship, transport, receive, possess, sell, distribute, or purchase contraband cigarettes or contraband smokeless tobacco in violation of Title 18 United States Code, section 2342.
 - c. Nasser BAZZI did knowingly conspire to ship, transport, receive, possess, sell, distribute, or purchase contraband cigarettes or contraband smokeless tobacco in violation of Title 18 United States Code, section 2342.
 - d. Mohamed BAZZI did knowingly conspire to ship, transport, receive, possess, sell, distribute, or purchase contraband cigarettes or contraband smokeless tobacco in violation of Title 18 United States Code, section 2342.
 - e. Kassem BAZZI did knowingly conspire to ship, transport, receive, possess, sell, distribute, or purchase contraband cigarettes or contraband smokeless tobacco in violation of Title 18 United States Code, section 2342.
 - f. Ali KAHWAJI did knowingly conspire to ship, transport, receive, possess, sell, distribute, or purchase contraband cigarettes or contraband smokeless tobacco in violation of Title 18 United States Code, sections 2342.


George F. Linen
Special Agent, ATF

Sworn to and subscribed in my presence.


Honorable Donald Scheer
United States Magistrate Judge

November 7, 2008
Date