

NEWS

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FOR IMMEDIATE RELEASE
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Real Estate Developer Admits Laundering Money for the Purpose of
Making Political Contributions to a Union City Official

(More)

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NEWARK – Real estate developer Shimon Haber pleaded guilty today to conspiring to launder money, admitting he agreed with a cooperating witness and others to launder money for the purpose of making contributions to the political committee of a Union City official in exchange for official approvals to develop certain property in Union City, U.S. Attorney Paul J. Fishman announced.

Haber, 34, of Brooklyn, pleaded guilty before U.S. District Judge Jose L. Linares to a one-count criminal Information charging him with conspiracy to launder money to conceal and promote unlawful activity. Judge Linares continued Haber's release on a \$100,000 bond pending sentencing, which is scheduled for April 28, 2010 at 11:00a.m.

At his plea hearing, Haber admitted that in March 2007, he had meetings with a cooperating witness and co-conspirators Michael Altman, 39, of Monsey, N.Y., and Isaac Friedlander, 42, of Union City, to negotiate the terms of a money laundering arrangement, whereby Altman and Friedlander would launder money from the cooperating witness through a purported charitable entity called Gmach Shefa Chaim. That money would then be funneled by Altman through Gmach Shefa Chaim to the political committee of a Union City official, in exchange for official approvals for developing a Union City property in which Haber and the cooperating witness would be partners. Haber admitted that the value of funds that he conspired to launder was in excess of \$10,000 but less than \$30,000.

Haber's guilty plea stems from a two-track undercover FBI investigation into political corruption and international money laundering which resulted in the charging of 44 individuals via criminal Complaints on July 23, 2009. At that time, Altman was charged via criminal complaint with conspiracy to launder money and conspiracy to obstruct commerce by extortion under color of official right; Friedlander was charged via criminal complaint with conspiracy to launder money. The cases against Altman and Friedlander are pending.

The charge to which Haber pleaded guilty carries a maximum statutory penalty of 20 years in prison and a \$250,000 fine.

In determining an actual sentence, Judge Linares will consult the advisory U.S. Sentencing Guidelines, which recommend sentencing ranges that take into account the severity and characteristics of the offenses, the defendant's criminal history, if any, and other factors, including acceptance of responsibility. The judge, however, has discretion and is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all of that time.

Fishman credited Special Agents of the FBI, under the direction of Acting Special Agent in Charge Kevin B. Cruise, and the IRS Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, for the investigation leading to today's guilty plea.

The government is represented by Assistant U.S. Attorney Dustin Chao of the U.S. Attorney's Office Special Prosecutions Division in Newark.

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Defense Attorneys:

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