

STATE OF OREGON
Marion County Circuit Courts
JUN 24 2010
FILED

1 **ENTERED**

2 **JUN 30 2010**

3 **# 12**

4 **IN THE CIRCUIT COURT OF THE STATE OF OREGON**

5 **FOR THE COUNTY OF MARION**

6 STATE OF OREGON, ex rel. JOHN R.
7 KROGER, Attorney General of Oregon,

8 Plaintiff,

9 v.

10 FARHAD MONEM, aka "FRED" MONEM and
11 KAREN MONEM, JAMM, INC., LAROMO,
12 LLC, F AND K REVOCABLE TRUST, and
13 LEISURE QUEST INVESTMENTS L.L.C.

14 Defendants.

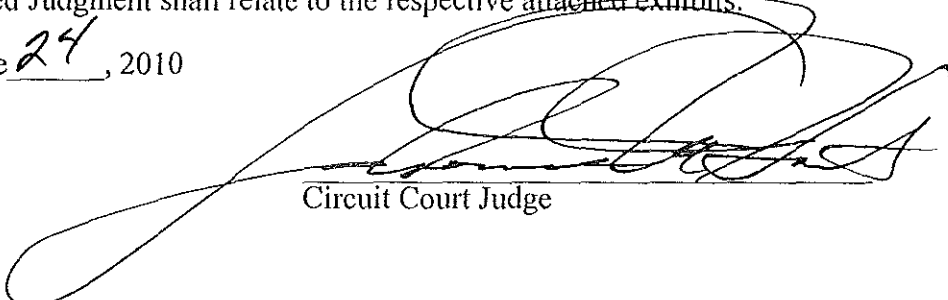
Case No. 07C17510

CORRECTED LIMITED JUDGMENT

15 This matter came on regularly before the court on plaintiff's Motion for Entry of
16 Corrected Limited Judgment, and the court having considered the records and files herein and
17 now being fully advised in the premises, it is hereby

18 ADJUDGED that exhibits B through H referred to in the Limited Judgment entered on
19 October 17, 2008, are attached to this Corrected Limited Judgment and all reference to said
20 exhibits in the Limited Judgment shall relate to the respective attached exhibits.

21 Dated on June 24, 2010

22 
23 Circuit Court Judge

24 SUBMITTED BY:

25 Tim D. Nord #882800
26 Attorney for Plaintiff

EXHIBIT B

Real Property Commonly Known as:
Lincoln Shore Star Resort

Real Property Description:
LINCOLN SHORE STAR RESORT, LOT 21, DOC200604745

EXHIBIT C

Real Property Commonly Known as:
Map 11S-3W-03B Tax Lot 2100

Real Property Description:

Beginning at a point on the West line 567.7 feet South 0° 14' East of the Northwest corner of the South half of the Mathew Chambers D.L.C. No. 40 in Township 11 South, Range 3 West of the Willamette Meridian: Thence South 0° 14' East along the West line of said claim 486.0 feet; thence North 85° 44' West 503.2 feet to the Southerly right of way line of Market Road No. 7; thence on a 603 foot radius curve to the left (the long chord of which bears North 55° 56' East 413.6 feet) to an iron pipe on said right of way; thence north 35° 56' East along said right of way 267.8 feet to the place of beginning.
County of Linn, State of Oregon

EXHIBIT D

Real Property Commonly Known as:
1151 NW Curtis Street, Seal Rock, OR 97376

Real Property Description:
Lots 8, 9 and 10, Block 11, SEAL ROCK VIEW, in the County of Lincoln and State of Oregon.

EXHIBIT E

Real Property Commonly Known as:
1665 Berry Street, Salem, OR 97302-2901

Real Property Description:
Lot 4, Block 21, PLEASANT HOME ADDITION, Marion County, Oregon.

EXHIBIT F

Real Property Commonly Known as:

1303-1305 Country Glenn Ave. NE, Keizer, OR 97303

Real Property Description:

Lot 5, Country Glen Estates, in the City of Keizer, County of Marion, State of Oregon

EXHIBIT G

Real Property Commonly Known as:
126 se 145TH Street, South Beach, OR

Real Property Description:

Beginning at the North quarter corner of Section 18, Township 12 South, Range 11 West, Willamette Meridian, in Lincoln County, Oregon; thence along the North line of said Section 18, South 87° 52' West 660 feet, more or less, to the Northeast corner of the Nicholas tract described in Deed recorded July 19, 1960 in Book 209, page 508, Deed Records; thence South 3° 47' 30" East 425 feet to a 5/8 inch iron rod in the center of a 50-foot street described in Deed recorded March 25, 1971 in Book 24, page 949, Film Records; thence South 87° 52' West 136 feet to the true point of beginning of the parcel described herein, said point also being the Northwest corner of that tract described in Deed recorded April 11, 1978 in Book 86, page 549, Film Records; thence Southerly along the Westerly line of said tract to the Southwest corner of said tract; thence South 88° 07' 30" West 193.6 feet to a 5/8 inch iron rod, being the Southeast corner of a tract of land conveyed to Ermen H. Scott and Evelyn M. Scott, husband and wife, by Deed recorded February 21, 1964 in Book 242, page 222, Deed Records; thence Northerly along the East line of said Scott tract 60 feet; thence North 4° 36' West 171.95 feet, more or less, to a point on the centerline of the aforesaid 50-foot street, which point bears South 87° 52' West of the true point of beginning; thence North 87° 52' East 193.6 feet, more or less, to the true point of beginning. County of Lincoln, State of Oregon

EXHIBIT H

Real Property Commonly Known as:

5461 Monterey Dr., Salem, OR 97306-8803

Real Property Description:

LOT 1, BLOCK 1, COPPER GLEN, IN THE CITY OF SALEM, MARION COUNTY,
STATE OF OREGON.

CERTIFICATE OF SERVICE BY MAIL

I certify that on May 28, 2010, I complied with UTCR 5.100 by serving a proposed copy of the foregoing Motion for Entry of Corrected Limited Judgment; and Corrected Limited Judgment upon the parties by regular mail and by facsimile at their last known addresses and facsimile numbers listed below. I have not received any objections to the form of this order from the parties. I further certify that on June 7, 2010, after the requisite period for the parties' review had expired, I served a final copy of the Motion for Entry of Corrected Limited Judgment; and Corrected Limited Judgment upon the parties by regular mail at their last known addresses listed below:

William D. Brandt
William D. Brandt, P.C.
880 Liberty St. NE
Salem, OR 97301
Fax No.: (503) 364-6735

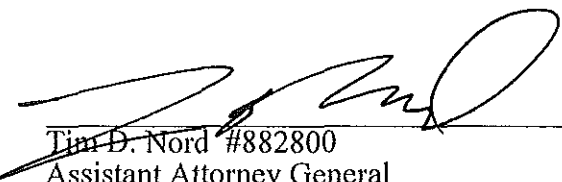
(Attorney for defendants Karen Monem, JAMM, Inc., Laromo, LLC, and F and K Revocable Trust)

Norman F. Webb
Attorney at Law
1114 12th Street SE
Salem, OR 97302
Fax No.: (503) 363-2250

(Attorney for Leisure Quest LLC)

Peter Shakow
Bird & Marella, et al
1875 Century Park E., 23rd Fl
Los Angeles, CA 90067-2561
Fax No.: (310) 201-2110

(Attorney for Laromo, LLC)


Tim D. Nord #882800
Assistant Attorney General

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IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR MARION COUNTY
100 High Street NE, Marion County Courthouse
P.O. Box 12869 Salem, Oregon 97309-0869
(503) 588-5228

July 1, 2010

TIM D NORD
Attorney at Law
DEPT OF JUSTICE
1162 COURT STREET NE
SALEM OR 97310

Bar#: 88280

Oregon State Of/Monem Farhad
Case#: 07C17510 C Civil Other

NOTICE OF ENTRY OF JUDGMENT

A Corrected Limited Judgment was entered in the register of the court in the above-noted case on June 30, 2010. This judgment does not create a judgment lien.

This notice is sent in accordance with ORS 18.078.

Client(s) of Addressee:
OREGON STATE OF

CC:
WILLIAM D BRANDT
NORMAN F WEBB

RECEIVED
JUL 01 2010

CIVIL ENFORCEMENT DIVISION

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JOHN R. KROGER
Attorney General



MARY H. WILLIAMS
Deputy Attorney General

DEPARTMENT OF JUSTICE
CIVIL ENFORCEMENT DIVISION

June 7, 2010

The Honorable Thomas M. Hart
Marion County Circuit Court Judge
Marion County Circuit Court
100 High Street, NE
Salem, OR 97309

Re: State of Oregon v. Farhad Monem et al.
Marion County Circuit Court Case No. 07C17510

Dear Judge Hart:

It has been brought to my attention that the Limited Judgment entered on October 17, 2008, failed to include exhibits B through H containing property descriptions due to a clerical error.

Enclosed please find the State of Oregon's Motion for Entry of Corrected Limited Judgment and proposed Corrected Limited Judgment; and attached exhibits B through H which should have been included in the original judgment.

The enclosed motion and proposed judgment were sent to opposing counsel on May 28, 2010, as reflected in the enclosed certificate of service. This office has not received any objections from opposing counsel.

Sincerely,

Tim Nord
Senior Assistant Attorney General

Enclosures

cc: Mr. William Brandt
Mr. Norman Webb
Mr. Peter Shakow

Justice #2069160

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2
3
4 IN THE CIRCUIT COURT OF THE STATE OF OREGON
5 FOR THE COUNTY OF MARION

6 STATE OF OREGON, ex rel. JOHN R.
7 KROGER, Attorney General of Oregon,

8 Plaintiff,

9 v.

10 FARHAD MONEM, aka "FRED" MONEM and
11 KAREN MONEM, JAMM, INC., LAROMO,
12 LLC, F AND K REVOCABLE TRUST, and
13 LEISURE QUEST INVESTMENTS L.L.C.

14 Defendants.

Case No. 07C17510

MOTION FOR ENTRY OF CORRECTED
LIMITED JUDGMENT

14 COMES NOW the plaintiff and moves this court for an order allowing the entry of a
15 corrected limited judgment pursuant to ORCP 71 and ORS 18.107.

16 This motion is made on the grounds and for the reason that a Limited Judgment against
17 defendants Farhad Monem and Karen Monem individually and on behalf of Jamm Inc., Laromo,
18 and F and K Revocable Trust was filed on October 16, 2008, and entered in the register of the
19 court on October 17, 2008. The Limited Judgment was incomplete as exhibits B through H were
20 omitted due to a clerical error. The interested parties had been served certified copies with the
21 correct exhibits.

22 ///

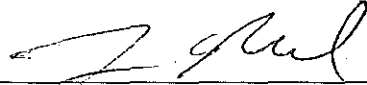
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1 Plaintiff seeks entry of a corrected Limited Judgment that would incorporate exhibits B through
2 H as referenced in order to clarify title issues regarding the properties.



3
4 Tim Nord #882800
5 Senior Assistant Attorney General
6 Department of Justice
7 Of Attorneys for Plaintiff
8 1162 Court Street NE
9 Salem, OR 97301-4096
10 Telephone: (503) 934-4400
11 Fax: (503) 378-5017
12 Tim.d.nord@doj.state.or.us

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IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MARION

STATE OF OREGON, ex rel. JOHN R.
KROGER, Attorney General of Oregon,

Plaintiff,

v.

FARHAD MONEM, aka "FRED" MONEM and
KAREN MONEM, JAMM, INC., LAROMO,
LLC, F AND K REVOCABLE TRUST, and
LEISURE QUEST INVESTMENTS L.L.C.

Defendants.

Case No. 07C17510

CORRECTED LIMITED JUDGMENT

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ADJUDGED that exhibits B through H referred to in the Limited Judgment entered on October 17, 2008, are attached to this Corrected Limited Judgment and all reference to said exhibits in the Limited Judgment shall relate to the respective attached exhibits.

Dated on June_____, 2010

Circuit Court Judge

SUBMITTED BY:

Tim D. Nord #882800
Attorney for Plaintiff

EXHIBIT B

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Real Property Description:
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County of Linn, State of Oregon

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EXHIBIT H

Real Property Commonly Known as:

5461 Monterey Dr., Salem, OR 97306-8803

Real Property Description:

LOT 1, BLOCK 1, COPPER GLEN, IN THE CITY OF SALEM, MARION COUNTY,
STATE OF OREGON.

1 CERTIFICATE OF SERVICE BY MAIL

2 I certify that on May 28, 2010, I complied with UTCR 5.100 by serving a proposed copy
3 of the foregoing Motion for Entry of Corrected Limited Judgment; and Corrected Limited
4 Judgment upon the parties by regular mail and by facsimile at their last known addresses and
5 facsimile numbers listed below. I have not received any objections to the form of this order
6 from the parties. I further certify that on June 7, 2010, after the requisite period for the parties'
7 review had expired, I served a final copy of the Motion for Entry of Corrected Limited
8 Judgment; and Corrected Limited Judgment upon the parties by regular mail at their last known
9 addresses listed below:

10 William D. Brandt
11 William D. Brandt, P.C.
12 880 Liberty St. NE
13 Salem, OR 97301
14 Fax No.: (503) 364-6735

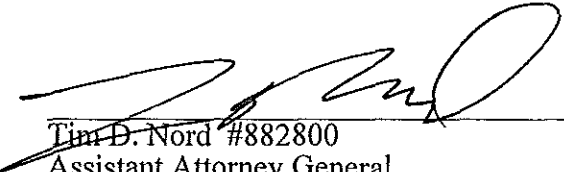
(Attorney for defendants Karen Monem, JAMM, Inc., Laromo, LLC, and
F and K Revocable Trust)

15 Norman F. Webb
16 Attorney at Law
17 1114 12th Street SE
18 Salem, OR 97302
19 Fax No.: (503) 363-2250

(Attorney for Leisure Quest LLC)

20 Peter Shakow
21 Bird & Marella, et al
22 1875 Century Park E., 23rd Fl
23 Los Angeles, CA 90067-2561
24 Fax No.: (310) 201-2110

(Attorney for Laromo, LLC)

25 
26 Tim D. Nord #882800
Assistant Attorney General

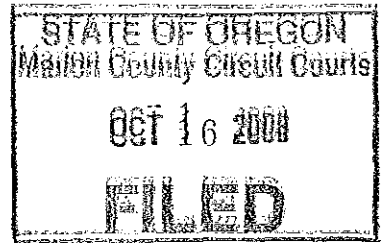
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ENTERED

OCT 17 2008

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IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MARION

STATE OF OREGON, ex rel. HARDY MYERS,
Attorney General of Oregon,

Plaintiff,

v.

FARHAD MONEM, aka "FRED" MONEM and
KAREN MONEM, JAMM, INC., LAROMO,
LLC, F AND K REVOCABLE TRUST, and
LEISURE QUEST INVESTMENTS L.L.C.

Defendants.

Case No. 07C17510

LIMITED JUDGMENT AND MONEY
AWARD ON DEFAULT OF DEFENDANT
FARHAD MONEM; STIPULATION

This matter came before the court on plaintiff's application for a limited judgment against Farhad Monem and the Stipulation below of Defendants Karen Monem individually and on behalf of, Jamm Inc., Laromo, and F and K Revocable Trust (Stipulating Defendants). The court, after reviewing the record, and being otherwise fully advised in the premises:

FINDS THAT defendant Monem was duly served and an Order of Default has been entered against defendant Farhad Monem. It further appears to the court that plaintiff should have and recover judgment against defendant Farhad Monem and Stipulating Defendants.

Finding there is no just reason for delay,

IT IS HEREBY ADJUDGED as follows:

1. Plaintiff is awarded judgment against defendant Farhad Monem. This judgment disposes of plaintiff's claims for relief as to defendant Farhad Monem and Stipulating Defendants only. Plaintiff's claims for relief, requests for relief and all causes of action as to the remaining defendants and any third parties remain pending.

1 2. Defendant Farhad Monem's conduct violated ORS 166.720 and ORS 646.725 and
2 his conduct constituted the crimes described in ORS 162.015, 162.025 and 164.085(1).

3 3. Plaintiff shall have a money judgment against defendant Farhad Monem based
4 upon his conduct, the acts of bribery and unlawful payments received in the amount of
5 \$1,132,000, which shall be trebled for a money judgment in the amount of \$3,396,000.

6 4. Defendant Farhad Monem shall forfeit and be divested of all rights and interests
7 to any salary and benefits earned from his employment with the State of Oregon, Department of
8 Corrections. Plaintiff shall have judgment against defendant Farhad Monem in an additional
9 amount of \$386,701 for wages from 2002 until 2007, and said sum shall be trebled for an
10 additional judgment in the amount of \$1,160,103.

11 5. Defendants Farhad Monem and Karen Monem forfeit and are divested of all real
12 and personal property interests in the proceeds of the racketeering enterprise and all money used
13 in the course of, traceable from, derived from, or realized through the conduct alleged in
14 Plaintiff's Complaint, including the real property described in attached Exhibits B through H,
15 and any interest in the entities Jamm, Inc., Laromo, LLC, Leisure Quest Investments L.L.C. and
16 F and K Revocable Trust. Plaintiff shall take such property free and clear of Defendants Farhad
17 Monem and Karen Monem for liquidation and all proceeds of sale shall first be applied towards
18 any costs of sale, then towards Plaintiff's money judgment award herein. To the extent that
19 additional interests of defendants Farhad Monem and Karen Monem are determined at trial
20 between Plaintiff and any other defendants, the court may enter such additional orders or
21 judgments as the court may determine as necessary to carry out this judgment. Plaintiff's claims
22 for a money judgment against Defendant Karen Monem pursuant to Plaintiff's first, second, third
23 and fourth claims for relief are dismissed without prejudice.

24 6. Defendant Farhad Monem's and Defendant Karen Monem's interest in the
25 proceeds currently deposited with the Marion County Circuit Court clerk from the sale of the real
26 property described in attached exhibits B and H is determined to be \$162,985.32. The clerk is

1 directed and authorized to disburse the sum of \$162,985.32 payable to the Oregon Department of
2 Justice, said sum shall be applied towards satisfaction of the total money judgment.

3 7. Defendant Farhad Monem's and Karen Monem's membership interests in
4 Laromo, LLC and Leisure Quest Investments LLC shall be applied towards any unsatisfied
5 amount of plaintiff's judgment. Defendant Karen Monem shall cooperate and assist in the
6 liquidation of these interests as may be necessary. Plaintiff is entitled to seek an accounting,
7 recovery and payment for defendants Farhad Monem's and Karen Monem's interests and may
8 apply for such additional orders or supplementary judgments, including dissolution and
9 liquidation of any entity as the court deems necessary.

10 8. Defendant Karen Monem is authorized to make application to PERS for
11 distribution of all Defendant Farhad Monem's state retirement benefits, including accounts
12 provided for in ORS chapter 238, 238A, and any Oregon Savings Growth Plans. Distribution
13 shall be to the Marion County Court Clerk. Plaintiff shall submit an order to the court for
14 approval, providing for the distribution of any funds received.

15 9. Plaintiff is authorized to deposit all money recovered pursuant to this judgment
16 into any accounts authorized by law including ORS chapter 180.

17 10. Plaintiff shall be entitled to request a supplemental judgment or orders as
18 necessary to effectuate this judgment or based upon any subsequent proceeding as may be just
19 and proper

20 11. Plaintiff is awarded reasonable attorney fees and costs in an amount to be
21 determined by the court pursuant to ORCP 68.

22 **MONEY AWARD**

23
24 (1) Judgment Creditor:

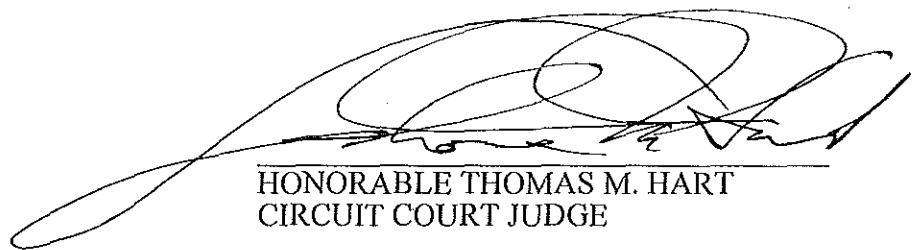
State of Oregon

25
26 (a) Address of Judgment Creditor:

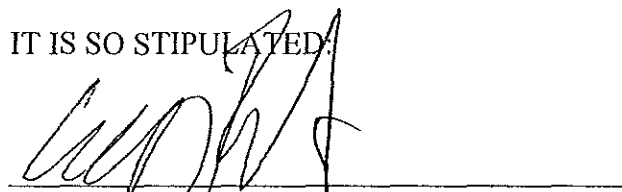
Oregon Department of Justice
1162 Court Street NE
Salem, OR 97301-4096

1	(b)	Judgment Creditor's Attorney:	Tim D. Nord Assistant Attorney General
2			
3	(c)	Address of Judgment Creditor's Attorney:	Department of Justice 1162 Court Street NE Salem, OR 97301-4096 (503) 947-4400
4			
5			
6	(2)	Judgment Debtor:	Farhad Monem, aka Fred Monem
7	(a)	Address:	5461 Monterey Ct. SE Salem, OR 97306
8	(b)	Date of Birth:	July 30, 1958
9	(c)	Social Security No.	N/A
10	(d)	Driver's License No.	N/A
11		and State Issuance:	N/A
12			
13	(e)	Name of Attorney:	N/A
14	(3)	Other Person or Public Body Entitled to Portion of Payment:	None
15			
16	(4)	Principal Amount of Judgment:	\$4,556,103
17	(5)	Prejudgment Simple Interest at the rate of 9% on:	N/A
18	a)	accrued from _____	N/A
19	b)	per diem until date judgment is entered:	N/A
20	(6)	Post judgment simple interest at the rate of 9 percent per annum on the total judgment that consists of item 4, plus 7 and 8 from the date judgment is entered until fully paid.	
21			
22	(7)	Attorney Fees:	Cost bill pending
23	(8)	Costs:	Cost bill pending.
24	///		
25	///		
26	///		

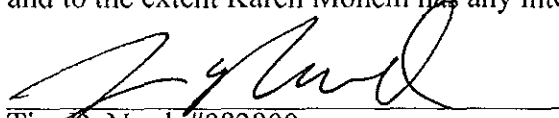
1 DATED this 16th ^{October} day of ~~September~~, 2008.

2
3
4
5 
6 HONORABLE THOMAS M. HART
CIRCUIT COURT JUDGE

8 IT IS SO STIPULATED.

9
10 

11 William D. Brandt # 720366
12 Attorney for Defendants
13 Karen Monem, Jamm, Inc, F & K Revocable Trust
and to the extent Karen Monem has any interest in Laromo, LLC

14 

15 Tim D. Nord, #882800
16 Assistant Attorney General
Attorney for Plaintiff

17 SUBMITTED BY:

18 Tim D. Nord #882800
19 Assistant Attorney General
20 Oregon Department of Justice
1162 Court Street NE
21 Salem, OR 97301-4096
Telephone: (503) 947-4333
22 Fax: (503) 378-5017
tim.d.nord@doj.state.or.us
23 Attorneys for plaintiff

CERTIFICATE OF SERVICE

1

2 I hereby certify that I first served the proposed LIMITED JUDGMENT AND MONEY AWARD
3 AGAINST Defendant FARHAD MONEM; and APPLICATION FOR LIMITED JUDGMENT
4 on the following person(s) on September 26, 2088:

5 mailing with postage prepaid

6 hand delivery

7 electronic transmission

8 overnight delivery

9 to said person(s) a true a copy thereof, contained in a sealed envelope, addressed to said
10 person(s) at his or her last-known address (es) indicated below.

11

12 William D. Brandt
13 William D. Brandt, P.C.
14 1820 Commercial St. SE
Salem, OR 97302

15 (Attorney for defendants Karen Monem, JAMM, Inc., Laromo, LLC, and F and K
Revocable Trust)

16 Farhad Monem,
17 aka "Fred" Monem
18 5461 Monterey Drive SE
Salem, OR 97306

19 Norman F. Webb
20 Attorney at Law
1114 12th Street SE
Salem, OR 97302

21 (Attorney for Leisure Quest LLC)

22

23 I hereby certify that I served the foregoing LIMITED JUDGMENT AND MONEY AWARD
24 AGAINST Defendant FARHAD MONEM; and APPLICATION FOR LIMITED JUDGMENT
25 on the following person(s) on the date indicates below by:

26 mailing with postage prepaid

hand delivery

1 electronic transmission

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4 person(s) at his or her last-known address (es) indicated below.

5

6 William D. Brandt
7 William D. Brandt, P.C.
8 1820 Commercial St. SE
9 Salem, OR 97302

10 (Attorney for defendants Karen Monem, JAMM, Inc., Laromo, LLC, and F and K
11 Revocable Trust)

12

13 by hand delivery

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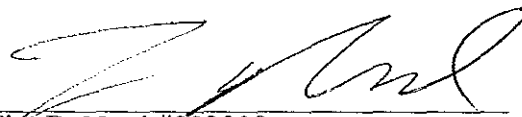
15 Norman F. Webb
16 Attorney at Law
17 1114 12th Street SE
18 Salem, OR 97302

19

20 (Attorney for Leisure Quest LLC)

21 Dated: October 15, 2008.

22



Tim D. Nord #882800
Assistant Attorney General

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1 STATE OF OREGON
2 Marion County Circuit Courts
3 OCT 16 2008
4 ENTERED

STATE OF OREGON
Marion County Circuit Court
OCT 15 2008
FILED

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7 IN THE CIRCUIT COURT OF THE STATE OF OREGON
8 FOR THE COUNTY OF MARION

9 STATE OF OREGON, ex rel. HARDY MYERS,
Attorney General of Oregon,

10 Plaintiff,

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12 FARHAD MONEM AKA "FRED" MONEM
13 AND KAREN MONEM; JAMM, INC.;
14 LAROMO, LLC; F AND K REVOCABLE
TRUST; AND LEISURE QUEST
INVESTMENTS, LLC

15 Defendants.

Case No. 07C17510

DECLARATION OF TIM NORD

16 I, Tim Nord, declare and say:

17 1. I am a Senior Assistant Attorney General appointed to represent the State in the
18 above matter. I have personal knowledge of the matters herein and am competent to testify
19 regarding such matters.

20 2. Attached as Exhibit 1 is the United States of America's complaint for In Rem
21 Forfeiture against currency (approximately \$631,000) Civil No. 07-1541-MA, USDC Oregon.

22 3. Attached as Exhibit 2 is the United States of America's complaint for In Rem
23 Forfeiture against certain vehicles Civil No. 07-1542-MA, USDC Oregon.

24 4. Attached as Exhibit 3 is the Statement of Facts entered in *US v. Douglas Levene*,
25 CR 6:07-60063 AA.
26

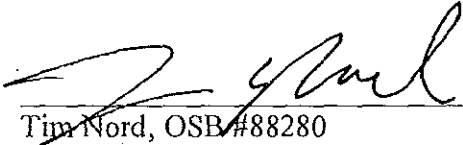
1 5. Attached as Exhibit 4 is the Statement of Facts entered in *US v. Michael Levin,*
2 *William Lawrence and Howard Roth* CR 6:07-60040 AA.

3 6. An investigator in our office has reviewed the Oregon Department of Corrections
4 (ODOC) payroll records and we have received confirmation from ODOC that Defendant Farhad
5 Monem's wages from January 2002 through 2007 until fired, were not less than \$386,701.

6 I hereby declare that the above statement is true to the best of my knowledge and belief,
7 and that I understand it is made for use as evidence in court and is subject to penalty for perjury.

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Tim Nord, OSB #88280

9/26/08
Date

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MA

KARIN J. IMMERGUT, OSB #96314
United States Attorney
District of Oregon
LESLIE J. WESTPHAL, OSB #83344
Assistant United States Attorney
1000 SW 3rd Avenue, Suite 600
Portland, OR 97204-2902
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Telefax: 503-727-1117
Internet E-mail: leslie.westphal@usdoj.gov

of Attorneys for Plaintiff United States of America

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON

UNITED STATES OF AMERICA,

CV'07-1541 MA

Plaintiff,

COMPLAINT IN REM
FOR FORFEITURE

v.

\$444,700 IN U.S. CURRENCY;
\$75,000 IN U.S. CURRENCY;
\$12,410 IN U.S. CURRENCY;
\$15,157.12 IN U.S. CURRENCY;
\$33,298.68 IN U.S. CURRENCY; and
\$50,748.24 IN U.S. CURRENCY, *in rem*,

Defendants.



is stated to be a true and correct copy of original

JAN 10 2008

Sheryl S. McConnell, Clerk
Deputy

Plaintiff, United States of America, by Karin J. Immergut, United States Attorney for the District of Oregon, and Leslie J. Westphal, Assistant United States Attorney, for its complaint *in rem* for forfeiture, alleges:

EXHIBIT 1

I.

This Court has subject matter jurisdiction, *in rem* jurisdiction, and venue pursuant to 18 U.S.C. § 981; 28 U.S.C. §§ 1345, 1355, 1356, and 1395; and 19 U.S.C. § 1610.

II.

Defendants, *in rem*, \$444,700 in U.S. currency; \$75,000 in U.S. currency; \$12,410 in U.S. currency; \$15,157.12 in U.S. currency; \$33,298.68 in U.S. currency; and \$50,748.24 in U.S. currency were seized in Marion County, Oregon and are now located in the District of Oregon.


III.

Defendants, *in rem*, \$444,700 in U.S. currency; \$75,000 in U.S. currency; \$12,410 in U.S. currency; \$15,157.12 in U.S. currency; \$33,298.68 in U.S. currency; and \$50,748.24 in U.S. currency are derived from proceeds traceable to violations of 18 U.S.C. §§ 666, 1341, and 1343, or a conspiracy to violate such statutes, and are subject to forfeiture pursuant to the provisions of 18 U.S.C. § 981(a)(1)(C), as more particularly set forth in the Affidavit of Internal Revenue Service Special Agent Todd Anderson, marked as Exhibit A, attached and fully incorporated herein by this reference.

WHEREFORE, plaintiff, United States of America, prays that due process issue to enforce the forfeiture of defendants, *in rem*, \$444,700 in U.S. currency; \$75,000 in U.S. currency; \$12,410 in U.S. currency; \$15,157.12 in U.S. currency; \$33,298.68 in U.S. currency; and \$50,748.24 in U.S. currency; that due notice be given to all interested persons to appear and show cause why forfeiture of these defendants, *in rem*, should not be decreed; that due proceedings be had thereon; that these defendants be forfeited to the United States; that the plaintiff United States of America be awarded its costs and disbursements incurred in this action, and that plaintiff have such other and further relief as is just and equitable.

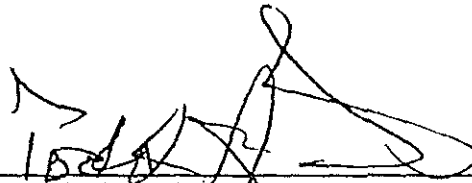
DATED this 15th day of October, 2007.

KARIN J. IMMERGUT
United States Attorney


LESLIE J. WESTPHAL, OSB #83344
Assistant United States Attorney
(503) 727-1027

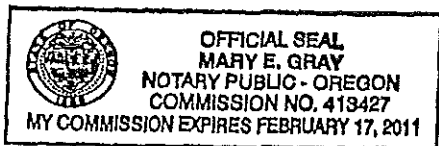
STATE OF OREGON)
) ss.
County of Lane)

I, Todd Anderson, being first duly sworn, depose and say that I am a Special Agent of the Internal Revenue Service, Criminal Investigation, and that the foregoing Complaint *in rem* for Forfeiture is made on the basis of information officially furnished and upon the basis of such information the Complaint *in rem* for Forfeiture is true as I verily believe.



TODD ANDERSON
Special Agent
Internal Revenue Service
Criminal Investigation

SUBSCRIBED AND SWORN to before me this 12th day of October, 2007.





NOTARY PUBLIC FOR OREGON

STATE OF OREGON)
)
County of Lane)

ss. AFFIDAVIT OF TODD ANDERSON

I, Todd Anderson, being first duly sworn, depose and say:

I am a Special Agent of the Internal Revenue Service, Criminal Investigation Division (IRS-CI), and I have been employed in this capacity since 1991. I am currently assigned to the Seattle Field Office at the Eugene, Oregon, post of duty. My responsibilities include the investigation of federal criminal offenses, including Titles 18, 26, and 31 of the United States Code. I have received training, both formal and on the job, in the enforcement of these laws. I have conducted investigations of violations of such laws, and I am familiar with the methods of operations used by individuals engaged in the violation of these laws.

Purpose of the Affidavit

This affidavit is provided to show that probable cause exists to forfeit the following items under 18 U.S.C. § 981 as proceeds of an illegal kickback scheme and as proceeds of bribery, mail and wire fraud, and money laundering in violation of 18 U.S.C. §§ 666, 1341, 1343, and 1957, or a conspiracy to violate such statutes:

- \$444,700 in U.S. currency seized from an Umpqua Bank safe deposit box held by Frank and Karen Monem
- \$75,000 in U.S. currency seized from a gun safe in Fred Monem's residential garage

"EXHIBIT A -PAGE 1
PAGE 5 - COMPLAINT In Rem FOR
FORFEITURE"

- \$12,410 in U.S. currency seized from a briefcase located in the residence of Fred and Karen Monem
- \$15,157.12 in U.S. currency seized from Umpqua Bank Account No. XXXXX9913 in the name of Karen and Fred Monem.
- \$33,298.68 in U.S. currency seized from Umpqua Bank Account No. XXXXX6546 in the name of Jamm, Inc.
- \$50,748.24 in U.S. currency seized from Umpqua Bank Certificate of Deposit Account No. XXXXX6215 in the name of Karen Monem

Individuals and Entities

Below is a list and description of individuals, bank accounts and businesses relevant to the kickback scheme:

Farhad "Fred" Monem	Food Services Administrator, State of Oregon, Department of Corrections
Karen Monem	Spouse of Fred Monem
Jamm, Inc.	Oregon corporation formed on September 9, 2004. As discussed herein, Karen Monem is the sole officer/director and president. Jamm Inc. received at least \$475,000 in kickback payments.
Levin and Lawrence, Inc.	Also known as Michael Levin Trading and Michael Levin Distributing. A Santa Clarita, California based wholesale food distributor, incorporated on December 2, 2002. As discussed herein, also known as "L&L," the company sold bulk and distressed food products to the Oregon Department of Corrections. Owners and employees of L&L made kickback payments to Fred Monem and Jamm, Inc.
Michael Levin	Owner and financial principle of Levin and Lawrence, Inc.

William Lawrence	Owner and financial principle of Levin and Lawrence, Inc.
Howard Roth	Levin and Lawrence, Inc. sales representative dealing with Fred Monem on the Oregon Department of Corrections food services account
MRB, LLC	Maryland corporation formed on November 13, 2000. Marjorie Iacino Levene is the registered agent. As discussed herein, this is a "middle man" company for food sales between Levin and Lawrence, Inc. and Oregon Department of Corrections
Douglas Levene	Registered agent for MRB, LLC. As discussed herein, Douglas Levene brokered food sales between Lawrence and Levin, Inc. and the Oregon Department of Corrections
Marjorie Iacino Levene	Spouse of Douglas Levene
Marren, LLC	Maryland corporation formed on January 10, 2003. Marjorie Iacino is the registered agent. As discussed herein, Marren, LLC issued kickback payments to Karen Monem and Jamm, Inc.
Umpqua Acct. XXXX46546	Jamm, Inc. checking account opened by Karen Monem on September 14, 2004
Umpqua Acct. XXXXX9913	Karen and Fred Monem checking account opened by Karen Monem on February, 11, 2003
Umpqua Acct. XXXX12099	Karen Monem money market account opened by Karen Monem on November 13, 2003
Umpqua Acct. XXXX35126	Lola Mae Morgan and Karen Monem checking account opened by Lola Morgan and Karen Monem on December 13, 2005

Background of the Investigation

Since the initiation of an investigation by IRS-CI and the FBI in October of 2006 evidence has been established that Farhad "Fred" Monem, in his capacity as the Food Service Administrator for the State of Oregon, Department of Corrections (ODOC), has been receiving illegal kickback and bribe payments exceeding \$1,000,000 from 2000 through 2006. To do this, Monem participated in a scheme wherein he purchased food for Oregon prisoners from various food distribution companies including Levin and Lawrence, Inc. (L&L) and MRB, LLC (MRB). In return for purchasing food items on behalf of ODOC, Monem was paid a portion of the profits earned by L&L and MRB on each sale to ODOC in the form of illegal kickbacks in violation of 18 U.S.C. § 666 (Theft or Bribery Concerning Programs Receiving Federal Funds). At the onset of this scheme in late 2002 or early 2003, L&L paid the illegal kickbacks to Monem with U.S. currency. In September 2004, the Monem's formed corporate entities to receive and conceal the true nature of the bribery payments made by L&L and MRB.

L&L used Jamm, Inc, an Oregon corporation started by Karen Monem on 09/09/2004 as a nominee entity to receive kickback payments to Fred Monem. Payments made by L&L were disguised as commission payments to Jamm, Inc. in order to falsely claim a legitimate business expense. L&L issued checks payable to Jamm, Inc. which were deposited to Jamm, Inc. bank account no. XXXXX6546 at Umpqua Bank.

PAGE 4 - AFFIDAVIT OF SPECIAL AGENT TODD ANDERSON

*EXHIBIT A - PAGE 4
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FORFEITURE*

MRB through Maren LLC (Maren), a Maryland corporation formed on January 10, 2003 by Marjorie Iacino, spouse of Douglas Levene (owner of MRB) made payments to Fred and Karen Monem. Payments were disguised as consulting fees by Maren and entered into the books and records as legitimate business expenses. Fred Monem received cash kickbacks ranging from \$10,000 - \$30,000 continuously from 2001 through 2006. From February 2003 through October 2004 Maren issued weekly checks to Karen Monem. Initially checks were in the amount of \$1,000, then in April 2003 the weekly checks increased to \$1,500. The checks were deposited to the personal checking account no. XXXXX9913 at Umpqua Bank, opened by Karen Monem, with Karen and Fred Monem as the account signatories.

Search Warrant

In connection with this investigation IRS-CI Special Agent Salisbury submitted affidavits supporting applications for search warrants for the business premises of Levin and Lawrence, Inc., DBA as Michael Levin Trading ("L&L"), located at 20724 Centre Pointe Parkway, Unit 2, Santa Clarita, California, 91350, for Monem's residence, located on Monterey Dr. SE, Salem, Oregon, and for a safe deposit box maintained at Umpqua Bank by Fred and Karen Monem. As a result of the L&L search warrant, books and records of L&L were obtained showing that payments made to Jamm, Inc. were recorded as consulting fees.

PAGE 5 - AFFIDAVIT OF SPECIAL AGENT TODD ANDERSON

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FORFEITURE"

\$87,410 in U.S. currency was seized from the Monem residence, and \$444,700 in U.S. currency was seized from the Monem's Umpqua Bank safe deposit box.

Financial Summery

Bank Accounts: I have reviewed the bank records for the period 09/14/2004 – 10/31/2006 of the seized Umpqua Bank checking account no. XXXXX6546 in the name of Jamm, Inc., owned by Karen Monem. The account was opened on 09/14/2004 and seized by the FBI on 01/10/2007. For the period 09/14/2004 – 10/31/2006, \$487,162.29 was deposited to the account. \$482,500 of the deposits was a direct result of criminal activity. Checks from L and L Inc. account for \$481,000 and a check from Maren, LLC accounts for \$1,500. \$4,048.23 in unknown funds and \$614.06 in purchase returns are the remaining deposits.

I have reviewed bank account information for the period 02/11/2003 – 10/17/2006, relating to the seized account of Karen and Fred Monem, account no. XXXXX9913, located at Umpqua Bank, Salem, Oregon. The account was opened on 02/11/2003. Based on this review I have determined that from the period 02/11/2003 – 10/17/2006 total deposits to this account were \$230,062.04. The deposits included \$108,800.00 from Maren LLC, \$21,933.29 from JAMM Inc., \$26,400.00 from Fred Monem, \$34,000.00 from Karen Monem, \$14,000.00 in cash, \$11,028.75 from Farmers Insurance and \$13,900.00 from other sources.

Currency: In April and May of 2007, Michael Levin, William Lawrence, Howard Roth, and Douglas Levene all plead guilty to one count of bribery and one count of tax fraud, in violation of 18 U.S.C. § 666 and 26 U.S.C. § 7206(2). As a part of Levene's plea agreement, Levene filed a Statement of Facts. In the Statement of Facts, Levene admitted to paying Monem bribery payments in the form of currency from the summer of 2000 until December 2006. Initially, Levene sent Monem monthly Federal Express packages containing approximately \$4,000 to \$5,000 in currency. In early 2001, Levene and Monem agreed to equally split the after tax profits earned by Levene from food sales to ODOC. Levene began personally delivering the bribery payments to Monem. The payments occurred periodically but continuously through December 2006, and ranged from \$10,000 to \$30,000. Levene made also made non-cash bribery payments to Monem and his wife, or to Jamm Inc., by check. Additional bribery payments were made by Levene through the issuance of credit cards to Karen Monem. Leven issued corporate credit cards in Karen Monem's name from MRB, LLC, and Maren, LLC, two Maryland businesses controlled by Levene. Levene paid each of the bills for these credit cards.

I have reviewed an analysis prepared by IRS Special Agent Robert Salisbury of MRB's gross and net sales. I have also reviewed bribery check payments made by MRB on the Monem's behalf, and amounts charged by Karen Monem on the MRB and Maren credit cards. Based on this analysis, I have

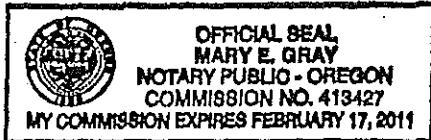
PAGE 7 - AFFIDAVIT OF SPECIAL AGENT TODD ANDERSON

*EXHIBIT A -PAGE 7
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FORFEITURE*

§ 981 as proceeds of bribery, mail and wire fraud, and money laundering in violation of 18 U.S.C. §§ 666, 1341, 1343, and 1957, or a conspiracy to violate such statutes.


TODD ANDERSON
Special Agent, IRS-CI

SUBSCRIBED and sworn to before me this 12th day of October, 2007.




NOTARY PUBLIC FOR OREGON

MA

KARIN J. IMMERGUT, OSB #96314
United States Attorney
District of Oregon
LESLIE J. WESTPHAL, OSB #83344
Assistant United States Attorney
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Telefax: 503-727-1117
Internet E-mail: leslie.westphal@usdoj.gov

of Attorneys for Plaintiff United States of America

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON

UNITED STATES OF AMERICA,

Plaintiff,

v.

CV'07 - 1542 MA

COMPLAINT IN REM
FOR FORFEITURE

2006 BMW 650Ci,
VIN WBAEH13406CR49622, ITS TOOLS
AND APPURTENANCES, *in rem*,

2007 GMC YUKON DENALI,
VIN 1GKFK63887J217328, ITS TOOLS
AND APPURTENANCES, *in rem*,

2006 CHEVROLET SILVERADO PICKUP TRUCK,
VIN 2GCEK13T961213828, ITS TOOLS AND
APPURTENANCES, *in rem*,

Defendants.

Plaintiff, United States of America, by Karin J. Immergut, United States
Attorney for the District of Oregon, and Leslie J. Westphal, Assistant United
States Attorney, for its complaint *in rem* for forfeiture, alleges:

Certified to be a true and correct copy of original
Dated JAN 10 2008
By Sheryl S. McCaslin



EXHIBIT 2

COUNT I

I.

This Court has subject matter jurisdiction, *in rem* jurisdiction, and venue pursuant to 18 U.S.C. § 981; 28 U.S.C. §§ 1345, 1355, 1356, and 1395; and 19 U.S.C. § 1610.

II.

Defendants, *in rem*, 2006 BMW 650Ci, VIN WBAEH13406CR49622, its tools and appurtenances; 2007 GMC Yukon Denali, VIN 1GKFK63887J217328, its tools and appurtenances; and 2006 Chevrolet Silverado pickup truck, VIN 2GCEK13T961213828, its tools and appurtenances were seized in Marion County, Oregon, and are now located in the District of Oregon.

III.

Defendants, *in rem*, 2006 BMW 650Ci, VIN WBAEH13406CR49622, its tools and appurtenances; 2007 GMC Yukon Denali, VIN 1GKFK63887J217328, its tools and appurtenances; and 2006 Chevrolet Silverado pickup truck, VIN 2GCEK13T961213828, its tools and appurtenances, are derived from proceeds traceable to violations of 18 U.S.C. §§ 666, 1341 and 1343, or a conspiracy to violate such statutes, and are subject to forfeiture pursuant to the provisions of 18 U.S.C. § 981(a)(1)(C), as more particularly set forth in the Affidavit of Internal Revenue Service Special Agent Todd Anderson, marked as Exhibit A, attached and fully incorporated herein by this reference.

COUNT II

IV.

This Court has subject matter jurisdiction, *in rem* jurisdiction, and venue pursuant to 18 U.S.C. § 981; 28 U.S.C. §§ 1345, 1355, 1356, and 1395; and 19 U.S.C. § 1610.

V.

Defendants, *in rem*, 2006 BMW 650Ci, VIN WBAEH13406CR49622, its tools and appurtenances and 2007 GMC Yukon Denali, VIN 1GKFK63887J217328, its tools and appurtenances were seized in Marion County, Oregon, and are now located in the District of Oregon.

VI.

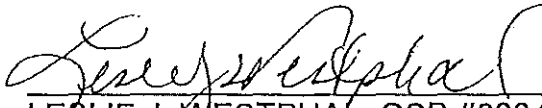
Defendants, *in rem*, 2006 BMW 650Ci, VIN WBAEH13406CR49622, its tools and appurtenances and 2007 GMC Yukon Denali, VIN 1GKFK63887J217328, its tools and appurtenances; were involved in a money laundering offense in violation of 18 U.S.C. § 1957, and are subject to forfeiture pursuant to the provisions of 18 U.S.C. § 981(a)(1)(A), as more particularly set forth in the Affidavit of Internal Revenue Service Special Agent Todd Anderson, marked as Exhibit A, attached and fully incorporated herein by this reference.

WHEREFORE, plaintiff, United States of America, prays that due process issue to enforce the forfeiture of defendants, *in rem*, 2006 BMW 650Ci, VIN WBAEH13406CR49622, its tools and appurtenances; 2007 GMC Yukon Denali,

VIN 1GKFK63887J217328, its tools and appurtenances; and 2006 Chevrolet Silverado pickup truck, VIN 2GCEK13T961213828, its tools and appurtenances; that due notice be given to all interested persons to appear and show cause why forfeiture of these defendants, *in rem*, should not be decreed; that due proceedings be had thereon; that these defendants be forfeited to the United States; that the plaintiff United States of America be awarded its costs and disbursements incurred in this action, and that plaintiff have such other and further relief as is just and equitable.


DATED this 15th day of October, 2007.

KARIN J. IMMERGUT
United States Attorney


LESLIE J. WESTPHAL, OSB #83344
Assistant United States Attorney
(503) 727-1027

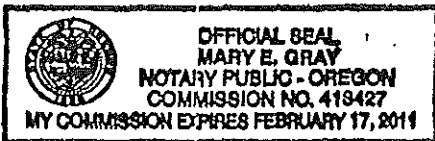
STATE OF OREGON)
) ss.
County of Lane)

I, Todd Anderson, being first duly sworn, depose and say that I am a Special Agent of the Internal Revenue Service, Criminal Investigation, and that the foregoing Complaint *in rem* for Forfeiture is made on the basis of information officially furnished and upon the basis of such information the Complaint *in rem* for Forfeiture is true as I verily believe.



TODD ANDERSON
Special Agent
Internal Revenue Service
Criminal Investigation

SUBSCRIBED AND SWORN to before me this 12th day of October, 2007.





NOTARY PUBLIC FOR OREGON

STATE OF OREGON)
) ss. AFFIDAVIT OF TODD ANDERSON
County of Lane)

I, Todd Anderson, being first duly sworn, depose and say:

I am a Special Agent of the Internal Revenue Service, Criminal Investigation Division (IRS-CI), and I have been employed in this capacity since 1991. I am currently assigned to the Seattle Field Office at the Eugene, Oregon post of duty. My responsibilities include the investigation of federal criminal offenses, including Titles 18, 26, and 31 of the United States Code. I have received training, both formal and on the job, in the enforcement of these laws. I have conducted investigations of violations of such laws, and I am familiar with the methods of operations used by individuals engaged in the violation of these laws.

Purpose of the Affidavit

The purpose of this affidavit is to provide a factual basis to support a finding that probable cause exists to believe Farhad "Fred" Monem (Fred Monem) and Karen Monem purchased the vehicles listed below using funds derived from a bribery scheme. The funds used in this transaction were the proceeds of a "specified unlawful activity", namely, 18 U.S.C. § 666 (Theft or Bribery Concerning Programs Receiving Federal Funds), 18 U.S.C. § 1341 (mail fraud), and 18 U.S.C. § 1343 (wire fraud). As a result these vehicle are subject to forfeiture under 18 U.S.C. § 981. The vehicles are as follows:

"EXHIBIT A - PAGE 1
PAGE 6 - COMPLAINT In Rem FOR
FORFEITURE"

- (1) 2006 BMW 650Ci, VIN WBAEH13406CR49622, registered to F/K Monem Revocable Trust, Fred and Karen Lynn Trustees;
- (2) 2007 GMC Yukon Denali, VIN 1GKFK63887J217328, registered to Fred and Karen Lynn Monem; and
- (3) 2006 Chevrolet Silverado pickup truck, VIN 2GCEK13T961213828, registered to Monem Revocable Trust, Fred and Karen Lynn Monem Trustees.

Individuals and Entities

Below is a list and description of individuals, bank accounts and businesses relevant to the kickback scheme:

Farhad "Fred" Monem	Food Services Administrator, State of Oregon, Department of Corrections
Karen Monem	Spouse of Fred Monem
Jamm, Inc.	Oregon corporation formed on September 9, 2004. As discussed herein, Karen Monem is the sole officer/director and president. Jamm Inc. received at least \$475,000 in kickback payments.
Levin and Lawrence, Inc.	Also known as Michael Levin Trading and Michael Levin Distributing. A Santa Clarita, California based wholesale food distributor, incorporated on December 2, 2002. As discussed herein, also known as "L&L," the company sold bulk and distressed food products to the Oregon Department of Corrections. Owners and employees of L&L made kickback payments to Fred Monem and Jamm, Inc.
Michael Levin	Owner and financial principal of Levin and Lawrence, Inc.

PAGE 2 - AFFIDAVIT OF SPECIAL AGENT TODD ANDERSON

"EXHIBIT A - PAGE 2
 PAGE 7 - COMPLAINT In Rem FOR
 FORFEITURE"

William Lawrence	Owner and financial principal of Levin and Lawrence, Inc.
Howard Roth	Levin and Lawrence, Inc. sales representative dealing with Fred Monem on the Oregon Department of Corrections food services account
MRB, LLC	Maryland corporation formed on November 13, 2000. Marjorie lacino Levene is the registered agent. As discussed herein, this is a "middle man" company for food sales between Levin and Lawrence, Inc. and Oregon Department of Corrections
Douglas Levene	Registered agent for MRB, LLC. As discussed herein, Douglas Levene brokered food sales between Lawrence and Levin, Inc. and the Oregon Department of Corrections
Marjorie lacino Levene	Spouse of Douglas Levene
Marren, LLC	Maryland corporation formed on January 10, 2003. Marjorie lacino is the registered agent. As discussed herein, Marren, LLC issued kickback payments to Karen Monem and Jamm, Inc.
Umpqua Acct. XXXXX6546	Jamm, Inc. checking account opened by Karen Monem on September 14, 2004
Umpqua Acct. XXXXX9913	Karen and Fred Monem checking account opened by Karen Monem on February, 11, 2003
Umpqua Acct. XXXXX2099	Karen Monem money market account opened by Karen Monem on November 13, 2003
Umpqua Acct. XXXXX5126	Lola Mae Morgan and Karen Monem checking account opened by Lola Morgan and Karen Monem on December 13, 2005

PAGE 3 - AFFIDAVIT OF SPECIAL AGENT TODD ANDERSON

"EXHIBIT A - PAGE 3
PAGE 8 - COMPLAINT In Rem FOR
FORFEITURE"

Background of the Investigation

Since the initiation of an investigation by IRS-CI and the FBI in October of 2006, evidence has been established that Farhad "Fred" Monem, in his capacity as the Food Service Administrator for the State of Oregon, Department of Corrections (ODOC), has been receiving illegal kickback and bribe payments exceeding \$1,000,000 from 2000 through 2006. To do this, Monem participated in a scheme wherein he purchased food for Oregon prisoners from various food distribution companies including Levin and Lawrence, Inc. (L&L) and MRB, LLC (MRB). In return for purchasing food items on behalf of ODOC, Monem was paid a portion of the profits earned by L&L and MRB on each sale to ODOC in the form of illegal kickbacks in violation of Title 18 U.S.C. § 666 (Theft or Bribery Concerning Programs Receiving Federal Funds). At the onset of this scheme in late 2002 or early 2003, L&L paid the illegal kickbacks to Monem with U.S. currency. In September 2004, the Monem's formed corporate entities to receive and conceal the true nature of the bribery payments made by L&L and MRB.

L&L used Jamm, Inc, an Oregon corporation started by Karen Monem on 09/09/2004 as a nominee entity to receive kickback payments to Fred Monem. Payments made by L&L were disguised as commission payments to Jamm, Inc. in order to falsely claim a legitimate business expense. L&L issued checks payable to Jamm, Inc. which were deposited to Jamm, Inc. bank account no. 970046546 at Umpqua Bank.

PAGE 4 - AFFIDAVIT OF SPECIAL AGENT TODD ANDERSON

"EXHIBIT A -PAGE 4
PAGE 9 - COMPLAINT In Rem FOR
FORFEITURE"

MRB through Maren LLC (Maren), a Maryland corporation formed on January 10, 2003 by Marjorie Iacino, spouse of Douglas Levene (owner of MRB) made payments to Fred and Karen Monem. Payments were disguised as consulting fees by Maren and entered into the books and records as legitimate business expenses. Fred Monem received cash kickbacks ranging from \$10,000 - \$30,000 continuously from 2001 through 2006. From February 2003 through October 2004 Maren issued weekly checks to Karen Monem. Initially checks were in the amount of \$1,000, then in April 2003 the weekly checks increased to \$1,500. The checks were deposited to the personal checking account no. XXXXX9913 at Umpqua Bank, opened by Karen Monem, with Karen and Fred Monem as the account signatories.

Levene made additional bribery payments through the issuance of credit cards to Karen Monem from MRB, LLC and Maren, LLC. Karen Monem received and used these credit cards from January 2003 through January 2007. Levene paid the bills for these credit cards, and when doing so, he reduced the amount of bribery payments owed to the Monems. Use of the credit cards to effectuate the bribery payments served to disguise the true nature of the bribery payments. I have reviewed a summary analysis of the Maren LLC credit card usage and have determined that the total charges attributable to the Monems from January 2003 to October 2006 are \$124,228.25.

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Guilty Pleas

In April and May, 2007, Michael Levin, William Lawrence, Howard Roth and Douglas Levene appeared before United States District Judge Ann Aiken and pleaded guilty to violating 18 U.S.C. § 666 and tax fraud in violation of 26 U.S.C. § 7206(2). As part of their pleas, each of the defendants signed a Statement of Facts.

In the Criminal Informaion and Statement of Facts filed in *United States v. Dougous Levene*, No. CR 07-60063-AA, and *United States v. Howard Roth*, No. CR 07-60039-AA, Levene and Roth explain how Fred Monem used his position as the Food Services Administrator for ODOC to receive more than \$1 million in bribery/kickback payments from food vendors during 2000 through 2006. Karen Monem played a vital role in the bribery/kickback scheme by creating the shell company Jamm, Inc., by receiving and depositing checks from vendors which were bribery/kickback payments to Fred Monem disguised as legitimate business payments to Karen Monem and/or Jamm, Inc.

Purpose of Payments

As described in Levene and Roth's Statement of Facts, Maren and L&L disguised the payments made to Karen Monem and Jamm, Inc. as legitimate business expenses, though no legitimate services were preformed to earn the payments. Maren disguised the weekly checks paid to Karen Monem as consulting fees to hide the nature of the bribery payments and to create false tax

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deductions. Fearing discovery of the bribery scheme, L&L requested Fred Monem create a corporation to receive the kickback payments, with the result of concealing the true nature of the bribes. In September 2004 Karen Monem formed Jamm, Inc. and from then until the execution of search warrants in January 2007, L&L issued checks to Jamm, Inc. L&L represented the payments made to Jamm, Inc. as commissions, though the corporation performed no services for which it was due payment.

Search Warrant

In connection with this investigation IRS Special Agent Robert Salisbury submitted affidavits supporting applications for search warrants for the business premises of Levin and Lawrence, Inc., DBA as Michael Levin Trading ("L&L"), located at 20724 Centre Pointe Parkway, Unit 2, Santa Clarita, California, for Monem's residence, located on Monterey Dr. SE, Salem, Oregon, and for a safe deposit box maintained at Umpqua Bank by Fred and Karen Monem.

As a result of the L&L search warrant, books and records of L&L were obtained showing that payments made to Jamm, Inc. were recorded as consulting fees. \$75,000 in U.S. currency was seized from the Monem residence, and \$444,700 in U.S. currency was seized from the Monem's Umpqua safe deposit box.

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Financial Summary

I have reviewed the bank records for the period 09/14/2004 – 10/31/2006 of the seized Umpqua Bank checking account no. XXXXX6546 in the name of Jamm, Inc., owned by Karen Monem. The account was opened on 09/14/2004 and seized by the FBI on 01/10/2007. For the period 09/14/2004 – 10/31/2006, \$487,162.29 was deposited to the account. \$482,500 of the deposits were a direct result of criminal activity. Checks from L and L Inc. account for \$481,000 and a check from Maren, LLC accounts for \$1,500. \$4,048.23 in unknown funds and \$614.06 in purchase returns are the remaining deposits.

I have reviewed bank account information for the period 02/11/2003 – 10/17/2006, relating to the seized account of Karen and Fred Monem, account no. XXXXX9913, located at Umpqua Bank, Salem, Oregon. The account was opened on 02/11/2003 and seized by the FBI on 01/10/2007. Based on this review I have determined that from the period 02/11/2003 – 10/17/2006 total deposits to this account were \$230,062.04. Based on this review I have determined that \$230,062.04 was deposited into this account. The deposits included \$108,800.00 from Maren LLC, \$21,933.29 from JAMM Inc., \$26,400.00 from Fred Monem, \$34,000.00 from Karen Monem, \$14,000.00 in cash, \$11,028.75 from Farmers Insurance, and \$13,900.00 from other sources. Based on the above facts, I have probable cause to believe that funds in Umpqua Bank

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account no. XXXXX9913, in the name of Karen and Fred Monem, include proceeds derived from bribery and money laundering.

Purchase of a 2006 BMW 650Ci, VIN WBAEH13406CR49622

On or about December 24, 2005, Fred and Karen Monem used currency, a Maren company credit card, and monies from Umpqua bank account no. XXXXX9913 to purchase a 2006 BMW 650Ci, VIN WBAEH13406CR49622, from Delon Olds Company for \$80,138. I have reviewed records for Umpqua account no. 700009913 and records provided by Delon Olds Company. The following pertains to the purchase:

Purchase Price: \$80,138

10/12/2005	Cash Down Payment	\$ 1,000
10/31/2005	Cash Payment	\$ 3,000
10/31/2005	Maren Credit Card Payment	\$ 5,000
11/23/2005	Cash Payment	\$ 5,000
11/23/2005	Maren Credit Card Payment	\$ 6,000
12/13/2005	Cash Payment	\$ 6,000
12/19/2005	Cash Payment	\$ 6,000
12/27/2005	Maren Credit Card Payment	\$ 5,000
12/27/2005	Check #1106 Umpqua xx9913	\$25,000
12/31/2005	U.S. Bank Loan	<u>\$18,138</u>
Total.....		\$80,138

The U.S. Bank loan was paid off on July 14, 2006, utilizing \$17,376.32 from Jamm, Inc. account no. XXXXX6546, at Umpqua bank.

Purchase of a 2007 GMC Yukon Denali, VIN 1GKFK63887J217328

On or about October 12, 2006, Fred and Karen Monem used currency and monies from Umpqua bank account no. XXXXX9913 to purchase a 2007 GMC Yukon Denali from Willamette Pontiac Buick GMC for \$49,252.15. The following pertains to the purchase:

Purchase Price:	\$49,252.15
Less Mfg. Rebate:	\$ 1,500.00
Currency Down Payment	\$ 4,500.00
Umpqua no. xx9913 Check #1110	\$20,000.00
Loan	<u>\$23,252.15</u>
Total.....	\$49,252.15

Purchase of a 2006 Chevrolet Silverado Pickup Truck, VIN 2GCEK13T961213828

On or about May 29, 2006, Fred and Karen Monem purchased a 2006 Chevrolet Silverado pickup truck for \$38,977 from Capital Chevrolet in Salem, Oregon. I have reviewed records provided by Capital Chevrolet concerning the purchase of this vehicle. The following facts pertain to the purchase:

Purchase Price:	\$38,977
05/29/2006 Cash Down Payment	\$ 3,000
05/29/2006 Pmt with Credit Card	\$ 3,227
05/29/2006 Rebate	\$ 3,750
05/29/2006 Trade In Allowance	<u>\$29,000</u>
Total.....	\$38,977

Umpqua Account No. XXXXX9913	\$ 2,031.49
Umpqua Account No. XXXXX2099	\$ 410.32
Umpqua Account No. XXXXX6546	\$10,960.96
Fred & Karen Monem Wells Fargo	\$ 1,240.87
Unknown Source	<u>\$ 2,935.16</u>
Total.....	\$17,578.80


Based on the foregoing, I believe that the following payments towards the 2006 Chevrolet Silverado Pickup Truck, VIN #2GCEK13T961213828 were proceeds from fraud:

Down Payment:	\$ 3,000.00
Loan Pmts from Umpqua No. XXXXX9913	\$ 2,031.49
Loan Pmts from Umpqua No. XXXXX6546	<u>\$10,960.96</u>
Total.....	\$15,992.45

SUMMARY

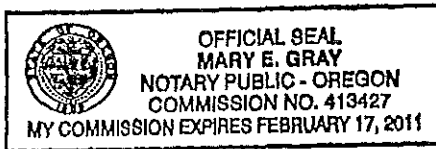
Based on the foregoing, I believe that probable cause exists to conclude that Fred and Karen Monem used proceeds derived from bribery, wire fraud, mail fraud, and money laundering to purchase a 2006 BMW 650Ci, VIN WBAEH13406CR49622, a 2007 GMC Yukon Denali, VIN 1GKFK63887J217328, and a 2006 Chevrolet Silverado pickup truck, VIN 2GCEK13T961213828, and that they are forfeitable pursuant to 18 U.S.C. § 981 as proceeds of bribery, mail

and wire fraud, and money laundering, in violation of 18 U.S.C. §§ 666, 1341, 1343, and 1957, or a conspiracy to violate such statutes.



TODD ANDERSON
Special Agent
IRS/CI

SUBSCRIBED AND SWORN to before me this 12th day of October, 2007.





NOTARY PUBLIC FOR OREGON