

**UNITED STATES ATTORNEY'S OFFICE
EASTERN DISTRICT OF MISSOURI**



NEWS RELEASE

MICHAEL W. REAP
Acting United States Attorney

For further information call (314) 539-2200

November 24, 2009
For Immediate Release

**EIGHT AREA MEN PLEAD GUILTY TO FEDERAL RACKETEERING CHARGES INVOLVING
CONSPIRACY TO TRANSFER CASH & CHECKS TO THE PALESTINIAN TERRITORIES**

St. Louis, MO: Eight members of a criminal enterprise operating out of five St. Louis area convenience stores have pled guilty to charges of federal racketeering or related charges, Acting United States Attorney Michael W. Reap and Roland Corvington, Special Agent in Charge, FBI St. Louis announced today.

As far back as 2000, the RICO conspiracy has involved bank fraud, receipt of stolen property, conducting an unlicensed money transmitting business, purchasing contraband cigarettes for resale, evading reporting requirement on exporting monetary instruments and transporting monetary instruments and funds to avoid reporting requirements.

According to plea agreements, the Hamed Organization was a criminal enterprise that operated primarily in the City of St. Louis and St. Louis County. Members and associates of the enterprise, many who are related to each other, raise money through legal and illegal means for themselves and to transfer money to entities in the Palestinian territories.

The convenience stores were utilized to receive and sell stolen goods, such as infant formula, computers, Global Positioning System devices and cigarettes. The enterprise bought the stolen property at rates significantly below fair market retail value and sold the items through the convenience stores at a large profit.

The criminal enterprise operated out of the following area convenience stores:

- **Regal Food I**, 4201 McRee Avenue, St. Louis
- **Regal Food II**, 3852 Virginia Avenue, St. Louis
- **Ferguson Market**, 9101 West Florissant Avenue, Ferguson
- **Prince Market**, 9826 St. Charles Rock Road, St. Louis
- **St. Louis Supermarket**, 4331 Natural Bridge Avenue, St. Louis

Individuals pleading guilty:

- **Bassam Hisham Hamed**, Florissant, Missouri, chief executive of the enterprise, pled guilty to conspiracy to structure the exportation of monetary instruments to avoid reporting requirements
 - **Ghandi Hisham Hamed**, Florissant, Missouri, leader of the enterprise and brother of Bassam Hamed, pled guilty to racketeering
 - **Ayoub Hisham Hamed**, Hazelwood, Missouri, brother of Bassam Hamed, pled guilty to conspiracy to structure the exportation of monetary instruments to avoid reporting requirements
 - **Said Jarabaa**, Florissant, Missouri, leader of the enterprise, pled guilty to racketeering
 - **Suhail Jarabaa**, Florissant, Missouri, brother of Said Jarabaa, pled guilty to conspiracy to structure the exportation of monetary instruments to avoid reporting requirements
 - **Mohammed Badwan**, Florissant, Missouri, brother of Mazen, pled guilty to racketeering
 - **Mazen Badwan**, Florissant, Missouri, brother of Mohammed, pled guilty to racketeering
 - **Nael Abdeljabbar**, Florissant, Missouri, pled guilty to racketeering
- These men appeared this afternoon before United States District Judge Charles A. Shaw and sentencing was set for March 2010.

Charges and maximum penalties:

- RICO conspiracy -- 20 years prison and/or fines up to \$250,000 or twice the gross profits/proceeds
- Conspiracy to structure in order to avoid reporting requirements -- five years prison and/or fines up to \$250,000

"The current necessity to assure that money transported overseas is not directed to terrorist organizations requires compliance with existing monetary laws. Willful flaunting of the regulations will be vigorously prosecuted as reflected by this case," said Reap.

Corvington said, "The pleas today culminate a multi-year investigation into a group of individuals sending ill-gotten gains overseas. The investigation and prosecution of organized criminals engaging in raising money to finance terrorism overseas is a top priority. The FBI Joint Terrorism Task Force is dedicated to not just arresting such individuals, but disrupting and dismantling all such operations."

Reap commended the work performed on this case by the FBI Joint Terrorism Task Force, Assistant United States Attorneys John J. Ware, Matthew Drake and Steven Holtshouser, who are handling the case for the U.S. Attorney's Office.