

**BEFORE THE BOARD OF DISCIPLINARY APPEALS
APPOINTED BY
THE SUPREME COURT OF TEXAS**

**IN THE MATTER OF
NAJMEH VAHID-DASTJERDI
STATE BAR CARD NO. 24075200**

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§

CAUSE NO. 53874

PETITION FOR COMPULSORY DISCIPLINE

TO THE BOARD OF DISCIPLINARY APPEALS:

Petitioner, the Commission for Lawyer Discipline (hereinafter called "Petitioner"), brings this action against Respondent, Najmeh Vahid-Dastjerdi, (hereinafter called "Respondent"), showing as follows:

1. This action is commenced by Petitioner pursuant to Part VIII of the Texas Rules of Disciplinary Procedure. Petitioner is also providing Respondent a copy of this Board's procedures for handling a compulsory discipline matter by attaching a copy of such procedures to this petition.

2. Respondent, Najmeh Vahid-Dastjerdi, may be served with a true and correct copy of this Petition for Compulsory Discipline, its attachments, as well as a notice of hearing, at Najmeh Vahid-Dastjerdi, #69666-280, 120 Cardinal, McAllen, Texas 78504.

3. On or about December 15, 2010, Najmeh Vahid-Dastjerdi was charged by Indictment (Exhibit 1) with Count 1- Conspiracy to Defraud the United States, in violation of 18 U.S.C. §371 and Count 2 – Conspiracy to Commit Money Laundering, in violation of 18 U.S.C. § 1956(h), in Case No. 10 CR 506-BR, styled *United States of America v. Hossein Lahiji; Najmeh Vahid; and Ahmad Iranshahi, a.k.a. "Farhad"*, in the United States District Court for the District of Oregon, Portland Division.

4. On or about December 3, 2013, an Amended Judgment in a Criminal Case (Exhibit 2) was entered in Case No. 3:10-CR-00506-02KI, styled *United States of America v. Najmeh Vahid*, in the United States District Court for the District of Oregon, wherein Respondent was found guilty of Count 1- Conspiracy to Defraud the Treasury Department of the United States, in violation of 18 U.S.C. §371 and Count 2 - Conspiracy to Commit Money Laundering, in violation of 18 U.S.C. § 1956(h) and was committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of twelve (12) months and one (1) day on each count, to be served concurrently. Respondent was ordered upon release from imprisonment to be on supervised release for three (3) years, ordered to pay an assessment of \$200.00, a fine of \$200,000.00 and restitution of \$973,503.00. Attached hereto and made a part hereof for all intents and purposes as if the same were copied verbatim herein, are true and correct copies of the following documents in the Vahid (Oregon) criminal case: Indictment (Exhibit 1) and Amended Judgment in a Criminal Case (Exhibit 2). Petitioner expects to introduce certified copies of Exhibits 1 and 2 at the time of hearing of this cause.

5. On or about May 8, 2013, Najmeh Vahid-Dastjerdi was charged by Third Superseding Indictment (Exhibit 3) with Count 1- Conspiracy to Commit Healthcare Fraud, in violation of 18 U.S.C. §§1347, 1349 and 2, Count 2 - Healthcare Fraud, in violation of 18 U.S.C. §§1347 and 2, Count 3 - Healthcare Fraud, in violation of 18 U.S.C. §§1347 and 2, Count 4 - Conspiracy to Violate the Iranian Sanctions, in violation of 50 U.S.C. §1705(a) and (c), Count 5 - Failure to File Report of Foreign Bank and Financial Accounts, 31 U.S.C. §§ 5314 and 5322, and Count 6 - Failure to File Report of Foreign Bank and Financial Accounts, 31 U.S.C. §§ 5314 and 5322, in Case No. H-11-030-S2, styled *United States of America v. Hossein Lahiji, M.D. and Najmeh Vahid Lahiji, a.k.a.*

Najmeh Vahid-Dastjerdi, Defendants, in the United States District Court for the Southern District of Texas, Houston Division.

6. On or about January 24, 2014, a Judgment in a Criminal Case (Exhibit 4) was entered in Case No. 4:11CR00030-002, styled *United States of America v. Najmeh Vahid Lahiji*, in the United States District Court for the Southern District of Texas, Holding Session in Houston, wherein Respondent pled guilty to Count 1SSS - Conspiracy to Commit Healthcare Fraud, in violation of 18 U.S.C. §§1347 and 1349, and Count 4SSS - Conspiracy to Violate the Iranian Sanctions, in violation of 50 U.S.C. §1705(a) and (c), and was committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of twelve (12) months and one (1) day on each count, to be served concurrently. Respondent was ordered upon release from imprisonment to be on supervised release for three (3) years, ordered to pay an assessment of \$200.00, a fine of \$1,250,000.00 and restitution of \$703,524.74. Attached hereto and made a part hereof for all intents and purposes as if the same were copied verbatim herein, are true and correct copies of the following documents in the Vahid Lahiji (Texas) criminal case: Third Superseding Indictment (Exhibit 3) and Judgment in a Criminal Case (Exhibit 4). Petitioner expects to introduce certified copies of Exhibits 3 and 4 at the time of hearing of this cause.

7 Respondent, Najmeh Vahid-Dastjerdi, whose bar card number is 24075200, is the same person as the Najmeh Vahid Lahiji and the Najmeh Vahid-Lahiji who is the subject of the Indictments and Judgments described above, true and correct copies of which are attached hereto as Exhibits 1 through 4.

8. Attached hereto as Exhibit 5 and made a part hereof for all intents and purposes as if the same were copied verbatim herein is a true and correct copy of an affidavit of Judith Gres DeBerry, Attorney of Record for Petitioner herein, attesting to the fact that Respondent is the same

person as the person who is the subject of the Indictments and Judgments entered in the criminal cases described above. Petitioner expects to introduce the original of said affidavit at the time of hearing of this cause.

9. The offenses for which Respondent was convicted are intentional crimes as defined by Rule 1.06(T), Texas Rules of Disciplinary Procedure. They are as well serious crimes as defined by Rule 1.06(Z), Texas Rules of Disciplinary Procedure.

10. Having pled guilty to intentional crimes, and such judgments being final, Respondent should be disbarred as provided in Rule 8.05, Texas Rules of Disciplinary Procedure.

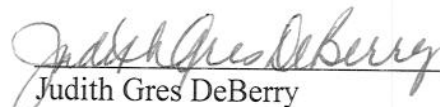
PRAYER

WHEREFORE, PREMISES CONSIDERED, Petitioner prays that Respondent be given notice of these proceedings as provided by law and, upon hearing of this matter, that the Board enter its order disbarring Respondent and for such other and further relief to which Petitioner may be entitled to receive including costs of court and attorney's fees.

Respectfully submitted,

Linda A. Acevedo
Chief Disciplinary Counsel

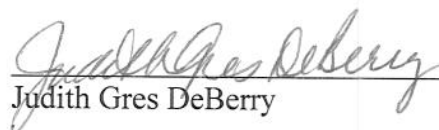
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ATTORNEYS FOR PETITIONER

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that a trial on the merits of the Petition for Compulsory Discipline heretofore sent to be filed with the Board of Disciplinary Appeals on this day, will be held in the courtroom of the Supreme Court of Texas, Tom C. Clark Building, 14th and Colorado Streets, Austin, Texas, at **9:00 a.m. on the 2nd day of May 2014.**


Judith Gres DeBerry

**SUPREME COURT OF TEXAS
BOARD OF DISCIPLINARY APPEALS
INTERNAL PROCEDURAL RULES**

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**SUPREME COURT OF TEXAS
BOARD OF DISCIPLINARY APPEALS
INTERNAL PROCEDURAL RULES**

SECTION 1: GENERAL PROVISIONS

Rule 1.01 Definitions

- (a) "BODA" is the Board of Disciplinary Appeals.
- (b) "Chair" is the member elected by BODA to serve as chairperson.
- (c) "Classification" is the determination pursuant to TEXAS RULES OF DISCIPLINARY PROCEDURE ("TRDP") 2.10 by the Chief Disciplinary Counsel ("CDC") whether a grievance constitutes a "complaint" or an "inquiry."
- (d) "Clerk" is the executive director or other person appointed by BODA to assume all duties normally performed by the clerk of a court.
- (e) "Executive Director" is the executive director of BODA.
- (f) "Panel" is any three-member grouping of BODA.
- (g) "Party" is a complainant, respondent, or the CDC.

Rule 1.02 General Powers

Pursuant to TRDP 7.08J, BODA shall have and exercise all the powers of either a trial court or appellate court, as the case may be, in hearing and determining disciplinary proceedings; except that BODA judgments and orders shall be enforced in accordance with TRDP 15.03.

Rule 1.03 Additional Rules in Disciplinary Matters

Except as varied by these rules and to the extent applicable, the TEXAS RULES OF CIVIL PROCEDURE ("TRCP"), TEXAS RULES OF APPELLATE PROCEDURE ("TRAP"), and TEXAS RULES OF EVIDENCE ("TRE") apply to all disciplinary matters before BODA, except appeals from classification decisions, which are governed by Section 3 of these Internal Rules.

Rule 1.04 Appointment of Panels

- (a) BODA may consider any matter or motion through appointment of a panel, except as specified in subpart (b) of this Rule. The chair may delegate appointment of panels for any BODA action to the executive director. Decisions shall be by a majority vote of the panel; however, any panel member may refer a matter for consideration by BODA sitting *en banc*. Nothing

contained in these rules shall be construed to give a party the right to be heard by BODA sitting *en banc*.

(b) Any disciplinary matter naming a BODA member as respondent shall be considered by BODA sitting *en banc*.

Rule 1.05 Record Retention

Records of appeals from classification decisions shall be retained by the BODA clerk for a period of at least three (3) years from the date of disposition. Records of other disciplinary matters shall be retained for a period of at least five (5) years from the date of final judgment, or for at least one (1) year after the date a suspension or disbarment ends, whichever is later.

Rule 1.06 Trial Briefs

In any disciplinary proceeding before BODA, all trial briefs and memoranda must be filed with the clerk no later than ten (10) days before the hearing, except upon leave of BODA.

Rule 1.07 Service

In any disciplinary proceeding before BODA initiated by service of a petition upon the respondent, service shall be by personal service, certified mail with return receipt requested and delivery restricted to respondent as addressee only, or in any other manner permitted by applicable rule(s) and authorized by BODA that is reasonably calculated under all the circumstances to apprise the respondent of the proceeding and to give him or her reasonable time to appear and answer. The CDC may serve a petition by certified mail itself without the appointment of a private process server. To establish service by certified or registered mail, the return receipt must contain the respondent's signature.

Rule 1.08 Publication

The office of the CDC shall publish these rules as part of the TDRPC and TRDP and notify each respondent in a compulsory discipline, reciprocal discipline, revocation of probation, or disability matter filed with BODA where these rules are available.

Rule 1.09 Photocopying Costs

The clerk of BODA may charge to the requestor a reasonable amount for the reproduction of non-confidential documents filed with BODA. BODA may set a fee for the reproduction of documents. The fee shall include compensation for staff and recovery of actual production costs.

Rule 1.10 Abstracts

BODA may, in its sole discretion, periodically prepare abstracts of inquiries, grievances, or disciplinary proceedings for publication pursuant to Texas Gov't Code § 81.072(b)(3) and Part VI of the TRDP.

Rule 1.11 Hearing Setting and Notice

(a) **Original Petitions.** For any compulsory case, reciprocal case, revocation of probation, or other matter initiated by the CDC filing a petition with BODA, the CDC may contact the BODA clerk for the next regular available hearing date before filing the original petition. The CDC may then include in the petition a hearing notice specifying the date, time, and place of the hearing. The hearing date must be at least thirty (30) days from the date that the petition is served on the respondent, except in the case of a petition to revoke probation.

(b) **Filing without notice.** The CDC may file any matter with BODA without first obtaining a hearing date so long as it thereafter serves notice on the respondent of the date, time, and place of the hearing in accordance with TRCP 21a (or other applicable TRCP) at least thirty (30) days before the hearing date, except in the case of a petition to revoke probation.

(c) **Expedited settings.** If a party desires a hearing on a matter on a date other than the next regular available BODA hearing date, the party may request an expedited setting in a written motion setting out the reasons for the request. The expedited hearing setting must be at least thirty (30) days from the date of service of the petition, motion or other pleading, except in the case of a petition to revoke probation. BODA may grant or deny a request for an expedited hearing date in its sole discretion.

(d) **Setting notices.** BODA shall notify the parties by first class mail of any hearing date, other than a hearing set on the next regularly available hearing date as noticed in an original petition or motion.

(e) **Announcement docket.** Attorneys and parties appearing before BODA shall check in with the BODA clerk in the courtroom immediately prior to the time docket call is scheduled to begin. The chair will call an announcement docket immediately following the call to order of BODA hearings. Attorneys for each party with a matter on the docket shall appear at that time to give their announcement of readiness, a time estimate for the hearing, and any preliminary motions or matters. The chair will set and announce the order of cases to be heard following the docket announcements.

Rule 1.12 Time to Answer

An answer to any matter pending before BODA may be filed at any time prior to the day of the hearing on the merits except where expressly provided otherwise by these rules or the TRDP, or when an answer date has been set by prior order of BODA. BODA may, but is not required to, consider an answer filed the day of the hearing.

Rule 1.13 Facsimile and Electronic Filing

(a) Any document required to be filed with BODA may be filed by facsimile transmission with a copy to the BODA clerk by first class mail. A document filed by facsimile will be considered filed the day it is received if received before 5:00 p.m. on a regular business day. Any document received by facsimile after 5:00 p.m. or received on a weekend or holiday officially observed by the State of Texas will be considered filed the next regular business day.

(b) Any document required to be filed with BODA may be filed by emailing a copy of the document file to the email address designated by BODA for that purpose with a copy sent to the BODA clerk by first class mail. A document filed by email will be considered filed the day it is received if received before 5:00 p.m. on a regular business day. Any document received by email after 5:00 p.m. or received on a weekend or holiday officially observed by the State of Texas will be considered filed the next regular business day. The date and time of receipt shall be determined by the date and time shown on the BODA clerk's email.

(c) It is the responsibility of the party filing a document by facsimile or email to obtain the correct telephone number or email address for BODA and confirm that the document was received by BODA in legible form. Any document which is illegible or which cannot be opened as part of an email attachment by BODA will not be considered received or filed. Parties using facsimile or email filing must still comply with TRCP requirements for signatures.

(d) Papers will not be deemed filed if sent to any individual BODA member or other office or address.

Rule 1.14 Hearing Exhibits

Counsel should provide an original and twelve copies of any document, pleading, exhibit, or other material which the attorney intends to offer or otherwise make available to the BODA members at a hearing and not already filed with BODA prior to the hearing.

Rule 1.15 BODA Work Product and Drafts

Without limiting any exceptions or exemptions from disclosure contained in any other rules or statutes, a document or record of any nature, regardless of electronic or physical form, characteristics, or means of transmission, created or produced in connection with or related to BODA's adjudicative decision-making process is not subject to disclosure or discovery. This includes documents prepared by any BODA member, by BODA staff or interns, or any other person acting on behalf of or at the direction of BODA.

Rule 1.16 BODA Opinions

(a) BODA may render judgment with or without written opinion in any disciplinary matter. In accordance with TRDP 6.06, all written opinions of BODA are open to the public and shall be made available to the public reporting services, print or electronic, for publishing. A majority of the members who participate in considering the disciplinary matter must determine if an opinion will be written. The names of the participating members must be noted on all written opinions of BODA.

(b) Only a member who participated in the decision of a disciplinary matter may file or join in a written opinion concurring in or dissenting from the judgment of BODA. For purposes of this Rule, in hearings in which evidence is taken, no member may participate in the decision unless that member was present at the hearing. In all other proceedings, no member may participate unless that member has reviewed the record. Any member of BODA may file a written opinion in connection with the denial of a hearing or rehearing en banc.

(c) A BODA determination in an appeal from a grievance classification decision under TRDP 2.10 is not a judgment for purposes of this Rule and may be issued without a written opinion.

SECTION 2: ETHICAL CONSIDERATIONS

Rule 2.01 Representing or Counseling Parties in Disciplinary Matters And Legal Malpractice Cases

(a) No current member of BODA shall represent a party with respect to any disciplinary action or proceeding. No current member of BODA shall testify voluntarily or offer to testify voluntarily on behalf of a party in any disciplinary action or proceeding.

(b) No current BODA member may serve as an expert witness providing opinions regarding the TDRPC.

(c) A BODA member may represent a party in a legal malpractice case, provided that he or she is later recused in accordance with these rules from any proceeding before BODA arising out of the same facts.

Rule 2.02 Confidentiality

(a) All BODA deliberations are confidential and shall not be disclosed by BODA members or staff. Classification appeals files and disability suspension files are confidential pursuant to the TRDP.

(b) If subpoenaed or otherwise compelled by law to testify in any proceeding, members of BODA shall not disclose matters discussed in conference concerning any disciplinary case, unless required to do so by a court of competent jurisdiction. If subpoenaed or otherwise compelled to attend any disciplinary proceeding, including depositions, a member of BODA shall promptly notify the chair of BODA and the CDC.

Rule 2.03 Disqualification and Recusal of BODA Members

(a) BODA members are subject to disqualification and recusal respectively as provided in TRCP 18b.

(b) BODA members may, in addition to recusals pursuant to (a) above, voluntarily recuse themselves from any discussion and voting for any other reason.

(c) Nothing in these rules shall impute disqualification to lawyers who are members of or associated with BODA members' firms from serving on grievance committees or representing parties in disciplinary or legal malpractice cases; however, BODA members shall recuse themselves from any matter in which any lawyer who is a member of or associated with a BODA member's firm represents a party in any disciplinary proceeding or before BODA.

Rule 2.04 Communications with BODA

Correspondence or other communications relative to any matter pending before BODA must be conducted with the clerk and shall not be addressed directly to or conducted with any BODA member.

SECTION 3: CLASSIFICATION APPEALS

Rule 3.01 Notice of Appeal

(a) If the grievance filed by the complainant is not classified as a complaint, the CDC shall notify the complainant of his or her rights to appeal as set out in TRDP 2.10 or other applicable rule.

(b) To facilitate the potential filing of an appeal, the CDC shall send the complainant an Appeal Notice form with the classification disposition which shall include, but is not limited to, the docket number of the matter, the time deadline for appealing as set out in TRDP 2.10 or other applicable provision, and information for mailing or faxing the Appeal Notice to BODA.

Rule 3.02 Complaint on Appeal

BODA shall review only the original grievance on appeals from classification decisions. The CDC shall forward a copy of the complete grievance to BODA with supporting documentation as originally filed. BODA shall not consider any supplemental information which was not reviewed as part of the original screening and classification decision.

Rule 3.03 Notice of Disposition

BODA shall mail complainant, respondent, and the CDC written notice of the decision of the appeal by first class mail to the addresses provided BODA by the CDC in the appeal transmittal.

SECTION 4: APPEALS FROM EVIDENTIARY PANEL HEARINGS

Rule 4.01 Signing, Filing, and Service

(a) **Signing.** Each brief, motion or other paper filed shall be signed by at least one attorney for the party or by the party *pro se* and shall give the State Bar of Texas identification number, mailing address, telephone number, email address, and telecopier number, if any, of each attorney whose name is signed thereto, or of the party (if applicable).

(b) **Number of Copies.** Each party shall file an original and two (2) copies of all briefs and motions with the clerk. Only one copy of the clerk's record and reporter's record shall be filed.

(c) **Service.** Copies of all papers other than the record filed by any party shall, at or before the time of filing, be served on all other parties as required and authorized by the TRAP.

Rule 4.02 Computation of Time

(a) **Beginnings of Periods.** The date the chair of the evidentiary panel signs its decision shall constitute the date of notice under TRDP 2.21.

(b) **TRAP Followed.** Computation of time for purposes of this section shall follow TRAP 4.1 and 9.2(b).

Rule 4.03 Record on Appeal

(a) **Contents.** The record on appeal shall consist of a clerk's record and where necessary to the appeal, a reporter's record.

(b) **Stipulation as to Record.** The parties may designate parts of the clerk's record and reporter's record to be included in the record on appeal by written stipulation filed with the custodian of records of the evidentiary panel.

(c) **Responsibility for Filing Record.** The custodian of records of the evidentiary panel is responsible for preparing, certifying, and timely filing the clerk's record if a notice of appeal has been filed. The court reporter is responsible for timely filing the reporter's record if a notice of appeal has been filed, the appellant has requested that the reporter's record be prepared, and the party responsible for initiating the appeal has paid the reporter's fee or has made satisfactory arrangements with the reporter. The party initiating the appeal shall pay the cost of preparing the record.

(d) **Clerk's Record.**

- (1) Unless otherwise stipulated by the parties, the clerk's record on appeal shall include all papers on file with the evidentiary panel, including, but not limited to, the election letter, all pleadings upon which the hearing was held, the docket sheet, the evidentiary panel's charge, the final hearing order with attachments or exhibits, any findings of fact and conclusions of law, all other pleadings, the judgment or other order(s) appealed from, the notice of decision sent each party, any post-submission pleadings and briefs, and any notice of appeal.
- (2) Upon receipt of a copy of the notice of appeal, the custodian of records in the individual CDC office which conducted the evidentiary hearing shall prepare and transmit the clerk's record to BODA. If the CDC is unable for any reason to prepare and transmit the clerk's record by the due date, it shall promptly notify BODA and the parties, explain the reason(s) why it cannot be timely filed, and give the date by which it expects the clerk's record can be filed.
- (3) The clerk's record should be in the following form:
 - (i) contain a detailed index identifying each document included in the record, the date of filing, and the page where it first appears;

- (ii) arranged in ascending chronological order by document by date of filing or occurrence;
- (iii) tabbed with heavy index tabs to show the beginning of each document;
- (iv) consecutively numbered in the bottom right-hand corner of the pages;
- (v) bound together so that the record will lie flat when opened; and
- (vi) contain the custodian's certification that the documents contained in the clerk's record are true and correct copies and are all the documents required to be filed.

(e) **Reporter's Record.** The appellant, at or before the time prescribed for perfecting the appeal, shall make a written request to the official reporter for the reporter's record, designating the portion of the evidence and other proceedings to be included. A copy of such request shall be filed with the evidentiary panel and BODA and be served on the appellee. The reporter's record shall be certified by the official court reporter.

(f) **Non-Stenographic Recordings.** All testimony and evidence may be recorded at the evidentiary hearing by means other than stenographic recording, including videotape recordings; however, the non-stenographic recording shall not dispense with the requirement of a stenographic transcription of the hearing. In appeals to BODA, the non-stenographic recording must be transcribed and the transcription filed as the reporter's record.

(g) **Other Requests.** At any time before the clerk's record is prepared or within ten (10) days after service of a copy of appellant's request for the reporter's record, any party may request additional portions of the evidence and other proceedings to be included therein.

(h) **Inaccuracies or Defects.** Any inaccuracies in the record may be corrected by an agreement of the parties. Any dispute regarding the reporter's record shall be submitted by BODA to the evidentiary panel for resolution and to conform the reporter's record.

Rule 4.04 Time to File Record

(a) **Timetable.** The clerk's record and reporter's record (including a non-stenographic recording which has been transcribed) shall be filed with the BODA clerk within thirty (30) days after the date the notice of appeal is received by BODA. Failure to file either the clerk's record or the reporter's record within such time shall not affect BODA's jurisdiction, but shall be grounds for BODA exercising its discretion to dismiss the appeal, affirm the judgment appealed from, disregard materials filed late, or to apply presumptions against the appellant.

(b) **If No Record Filed.**

- (1) If the clerk's record or reporter's record has not been timely filed, the BODA clerk must send notice to the party responsible for filing it, stating that the record is late and requesting that the record be filed within thirty (30) days. The BODA clerk must send a copy of this notice to all the parties and the evidentiary panel.
- (2) If no reporter's record is filed due to appellant's fault, and if the clerk's record has been filed, BODA may, after first giving the appellant notice and reasonable opportunity to cure, consider and decide those issues or points that do not require a reporter's record for a decision. BODA may do this if no reporter's record has been filed because:
 - (i) the appellant failed to request a reporter's record; or
 - (ii)(a) appellant failed to pay or make arrangements to pay the reporter's fee to prepare the reporter's record; and
 - (b) the appellant is not entitled to proceed without payment of costs.

(c) **Supplemental Record.** If anything material to either party is omitted from the clerk's record or reporter's record BODA may, upon written motion of a party or upon its own motion, direct a supplemental record to be certified and transmitted by the CDC or the official court reporter.

Rule 4.05 Copies of the Record

The record shall not be withdrawn from the custody of the BODA clerk. Any party may obtain a copy of the record or any designated part thereof by making written request to the clerk and paying copying charges.

Rule 4.06 Requisites of Briefs

(a) **Appellant's Filing Date.** Appellant's brief must be filed within thirty (30) days after the later of the date on which the clerk's record or the reporter's record was timely filed.

(b) **Appellee's Filing Date.** Appellee's brief must be filed within thirty (30) days after the filing of appellant's brief.

(c) **Contents.** Briefs shall contain:

- (1) a complete list of the names and addresses of all parties to the final decision and their counsel;
- (2) a table of contents with page references where the discussion of each point relied upon may be found and also an index of authorities alphabetically arranged, together with reference to the pages of the brief where the same are

cited. The subject matter of each point or group of points shall be indicated in the table of contents;

- (3) a brief general statement of the nature of the cause or offense and the result;
- (4) a statement of the points upon which an appeal is predicated or the issues presented for review;
- (5) a brief of the argument;
- (6) prayer for relief; and,
- (7) an appendix consisting of copies of pertinent parts of the record upon which the party relies.

(d) **Length of Briefs.** Briefs shall be typewritten or otherwise legibly printed on letter-size (8½" x 11") paper and shall not exceed fifty (50) pages in length, exclusive of pages containing names and addresses of parties, table of contents, index of authorities, points of error, and any addenda or appendix containing statutes, rules, regulations, etc., except upon leave of BODA.

(e) **Amendment or Supplementation.** Briefs may be amended or supplemented upon leave of BODA.

(f) **Failure to File a Brief.** If the appellant fails to timely file a brief, BODA may:

- (1) dismiss the appeal for want of prosecution, unless the appellant reasonably explains the failure and the appellee is not significantly injured by the appellant's failure to timely file a brief; or
- (2) decline to dismiss the appeal and give further direction to the case as it considers proper.

Rule 4.07 Oral Argument

(a) **Request.** A party desiring oral argument before BODA shall request same in writing and include the request in the notice of appeal or on the front cover of that party's first brief. BODA may grant or deny the request in its sole discretion. If oral argument is granted, the clerk shall notify the parties of the time and place for submission. BODA may also advance cases without oral argument or direct parties on its own initiative to appear and submit oral argument on a case. The parties may agree to submit the case without argument after requesting same.

(b) **Time Allowed.** Each party shall have twenty (20) minutes in which to argue. BODA may, upon request of a party or in its discretion, extend or shorten the time allowed for oral argument.

Rule 4.08 Motions Generally

An application for an order or other relief shall be made by filing a motion with the BODA clerk for same supported by sufficient cause with proof of service on all other parties. The motion shall state with particularity the grounds on which it is based and set forth the relief sought. All supporting briefs, affidavits, or other papers shall be served and filed with the motion. A party may file a response to a motion at any time before BODA rules on the motion or by any deadline set by BODA. BODA may determine a motion before a response is filed.

Rule 4.09 Motions for Extension of Time

(a) **When due.** Any request for extension of time other than to file a brief must be filed with the BODA clerk no later than fifteen (15) days after the last day allowed for filing the item in question.

(b) **Contents.** All motions for extension of time shall be in writing, comply with BODA Internal Procedural Rule 4.08, and specify the following:

- (1) the date of notice of decision of the evidentiary panel, together with the number and style of the case;
- (2) if the appeal has been perfected, the date when the appeal was perfected;
- (3) the original deadline for filing the item in question;
- (4) the length of time requested for the extension;
- (5) the number of extensions of time which have been granted previously regarding the item in question; and,
- (6) the facts relied upon to reasonably explain the need for an extension.

(c) **For Filing Reporter's Record.** When an extension of time is requested for filing the reporter's record, the facts relied upon to reasonably explain the need for an extension must be supported by an affidavit of the court reporter, which shall include the court reporter's estimate of the earliest date when the reporter's record will be available for filing.

Rule 4.10 Decision and Judgment

(a) **Decision.** BODA may affirm in whole or in part the decision of the evidentiary panel, modify the panel's finding(s) and affirm the finding(s) as modified, reverse in whole or in part the panel's finding(s) and render such decision as the panel should have rendered, or reverse the panel's finding(s) and remand the cause for further proceedings to be conducted by:

- (1) the panel that entered the finding(s); or,

- (2) a statewide grievance committee panel appointed by BODA and composed of members selected from the state bar districts other than the district from which the appeal was taken.

(b) **Notice of Orders and Judgment.** When BODA renders judgment or grants or overrules a motion, the clerk shall give notice to the parties or their attorneys of record of the disposition made of the cause or of the motion, as the case may be. The notice shall be given by first-class mail and be marked so as to be returnable to the clerk in case of nondelivery.

(c) **Mandate.** In every case where BODA reverses or otherwise modifies the judgment appealed from, BODA shall issue a mandate in accordance with its judgment and deliver it to the evidentiary panel.

Rule 4.11 Involuntary Dismissal

Under the following circumstances and on any party's motion or on its own initiative after giving at least ten days' notice to all parties, BODA may dismiss the appeal or affirm the appealed judgment or order. Dismissal or affirmance may occur if the appeal is subject to dismissal

- (a) for want of jurisdiction;
- (b) for want of prosecution; or
- (c) because the appellant has failed to comply with a requirement of these rules, a court order, or a notice from the clerk requiring a response or other action within a specified time.

SECTION 5: PETITIONS TO REVOKE PROBATION

Rule 5.01 Initiation and Service

(a) Before filing a motion with BODA seeking to revoke the probation of an attorney who has been sanctioned, the CDC shall contact the BODA clerk to confirm whether the next regular available hearing date will comply with the thirty-day requirement of TRDP. The chair may designate a three-member panel to hear the motion, if necessary, to meet the thirty-day requirement of TRDP 2.23.

(b) Upon filing of the motion, the CDC shall serve the respondent in accordance with TRDP 2.23 with the motion and supporting documents, if any, in accordance with the TRCP and these rules. The CDC shall notify BODA of the date service is obtained on the respondent.

Rule 5.02 Hearing

Within thirty (30) days of service of the motion on the respondent, BODA shall docket and set the matter for a hearing and notify the parties of the time and place for the hearing; however, upon a showing of good cause by a party or upon its own motion, BODA may continue the case to a future hearing date as circumstances require.

SECTION 6: COMPULSORY DISCIPLINE MATTERS

Rule 6.01 Initiation of Proceeding

Pursuant to TRDP 8.03, the CDC shall file a petition for compulsory discipline with BODA and serve the respondent in accordance with the TRDP and Rule 1.07 above.

Rule 6.02 Notice of Decision

The BODA clerk shall mail a copy of the judgment to the parties within ten (10) days from the date the decision is signed by the chair. Transmittal of the judgment shall include all information required by the TRDP and the Supreme Court.

SECTION 7: RECIPROCAL DISCIPLINE MATTERS

Rule 7.01 Initiation of Proceeding

(a) Pursuant to TRDP 9.01 and 9.02, the CDC shall file a petition for reciprocal discipline with BODA when information is received indicating that an attorney licensed to practice law in Texas has been disciplined in another jurisdiction.

(b) The petition shall request that the respondent be disciplined in Texas and have attached to it any information concerning the disciplinary matter from the other jurisdiction including a copy of the order or judgment, if any, rendered against the respondent. The CDC shall serve the respondent in accordance with Rule 1.07 above.

Rule 7.02 Order to Show Cause

Upon the filing of the petition with BODA, the chair shall immediately issue a show cause order including a hearing setting notice and forward it to the CDC, who shall serve the order on the respondent. The CDC shall notify BODA of the date service is obtained.

Rule 7.03 Attorney's Response

If, on or before the thirtieth day after service of the show cause order and hearing notice by the CDC, the respondent does not file an answer but thereafter appears at the hearing, BODA may, at the discretion of the chair, receive testimony from the respondent relating to the merits of the petition for reciprocal discipline.

SECTION 8: DISTRICT DISABILITY COMMITTEE HEARINGS

Rule 8.01 Appointment of District Disability Committee

(a) If the evidentiary panel of the grievance committee finds pursuant to TRDP 2.17P(2) or the CDC believes pursuant to TRDP 2.14C that a respondent is suffering from a disability, the rules in this section shall apply to the District Disability Committee *de novo* proceeding held pursuant to TRDP Part XII.

(b) Upon receiving an evidentiary panel's finding or the CDC's report that an attorney is believed to be suffering from a disability, the BODA chair shall appoint a District Disability Committee in compliance with TRDP 12.02 and designate a chair. The BODA clerk shall notify the CDC and respondent that a committee has been appointed and notify the respondent where the procedural rules governing disability proceedings are available.

(c) A respondent notified to appear at a District Disability Committee hearing may, at any time, waive that hearing in writing and enter into an agreed judgment of indefinite disability suspension or probated suspension, provided that the respondent is competent to so waive the hearing. If the respondent is not represented, the waiver shall include a statement by the respondent that he has been advised of his right to have counsel appointed for him and that he waives that right.

(d) All pleadings, motions, briefs, or other matters to be filed with the District Disability Committee shall be filed with the BODA clerk.

(e) Should any member of the District Disability Committee become unable to serve, the BODA chair may appoint a substitute member.

Rule 8.02 Hearing Order

(a) Upon being notified that the District Disability Committee has been appointed by BODA, the CDC shall, within twenty (20) days, file with the BODA clerk and then serve upon the respondent either in person or by certified mail, return receipt requested with delivery restricted to the respondent as addressee with a copy by first class mail, a proposed hearing order containing a list of names and addresses of all witnesses expected to be called to testify before the District Disability Committee and all exhibits expected to be offered. If service is by certified mail, the return receipt with the respondent's signature must be filed with the BODA clerk.

(b) The respondent shall, within twenty (20) days after receiving the CDC's proposed hearing order, file with the BODA clerk and serve the CDC by certified mail a proposed hearing order including a list of names and addresses of all witnesses expected to be called to testify before the District Disability Committee and all exhibits expected to be offered. Respondent's failure to timely file the proposed hearing order will not affect the responsibility of the District Disability Committee to issue a final hearing order.

(c) The District Disability Committee chair may adopt either the CDC's proposed hearing order, the respondent's proposed hearing order, or an order of his or her own. The BODA clerk shall prepare the final hearing order at the instruction of the District Disability Committee chair and send to the parties by first class mail. The BODA clerk shall set the final hearing date at the instruction of the chair. The adopted order shall be the final hearing order and shall contain a date, time, and place for the hearing. That order may contain provisions requiring a physical or mental examination of the respondent.

(d) Requests for an extension of time to file the proposed hearing order by either party must be by written motion filed with the BODA clerk.

Rule 8.03 Provisions for Physical or Mental Examinations

(a) Upon motion by the CDC or upon its own motion, the District Disability Committee may order the respondent to submit to a physical and/or mental examination by a qualified health care or mental health care professional. The respondent shall be given reasonable notice of the examination by written order specifying the name, address, and telephone number of the person conducting the examination. Any objections(s) to the motion for an exam and request for a hearing shall be filed with the BODA clerk within fifteen (15) days of receipt of the motion.

(b) The examining professional shall file with the BODA clerk his detailed written report setting out findings, including results of all tests made, diagnoses and conclusions, and deliver a copy to the CDC and to the respondent.

(c) Nothing contained herein shall be construed to limit the respondent's right to an examination by a professional of his choice in addition to any exam ordered by BODA.

Rule 8.04 Ability to Compel Attendance

The respondent and the CDC may, if they so choose, confront and cross-examine witnesses at the hearing. Compulsory process to compel the attendance of witnesses, enforceable by an order of a district court of proper jurisdiction, is available to the respondent and the CDC, by requesting a subpoena be issued as provided in TRCP 176.

Rule 8.05 Respondent's Right to Counsel

(a) The notice to the respondent that a District Disability Committee has been appointed and the notice transmitting the CDC's proposed hearing order shall state that the respondent may request appointment of counsel by BODA to represent him or her at the disability hearing.

(b) If the respondent wishes to have counsel appointed pursuant to TRDP Rule 12.02, a written request must be filed with the BODA clerk within sixty (60) days of the date respondent receives the CDC's proposed hearing order. Any request for appointment of counsel after sixty (60) days from the date of receipt of the proposed hearing order must show good cause for the failure to do so timely and that the request is not sought for delay only.

Rule 8.06 Limited Discovery

(a) In the sole discretion of the District Disability Committee, limited discovery is permissible upon a clear showing of good cause and substantial need. The parties seeking discovery must file with the BODA clerk a verified written request for discovery showing good cause and substantial need with the proposed hearing order.

(b) If good cause and substantial need are demonstrated, the District Disability Committee shall by written order permit the discovery, including in the final hearing order limitations or deadlines on the discovery. Such discovery, if any, as may be permitted, must be conducted by methods provided in the TRCP in effect at the time and may upon motion be enforced by a district court of proper jurisdiction.

(c) A decision of a District Disability Committee on a discovery matter may be reviewed only on appeal of the entire case. A reversal of the case may not be based upon the granting or denial of a discovery request without a showing of material unfairness or substantial harm.

Rule 8.07 Hearing

(a) The party seeking to establish the disability must prove by a preponderance of the evidence that the respondent is suffering from a disability as defined in the TRDP. The chair of the District Disability Committee shall admit all such probative and relevant evidence as he or she deems necessary for a fair and complete hearing, generally in accord with the TRE; provided, however, that the admission or exclusion of evidence shall be in the sole discretion of the chair. No ruling on evidence shall be a basis for reversal solely because it fails to strictly comply with the TRE.

(b) Such proceedings shall begin and conclude no earlier than thirty (30) days from the date the respondent receives the CDC's proposed hearing order nor later than ninety (90) days from that date; however, failure to do so does not affect the jurisdiction of the District Disability Committee to act. Nothing herein shall be construed to limit the parties' right to request a continuance of the hearing for good cause.

(c) If the Committee is unable for any reason to hold a hearing within ninety (90) days of the date the respondent receives the proposed hearing order, BODA may appoint a new committee to handle the case.

Rule 8.08 Notice of Decision

The District Disability Committee shall certify its finding and any recommendations to BODA which shall issue the final judgment in the matter.

Rule 8.09 Confidentiality

All proceedings before the District Disability Committee are closed to the public. All matters before the District Disability Committee are confidential and are not subject to disclosure, except as allowed by the TRDP or as may be required in the event of an appeal to the Supreme Court.

SECTION 9: DISABILITY REINSTATEMENTS

Rule 9.01 Petition for Reinstatement

(a) An attorney under an indefinite disability suspension may, at any time after he or she has been suspended, file a verified petition with BODA to have the suspension terminated and to be reinstated to the practice of law. All such petitions shall be filed with the BODA clerk. The petitioner shall also serve a copy of the petition on the CDC as set forth in TRDP 12.06. After the petition is filed, the TRCP shall apply except when in conflict with these rules. Service shall be in accordance with the TRDP and these rules.

(b) The petition shall set forth the information required by TRDP 12.06. If the judgment of disability suspension contained terms or conditions relating to misconduct by the petitioner prior to the suspension, the petition shall affirmatively demonstrate that those terms have been complied with or explain why they have not been satisfied. The petitioner has a duty to amend and keep current all information in the petition until the final hearing on the merits. Failure to do so may result in dismissal without notice.

(c) Disability reinstatement proceedings before BODA are not confidential; however, BODA may seal all or any part of the record of the proceeding.

Rule 9.02 Discovery

The parties shall have sixty (60) days from the date of the filing of the petition for reinstatement in which to conduct discovery. The matter shall be set for a hearing by the BODA clerk on the next available hearing date after the expiration of the sixty (60) days, and the clerk shall so notify the parties of the time and place of the hearing. Nothing contained herein shall preclude either party from requesting a continuance for good cause.

Rule 9.03 Physical or Mental Examinations

(a) BODA may order the petitioner seeking reinstatement to submit to a physical and/or mental examination by a qualified health care or mental health care professional upon written motion of the CDC or its own motion. The petitioner shall be served with a copy of the motion and given at least seven (7) days to respond. BODA may grant or deny the motion with or without a hearing.

(b) The petitioner shall be given reasonable notice of the examination by written order specifying the name, address and telephone number of the person conducting the examination.

(c) The examining professional shall deliver to BODA and the parties a copy of a detailed written report setting out findings, including results of all tests made, diagnoses and conclusions.

(d) If the petitioner fails to submit to an examination as ordered, BODA may dismiss the petition without notice.

(e) Nothing contained herein shall be construed to limit the petitioner's right to an examination by a professional of his choice in addition to any exam ordered by BODA.

Rule 9.04 Judgment

If, after hearing all the evidence, BODA determines that the petitioner is not eligible for reinstatement, BODA may, in its discretion, either enter an order denying the petition or direct that the petition be held in abeyance for a reasonable period of time until the petitioner provides additional proof as directed by BODA. The judgment may include such other orders as protecting the public and the petitioner's potential clients may require.

SECTION 10: APPEALS FROM BODA TO THE SUPREME COURT

Rule 10.01 Docketing by the Clerk

(a) All appeals to the Supreme Court from determinations by BODA on a decision of a District Grievance Committee's evidentiary panel concerning the imposition or failure to impose sanctions, appeals from determinations on compulsory discipline, reciprocal discipline, revocations of probation, and disability suspensions will be docketed by the clerk of the Supreme Court in the same manner as petitions for review.

(b) No fee shall be charged by the clerk for filing any appeal from BODA decisions.

(c) The notice of appeal must be filed directly with the clerk of the Supreme Court within fourteen (14) days after receipt of notice of a final determination by BODA. The record must be filed within sixty (60) days after BODA's determination. The appealing party's brief is due thirty (30) days after the record, and the responding party's brief must be filed within thirty (30) days thereafter.

(d) The BODA clerk shall include the information contained in subpart (c) above with transmittal of each final determination to the parties.

Rule 10.02 Appellate Rules to Apply

(a) The TRAP will apply to these appeals to the extent they are relevant. Oral argument may be granted on motion. The case shall be reviewed under the substantial evidence rule. The Court's decisions on sanctions, compulsory discipline, reciprocal discipline, revocations of probation, and disability suspension cases will be announced on the Court's orders. Following review by the Court, these appeals will be available for public inspection in the office of the Clerk of the Supreme Court, unless the file or some portion thereof is confidential under the TRDP.

(b) The Court may affirm a decision of BODA by order without written opinion.

FILED 10 DEC 15 10 42 AM '10

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON
PORTLAND DIVISION

UNITED STATES OF AMERICA,

Case No. 10 CR 506-BR

v.

INDICTMENT

HOSSEIN LAHIJI;

Title 18 U.S.C. § 371: Conspiracy to
Defraud the United States (Count 1)

NAJMEH VAHID; and

Title 18 U.S.C. § 1956(h): Conspiracy to
Commit Money Laundering

AHMAD IRANSHAHI,
a.k.a. "Farhad;"

18 U.S.C. § 982(a)(1): Forfeiture

Defendants.

THE GRAND JURY CHARGES:

Introductory allegations

At all times relevant to this indictment:

1. Defendant HOSSEIN LAHIJI was a naturalized citizen of the United States and a physician residing in Texas. Defendant NAJMEH VAHID a.k.a. LAHIJI was a permanent resident of the United States and the wife of defendant HOSSEIN LAHIJI, also residing in Texas.
2. Mehrdad Yasrebi a.k.a. Abu Torab, a co-conspirator charged elsewhere, was a citizen of Iran and a permanent resident of the United States residing in Clackamas, Oregon.
3. Child Foundation, a co-conspirator charged elsewhere, was a Domestic Non-Profit corporation which Yasrebi formed in Oregon in or about May 1994. From the inception of Child Foundation, defendant Yasrebi was its president and registered agent. LAHIJI and VAHID were substantial contributors to Child Foundation, having contributed more than \$1.8 million between

1998 and 2007.

4. Refah Kudak Charity Institute, also known as Child Foundation Iran, was established in Shiraz, Iran, in approximately 1999. The founders of Refah Kudak included Mehrdad Yasrebi, his parents, and his cousin, defendant AHMAD IRANSHAHI. Mehrdad Yasrebi and Child Foundation exercised substantial control over Refah Kudak aka Child Foundation Iran, including providing funds for its employees, overhead and costs of operation, such that it was the alter ego of Child Foundation. After approximately 1999, Child Foundation funneled the overwhelming majority of its revenue, including donations from defendants LAHIJI and VAHID, to Iran through Refah Kudak aka Child Foundation Iran.
5. Defendant AHMAD IRANSHAHI was a citizen and resident of Iran residing in Tehran, and the cousin of Mehrdad Yasrebi. IRANSHAHI was the Director, Treasurer and a member of the board of directors of Refah Kudak aka Child Foundation Iran. LAHIJI and VAHID maintained one or more financial accounts with Refah Kudak aka Child Foundation Iran.
6. Based upon an application by Yasrebi, the Internal Revenue Service ("IRS") recognized Child Foundation as a tax-exempt charitable non-profit organization under section 501(c)(3) of the Internal Revenue Code in January 1995.
7. Because Child Foundation received tax-exempt status, it was required to file an "information return" known as a Form 990, *Return of Organization Exempt from Income Tax*, with the IRS each year in which its gross receipts exceeded a minimum threshold. One purpose of the Form 990 information return was to enable IRS to exercise oversight authority over tax-exempt organizations such as Child Foundation. Such authority included, but was not limited to, determining whether an organization qualified for continued tax exempt status, as well as

whether the organization and associated individuals had incurred tax liabilities. The information return was required to set forth, among other things, Child Foundation's total revenue, total expenses, net assets, charitable disbursements, program service accomplishments, and the names and addresses of its substantial contributors and the amounts they contributed for the year. If the IRS determined from a review of a Form 990 that a tax exempt organization was not operating consistently with its tax exempt status, or was operating illegally or in violation of public policy of the United States, then the IRS would consider sanctions including revoking the tax exemption, as well as assessing any taxes that might result. Another purpose of the Form 990 information return was to provide transparency of the operations of tax exempt organizations - such as the Child Foundation to the public. Forms 990 filed by charitable organizations were required to be made available for inspection by the public.

8. The President of the United States, by virtue of an Act of Congress known as the International Emergency Economic Powers Act ("IEEPA"), is granted authority to impose trade restrictions, sanctions, and embargos to deal with unusual or extraordinary threats to the national security and foreign policy of the United States. The President's formal directives in this regard are issued through Executive Orders which have the force and effect of law. On March 15, 1995 President Clinton declared a national emergency with respect to Iran, finding that the policies and actions of the Government of Iran constituted a threat to the national security of the United States due to Iran's support of international terrorism, its efforts to undermine the Middle East peace process, and its attempts to acquire weapons of mass destruction. On May 6, 1995, President Clinton issued Executive Order 12959, which imposed sweeping restrictions on trade and financial transactions with Iran extending to goods, services, and technology. The Executive

Order included restrictions on the financing, brokering, or facilitation of prohibited transactions by U.S. persons (hereafter the "Iranian Embargo" or "embargo"). On August 19, 1997, the President issued Executive Order 13059, which clarified and consolidated the provisions of the previous executive orders imposing trade sanctions against Iran. The Executive Orders empowered the Secretary of Treasury to promulgate regulations and take other action necessary to fully realize the purposes of the relevant Executive Orders.

9. To implement the Iranian Embargo, the United States Treasury Department, through the Office of Foreign Assets Control (OFAC), issued amended Iranian Transactions Regulations in April 1999. These regulations prohibited United States persons from engaging in any transaction related to the sale or supply of goods or services to Iran, or any entity owned or controlled by the Government of Iran, unless authorized by the Treasury Department through OFAC by the issuance of a license. Unless a license were obtained, the regulations prohibited United States persons from (among other things): (1) engaging in transactions that evaded or avoided, or had the purpose of evading or avoiding, the Iranian embargo (31 CFR §§ 560.203); (2) exporting or re-exporting goods or services to Iran (31 C.F.R. §§ 560.204 and 560.205); (3) engaging in or facilitating transactions related to goods or services of Iranian origin, or owned or controlled by the Government of Iran (31 CFR § 560.206); (4) making any new investment in Iran or in property owned or controlled by the Government of Iran (31 CFR § 560.207); (5) facilitating transactions by a foreign person that would be illegal if performed by a United States person or in the United States (31 C.F.R. § 560.208); and, (6) trading in, exporting, or re-exporting bulk agricultural commodities for resale in Iran or to the Government of Iran (31 CFR §§ 560.530). The Iranian Transaction Regulations provided for limited exemptions for non-commercial

donations by United States persons of articles, such as food, clothing and medicine, intended to relieve human suffering (31 CFR 560.210).

10. Grand Ayatollah Makarem Shirazi was an Iranian cleric and a supporter of Hizballah and the Islamic Republic of Iran. In addition to the embargo discussed above, Iran was designated as a State Sponsor of Terrorism by the United States Department of State in 1984. The United States Treasury Department listed Hizballah as a Specially Designated Terrorist since 1995, and a Specially Designated Global Terrorist since 2001. The United States Department of State designated Hizballah as a Foreign Terrorist Organization in 1997.

COUNT 1

(Conspiracy to Defraud the Treasury Department of the United States)

11. The introductory allegations are incorporated as if fully set forth herein.

12. Beginning in or around May, 1995, and continuing until at least July, 2008, in the District of Oregon and elsewhere subject to the jurisdiction of the United States, defendants HOSSEIN LAHIJI, NAJMEH VAHID aka NAJMEH LAHIJI, and AHMAD IRANSHAHI did intentionally, knowingly and willfully conspire with each other and with persons known and unknown to the Grand Jury to:

- (1) defraud the United States for the purpose of impeding, impairing, obstructing and defeating the lawful functions of the Office of Foreign Assets Control of the Treasury Department by deceitful or dishonest means in the administration and enforcement of the Iranian embargo; and,
- (2) defraud the United States for the purpose of impeding, impairing, obstructing, and

defeating the lawful functions of the Internal Revenue Service of the Treasury Department by deceitful or dishonest means in the oversight of organizations exempt from income tax under Section 501(c)(3) of the Internal Revenue Code, and in the ascertainment, computation, assessment and collection of the revenue, that is, income taxes;

In violation of Title 18, United States Code, Section 371.

Manner and Means of the Conspiracy

13. During the course and in furtherance of the conspiracy, Mehrdad Yasrebi organized Child Foundation in order to attract charitable donations in the United States and thereafter transfer virtually all of its revenues from the United States to Iran. Yasrebi consulted with and sought approval, support and monetary assistance for the founding of Child Foundation from the Hizballah "brothers," Iranian diplomats, Iranian ayatollahs, and other Iranian governmental representatives.
14. During the course and in furtherance of the conspiracy, Yasrebi and IRANSHAHI established Refah Kudak aka Child Foundation Iran in approximately 1999 in order to receive and disburse funds and services transferred from the United States to Iran. Using Refah Kudak aka Child Foundation Iran, Yasrebi, IRANSHAHI and Child Foundation purchased goods and services in Iran, made investments in Iran, exported goods and bulk agricultural commodities to Iran, and provided services to Iran which were in violation of the Iranian embargo. Child Foundation provided a substantial majority of Refah Kudak's revenues.
15. During the course and in furtherance of the conspiracy, HOSSEIN LAHIJI and NAJMEH VAHID provided purported charitable donations to Child Foundation. Thereafter, Yasrebi, Child

Foundation, IRANSHAHI, and Refah Kudak aka Child Foundation Iran used some of the donations to create financial accounts in Iran over which LAHLJI and VAHID retained an interest and control. Some of the LAHLJI/VAHID funds were used to purchase and maintain real property in Iran, establish new investments in Iran, and acquire services in Iran, in violation of the embargo. Yasrebi and Child Foundation provided LAHLJI and VAHID with written receipts documenting the donations in order to facilitate exaggerated claims of charitable tax deductions on their personal income tax returns. LAHLJI and VAHID backdated some of the donation checks, and Yasrebi and Child Foundation backdated some of the receipts, in order deceive the IRS and to make it appear that LAHLJI and VAHID were entitled to charitable deductions for a prior year. LAHLJI and VAHID then represented to the IRS that the payments to Child Foundation were charitable donations for a year subsequent to the donation. IRANSHAHI, Yasrebi and Child Foundation ensured that there were periodic accountings for the funds held in Iran on behalf of LAHLJI and VAHID.

16. During the course and in furtherance of the conspiracy Yasrebi, IRANSHAHI, and Child Foundation transferred and arranged for the transfer of substantial sums of money from the United States to Iran, including funds provided by LAHLJI and VAHID. The parties used various methods to accomplish the transfers which were designed to evade the embargo and avoid detection and restrictions placed upon the U.S. banking system for the transfer of funds to Iran. During the course and in furtherance of the conspiracy Yasrebi, IRANSHAHI and Child Foundation engaged in financial transactions in Iran in which they would split the proceeds of certain donations with Iran's Grand Ayatollah Makarem Shirazi.

17. During the course and in furtherance of the conspiracy, Yasrebi and Child Foundation

filed Form 990 *Returns of Organization Exempt from Income Tax* from 1998 to 2007 that failed to reveal that virtually all of its resources were directed toward the Islamic Republic of Iran, and that were false in several other respects, in order to defeat and impair IRS' oversight function and its ability to ascertain and collect revenue.

18. In the course and in furtherance of the conspiracy, Yasrebi, IRANSHAH and Child Foundation misrepresented the true facts to U.S. auditors, and created, altered, and utilized false and fraudulent documentation and provided it to U.S. auditors and tax return preparers in order to disguise and conceal the fact that they were violating the embargo, and in order to deceive the public, the IRS, and OFAC.

Overt Acts

19. During the course and in furtherance of the conspiracy, and in order to accomplish its purposes, defendants committed and caused to be committed the following overt acts in the District of Oregon and elsewhere:

- (1) From on or about July 21, 1997 to on or about June 5, 2002, Mehrdad Yasrebi and Child Foundation transferred approximately \$1,779,170 of Child Foundation funds, including funds supplied by defendants LAHIJI and VAHID, to Iran in approximately twenty-eight transactions in order to conduct, engage in, and facilitate transactions related to goods and services in and to Iran and the Government of Iran, and goods and services of Iranian origin, in part in violation of, and to evade, the embargo. The parties utilized various money transmitters including Alex Eskandar Khamooshpour and "E Khamooshpour Capital Service" or "EKCS," "Ocean Pride Seafood," "Ras Al Khaimah Exchange," "AZHAR Exchange," "Alireza Asiaii," "Al-Ek Tasad," and other individuals and

businesses, each transaction comprising a separate overt act.

- (2) On or about February 1, 1999, Mehrdad Yasrebi deposited a \$100,000 check payable to Child Foundation written by NAJMEH VAHID on a business account of HOSSEIN LAHIJI dated December 31, 1998. Yasrebi issued a receipt dated December 31, 1998 to assist LAHIJI and VAHID obtain a charitable tax deduction.
- (3) On or about April 10, 1999, Mehrdad Yasrebi and AHMAD IRANSHAHI, among others, caused Refah Kudak aka Child Foundation Iran to be formally established and recognized by the Islamic Republic of Iran in Shiraz, Iran.
- (4) From on or about October 8, 1999, through on or about December 27, 2007, Mehrdad Yasrebi and Child Foundation filed annual Form 990 tax returns for Child Foundation with the Internal Revenue Service for tax years 1999 through 2007 that described Child Foundation having provided charitable support in a variety of countries. The returns repeatedly and consistently failed to reveal that the overwhelming majority of Child Foundation's revenues (including funds supplied by LAHIJI and VAHID) were sent to Iran.
- (5) On or about December 29 and 30, 1999, Mehrdad Yasrebi issued tax deductible donation receipts on behalf of Child Foundation for HOSSEIN LAHIJI and NAJMEH VAHID (as Mrs. Hossein Lahiji) for checks written by VAHID for \$200,000 and \$75,000 dated in December, 1999, and written by VAHID on a business account of LAHIJI payable to Child Foundation.
- (6) On or about September 29, 2000, Mehrdad Yasrebi issued a \$400,000 tax deductible donation receipt on behalf of Child Foundation to HOSSEIN LAHIJI and NAJMEH

VAHID ("Dr. & Mrs. Hossein Lahiji") for a check written by VAHID dated September 20, 2000, on a business account of LAHIJI payable to Child Foundation.

- (7) On a date unknown to the grand jury between May, 2000 and May, 2005, Child Foundation and Refah Kudak aka Child Foundation Iran invested IRR 5,353,200,000, or the equivalent of \$680,000 more or less, supplied to Child Foundation by HOSSEIN LAHIJI and NAJMEH VAHID, with Bank Karafarin in Iran for a five-year term at 20% interest in violation of the embargo.
- (8) On or about December 29, 2000, Mehrdad Yasrebi issued a \$200,000 tax deductible donation receipt on behalf of Child Foundation to HOSSEIN LAHIJI and NAJMEH VAHID ("Dr. & Mrs. Hossein Lahiji") for a check that VAHID had written on LAHIJI's business account dated December 4, 2000, payable to Child Foundation.
- (9) From on or about April 27, 2001 to on or about April 26, 2005, Mehrdad Yasrebi and Child Foundation wire transferred approximately \$5.4 million in Child Foundation funds in approximately thirty-four transactions, including funds provided by defendants LAHIJI and VAHID, to a bank account in Switzerland. The funds were then transferred and deposited into the accounts of IRANSHAHI and Refah Kudak aka Child Foundation Iran at Bank Melli, an entity of the Government of Iran. The transfers and deposits, in part, constituted prohibited transactions related to goods and services in and to Iran and the Government of Iran, and goods and services of Iranian origin, and new investments in Iran, each transfer comprising a separate overt act.
- (10) From on or about December 26, 2001, through on or about July 13, 2006, Mehrdad Yasrebi and Child Foundation provided at least \$24,300 of Child Foundation funds for

salary and services performed in Iran by AHMAD IRANSHAHI by making at least eight separate payments through Razieh IRANSHAHI in Sweden, each payment constituting a separate overt act.

- (11) On or before approximately July, 2002 HOSSEIN LAHLJI wrote to Ayatollah Mazaheri of Iran inquiring whether it would be permissible under Islamic law for him to make a long-term investment in one of Iran's Islamic banks, to which Ayatollah Mazaheri later responded "In the name of God, it is a great and sound [decision]."
- (12) On or about March 13, 2003, Mehrdad Yasrebi deposited a \$350,000 check dated December 18, 2002, payable to Child Foundation issued by NAJMEH VAHID on a business account of HOSSEIN LAHLJI. Yasrebi issued a tax deductible Child Foundation receipt to "Dr. and Mrs. Lahiji" for the \$350,000 check dated December 25, 2002.
- (13) During fiscal years 2003-2004 and 2004-2005, Mehrdad Yasrebi and Child Foundation supplied Refah Kudak aka Child Foundation Iran with approximately \$245,000 pursuant to the "agreement between [Refah Kudak aka Child Foundation Iran] and the Child Foundation" to purchase one or more buildings, office equipment, office furniture, computer equipment, and vehicles in Iran, in violation of the Iranian embargo. During fiscal years 2004 - 2007, Mehrdad Yasrebi and Child Foundation supplied Refah Kudak aka Child Foundation Iran with approximately \$461,000 pursuant to agreement to pay its overhead and costs of operation in Iran, including payroll, brokerage fees, professional fees, building maintenance, rent, and utilities, in violation of the Iranian embargo.
- (14) On or about July 28, 2003, HOSSEIN LAHLJI issued a check for \$350,000 payable to

Child Foundation. On or about July 29, 2003, Mehrdad Yasrebi issued a tax deductible charitable donation receipt to LAHIJI.

- (15) On or about January 22-23, 2004, Mehrdad Yasrebi emailed Azar Djalili of Emdad Kudak in Switzerland, stating "I just wired \$220,000 to Switzerland this morning. You should have it on Monday" to which Djalili replied, in pertinent part, "Sure we transfer to Iran as soon as come." Describing a new Swiss bank account opened by Emdad Kudak, Djalili also wrote to Yasrebi, "With new acc we have more power against (sic) all kind of embargo (sic) even through UN, We are proud (sic) of it."
- (16) From on or about March 4, 2005, to on or about June 23, 2008, Mehrdad Yasrebi and Child Foundation wire-transferred at least \$3,626,425 of Child Foundation funds, including funds supplied by LAHIJI and VAHID, in at least 20 separate transactions to Iranian-based brokers and traders Sehawi Trading Company, LLC, Ramak General Trading Company, LLC, and Damavand Star General Trading, LLC, operating in satellite offices located in the United Arab Emirates, and, beginning in 2006, to such brokers/traders through designated offshore bank accounts opened by Child Foundation and Yasrebi in Dubai, UAE. The transactions were designed to evade the Iranian embargo by concealing certain commercial food transactions and cash transfers to Iran in violation of the embargo, each transaction comprising an overt act.
- (17) From on or about September 10, 2005, to on or about August 17, 2006, AHMAD IRANSHAHI, Mehrdad Yasrebi and Child Foundation arranged for Child Foundation to wire transfer \$150,000 to Ramak General Trading, an Iranian business with a branch in Dubai, ostensibly for the purchase and shipment of rice and corn oil to Iran. They then

arranged for a substantial portion of the U.S.-source funds to be transferred to IRANSHAHI and Refah Kudak in Iran. They arranged for the food purchased with the remaining funds to be delivered to Iran aboard an Iranian-flagged vessel, and diverted it mid-shipment to a third party as part of a commercial transaction. Ramak issued an inflated invoice to Child Foundation, and a parallel invoice to "Child Foundation Iran" (Refah Kudak) for about half the quantities shown in the larger invoice. IRANSHAHI thereafter falsely confirmed receipt of the larger food quantity to deceive Child Foundation's auditors, tax return preparers, the IRS and OFAC.

- (18) From on or about September 26, 2005, to on or about September 27, 2005, Mehrdad Yasrebi traveled to the Washington, D.C. area to seek approval from and coordinate with Iranian officials in the ostensible shipment of food commodities by Child Foundation through Dubai to Iran.
- (19) On or about September 29, 2005, AHMAD IRANSHAHI emailed a Child Foundation employee in Dubai that he intended to use a company to import food into Iran. The company would, in reality, deposit U.S.-source funds paid by Child Foundation into a Refah Kudak bank account. The deposits would represent up to half the total purchase price of "undistributed food."
- (20) On or about November 6, 2005, an employee of Refah Kudak aka Child Foundation Iran emailed a chart to AHMAD IRANSHAHI accounting for funds provided in Iran by LAHIJI and VAHID which referenced the purchase of a house, a "complex" in Shiraz, the payment of "Foundation expenses," and the investment of funds in Iran in 2003 and 2004 for five-year terms.

- (21) From on or about November 28, 2005 to on or about August 17, 2006, AHMAD IRANSHAHI, Mehrdad Yasrebi and Child Foundation arranged for Child Foundation to wire transfer \$170,000 to Ramak General Trading, an Iranian business with a branch in Dubai, ostensibly for the purchase and shipment of rice, corn oil and ghee to Iran. Defendants then arranged for a substantial portion of the U.S.-source funds to be transferred to IRANSHAHI and Refah Kudak in Iran. Defendants arranged for the food purchased with the remaining funds to be delivered to Iran aboard an Iranian-flagged vessel, and diverted it mid-shipment to a third party as part of a commercial transaction. Ramak issued an inflated invoice to Child Foundation, and a parallel invoice to "Child Foundation Iran" (Refah Kudak) for about half the quantities shown in the larger invoice. IRANSHAHI thereafter falsely confirmed receipt of the larger food quantity in order to deceive Child Foundation's auditors, tax return preparers, the IRS and OFAC.
- (22) On or about January 24, 2006, an employee of Refah Kudak aka Child Foundation Iran emailed an explanation of how U.S.-source funds sent by Child Foundation to Iran were processed. According to the employee, an account was established on behalf of an aid recipient at Bank Melli in Iran, facilitating the acquisition of goods and services in Iran. "[A]ll aid applicants have cards which enable them to use the ATM machines" in Iran.
- (23) On or about January 28, 2006, an employee of Refah Kudak aka Child Foundation Iran emailed AHMAD IRANSHAHI with a chart accounting for funds provided in Iran by HOSSEIN LAHIJI and NAJMEH VAHID with a note that referenced the fact that LAHIJI retained ownership of approximately \$282,000 and that other funds had been deposited in a savings account "on behalf of the Foundation" up to a ceiling of \$350,000.

- (24) On or about February 24, 2006, MEHRDAD YASREBI composed an email falsely claiming that "CHILD FOUNDATION USA only sends food, clothing and medicine to Iran. No cash transfer is ever made to Iran by CHILD FOUNDATION, except when specifically permitted by the Office of Foreign Affairs."
- (25) On or about March 6, 2006, and again on May 2, 2006, Mehrdad Yasrebi and Child Foundation provided tax deductible donation receipts for 2005 to HOSSEIN LAHIJI for a \$200,000 check payable to Child Foundation that was dated December 31, 2005 and issued by NAJMEH VAHID on a business account of LAHIJI. The check was deposited to a Child Foundation account on March 2, 2006.
- (26) On or about March 12, 2006, Mehrdad Yasrebi emailed AHMAD IRANSHAHI that he would not be able to obtain a letter of credit from any U.S. banks because they were "all scared of dealing with Iran," and that they had to "think of a better way" to fund the food commodities program. Yasrebi indicated that he would contact a representative of Ramak General Trading to do so.
- (27) From on or about April 26, 2006, to on or about August 12, 2007, Mehrdad Yasrebi, Child Foundation and AHMAD IRANSHAHI arranged for the wire transfer of \$113,000 of Child Foundation funds to Armiti Group in Dubai, U.A.E., ostensibly for the purchase and shipment of rice to Iran through Ramak General Trading. Defendants then arranged for a substantial portion of the U.S.-source funds to be transferred to IRANSHAHI and Refah Kudak in Iran. Defendants arranged for the food purchased with the remaining funds to be delivered to Iran aboard an Iranian-flagged vessel, and diverted it mid-shipment to a third party as part of a commercial transaction. Ramak issued an inflated

invoice to Child Foundation. IRANSHAHI thereafter falsely confirmed receipt of the larger food quantity to deceive Child Foundation's auditors, tax return preparers, the IRS and OFAC.

- (28) On or about April 30, 2006, AHMAD IRANSHAHI emailed a representative of Ramak General Trading, instructing him how to structure food commodities transactions. IRANSHAHI stated that Ramak could "decide for the unit price of the goods and by changing the unit price you can balance between the total amount received and the goods you shipped Please remit the remaining balance to me as soon as you can."
- (29) On or about May 12, 2006, AHMAD IRANSHAHI emailed a representative of Ramak General Trading, stating that for the purposes of a receipt for food commodities, "if the rates and amounts of the merchandise do not match, it can be adjusted later. . . . [t]he remainder of the money transfer sent to Ramak's account was supposed to be deposited into Bonyad Kudak's account by May 11, 2006."
- (30) From on or about May 16, 2006, to on or about August 16, 2007, Mehrdad Yasrebi, Child Foundation and AHMAD IRANSHAHI arranged for \$275,000 of Child Foundation's funds to be wire transferred to Armiti Group in Dubai to pre-pay the face value of an invoice for rice from Ramak General Trading to be shipped to Iran. Defendants arranged with Ramak for a smaller quantity of food to be delivered aboard an Iranian flagged vessel, ultimately diverting it mid-shipment to a third party as part of a commercial transaction. IRANSHAHI thereafter falsely confirmed receipt of the larger quantity of food to deceive Child Foundation's auditors, tax return preparers, the IRS and OFAC.
- (31) On or about May 22, 2006, while Mehrdad Yasrebi was in Iran, an employee of Child

Foundation Dubai emailed AHMAD IRANSHAHI regarding a food commodities shipment. The email confirmed that the shipment had been diverted from Refah Kudak aka Child Foundation Iran to a Iranian third party cooperative, stating that "we issued" a corrected manifest to reflect the cooperative as the receiver. "But this solution will not work for a long time since the port will be suspicious about this." The email further discussed placing the name of Child Foundation on future invoices in the first and last steps, but that the "[p]rocess in the middle is not important because it is so different in each country, no body (sic) cares or can prove anything the last step (purchase invoice) ... is important for Childfoundation (sic) as a document."

- (32) On or about May 27, 2006, AHMAD IRANSHAHI emailed Mehrdad Yasrebi that Ramak General Trading was not keeping its previously-reached agreement "for us to receive 50% of that transferred amount in merchandise and the rest as cash as Riyal (sic) to be received in Iran." IRANSHAHI stated that Ramak was refusing to generate inflated receipts to be provided to Child Foundation, as agreed. IRANSHAHI discussed the food commodities "guaranteed to sell in Iran" in commercial transactions.
- (33) On or about May 31, 2006, Mehrdad Yasrebi instructed a Child Foundation auditor and tax return preparer to delete reference to the fact that Child Foundation sent money through Switzerland to Iran from its audit for 2005 and 2006.
- (34) On or about June 27, 2006, AHMAD IRANSHAHI emailed a representative of Ramak General Trading instructing him to send two post-dated checks to Iran payable to Refah Kudak.
- (35) On or about August 16, 2006, AHMAD IRANSHAHI, in his capacity as Director of

Refah Kudak aka Child Foundation Iran, issued a document addressed to Child Foundation at the request of Mehrdad Yasrebi, falsely confirming receipt of food in Iran which had actually been diverted to a third party.

- (36) On or about September 25, 2006, AHMAD IRANSHAHI faxed a document from Iran to Mehrdad Yasrebi showing that HOSSEIN LAHLJI had approximately \$675,000 on account with Refah Kudak aka Child Foundation Iran as a "deposit in bank."
- (37) On or about October 10, 2006, AHMAD IRANSHAHI faxed a letter to Mehrdad Yasrebi with a chart showing multiple deposits of Child Foundation funds to "our Dubai account" totaling approximately \$558,000 for fiscal year 2006. According to the letter, the funds were initially received by "Ramack Association" and "Damavand Association," and that Refah Kudak aka Child Foundation Iran had "received in Iran" approximately \$478,000 of the funds.
- (38) From on or about October 10, 2006, to on or about July 23, 2008, Mehrdad Yasrebi, Child Foundation and AHMAD IRANSHAHI arranged for the wire transfer of \$47,486 of Child Foundation funds to Damavand Star General Trading in Dubai to pay the face value of an invoice for food commodities to be shipped to Iran. Defendants arranged for a smaller quantity of commodities to be shipped aboard an Iranian-flagged vessel, then diverted them mid-shipment to a third party recipient in Iran. IRANSHAHI thereafter falsely confirmed receipt of the food to deceive Child Foundation's auditors, tax return preparers, the IRS and OFAC.
- (39) On or about October 17, 2006, Mehrdad Yasrebi called AHMAD IRANSHAHI, discussing accounting documents that IRANSHAHI was preparing for Child

Foundation's auditor. Yasrebi instructed IRANSHAHI to prepare documents that would show that Child Foundation was a part of a chain of charities in Iran. Yasrebi told IRANSHAHI to look at what Yasrebi had written, and prepare the documents accordingly in order to silence the auditor.

- (40) On or about October 20, 2006, Mehrdad Yasrebi and AHMAD IRANSHAHI discussed the need to create documents to "get rid of this auditor" who was questioning their expenditures in Iran. IRANSHAHI stated that he could make up financial records to say whatever was necessary, and the auditor would not be able to come to Iran to check on their accuracy. IRANSHAHI said that commodities brokers Ramak and Damavand actually put cash in Refah Kudak's accounts -- he only received about ten percent of the food that was documented in the commodities invoices. Yasrebi and IRANSHAHI discussed the creation of phony receipts that would conceal the true nature of the food transactions..
- (41) On or about October 21, 2006, Mehrdad Yasrebi told AHMAD IRANSHAHI that there should be no sign that Child Foundation was sending money to Iran, that bigger ones had been destroyed for this kind of thing, and that they would be in hot water if they were caught.
- (42) On or about October 29, 2006, Mehrdad Yasrebi instructed AHMAD IRANSHAHI to summarize Refah Kudak's aka Child Foundation Iran's audit reports for Child Foundation's U.S. auditor, but not to indicate any connection between Child Foundation and Refah Kudak.
- (43) On or about October 29, 2006, Mehrdad Yasrebi commented upon sample memoranda of

understanding created by AHMAD IRANSHAHI for Child Foundation's auditor and sent to Yasrebi for his approval. Yasrebi instructed IRANSHAHI to delete portions of the memoranda, observing that the deleted portions, "will cause problems and will not be of any help to us....prepare exactly the same [memoranda] with several other charities...." Yasrebi also commented upon a proposed letter written by IRANSHAHI regarding the withdrawal of funds from the account of HOSSEIN LAHIJI and NAJMEH VAHID, stating "Dear Farhad - Why have you correlated these monies to us? You were not supposed to...the Foundation has donated this money to Refah-e Koodak, and you were not supposed to say that they were held in trust in the bank."

- (44) On or about October 31, 2006, Mehrdad Yasrebi told AHMAD IRANSHAHI that even a fool could tell from IRANSHAHI's report that Child Foundation was sending money to Iran.
- (45) On or about November 13, 2006, Mehrdad Yasrebi told AHMAD IRANSHAHI that documents IRANSHAHI had created and sent for Child Foundation's auditors -- supposed MOUs between Refah Kudak and other Iranian charities -- had the wrong fiscal year. Yasrebi told IRANSHAHI that he wanted documents reflecting earlier years like 2005, 2004 and 2003. IRANSHAHI responded that they were only "samples" and the dates could be easily changed. IRANSHAHI asked Yasrebi not to provide the Child Foundation auditors with a copy of an audit conducted in Iran because it might contradict the position taken by the LAHIJIs.
- (46) From on or about November 21, 2006 to on or about November 28, 2006, Child Foundation provided documents to its auditors supplied by AHMAD IRANSHAHI in

Iran. The documents, in some instances false and deceptive, included: (a) purported MOUs between Refah Kudak aka Child Foundation Iran and other charities in Iran, and (b) receipts purporting to account for Child Foundation's funds spent in Iran for food, rental payments, bicycles, carpeting, and donations to charities.

- (47) On or about November 26, 2006, Mehrdad Yasrebi instructed AHMAD IRANSHAHI to delete certain computer files because they might evidence that Child Foundation was sending money to Iran. Yasrebi stated that he did not want there to be any indication that Child Foundation Iran (Refah Kudak) was involved with Child Foundation accounts in the U.S. Yasrebi continued that the records could cause problems and negate all of the effort that they had put into showing that no money was going to Iran. Yasrebi provided IRANSHAHI with the "international password" to enable IRANSHAHI to delete the records, saying that they had to be careful because many persons were being arrested in the United States for similar conduct.
- (48) On or about November 27, 2006, HOSSEIN LAHIJI and NAJMEH VAHID transmitted a fax to AHMAD IRANSHAHI and Mehrdad Yasrebi asking them to verify an accounting for funds they had donated to Child Foundation between 1999 and 2005. The fax included a reference to a special account containing \$350,000, and requested a copy of "bank statements for the joint account."
- (49) On or about November 28, 2006, AHMAD IRANSHAHI called Mehrdad Yasrebi about a report that was about to be released that would show that IRANSHAHI had taken money from the Lahiji account without advance approval. Yasrebi directed IRANSHAHI to contact HOSSEIN LAHIJI directly to take care of the matter.

- (50) On or about November 28, 2006, MERHDAD Yasrebi spoke with NAJMEH VAHID about AHMAD IRANSHAHI having taken \$50,000 from the LAHIJI/VAHID account in Iran without their advance approval. Later that day, Yasrebi forwarded a letter, originally faxed by LAHIJI, containing LAHIJI's after-the-fact approval for the taking of the \$50,000 from his account in Iran without his advance approval.
- (51) On January 10, 2007, Mehrdad Yasrebi instructed a Child Foundation database manager to "get rid of" a portion of Child Foundation's records relating to international matters, "ASAP, hopefully maybe today." Yasrebi stated that he "wanted it [to be] totally deleted as you did with Swiss Please, if you could get rid of it today"
- (52) On or about January 16, 2007, Mehrdad Yasrebi spoke with AHMAD IRANSHAHI about deleting an email regarding Child Foundation funding university tuition in Iran. Yasrebi asked IRANSHAHI to be extra careful "so that no one can find out about the money we are sending you we'll be devastated" Yasrebi further stated, "If they find out about this, we are ruined. Should they seize the computers, they'll find it for sure."
- (53) On or about January 21, 2007, an employee of Child Foundation in Dubai forwarded an email to Mehrdad Yasrebi and AHMAD IRANSHAHI confirming that funds paid to Ramak for commodities transactions would be deposited to the accounts of "Armiti Group or Child Foundation -- Dubai," and "the second payment directly to Mr. Iranshahi."
- (54) On or about January 22, 2007, AHMAD IRANSHAHI asked Mehrdad Yasrebi to send \$320,000 of Child Foundation funds to him in Iran, noting that he had not yet paid the titling to LAHIJI and that some of the funds were for university tuition. IRANSHAHI

asked Yasrebi to send the \$320,000 through "Damavand," a commodities broker in Dubai. Yasrebi did so on or about January 25, 2007, and Damavand provided falsified documents to disguise the transactions.

- (55) On or about February 12, 2007, after reviewing a draft letter emailed to him by AHMAD IRANSHAHI for his approval, Mehrdad Yasrebi responded that "the section where you have stated that no money has been received during the last two years" proved that Child Foundation had previously exported money to Iran, and that they should not provide any leads.
- (56) On or about February 13, 2007, an employee of Child Foundation Dubai emailed defendant AHMAD IRANSHAHI inquiring whether he had received commodity broker Ramak's payment to Child Foundation. "If you have received how much you have recieved? (sic)"
- (57) On or about March 3, 2007, defendant Mehrdad Yasrebi told an individual in Iran that Grand Ayotallah Shirazi in Iran had confirmed their operation, adding that Shirazi had given Child Foundation half of the funds that Child Foundation collected on his behalf.
- (58) In or after May, 2007, Refah Kudak aka Child Foundation Iran issued a financial statement that included an accounting for a debt owed to HOSSEIN LAHIJI "based on the agreement between the Institute and Dr. Lahiji." The financial statement characterized the debt as an account payable and a "long term investment" with Bank Karafarin in Iran of IRR 5,353,200,000 (about \$680,000) for a term of five years earning 20% interest per annum. The statement reflected interest earned to that point in time as a debt to LAHIJI. Upon maturity, the principal was to be used for construction of health

- care and education complexes in Iran under the supervision of Refah Kudak.
- (59) On or about May 28, 2007, Mehrdad Yasrebi told a prospective member of the Board of Directors for Child Foundation that Grand Ayatollah Makarem Shirazi in Iran had declared Child Foundation to be an appropriate charity for receiving donations, and that he had letters from Ayatollahs Shirazi, Khamenei and Sanei.
- (60) On or about July 5, 2007, defendant Mehrdad Yasrebi spoke with a prospective donor about transferring \$100,000 cash into Iran for a construction project that the donor wanted to undertake. Yasrebi suggested that the individual funnel the money through Child Foundation as a donation, but with an undisclosed side agreement with AHMAD IRANSHAHI. Under the agreement, IRANSHAHI would use the money to purchase food, but would return it to the donor once it reached Iran, supposedly using funds raised in Iran.
- (61) On or about July 15, 2007, AHMAD IRANSHAHI emailed a Child Foundation employee in Dubai regarding payment for a supposed food commodities shipment. IRANSHAHI directed the employee to provide a check for 769,650 AED (approximately \$206,539) to commodities broker Ramak General Trading in Dubai. In exchange, the employee was to receive a post-dated check in the same amount from Ramak.
- (62) On or about July 17, 2007, Mehrdad Yasrebi instructed AHMAD IRANSHAHI about how to create false documents that he said would successfully deceive the Child Foundation auditor/tax return preparer about the expenditure of US-source funds in Iran.
- (63) On or about July 17, 2007, an employee of Child Foundation emailed AHMAD IRANSHAHI with attached summaries of certain alleged Child Foundation expenditures

in Iran, asking IRANSHAHI to concoct records and receipts with figures that were identical to those attached to the email so that they could be presented to a Child Foundation auditor.

- (64) On or about July 20, 2007, AHMAD IRANSHAHI told Mehrdad Yasrebi that he had saved some of the Child Foundation money which had come to Iran from the United States. Yasrebi corrected him, stating that they had sent clothing and food, not money, to Iran. Yasrebi instructed IRANSHAHI to say that a portion of the food provided by Child Foundation had been given to other Iranian charities, but that he had not saved any money.
- (65) On or about July 27, 2007, Mehrdad Yasrebi and AHMAD IRANSHAHI discussed how to explain cash distributions to recipients in Iran. IRANSHAHI planned to reflect the cash as food certificates. Yasrebi disagreed, instructing IRANSHAHI to reflect the payments as cash, but to say that the cash came from donors in Iran.
- (66) On or about July 29, 2007, AHMAD IRANSHAHI provided a written confirmation for Child Foundation's auditor(s) that he had received specified food commodities in Iran from Child Foundation. The confirmation was false because IRANSHAHI had received neither all of the shipments nor all of the quantities described in the document.
- (67) On or about February 18, 2008, Mehrdad Yasrebi instructed AHMAD IRANSHAHI not to disclose to anyone a portion of a draft letter written by IRANSHAHI revealing that the recipients of food commodities sent to Iran by Child Foundation routinely resold them commercially for cash to the supplier, without ever taking delivery of any food.
- (68) On or about March 17, 2008, AHMAD IRANSHAHI emailed a Child Foundation

employee in Dubai requesting copies of deposit slips for money deposited in Bank Melli in Dubai, a bank subject to the Iranian embargo and designated by the Treasury Department as owned or controlled by the Government of Iran.

COUNT 2
(Conspiracy to Commit Money Laundering)

20. The Introductory Allegations are incorporated as if fully set forth herein.
21. From on or about December 31, 1998 to on or about March 2, 2007, in the District of Oregon and elsewhere, defendants AHMAD IRANSHAHI a.k.a. "Farhad," HOSSEIN LAHLI and NAJMEH VAHID did knowingly combine, conspire, and agree with each other and with other persons known and unknown to the Grand Jury to commit offenses against the United States in violation of Title 18, United States Code, Section 1956, that is, to transport, transmit and transfer monetary instruments and funds from a place in the United States to and through a place outside the United States with the intent to promote the carrying on of specified unlawful activity, that is, a violation of the Iranian Embargo, an offense involving Section 206 of the International Emergency Economic Powers Act, Title 50, United States Code, Section 1705, in violation of Title 18, United States Code, Section 1956(a)(2)(A).
- All in violation of Title 18, United States Code, Section 1956(h).

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FORFEITURE ALLEGATION

22. Upon conviction of the offense alleged in Count 2 of this Indictment, defendants AHMAD IRANSHAHI, HOSSEIN LAHIJI and NAJMEH VAHID shall forfeit to the United States pursuant to 18 U.S.C. § 982(a)(1) all property, real and personal, involved in the money laundering offense and all property traceable to such property.

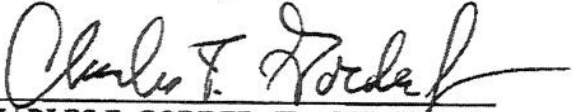
DATED this 15 day of December 2010.

A TRUE BILL.

OFFICIATING FOREPERSON

Presented by:

DWIGHT C. HOLTON, OSB #09054
United States Attorney



CHARLES F. GORDER, JR., OSB #94287
DAVID L. ATKINSON, OSB #75021
Assistant United States Attorneys

Date of Original Judgment: 11/19/2013**(Or Date of Last Amended Judgment)****Reason for Amendment:**

- ☐ Correction of Sentence on Remand (18 USC § 3742(f)(1) and (2))
☐ Reduction of Sentence for Changed Circumstances (Fed. R. Crim. P. 35(b))
☐ Correction of Sentence by Sentencing Court (Fed. R. Crim. P. 35(a))
☒ Correction of Sentence for Clerical Mistake (Fed. R. Crim. P. 36)
☒ To Correct Self Surrender Date
☐ Modification of Imposed Term of Imprisonment for Extraordinary and Compelling Reasons (18 USC § 3582(c)(1))
☐ Modification of Imposed Term of Imprisonment for Retroactive Amendment(s) to the Sentencing Guidelines (18 USC § 3582(c)(2))
☐ Direct Motion to District Court Pursuant to
☐ 28 USC §2255 or ☐ 18 USC § 3559(c)(7)
☐ Modification of Restitution Order (18 USC § 3664)

**UNITED STATES DISTRICT COURT
DISTRICT OF OREGON****UNITED STATES OF AMERICA
V.****AMENDED JUDGMENT IN A CRIMINAL CASE****Case Number: 3:10-CR-00506-02-KI****USM Number: 69666-280**Per A. Ramfjord and Erich C. Ferrari

Defendant's Attorney

Charles F. Gorder and David L. Atkinson

Assistant U.S. Attorney

NAJMEH VAHID**THE DEFENDANT:**

- ☐ pleaded guilty to count(s) _____
☐ pleaded nolo contendere to count(s) _____ Which was accepted by the court.
☒ was found guilty on count(s) ONE (1) and TWO (2) of the Indictment after a plea of not guilty.
 The defendant is adjudicated guilty of the following offense(s):

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Date Offense Concluded</u>	<u>Count Number(s)</u>
18 USC § 371	Conspiracy to Defraud the Treasury Department of the United States	Beginning in or around May, 1995 and continuing to July, 2008	ONE
18 USC § 1956(h)	Conspiracy to Commit Money Laundering	December 31, 1998 to March 2, 2007	TWO

The defendant is sentenced as provided in pages 2 through 6 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

- ☐ The defendant has been found not guilty on count(s) _____, and is discharged as to such count(s).
☐ Count(s) _____ is/are dismissed on the motion of the United States.
☒ The defendant shall pay a special assessment in the amount of \$200.00 for Count(s) ONE (1) and TWO (2) payable immediately to the Clerk of the U.S. District Court. (See also the Criminal Monetary Penalties sheet.)

IT IS ORDERED that the defendant shall notify the United States Attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant shall notify the court and the United States Attorney of any material change in the defendant's economic circumstances.

December 3, 2013

Date of Imposition of Sentence

Signature of Judicial Officer

GARR M. KING, UNITED STATES DISTRICT JUDGE

Name and Title of Judicial Officer

December 3, 2013

Date

Certified to be a true and correct
 copy of original filed in this District.
 Dated 2/27/14
 Mary L. Moran, Clerk of Court
 US District Court of Oregon
 By Deputy Clerk M. Moran
 Pages 1 Through 6

**Exhibit****2**

AO 245B (Rev. 09/11) Judgment in a Criminal Case - DISTRICT OF OREGON CUSTOMIZED 11/2011
Sheet 2 - Imprisonment

DEFENDANT: VAHID, NAJMEH
CASE NUMBER: 3:10-CR-00506-02-KI

Judgment-Page 2 of 6

IMPRISONMENT

As to Count 2, the defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of: **TWELVE (12) Months and ONE (1) Day.**

As to Count 1, the defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of: **TWELVE (12) Months and ONE (1) Day.** Said sentence to be served **concurrently** to the sentence imposed in Count 2.

☒ The court makes the following recommendation to the Bureau of Prisons: The Court recommends the defendant be designated to FCP Bryan in the state of Texas.

☐ The defendant is remanded to the custody of the United States Marshal.

☐ The defendant shall surrender to the United States Marshal for this district:

☐ at _____ ☐ a.m. ☐ p.m. on _____

☐ as notified by the United States Marshal.

☒ The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:

☒ before 2:00 p.m. on April 28, 2015. (See Formal Order)

☐ as notified by the United States Marshal and/or Pretrial Services.

The Bureau of Prisons will determine the amount of prior custody that may be credited towards the service of sentence as authorized by Title 18 USC §3585(b) and the policies of the Bureau of Prisons.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ To _____

at _____, with a certified copy of this judgment.

UNITED STATES MARSHAL

BY _____
DEPUTY UNITED STATES MARSHAL

AQ 245B (Rev. 09/11) Judgment in a Criminal Case - DISTRICT OF OREGON CUSTOMIZED 11/2011
Sheet 3 - Supervised Release

DEFENDANT: VAHID, NAJMEH
CASE NUMBER: 3:10-CR-00506-02-KI

Judgment-Page 3 of 6

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of **Three (3) year(s)**.

The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter.

☐ The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. (Check, if applicable.)

If this judgment imposes a fine or restitution obligation, it shall be a condition of supervised release that the defendant pay any such fine or restitution that remains unpaid at the commencement of the term of supervised release in accordance with the Schedule of Payments set forth in the Criminal Monetary Penalties section of this judgment.

The defendant shall comply with the Standard Conditions of Supervised Release that have been adopted by this court as set forth in this judgment. The defendant shall also comply with the Special Conditions of Supervision as set forth below and any additional conditions attached to this judgment.

SPECIAL CONDITIONS OF SUPERVISION

1. The defendant shall file true and accurate income tax returns to the Internal Revenue Service by the 15th of April each year and shall submit a copy of that tax return to the probation officer as directed.
2. The defendant shall maintain proper debit, credit, and receipt ledgers for all business transactions. These records shall be made available as requested by the probation officer.
3. As to Count 1, the defendant shall pay full restitution to the victim identified in the presentence report in the amount of \$973,503.00, joint and several with co-defendant Hossein Lahiji, 3:10-CR-00506-1-KI. If there is any unpaid balance at the time of release from custody, it shall be paid at the maximum installment possible and not less than \$500.00 per month.
4. The defendant is prohibited from incurring new credit charges or opening additional lines of credit without the approval of the probation officer.
5. The defendant shall authorize release to the US Probation Officer any and all financial information by execution of a release of financial information form, or by any other appropriate means, as directed by the probation officer.
6. The defendant shall maintain a single checking and/or savings account in his/her name. The defendant shall deposit into this account all income, monetary gains or other pecuniary proceeds, and make use of this account for payment of all personal expenses. All other accounts must be disclosed to the probation officer.
7. The defendant's employment shall be subject to approval by the probation officer.
8. The defendant shall cooperate in the collection of DNA as directed by the probation officer, if required by law.
9. The defendant shall pay a fine in the amount of \$200,000.00 (\$100,000.00 per count). If there is any unpaid balance at the time of the defendant's release from custody, it shall be paid at the maximum installment possible, and not less than \$500.00 per month.

STANDARD CONDITIONS OF PROBATION AND SUPERVISED RELEASE

The Judges of the District of Oregon adopt the following standard conditions of probation and supervised release to apply in every case in which probation and/or supervised release is imposed upon a defendant. The individual judge may impose other conditions deemed advisable in individual cases of probation or supervised release supervision, as consistent with existing or future law.

1. The defendant shall report in person to the probation office for the district to which he or she is released within 72 hours of release from the custody of the Bureau of Prisons.
2. The defendant shall not commit another federal, state, or local crime and shall not illegally possess a controlled substance. Revocation of probation or supervised release is mandatory for illegal possession of a controlled substance.
3. The defendant shall not possess a firearm, destructive, or dangerous device.
4. If the defendant illegally uses drugs or abuses alcohol, has a history of drug or alcohol abuse, or drug use or possession is determined to be an element of the defendant's criminal history or instant offense, the defendant shall participate in a substance abuse treatment program as directed by the probation officer which may include urinalysis testing to determine if the defendant has used drugs or alcohol. In addition to urinalysis testing that may be part of a formal drug treatment program, the defendant shall submit up to eight (8) urinalysis tests per month.
5. The defendant shall submit to a search of his/her person, residence, office or vehicle, when conducted by a United States Probation Officer at a reasonable time and in a reasonable manner, based upon reasonable suspicion of contraband or evidence of a violation of a condition of supervision. Failure to submit to a search may be grounds for revocation. The defendant shall warn other residents that the premises may be subject to searches pursuant to this condition.
6. The defendant shall not leave the judicial district without the permission of the court or probation officer.
7. The defendant shall report to the probation officer as directed by the court or probation officer, and shall submit a truthful and complete written report within the first five days of each month.
8. The defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer. The defendant may decline to answer inquiries if a truthful response would tend to incriminate him/her. Such a refusal to answer may constitute grounds for revocation.
9. The defendant shall support his or her dependents and meet other family responsibilities to the best of his or her financial ability.
10. The defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons.
11. The defendant shall notify the probation officer **within 72 hours** of any change in residence or employment.
12. The defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances, except as prescribed by a physician. If, at any time, the probation officer has reasonable cause to believe the defendant is using illegal drugs or is abusing alcohol, the defendant shall submit to urinalysis testing, breathalyzer testing, or reasonable examination of the arms, neck, face, and lower legs.
13. The defendant shall not knowingly frequent places where controlled substances are illegally sold, used, distributed, or administered.
14. The defendant shall not knowingly associate with any persons engaged in criminal activity, and shall not knowingly associate with any person convicted of a felony, unless granted permission to do so by the probation officer.
15. The defendant shall permit a probation officer to visit him or her at any reasonable time at home or elsewhere, and shall permit confiscation of any contraband observed in plain view by the probation officer.
16. The defendant shall notify the probation officer **within 72 hours** of being arrested or questioned by a law enforcement officer.
17. The defendant shall not enter into any agreement to act as an informant or special agent of a law enforcement agency without the permission of the court.
18. As directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by his or her criminal record or personal history and characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such a notification requirement. This requirement will be exercised only when the probation officer believes a reasonably foreseeable risk exists or a law mandates such notice. Unless the probation officer believes the defendant presents an immediate threat to the safety of an identifiable individual, notice shall be delayed so the probation officer can arrange for a court hearing and the defendant can obtain legal counsel.

AQ 245B (Rev. 09/11) Judgment in a Criminal Case - DISTRICT OF OREGON CUSTOMIZED 11/2011
 Sheet 5 - Criminal Monetary Penalties

DEFENDANT: VAHID, NAJMEH
 CASE NUMBER: 3:10-CR-00506-02-KI

Judgment—Page 5 of 6

CRIMINAL MONETARY PENALTIES

The defendant shall pay the following total criminal monetary penalties in accordance with the Schedule of Payments set forth in this Judgment:

	<u>Assessment</u> <u>(as noted on Sheet 1)</u>	<u>Fine</u>	<u>Restitution</u>	<u>TOTAL</u>
<u>TOTALS</u>	\$200.00	\$200,000.00	\$973,503.00	\$1,173,703.00

☐ The determination of restitution is deferred until _____. An Amended Judgment in a Criminal Case will be entered after such determination.

☒ The defendant shall make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(I), all non-federal victims must be paid in full prior to the United States receiving payment.

<u>Name of Payee</u>	<u>Total Amount of Loss*</u>	<u>Amount of Restitution</u> <u>Ordered</u>	<u>Priority Order</u> <u>or Percentage of Payment</u>
IRS RACS Attn: Mail Stop 6261, Restitution 333 W. Pershing Avenue Kansas City, MO 64108	\$	\$973,503.00	
<u>TOTALS</u>	\$	<u>\$973,503.00</u>	

☐ If applicable, restitution amount ordered pursuant to plea agreement \$_____.

☐ The defendant shall pay interest on any fine or restitution of more than \$2,500, unless the fine or restitution is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on the Schedule of Payments may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

☐ The court determined that the defendant does not have the ability to pay interest and it is ordered that:

☒ the interest requirement is waived for the ☒ fine and ☒ restitution while defendant is in custody.

☐ the interest requirement for the ☐ fine and/or ☐ restitution is modified as follows:

Any payment shall be divided proportionately among the payees named unless otherwise specified.

*Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18, United States Code, for offenses committed on or after September 13, 1994, but before April 23, 1996.

AO 245B (Rev. 09/11) Judgment in a Criminal Case - DISTRICT OF OREGON CUSTOMIZED 11/2011
Sheet 6 - Schedule of Payments

DEFENDANT: VAHID, NAJMEH
CASE NUMBER: 3:10-CR-00506-02-KI

Judgment-Page 6 of 6

SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties shall be due as follows:

- A. ☒ Lump sum payment of \$1,173,703.00 due immediately in full.
 ☐ not later than _____, or
 ☐ in accordance with ☐ C or ☐ D below; or
- B. ☒ Payment to begin immediately (may be combined with C below), or
- C. ☒ If there is any unpaid balance at the time of defendant's release from custody, it shall be paid in monthly installments of not less than \$500.00 until paid in full, to commence immediately upon release from imprisonment.
- D. ☐ Special instructions regarding the payment of criminal monetary penalties:

☒ Payment of criminal monetary penalties, including restitution, shall be due during the period of imprisonment as follows:
 (1) 50% of wages earned if the defendant is participating in a prison industries program; (2) \$25 per quarter if the defendant is not working in a prison industries program.

It is ordered that resources received from any source, including inheritance, settlement, or any other judgment, shall be applied to any restitution or fine still owed, pursuant to 18 USC § 3664(n).

All criminal monetary penalties, including restitution, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the Clerk of Court at the address below, unless otherwise directed by the Court, the Probation Officer, or the United States Attorney.

<input type="checkbox"/> Clerk of Court US District Court - Oregon 1000 SW Third Avenue Suite 740 Portland, OR 97204	<input type="checkbox"/> Clerk of Court US District Court - Oregon 405 East 8 th Avenue Suite 2100 Eugene, OR 97401	<input type="checkbox"/> Clerk of Court US District Court - Oregon 310 West Sixth Street Room 201 Medford, OR 97501
--	--	---

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

☒ Joint and Several

Case Number

Defendant and Co-Defendant Names
(including defendant number)

Total Amount

Joint and Several
Amount

Corresponding Payee,
if appropriate

Hossein Lahiji, 3:10-CR-00506-01-KI

\$973,503.00

IRS

Najmeh Vahid, 3:10-CR-00506-02-KI

\$973,503.00

IRS

- ☐ The defendant shall pay the cost of prosecution.
☐ The defendant shall pay the following court cost(s):
☐ The defendant shall forfeit the defendant's interest in the following property to the United States:

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

United States District Court
Southern District of Texas
FILED

MAY 08 2013

David J. Bradley, Clerk of Court

UNITED STATES OF AMERICA

vs.

CRIMINAL NO. H-11-030-S2

HOSSEIN LAHIJI, M.D.

and

NAJMEH VAHID LAHIJI,
A.K.A. NAJMEH VAHID-DASTJERDI,
Defendants

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THIRD SUPERSEDING INDICTMENT

THE GRAND JURY CHARGES:

COUNT ONE

(Conspiracy - 18 U.S.C. § 1349, § 1347 and §2)

A. INTRODUCTION

At all times material to this indictment:

1. The **Defendants Hossein Lahiji, M.D. and Najmeh Vahid Lahiji, A.K.A. Najmeh Vahid-Dastjerdi**, owned, operated and were employed at Lahiji Urology Centers, PA (hereinafter referred to as "LUC"), located at Nolana Professional Center, 801 E. Nolana, STE 20 in McAllen, Texas from June 2002 until the present time. Prior to June 2002, LUC was located at Medical Arts Building, 1315 E. 6th Street, Suite 1, Weslaco, Texas.

2. On December 8, 1995, the Texas Medical Board issued **Defendant Hossein Lahiji, M.D.** a license to practice medicine in the State of Texas.

3. In 1995, **Defendant Hossein Lahiji, M.D.** submitted a Medicare/Federal Health Care Provider/Supplier Enrollment Application.

Exhibit

3

4. **Defendant Hossein Lahiji, M.D.** was issued Medicare provider number 00T85N that was made retroactive to August 25, 1995.

5. On October 1, 2002, **Defendant Hossein Lahiji, M.D.** was issued Medicare group provider number 00736U.

6. On September 8, 1995, **Defendant Hossein Lahiji, M.D.** submitted a Texas Medicaid Provider Enrollment Application.

7. On November 3, 1995, **Defendant Hossein Lahiji, M.D.** was approved to be a provider for the Texas Medicaid Program and assigned Provider ID P000T85N4.

8. On February 5, 1999, **Defendant Hossein Lahiji, M.D.** submitted the required Texas Medicaid Provider Re-enrollment Application and was assigned Provider ID 1002123.

9. From as early as December 1, 2002 through at least February 24, 2011, **Defendant Najmeh Vahid Lahiji** worked as the office administrator LUC. During this time, **Defendant Najmeh Vahid Lahiji** was a joint account holder with **Defendant Hossein Lahiji, M.D.** on all bank accounts affiliated with the business LUC and all personal accounts of the Lahijis.

10. On April 11, 2003, **Defendant Hossein Lahiji, M.D.** submitted a Texas Medicaid Group Provider Enrollment Application in the name of LUC, PA.

11. On May 23, 2003, LUC, PA was approved as a group provider for the Texas Medicaid Program and assigned Provider ID 1570533.

12. From August 2007 through May 2010, **Defendant Najmeh Vahid Lahiji** attended law school at St. Mary's School of Law in San Antonio, Texas. **Defendant Najmeh Vahid Lahiji** is licensed in the State of Texas to practice law since November 5, 2010 under the name "**Najmeh Vahid-Dastjerdi**".

13. From approximately January 1, 2003 through February 24, 2011, **Defendants Hossein Lahiji, M.D., Najmeh Vahid Lahiji**, and other employees of the LUC, both known and unknown to the Grand Jury, fraudulently billed Medicare and Medicaid for evaluations and physician urology services claimed to have been performed by **Defendant Hossein Lahiji, M.D.**, when they were not.

SECRETARY OF HEALTH AND HUMAN SERVICES

14. Since at least April 18, 1994, the Secretary of Health and Human Services has designated Hidalgo County as a Medically Underserved Area/Population (MUA/P) under the authority provided by 42 C.F.R. Chapter 1, Subchapter A, Part 5, Section 5.3 and 42 C.F.R. Chapter 6A, Subchapter II, Part D, Subpart ii, Section 254 E.

THE MEDICARE PROGRAM

15. The Medicare program is a federally funded health insurance program that provides health care benefits to any person 65 years of age or older, and to certain disabled individuals (also known as “beneficiaries”).

16. Medicare is administered by the United States Department of Health and Human Services (hereinafter referred to as “HHS”). The agency within HHS responsible for the oversight of Medicare is the Centers for Medicare and Medicaid Services (hereinafter referred to as “CMS”), formerly known as the Health Care Financing Administration (“HCFA”).

17. Medicare primarily consists of two parts. Medicare Part A pays for services provided by institutional providers such as hospitals and skilled nursing facilities. Medicare Part B pays for certain outpatient services, equipment and physician services, including urology services provided by a licensed physician.

18. CMS contracts with private contractors, typically insurance companies, to administer Medicare, that is, to receive, process, and pay claims. A contractor who administers Part B of Medicare is known as a “carrier”.

19. In Texas, the Medicare Part B carrier was TrailBlazer Health Enterprises, LLC (hereinafter referred to as “TrailBlazer”) located in Dallas, Texas.

20. Medicare is a “health care benefit program” as defined by Title 18, United States Code, Section 24(b).

THE TEXAS MEDICAID PROGRAM

21. The Texas Medicaid Program is a state administered health insurance program that provides health care services to the poor. Each individual state designs and administers its own Medicaid program, subject to the requirements mandated by CMS. The Texas Medical Assistance (Medicaid) Program was implemented on September 1, 1967, under the provisions of Title XIX of the federal *Social Security Act* and Chapter 32 of the *Texas Human Resources Code*. The Health and Human Services Commission (HHSC) is the single state Medicaid agency responsible for the Title XIX Program. The State of Texas and the federal government share the cost of funding Texas Medicaid. The program is jointly funded by the federal government as long as the state’s program complies with CMS’s requirements. Examples of covered services include inpatient hospital care, skilled to intermediate nursing home care, and professional services provided by physicians, dentists, laboratories, and suppliers.

22. Until December 31, 2003, the State of Texas contracted with the National Heritage Insurance Company (hereinafter referred to as “NHIC”) to process and pay Medicaid claims submitted by health care providers.

23. From January 1, 2004 until February 24, 2011, the State of Texas contracted with the Texas Medicaid and Healthcare Partnership ("TMHP") to process and pay Medicaid claims submitted by health care providers.

24. Health care providers submit bills for services rendered to the Texas Medicaid Program by and through TMHP (formally NHIC) for processing and payment. A licensed health care provider may enter into an agreement with TMHP allowing for the automatic submission of claims via electronic media, and for payments to be directly deposited into the provider's designated bank or checking account or simply receive a paper check in the mail.

25. Medicaid is a "health care benefit program" as defined by Title 18, United States Code, Section 24(b).

OTHER "HEALTH CARE BENEFIT" PROGRAMS

26. In addition to Medicare and Medicaid, the defendants did fraudulently bill the following private health insurance companies: Aetna, Blue Cross Blue Shield, Humana, and United Healthcare. All of these health insurance companies are "health care benefit programs" as defined in 18 U.S.C. § 24(b).

THE MEDICAL BILLING PROCESS

27. Medical providers and health care benefit programs use well-known and standard insurance processing codes to identify certain medical diagnoses and medical treatments or procedures. The codes for medical services and procedures are called Current Procedure Terminology "CPT" Codes.

28. CPT codes are used to bill for any time the physician spent with a patient. In general, CPT codes cover a specific procedure performed or medical time spent with a patient for "evaluation and management" of the patient. Evaluation and Management "E/M" services are

divided into broad categories, such as office visits, hospital visits, and consultations. An “office visit” is a type of service provided when a medical professional spends time with a patient on an outpatient basis. A “consultation” is a type of service provided by a physician whose opinion or advice regarding the evaluation and/or management of a specific problem is requested by another physician or medical professional.

29. The CPT codes distinguish among different types of services and each type of service has its own codes for billing. The CPT codes for “consultations” are different from the CPT codes for the “office visits.” The CPT codes recognize different levels of complexity within each category. The CPT codes also distinguish between new and established patients.

30. Using the CPT codes, Medicare, Medicaid and private health insurance companies reimburse different types of office visits and different types of consultations at different rates. In general, a consultation enables a physician to bill a more expensive claim to the health care benefit programs compared to an office visit. In general, a consultation requires a more extensive history and examination, and a higher degree of medical decision making than an office visit.

HEALTH CARE BENEFIT PROGRAMS COVERAGE FOR PHYSICIAN SERVICES

31. Physician services include those reasonable and medically necessary services ordered and performed by a physician or under a physician’s personal supervision that are within the scope of the practice of his or her profession as defined by state law. For each encounter, a physician must examine the patient; confirm or revise the diagnosis of record; determine treatment; confirm or revise the plan of care; and document those tasks in the appropriate medical records for the client before submitting claims.

32. Medicare provides for payment for “incident to” services. “Incident to” services are defined as services or supplies that are furnished as an integral, although incidental, part of the physician’s personal professional services in the course of diagnosis or treatment of an injury or illness. Coverage for these “incident to” services for physicians in private practice is limited to situations in which there is direct physician supervision of auxiliary personnel. Medicare defines “direct supervision” as while the physician does not need to be present in the same room with their auxiliary personnel, they must be present in the same office suite and immediately be available to provide assistance and direction throughout the time the personnel is performing services.

33. Medicare defines “auxiliary personnel” to include certain non-physician practitioners or “NNP’s”, who are being licensed by the states under various programs to assist or act in the place of a physician to include, for example, certified nurse midwives, clinical psychologists, clinical social workers, physician assistants (PA’s), nurse practitioners (NP’s), and Certified Nurse Specialists (CNS’s). However, for services of an NNP to be covered by Medicare as “incident to” services of a physician, the services must meet all the coverage requirements specified within the “incident to” criteria and those services must be performed under the physician’s direct supervision.

34. Supervision by a physician is defined by Medicaid as either personal or direct. Personal supervision means that the supervising physician must be in the building of the office or facility when and where the service is provided. For direct supervision, the physician must be physically present in the room at the time the service is provided. Specific procedures codes call for a specific types of supervision.

35. Consistent with the general principles of medical record documentation, a provider physician is required to completely document the patient's physical symptoms, diagnosis and treatment, and to include the patient's condition that justifies the services performed and billed to Medicare, Medicaid and private insurance companies.

STATE OF TEXAS, THE TEXAS MEDICAL BOARD,& MEDICAL ASSISTANTS

36. Medical Assistants (MA's) are not licensed, certified, or registered by any agency of the State of Texas, nor are they recognized under federal Medicare or Medicaid laws as a species of "provider." There is no reference to MA's in the Medical Practice Act or any other Texas statute. A MA does not meet the criteria for NNP's or auxiliary personnel.

37. The Medical Practice Act (MPA) establishes the general parameters for physician delegation in Texas. The MPA authorizes physicians to delegate any medical act that a reasonable and prudent physician would find within the scope of sound medical judgment to delegate. Acts delegated "must comply with other applicable laws." The delegated acts must be performed by qualified persons, and each of the conditions specified at section 157.001 of the Texas Occupations Code must be met.

38. The Scope of Standing Delegation Orders is defined by Title 22 Tex. Admin. Code Part 9, Section 193.4. Standing delegation orders may be authorized for the performance of acts and duties which do not require the exercise of independent medical judgment. In paragraphs (1) - (8) of Title 22 Tex. Admin. Code Part 9, Section 193.4, the specific limitations on the physician's use of standing delegation orders are listed and explained.

39. Under Section 157.052 of the Texas Occupations Code, Prescribing at Sites Serving Certain Medically Underserved Populations, a Physician may delegate to either an Advance Practice Nurse (APN)/Nurse Practitioner or a Physician Assistant (PA) the act of

administering, providing or carrying out, or signing a prescription drug order, as authorized by the physician through a physician's order, a standing medical order, a standing delegation order, or another order or protocol as defined by the medical board. There is no federal law or state law in Texas that permits a licensed physician to delegate prescribing to MA's.

B. THE CONSPIRACY

40. Beginning on or about January 1, 2003 and continuing thereafter until on or about February 24, 2011 in the Southern District of Texas, and within the jurisdiction of the Court, defendants,

**HOSSEIN LAHIJI, M.D.
and
NAJMEH VAHID LAHIJI,**

did knowingly conspire and agree together and with other persons known and unknown to the Grand Jury to commit an offense against the United States, that is, to knowingly and willfully execute and attempt to execute a scheme and artifice:

- i. to defraud a health care benefit programs, that is, Medicare, Medicaid, Aetna, Blue Cross Blue Shield, Humana, and United Healthcare.
- ii. to obtain, by means of false and fraudulent pretenses, representations, and promises, any of the money and property owned by, and under the custody and control of a health care benefit programs, that is, Medicare, Medicaid, Aetna, Blue Cross Blue Shield, Humana, and United Healthcare;

in connection with the delivery of and payment for health care benefits, items and services, namely, physician urology services in violation of Title 18, United States Code, Section 1347 (health care fraud).

C. MANNER AND MEANS OF THE CONSPIRACY

41. It was the part of the scheme and artifice to fraudulently obtain money from the health care benefit programs by billing these programs for physician urology services that were:

- 1) not covered by Medicare, Medicaid, Aetna, Blue Cross Blue Shield, Humana, and United Healthcare;
- 2) not ordered by a physician;
- 3) not provided by qualified persons; and/or
- 4) not provided at all.

42. It was a part of the scheme and artifice to defraud that **Defendant Hossein Lahiji, M.D.** and **Defendant Najmeh Vahid Lahiji**, submitted claims to these health care benefit programs which were false or fraudulent in numerous ways including the following:

- a. claimed services using a false diagnosis;
- b. claimed services not performed;
- c. claimed services not ordered by a physician;
- d. claimed evaluations not performed by a physician; and
- e. claimed services provided by unqualified persons.

Traveling Outside of the United States

43. It was a part of the scheme and artifice to defraud that **Defendant Hossein Lahiji, M.D.** and **Defendant Najmeh Vahid Lahiji**, knowingly billed these health care benefit programs for patients that **Defendant Hossein Lahiji, M.D.** supposedly treated on days when he was absent from the office and traveling outside of the United States as indicated in the table below during which there was never any coverage by a physician partner, resident, substitute physician or “*locum tenens*” from 2003 until 2011:

Dates of Travel	Destination from the United States	Traveler
1/17/2003-1/26/2003	Tehran, Iran	Hossein Lahiji, MD.
11/12/2003-11/17/2003	Tehran, Iran	Hossein Lahiji, M.D.
9/13/2004-9/28/2004	Tehran, Iran	Hossein Lahiji, M.D.
1/29/2005-2/10/2005	Tehran, Iran	Hossein Lahiji, M.D.
12/30/2005-1/19/2006	Jeddah, Saudi Arabia	Hossein Lahiji, M.D. & Najmeh Vahid Lahiji
7/2/2007-7/19/2007	Tehran, Iran	Hossein Lahiji, M.D.
6/1/2008-6/24/2008	Tehran, Iran	Hossein Lahiji, M.D. & accompanied one-way by Najmeh Vahid Lahiji
7/11/2008-8/3/2008	Tehran, Iran	Hossein Lahiji, M.D. & accompanied on return trip by Najmeh Vahid Lahiji
3/6/2009-3/16/2009	Isfahan, Iran	Hossein Lahiji, M.D.
6/26/2009-8/19/2009	Isfahan, Iran	Hossein Lahiji, M.D. & Najmeh Vahid Lahiji
6/12/2010-6/27/2010	Isfahan, Iran	Hossein Lahiji, M.D.
2/12/2011-2/24/2011	Isfahan, Iran	Hossein Lahiji, M.D.

44. It was a further part of the scheme and artifice to defraud that **Defendant Hossein Lahiji, M.D. and Defendant Najmeh Vahid Lahiji** did instruct their employees, who were only certified MA's or who held no license at all, to diagnose and treat Medicare and Medicaid beneficiaries and other private health insurance patients in his absence.

45. It was a further part of the scheme and artifice to defraud that **Defendant Najmeh Vahid Lahiji** was, at times, present in the office on those days when **Defendant Hossein Lahiji, M.D.** was not present at the LUC.

46. It was a further part of the scheme and artifice to defraud that **Defendant Hossein Lahiji, M.D.** and **Defendant Najmeh Vahid Lahiji** would and did bill these health care benefit programs for patients treated by the unlicensed LUC employees and unqualified MA's employed by the LUC, as if **Defendant Hossein Lahiji, M.D.** had treated those patients himself, for example:

(a.) On or about January 10, 2006, **Defendant Hossein Lahiji, M.D.** and **Defendant Najmeh Vahid Lahiji**, while traveling outside the United States, claimed that he treated patient D.M., when actually an unsupervised M.A. treated patient D.M. The defendants billed using Medicare and Medicaid CPT codes, 99213 (office visit: 15 minutes face to face with patient-\$150.00); 76857 (Echography of the Pelvic area, follow-up-\$220); 53600 (Dilate Urethra Stricture, Male-\$250); A4358 (Foley Catheter, 2 way, Latex-\$25.00); and A4358 (Leg bag with or without tube-\$15.00), as if **Defendant Hossein Lahiji, M.D.** treated the patient himself.

47. It was a further part of the scheme and artifice to defraud that **Defendant Hossein Lahiji, M.D.**, would and did fail to actively participate and manage the course of treatment of urology services for persons for whom Medicare, Medicaid, and the private health insurance companies were being billed, and would and did fail to supervise the urology services that were being billed under his performing provider numbers, but provided by unsupervised MA's, for example:

(a.) **Defendant Hossein Lahiji, M.D.**, on or about January 18, 2006, failed to supervise the Trelstar 3 month injection for patient S.C., since he was traveling in Iran and failed to have any coverage by a physician partner, resident, substitute physician or "*locum tenens*." Trelstar is a Food and Drug Administration ("F.D.A.") approved prescription chemotherapy injection drug used to treat prostate cancer. The F.D.A. requires that Trelstar must be administered under the supervision of a physician. **Defendant Hossein Lahiji, M.D.** did bill Medicare and Medicaid CPT code J3315 for \$1,800.00.

48. It was a further part of the scheme and artifice to defraud that **Defendant Hossein Lahiji, M.D.**, would and did sign "superbills" and medical records as if he had performed physician services when, in fact, he had not done so, for example:

(a.) On or about September 17, 2004, **Defendant Hossein Lahiji, M.D.**, while traveling in Iran, claimed that he administered to patient J.D.F. a Lupron Depot injection, a chemotherapy drug used to treat prostate cancer, when in fact a M.A. administered the injection without any physician supervision. **Defendant Hossein Lahiji, M.D.** billed Medicare and Medicaid CPT code J9217 for \$2,800.00 and CPT code 96400 for \$90.00 and did sign the medical records for patient J.D.F. Lupron Depot is an F.D.A. approved prescription chemotherapy injection drug. The F.D.A. requires that Lupron Depot must be administered under the supervision of a physician.

49. **Defendant Hossein Lahiji, M.D.** and **Defendant Najmeh Vahid Lahiji** would and did hire and use MA's and untrained persons to administer "urology services" to the Medicare, Medicaid, and private health insurance beneficiaries at the LUC, thereby placing these patients at risk of physical danger.

50. **Defendant Hossein Lahiji, M.D. and Defendant Najmeh Vahid Lahiji** would and did bill and cause to be billed Medicare, Medicaid and private health insurance for urology services allegedly performed by **Defendant Hossein Lahiji, M.D.** when, in fact, **Defendant Hossein Lahiji, M.D.** was traveling outside the State of Texas and outside the United States, and the MA's were performing these "urology services" without any supervision from any physician in violation of protocols established by Medicaid, Medicare, private health insurance and the State of Texas.

Upcoding

51. When **Defendant Hossein Lahiji, M.D.** was present at LUC, it was further part of the scheme and artifice to defraud, that there were specific days where **Defendant Hossein Lahiji, M.D.** claimed to treat between sixty-five (65) to one hundred seventeen (117) patients per day during the office hours of 7:00 a.m. to 6:00 p.m.

52. **Defendant Hossein Lahiji, M.D. and Defendant Najmeh Vahid Lahiji** submitted claims to Medicare, Medicaid and private health insurance, which they knew were false and fraudulent, in the defendants represented that:

(a.) **Defendant Hossein Lahiji, M.D.** had claimed he conducted a "consultation" or "office visit" for patients, when in fact he had overbilled Medicare, Medicaid and private health insurance for actual time he spent "face to face" with the patients, a practice known as "upcoding"; and

(b.) the patient's medical situation had necessitated the taking of a comprehensive medical history and a comprehensive physical examination by a physician, when in fact the

Defendant Hossein Lahiji, M.D. had not personally performed such a comprehensive exam nor taken such a comprehensive history (upcoding).

53. It was further part of the scheme and artifice to defraud that **Defendant Hossein Lahiji, M.D.** regularly upcoded office visits and billed routine office visits as complex consultations to obtain higher reimbursement from Medicare, Medicaid and private health insurance than he was entitled to receive, for example:

(a) On numerous occasions, including on or about December 30, 2009, **Defendant Hossein Lahiji, M.D.** would or did allegedly “treat” eighty (80) patients between the hours of 7:20 a.m. and 6:35 p.m., and did fraudulently submit bills using CPT codes for both office visits and consultations to Medicare, Medicaid and private insurance a total of 1,961 minutes or 32.6 hours.

Additional Allegations

54. It was a further part of the scheme and artifice to defraud that, for billing purposes, in some instances, **Defendant Hossein Lahiji, M.D.** and **Defendant Najmeh Vahid Lahiji** would and did disregard the actual medical condition of the patient and instead substitute a false diagnosis which qualified for payment by Medicare, Medicaid, and private health insurance.

55. In addition, **Defendant Hossein Lahiji, M.D.** and **Defendant Najmeh Vahid Lahiji** would and did bill Medicare and Medicaid for urology services which were never performed. These fictitious billings were submitted in order to increase the payments from Medicare, Medicaid and private health insurance.

56. **Defendant Hossein Lahiji, M.D. and Defendant Najmeh Vahid Lahiji** would and did routinely bill Medicare, Medicaid and private insurance for urology services that were not medically necessary and for services not provided.

57. **Defendant Hossein Lahiji, M.D. and Defendant Najmeh Vahid Lahiji** would and did falsely and fraudulently bill and cause to be falsely and fraudulently billed to Medicare, Medicaid and private health insurance claims totaling over \$1.5 million dollars, by making false and fraudulent representations, including but not limited to, upcoding and billing for procedures while traveling outside of the United States, specifically in Iran and Saudi Arabia.

All in violation of Title 18, United States Code, Sections 1349, 1347 and 2.

COUNTS TWO AND THREE
(Health Care Fraud - 18 U.S.C. §§ 1347 and 2)

A. INTRODUCTION

58. The Grand Jury adopts, realleges, and incorporates herein the allegations in paragraphs 1 through 39 of the Introduction to Count One of this Indictment as if set out fully herein.

B. THE SCHEME AND ARTIFICE

59. In the Southern District of Texas, and within the jurisdiction of the Court,

HOSSEIN LAHIJI, M.D.
and
NAJMEH VAHID LAHIJI,

defendants herein, aided and abetted by each other and by others known and unknown to the Grand Jury, did knowingly and willfully execute and attempt to execute a scheme and artifice:

- i. to defraud a health care benefit programs, that is, Medicare, Medicaid, Aetna, Blue Cross Blue Shield, Humana, and United Healthcare.

- ii. to obtain, by means of false and fraudulent pretenses, representations, and promises, any of the money and property owned by, and under the custody and control of a health care benefit programs, that is, Medicare, Medicaid, Aetna, Blue Cross Blue Shield, Humana, and United Healthcare;
- in connection with the delivery of and payment for health care benefits, items and services, namely, physician urology services.

C. MANNER AND MEANS OF THE SCHEME TO DEFRAUD

60. The Grand Jury adopts, re-alleges, and incorporates herein the allegations in paragraphs 41 through 57 of the Manner and Means of the Conspiracy in Count One of the Indictment as if set out fully herein.

D. EXECUTION OF THE SCHEME TO DEFRAUD

61. On or about the dates alleged in the counts below defendants,

**HOSSEIN LAHIJI, M.D.
and
NAJMEH VAHID LAHIJI,**

aided and abetted by others known and unknown to the Grand Jury, did knowingly and willfully execute and attempt to execute a scheme and artifice:

- i. to defraud a health care benefit program; and
 - ii. to obtain, by means of false and fraudulent pretenses, representations, and promises, any of the money and property owned by, and under the custody and control of a health care benefit program;
- in connection with the delivery of and payment for health care benefits, items and services, namely, by submitting and causing to be submitted false and fraudulent claims to Medicare and

Medicaid for physician urology services in connection with the diagnosis and treatment of patients in the amounts indicated below:

Count	Patient Initials	Medicare Number	Medicaid Number	Claim Number(s)	Date of Service	CPT code	Amount Billed
2.	A.P.	xxxxx6846 B	xxxxx119 4	(MC)2209189685810 (MD)2009205440072 11	07/01/2009	81003 J1580 J0696 96372	\$ 15.00 \$ 50.00 \$ 200.00 \$ <u>90.00</u> \$ 355.00
3.	C.T.	xxxxx9904 A	xxxxx603 0	(MC)2809293119630 (MD)2009308721503 52	07/28/2009	99211 81003 J1580	\$ 35.00 \$ 15.00 \$ <u>50.00</u> \$ 100.00

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNT FOUR
(Conspiracy to Violate the Iranian Sanctions)

A. INTRODUCTION

At all times relevant to the indictment,

62. **Defendant Hossein Lahiji, M.D.** was a United States Citizen with a valid, Iranian passport, residing in the Southern District of Texas and elsewhere.

63. **Defendant Najmeh Vahid Lahiji** was a Permanent Resident Alien of the United States and a citizen of Iran residing in the Southern District of Texas and elsewhere.

64. The President of the United States, by virtue of the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. Section 1705), is granted certain authority to deal with unusual and extraordinary threats to the national security and foreign policy of the United States. On March 15, 1995, the President following previously issued Executive Orders, continued to declare a national emergency with respect to the Islamic Republic of Iran, finding the policies and actions of Iran constitute a threat to the national security of the United States due to Iran's support

of international terrorism and its attempts to acquire weapons of mass destruction. On May 6, 1995, the President declared a trade embargo with Iran and prohibited the exportation of any goods, technology or services, with limited exception. Executive Order 12959.

65. To implement the United States-Iran Embargo, the United States Department of Treasury through the Office of Foreign Assets Control (OFAC), issued the Iranian Transactions Regulations ("ITR") (31 C.F.R. Part 560) in September 1995 (re-named the Iranian Transactions and Sanctions Regulations in 2012). These regulations prohibit, with limited exception, the export of goods, technology and services from the United States to Iran unless authorized by OFAC. The regulations further prohibit any transactions evading or avoiding the Iran Embargo, including the exportation of goods from the United States to a third country if the goods are intended for or destined to Iran unless authorized. The regulations also prohibited any transaction involving goods or services of Iranian origin including new investment by a United States person in Iran or in property (including entities) owned or controlled by the Government of Iran unless authorized. The national emergency with respect to Iran has been extended annually through successive presidential notices.

66. Among other things, the ITR specifically provided the following:

- (a) 31 C.F.R. § 560.203 prohibits "[a]ny transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions contained in this part;"
- (b) 31 C.F.R. §560.206(a) prohibits a United States person wherever located, from engaging "in any transaction or dealing in or related to (1) Goods or services of Iranian origin or owned or controlled by the Government of Iran; or (2) Goods, technology, or services for exportation, reexportation, sale, or supply, directly or

indirectly, to Iran or the Government of Iran.” This regulation clarifies in 31 C.F.R. § 560.206(b) that “the term *transaction* or *dealing* includes but is not limited to purchasing, selling, transporting, swapping, brokering, approving, financing, facilitating or guaranteeing;”

- (c) 31 C.F.R. § 560.207 prohibits “any new investment by a United States person in Iran or in property (including entities) owned or controlled by the Government of Iran.”

67. A “hawala” was an alternative remittance system which transfers money (usually across borders) without physical or electronic transfer of funds. Money changers (“hawaladars”) would receive cash in one country. Correspondent hawaladars in another country would dispense an identical amount (minus minimal fees and commissions) to a recipient or, less often, to a bank account.

68. Neither **Defendants Hossein Lahiji, M.D. nor Najmeh Vahid Lahiji** ever applied for or obtained a license or authorization from OFAC to engage in transactions, investments or other activities in Iran or involving Iran.

B. THE AGREEMENT

69. From in or about June 2008 through and including in or about October 2008, in the Southern District of Texas and elsewhere, the defendants,

HOSSEIN LAHIJI, M.D.

and

NAJMEH VAHID LAHIJI

knowing and wilfully conspired and agreed with others known and unknown to the grand jury, to violate IEEPA and the Iranian transactions regulations promulgated thereunder, as described

below, in violation of Title 50, United States Code, Section 1705 and Title 31, Code of Federal Regulations, §§ 560.203, 560.206 and 560.207.

C. MANNER AND MEANS

The manner and means used to accomplish the objects of the conspiracy included, among others, the following:

70. In order to conceal the true nature of their illegal activities and make it appear as if they were not violating the Iranian sanctions, it was part of the conspiracy that the defendant would and did send money and cause money to be sent from the United States to relatives located in Iran or into bank accounts owned by the defendants located in Iran. Once received in Iran, money would be used for real estate investment purposes on behalf of the defendants **Hossein Lahiji, MD and Najmeh Vahid**.

71. It was part of the conspiracy that **Hossein Lahiji, M.D. and Najmeh Vahid Lahiji** did transfer money to Iran utilizing an unlicensed money remitter business/hawala called the Espadana Exchange to avoid the United States banking regulations and to make it appear that they were not violating the United States' embargo with Iran. It was a further part of the conspiracy that **Hossein Lahiji and Najmeh Vahid Lahiji** would and did send money representing profits of [their illegal fraud scheme described above] to Iran for the purpose of making an investment on behalf of **Hossein Lahiji and Najmeh Vahid Lahiji** in real estate rental property in Iran.

72. It was a further part of the conspiracy that **Hossein Lahiji, M.D. and Najmeh Vahid Lahiji** did communicate by telephone and email with an unlicensed, money remitter and his partner in Isfahan, Iran in order to confirm when the Lahiji's monies were transferred to the

Espadana Exchanges's account in the United States. Once received, the unlicensed money remitter's partner, who was located in Iran, would then transfer the equivalent amount of Iranian currency, less their fees, to either the Lahiji's relatives in Isfahan, Iran or into the Defendants' bank accounts in Iran, so the Defendants could conceal the true nature of their activities.

73. It was further a part of the conspiracy that **Hossein Lahiji, M.D. and Najmeh Vahid Lahiji**, and others known and unknown to the grand jury, would and did perform acts and make statements to hide and conceal, and cause to be hidden and concealed, the purposes and objectives of and the acts done in furtherance of said conspiracy.

D. OVERT ACTS

74. In furtherance of the conspiracy and to accomplish the goals, purposes and objectives of the conspiracy, **Hossein Lahiji, M.D. and Najmeh Vahid Lahiji**, and others known and unknown to the grand jury, committed and caused to be committed the following overt acts within the Southern District of Texas and elsewhere, which are described in substance below:

- (a) Records from the Espadana Exchange and bank records show transfers on the dates listed below from the Lahiji Urology Center Account to the Espadana Exchange with the knowledge and the approval of **Najmeh Vahid Lahiji and Hossein Lahiji, M.D.:**

6/23/08	Fedwire from Lahiji Acct. XXX9171	\$100,000.00
7/01/08	Fedwire from Lahiji Acct. XXX9171	\$150,000.00
7/01/08	Fedwire from Lahiji Acct. XXX9171	\$150,000.00
7/07/08	Fedwire from Lahiji Acct. XXX9171	\$200,000.00
7/07/08	Fedwire from Lahiji Acct. XXX9171	\$200,000.00

7/15/08	Fedwire from Lahiji Acct. XXX9171	\$ 50,000.00
7/15/08	Fedwire from Lahiji Acct. XXX9171	\$ 85,000.00
9/30/08	Fedwire from Lahiji Acct. XXX9171	\$100,000.00
9/30/08	Fedwire from Lahiji Acct. XXX9171	<u>\$100,000.00</u>
Total		\$1,135,000.00

- (b) On or about July 7, 2008, **Hossein Lahiji, M.D.**, signed two forms at Lone Star National Bank in McAllen, Texas entitled, "Authorization to Transfer Funds Outgoing Wire Transfer Request" whereby he authorized two wire transfers, each in the amount of \$200,000 to the Espadana Exchange, LLC from the Lahiji Urology Center, PA account xxx9171.
- (c) On or about July 15, 2008, **Najmeh Vahid Lahiji** sent by facsimile to Lone Star National Bank in McAllen, Texas, a memorandum requesting two wire transfers from account XXX9171, one in the amount of \$85,000 and the other for \$50,000, be sent to the Espadana Exchange, LLC in Laguna Hills, California.
- (d) Shortly after each of the "Lahiji" wire transfers were received, the unlicensed money remitter did notify his partner in Isfahan, Iran to provide the defendants' relatives in Iran, the equivalent monies, less the unlicensed, money remitter's and his partner's fees, in Iranian Rials (IRR).
- (e) In or about July 2008, **Najmeh Vahid Lahiji** prepared a document titled "Mr. Vahid Books," which contained information about purchases of land and investments in Iran and provided in part "\$500M of this money was placed in the bank and will be available on the 27th of this month." The document further references "Money Mr. Vahid owes Dr. Lahiji from other sources: \$35,900,000"

and "Other proerties of Dr. Lahiji: Zeeyar and Sajadeeye."

- (f) In or about July 2008, **Najmeh Vahid Lahiji** further wrote in the document titled "Mr. Vahid Books," the following:

"Management Salary: Since we do need someone trustworthy to take care of matters here, do you think it is fair to start to pay a fair salary to my dad for his management of our money and property and other duties in Iran? ... I think it is not fair for him to do so much running around without getting paid since he does not use our money for himself....He has to take care of tenants now in our new home too as he has been doing so in Sajadeeye and giving us the money."

- (g) On or about March 10, 2009, **Hossein Lahiji, M.D. and Najmeh Vahid Lahiji** provided to their accountants in Houston, Texas a document entitled "Lahiji Urology Center Personal Balance Sheet." The document shows that as of December 31, 2008, under the section "Other Current Assets" is listed the "Espadana Exchange LLC" with the amount \$1,135,000.00 noted next to it.

- (h) In or about June or July 2002, **Hossein Lahiji, M.D.** wrote a note in Farsi to Grand Ayatollah Hossein Mazaheri, who at that time was the head of the Isfahan Theological Institute in Iran, which references Grand Ayatollah Sistani and further states that he [**"Haj Hossein Lahiji"**] intends to make a long term investment in one of the Islamic Republic banks and was inquiring whether religious laws permit such a venture. On the same piece of paper, in Farsi, but what appears to be different handwriting it states the following: "In the name of God, it is a great and sound....Hossein Mazaheri."

All in violation of Title 50 U.S.C. Section 1705 (a) and (c) and Title 31 C.F.R. Sections

560.203, 560.206 and 560.207.

COUNTS FIVE AND SIX
(31 U.S.C. Sections 5314 & 5322 - Failure to File Report of
Foreign Bank and Financial Accounts)

75. Paragraphs 62-63 and 70-74 of Count Four of this Superseding Indictment are realleged here.

76. United States citizens and Permanent Resident Aliens have an obligation to report to the U.S. Internal Revenue Service ("IRS") on the Schedule B of a U.S. Individual Income Tax Return, Form 1040, whether that individual had "a financial interest in, signature authority over, or other authority over, a financial account in a foreign country" in a particular year by checking "Yes" or "No" in the appropriate box and identifying the country where the account was maintained. United States citizens and Permanent Resident Aliens have an obligation to report all income earned from foreign financial accounts on the tax return and to pay taxes due on that income.

77. United States citizens and Permanent Resident Aliens who have an financial interest in, signature authority over, or other authority over, one or more financial accounts in a foreign country with an aggregate value of more than \$10,000 at any time during a particular year were required to file with the Department of the Treasury a Report of Foreign and Financial Accounts, Form TD F 90-22.1 ("the FBAR"). An FBAR identifies, among other things, the name of the financial institution at which the account was held, account number, and the maximum value of the account during the calendar year. The FBAR for the applicable year is due by June 30 of the following year.

78. On or about November 27, 2006, **Najmeh Vahid Lahiji** sent a two (2) page

facsimile transmittal to "Ahmad Iranshahee@ChildFoundation fax:011-98-21-88764771"; in which second page states the following:

* * *

"3. Other monies spent per Dr. Lahiji's request:
a.\$67,000.00: Charity work approved in 2005
b.\$350,000.00 placed in a joint account for a period of 5 years....
Status as of 11/27/2006:
1. Tehran house due back 07/89
2. \$350,000.00 due back 02/87...
Please verify the above information. Also, please show bank statements for the joint account."

79. On or about January 3, 2007, in response to a question from the Lahiji's accountant T.W., **Najmeh Vahid Lahiji** wrote the following email from her MSN email account:

"The first three transactions, (245,500.00, 30,000.00, 25,700.00) are real estate we have purchased in Iran. This is a business we have with my father for construction. He buys property, builds, and then sells them. We take 60% of the profit."

80. On or about July 15, 2008, an email in Farsi, signed by **Defendants Hossein Lahiji, M.D. and Najmeh Vahid Lahiji**, along with members of the operations board of the Child Foundation, Isfahan branch was sent to the email account "ah_iran@yahoo.com", stated in part the following:

"According to decisions made on 87/3/31 [Corresponding to 06/20/2008] monies deposited on behalf of Mr. Doctor should be deposited in the form of a lump sum and within three days....the three hundred and fifty million which ius currently in the process of payment has a special contract which is completely separate from the Child Foundation accounts..."

81. In or about July 2008, **Najmeh Vahid Lahiji** prepared a document titled "Mr. Vahid Books," which contained a statement in section "B. Money Spent for Dr. Lahiji and Family by Mr. Vahid: \$285,896,738," that states "Note: any expenses that were paid by dollars in 1385 and this year are not included in this list. This list only includes items that were paid by monies in

the bank.” Section “C. Other Monies sent by Dr. Lahiji: \$926.1 M” describes purchases of a house and investments in Iran and provided in part “\$500M of this money was placed in the bank and will be available on the 27th of this month.” The document also states, “do you think it is fair to start to pay a fair salary to my dad for his management of our money and property and other duties in Iran? ... I do not know if we can find someone who will not steal and is trustworthy ...and take care of our money and properties here.”

82. In or about 2002 and 2003 and in or about 2007 and 2008, **Defendants Hossein Lahiji, M.D. and Najmeh Vahid Lahiji**, did complete an annual “Client Organizer” worksheet/questionnaire for their accountants located in Houston, Texas, where they repeatedly checked the “No” box in response to the following questions:

- a. “Did you have any foreign income or pay any foreign taxes during the year?”
- b. “Were you a grantor or transferor for a foreign trust, have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country?” and
- c. “Did you create or transfer money or property to a foreign trust?”

83. On or about the dates listed below, in the Southern District of Texas, defendants,

HOSSEIN LAHIJI, M.D.
and
NAJMEH VAHID LAHIJI

while violating other laws of the United States, to wit, Health Care Fraud, in violation of 18 U.S.C. 1347, 1349 and illegal exports to Iran, in violation of the Iranian Sanctions, 50 U.S.C. 1705 (a) and (b) and Title 31 C.F.R. Sections 560.203, 560.206 and 560.207, did unlawfully, knowingly and willfully fail to file with the Commissioner of the Internal Revenue Service, U.S. Department of the Treasury, a FBAR disclosing that both **Defendants Hossein Lahiji, M.D. and**

Najmeh Vahid Lahiji, had a financial interest in, signature authority over and other authority over, a bank, securities, and other financial account in a foreign country, specifically Iran, to wit, at least one financial account at the Bank of Karafarin and at least one account in the name of an individual, A.V.D., which said accounts during the calendar years listed below, exceeded \$10,000 in aggregate value, each FBAR constituting a separate count of this indictment:

Count	Year	Bank in Iran	Known High Balance (Estimated U.S. Dollar converted from Iranian Rials (IRR))	Due Date of FBAR
5	2007	Karafarin-Joint Account	\$350,000 (US)	June 30, 2008
6	2008	AVD's account/unknown & Karafarin-Joint Account	\$ 542,829.23 (500 M Iranian Rials) ¹ +\$ 350,000.00 (US) <hr/> \$ 892,829.23 US	June 30, 2009

All in violation of Title 31, United States Code, Sections 5314 & 5322(a)-(b); and Title 31 Code of Federal Regulations, Sections 1010.350, 1010.306(c)-(d) & 1010.840(b) (formally Title 31 Code of Federal Regulations, Sections 103.24, 103.27(c)-(d) & 103.59(b)).

NOTICE OF FORFEITURE
(18 U.S.C. § 982(a)(7))

84. Pursuant to Title 18, United States Code, Section 982(a)(7), the United States gives notice to defendants,

¹ Estimated exchange rate for \$1 USD=9.211 K Iranian Rials on July 28, 2008. (Source: United States Federal Reserve Bank of New York.)

**HOSSEIN LAHIJI, M.D.,
and
NAJMEH VAHID LAHIJI,**

that in the event of their conviction for any of the health care fraud violations charged in this indictment, the United States intends to forfeit all property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of any such offenses.

NOTICE OF FORFEITURE
(28 U.S.C. § 2461(c); 18 U.S.C. § 981(a)(1)(C))

85. Pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C), the United States gives notice to defendants,

**HOSSEIN LAHIJI, M.D.,
and
NAJMEH VAHID LAHIJI,**

that in the event of their conviction for the offense charged in Count Four, the United States intends to forfeit all property, real or personal, that constitutes or is derived from proceeds traceable to such offense.

Money Judgment

86. Defendants are notified that upon conviction, a money judgment may be imposed equal to the total value of the property subject to forfeiture, for which the defendants may be jointly and severally liable.

Substitute Assets

87. Defendants are notified that in the event that property subject to forfeiture, as a result of any act or omission of defendants,

(A) cannot be located upon the exercise of due diligence;

(B) has been transferred or sold to, or deposited with, a third party;

(C) has been placed beyond the jurisdiction of the court;

(D) has been substantially diminished in value; or

(E) has been commingled with other property that cannot be divided without difficulty,


the United States will seek to forfeit any other property of the defendants up to the total value of the property subject to forfeiture pursuant to Title 21, United States Code, Section 853(p), as incorporated by reference in Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 982(b)(1).

A TRUE BILL


ORIGINAL SIGNATURE ON FILE

FOREPERSON

KENNETH MAGIDSON
UNITED STATES ATTORNEY



CAROLYN FERKO
ASSISTANT UNITED STATES ATTORNEY

TRUE COPY I CERTIFY
ATTEST MAR 4 2014
DAVID J. BRADLEY, Clerk of Court
By  Deputy Clerk

UNITED STATES DISTRICT COURT
Southern District of Texas
Holding Session in Houston

UNITED STATES OF AMERICA
V.
NAJMEH VAHID LAHIJI

JUDGMENT IN A CRIMINAL CASE

CASE NUMBER: 4:11CR00030-002

USM NUMBER: 85991-279

Mike DeGeurin, Sr.

Defendant's Attorney

☐ See Additional Aliases.

THE DEFENDANT:

☒ pleaded guilty to count(s) 1SSS and 4SSS on December 30, 2013.

☐ pleaded nolo contendere to count(s) _____
which was accepted by the court.

☐ was found guilty on count(s) _____
after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

Title & Section	Nature of Offense	Offense Ended	Count
18 U.S.C. §§ 1347 and 1349	Conspiracy to commit health care fraud	02/24/2011	1SSS
50 U.S.C. § 1705(a) and (c)	Conspiracy to violate the Iranian sanctions	10/31/2008	4SSS

☐ See Additional Counts of Conviction.

The defendant is sentenced as provided in pages 2 through 6 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

☐ The defendant has been found not guilty on count(s) _____

☒ Count(s) remaining _____ ☐ is ☒ are dismissed on the motion of the United States.

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

January 24, 2014

Date of Imposition of Judgment

Melinda Harmon

Signature of Judge

MELINDA HARMON

UNITED STATES DISTRICT JUDGE

Name and Title of Judge

January 30, 2014

Date

TRUE COPY I CERTIFY

ATTEST: MAR 4 2014

DAVID J. BRADLEY, Clerk of Court

By Deputy Clerk

Exhibit

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DEFENDANT: NAJMEH VAHID LAHIJI
CASE NUMBER: 4:11CR00030-002

Judgment -- Page 2 of 6

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of 12 months and 1 day.
This term consists of TWELVE (12) MONTHS AND ONE (1) DAY as to each of Counts 1SSS and 4SSS, to run concurrently, for a total of TWELVE (12) MONTHS AND ONE (1) DAY.

This term is to run concurrently with the sentence imposed in the District of Oregon Docket Number 3:10CR00506-002-K1.

- ☐ See Additional Imprisonment Terms.
- ☒ The court makes the following recommendations to the Bureau of Prisons:
That the defendant be designated to the facility in Bryan, Texas.
- ☐ The defendant is remanded to the custody of the United States Marshal.
- ☐ The defendant shall surrender to the United States Marshal for this district:
☐ at _____ ☐ a.m. ☐ p.m. on _____.
☐ as notified by the United States Marshal.
- ☒ The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:
☐ before 2 p.m. on _____.
☒ as notified by the United States Marshal.
☐ as notified by the Probation or Pretrial Services Office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____
at _____, with a certified copy of this judgment.

UNITED STATES MARSHAL

By _____

DEPUTY UNITED STATES MARSHAL

DEFENDANT: **NAJMEH VAHID LAHIJI**
CASE NUMBER: **4:11CR00030-002**

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of: 3 years.
This term consists of THREE (3) YEARS as to each of Counts 1SSS and 4SSS, to run concurrently, for a total of THREE (3) YEARS.

This term of supervised release is to run concurrently with the term of supervised release imposed in the District of Oregon Docket Number 3:10CR00506-002-KI.

☐ See Additional Supervised Release Terms.

The defendant must report to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

The defendant shall not commit another federal, state or local crime.

The defendant shall not unlawfully possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court. *(for offenses committed on or after September 13, 1994)*

☐ The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. (Check, if applicable.)

☒ The defendant shall not possess a firearm, ammunition, destructive device, or any other dangerous weapon. (Check, if applicable.)

☒ The defendant shall cooperate in the collection of DNA as directed by the probation officer. (Check, if applicable.)

☐ The defendant shall comply with the requirements of the Sex Offender Registration and Notification Act (42 U.S.C. § 16901, *et seq.*) as directed by the probation officer, the Bureau of Prisons, or any state registration in which he or she resides, works, is a student, or was convicted of a qualifying offense. (Check, if applicable)

☐ The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or restitution, it is a condition of supervised release that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

STANDARD CONDITIONS OF SUPERVISION

☒ See Special Conditions of Supervision.

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court; and
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

DEFENDANT: NAJMEH VAHID LAHIJI

CASE NUMBER: 4:11CR00030-002

SPECIAL CONDITIONS OF SUPERVISION

If deported, the defendant is not to re-enter the United States illegally. If the defendant is deported during the period of probation or the supervised release term, supervision by the probation office becomes inactive. If the defendant returns, the defendant shall report to the nearest U.S. Probation Office immediately. Supervision by the probation officer reactivates automatically upon the defendant's reporting.

The defendant shall provide the probation officer access to any requested financial information. If a fine or restitution amount has been imposed, the defendant is prohibited from incurring new credit charges or opening additional lines of credit without approval of the probation officer.

The defendant is prohibited from possessing a credit access device, such as a credit card, unless first authorized by the probation officer.

DEFENDANT: NAJMEH VAHID LAHIJI
 CASE NUMBER: 4:11CR00030-002

CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$200.00	\$1,250,000	\$703,524.74

A \$100 special assessment is ordered as to each of Counts 1SSS and 4SSS, for a total of \$200.

A \$1,250,000 fine is ordered as to each of Counts 1SSS and 4SSS, to run concurrently, for a total of \$1,250,000.

- ☐ See Additional Terms for Criminal Monetary Penalties.
- ☐ The determination of restitution is deferred until _____. An Amended Judgment in a Criminal Case (AO 245C) will be entered after such determination.
- ☒ The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal payees must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentag</u>
Medicare		\$469,548.74	
Medicaid		153,508.95	
Blue Cross Blue Shield of Texas (BCBSTX)		51,558.21	
Aetna		13,003.63	
United Healthcare (UHC)		9,239.34	
Humana		6,665.87	
<input type="checkbox"/> See Additional Restitution Payees.			
TOTALS	<u>\$0.00</u>	<u>\$703,524.74</u>	

- ☐ Restitution amount ordered pursuant to plea agreement \$ _____
- ☒ The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).
- ☐ The court determined that the defendant does not have the ability to pay interest and it is ordered that:
- ☐ the interest requirement is waived for the ☐ fine ☐ restitution.
- ☐ the interest requirement for the ☐ fine ☐ restitution is modified as follows:
- ☐ Based on the Government's motion, the Court finds that reasonable efforts to collect the special assessment are not likely to be effective. Therefore, the assessment is hereby remitted.

* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT: NAJMEH VAHID LAHIJI
 CASE NUMBER: 4:11CR00030-002

SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties is due as follows:

- A ☒ Lump sum payment of \$*1,953,524.74 due immediately, balance due
☐ not later than _____, or
☒ in accordance with ☐ C, ☐ D, ☐ E, or ☒ F below; or
- B ☐ Payment to begin immediately (may be combined with ☐ C, ☐ D, or ☐ F below); or
- C ☐ Payment in equal _____ installments of _____ over a period of _____, to commence _____ days after the date of this judgment; or
- D ☐ Payment in equal _____ installments of _____ over a period of _____, to commence _____ days after release from imprisonment to a term of supervision; or
- E ☐ Payment during the term of supervised release will commence within _____ days after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F ☒ Special instructions regarding the payment of criminal monetary penalties:

Payable to: Clerk, U.S. District Court
 Attn: Finance
 P.O. Box 61010
 Houston, TX 77208

* The \$703,524.74 total restitution is to be paid jointly and severally with the co-defendant, Hossein Lahiji, M.D., as specified below.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

☒ Joint and Several

Case Number

Defendant and Co-Defendant Names

(including defendant number)

Najmeh Vahid Lahiji 4:11CR00030-002
 Hossein Lahiji, M.D. 4:11CR00030-001

Total Amount

\$703,524.74
 \$703,524.74

Joint and Several

Amount

\$703,524.74
 \$703,524.74

Corresponding Payee, if appropriate

- ☐ See Additional Defendants and Co-Defendants Held Joint and Several.
- ☐ The defendant shall pay the cost of prosecution.
- ☐ The defendant shall pay the following court cost(s):
- ☐ The defendant shall forfeit the defendant's interest in the following property to the United States:
- ☐ See Additional Forfeited Property.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.

AFFIDAVIT

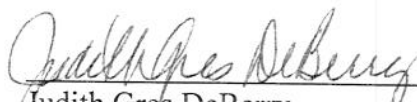
THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared Judith Gres DeBerry, Petitioner's attorney of record, who, being by me duly sworn, deposed as follows:

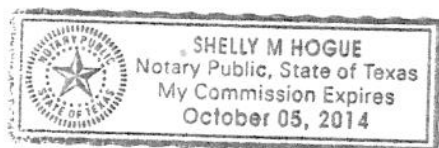
"My name is Judith Gres DeBerry. I am over the age of 18 years, of sound mind, capable of making this affidavit, and state the following:

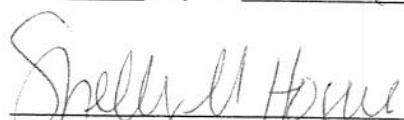
Based upon information and belief, Najmeh Vahid-Dastjerdi, whose Texas Bar Card Number is 24075200, is licensed as an attorney and counselor at law in the State of Texas. Based upon information and belief, Najmeh Vahid-Dastjerdi named as Respondent in the Petition for Compulsory Discipline filed with the Board of Disciplinary Appeals, is one and the same person as the Najmeh Vahid who is the subject of the Amended Judgment in a Criminal Case in Case No. 3:10-CR-00506-02KI, styled *United States of America v. Najmeh Vahid*, in the United States District Court for the District of Oregon, wherein Respondent was found guilty of Count 1- Conspiracy to Defraud the Treasury Department of the United States and Count 2 - Conspiracy to Commit Money Laundering, and was committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of twelve months and one day on each count, to be served concurrently, and was ordered upon release from imprisonment to be on supervised release for three years, ordered to pay an assessment of \$200.00, a fine of \$200,000.00 and restitution of \$973,503.00, and who is also the subject of the Judgment in a Criminal Case in Case No. 4:11CR00030-002, styled *United States of America v. Najmeh Vahid Lahiji*, in the United States District Court for the Southern District of Texas, Holding Session in Houston, wherein Respondent pled guilty to Count 1SSS - Conspiracy to Commit Healthcare Fraud and Count 4SSS - Conspiracy to Violate the Iranian Sanctions and was committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of twelve months and one day on each count, to be served concurrently, and was ordered upon release from imprisonment to be on supervised release for three years, ordered to pay an assessment of \$200.00, a fine of \$1,250,000.00 and restitution of \$703,524.74."

FURTHER Affiant saith not.


Judith Gres DeBerry

SWORN AND SUBSCRIBED before me on the 11 day of March 2014.




NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

Exhibit

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