

United States Department of Justice

For Immediate Release

May 25, 2010 **United States Attorney's Office**
District of New Jersey

New Jersey Real Estate Developer Sentenced to Prison for Conspiring to Launder Money for Political Contributions to Union City Official

NEWARK, NJ—Shimon Haber, a real estate developer, was sentenced today to five months in prison and five months of home confinement for conspiring to launder money for political contributions to a Union City official in exchange for official approvals, United States Attorney Paul J. Fishman announced.

The sentence was imposed in Newark federal court by United States District Judge Jose L. Linares, who continued Haber's release on a \$100,000 secured bond pending his surrender to officials with the U.S. Bureau of Prisons, scheduled for July 5, 2010.

Haber, 34, of Brooklyn, New York, previously pleaded guilty before Judge Linares on January 14, 2010, to an Information charging him with conspiracy to launder money to conceal and promote unlawful activity – specifically, to make contributions to the Union City official's political committee in exchange for official approvals to develop certain property in Union City, New Jersey.

According to documents filed in this case and statements made in court:

At his plea hearing, Haber admitted that in March 2007, he had meetings with a cooperating witness and co-conspirators Michael Altman, 40, of Monsey, New York, and Itzhak Friedlander, 42, of Union City, New Jersey. The meetings were held to negotiate the terms of an arrangement in which Altman and Friedlander would launder money from the cooperating witness through a purported charitable entity called Gmach Shefa Chaim. The conspirators conspired to have Altman funnel this money through Gmach Shefa Chaim to the political committee of a Union City official, in exchange for official approvals for developing a Union City property in which Haber and the cooperating witness would be partners. Haber admitted that he conspired to launder \$24,000.

Today's sentencing results from a two-track undercover Federal Bureau of Investigation ("FBI") investigation into political corruption and international money laundering which resulted in the charging of 44 individuals in criminal Complaints on July 23, 2009.

In addition to the prison term and home confinement, Judge Linares ordered Haber to serve two years of supervised release and ordered him to pay a fine of \$4,000.

In determining the actual sentence, Judge Linares consulted the advisory U.S. Sentencing Guidelines, which recommend sentencing ranges that take into account the severity and characteristics of the offenses, the defendant's criminal history, if any, and other factors, including

acceptance of responsibility. The Judge, however, had discretion and was not bound by those guidelines in determining a sentence. Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all of that time.

Friedlander is scheduled for sentencing before Judge Linares on July 14, 2010. A grand jury indicted Altman on January 28, 2010, and his case is pending.

Fishman credited Special Agents of the FBI, under the direction of Special Agent in Charge Michael B. Ward, and the Internal Revenue Service Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, for the investigation leading to today's sentencing.

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