

FEDERAL MARITIME COMMISSION

DOCKET NO. 15-10

REVOCATION OF LICENSE NO. 017843
WASHINGTON MOVERS, INC.

ORDER TO SHOW CAUSE

MEMORANDUM OF LAW
OF
BUREAU OF ENFORCEMENT

Pursuant to the Commission's Order To Show Cause served in the above proceeding on October 8, 2015, the Bureau of Enforcement (BOE) files its memorandum of law in support of revocation of license no. 017843 issued to Washington Movers, Inc. (Washington Movers or Respondent). Submitted herewith is the Verified Statement of Sandra L. Kusumoto (VS Kusumoto), Director of the Commission's Bureau of Certification and Licensing (BCL).

Pursuant to 46 C.F.R. §502.226, BOE also submits as Exhibits copies of the following public records which may be officially noticed: (1) Exhibit No. 1, Criminal Complaint with appended Affidavit of Michael J. Raska, Special Agent, Federal Bureau of Investigation filed in the United States District Court for the District of Maryland *United States v. Sam Rafic Ghanem*,

OFFICE OF THE SECRETARY
FEDERAL MARITIME COMMISSION

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Criminal Case No. RWT 8:14-CR-0008-001;¹ (2) Exhibit No. 2, Judgment of the United States District Court, District of Maryland in Criminal Case No. RWT 8:14-CR-0008-001, *United States v. Sam Rafic Ghanem*; (3) Exhibit No. 3, shipment documents admitted as trial exhibits in Criminal Case No. RWT 8:14-CR-0008-001; (4) Exhibit No. 4, 2014 Annual Report of Washington Movers, as submitted to the State Corporation Commission of the Commonwealth of Virginia; (5) Exhibit No. 5, Opposed Motion to Extend the Date For Voluntary Surrender filed in U.S. District Court on behalf of Defendant in Criminal Case No. RWT 8:14-CR-0008-001; (6) Exhibit No. 6, Certificate of Fact issued by Virginia State Corporation Commission; and (7) Exhibit No. 7, Certificate issued by Maryland Department of Assessments and Taxation.

Documents filed in the criminal proceeding in the U.S. District Court referenced herein are public records available through the electronic public access service maintained by the Administrative Office of the U.S. Courts known as Public Access to Court Electronic Records (PACER), www.pacer.gov. Corporate records referenced herein are available on the public websites maintained by Virginia's State Corporation Commission, found at <https://sccfile.scc.virginia.gov>, and Maryland's Department of Assessments and Taxation website, <http://sdat.dat.maryland.gov/ucc-charter/Pages/CharterSearch/default.aspx>. The factual significance and weight to be accorded to these latter Exhibits are addressed *infra*.

I.

BACKGROUND

Washington Movers is a Virginia corporation authorized to do business in Maryland and is licensed by the Commission to act as a non-vessel-operating common carrier (NVOCC) and an ocean freight forwarder (OFF). (VS Kusumoto, ¶ 4). It maintains NVOCC and OFF bonds and

¹ The criminal complaint was assigned Case No. 13-3043CBD. Following arraignment before a U.S. Magistrate, the criminal case before the federal district judge was assigned the case number identified above.

published a tariff. (VS Kusumoto, ¶ 7). According to Commission records, its sole owner is Sam R. Ghanem who is also its sole officer, director and Qualifying Individual (QI). (VS Kusumoto, ¶ 5).

This proceeding emanated from a request received by BCL staff in October 2014 from a Special Agent of the Federal Bureau of Investigation (FBI) for verification of the issuance of an ocean transportation intermediary (OTI) license to Washington Movers, Inc. The Special Agent disclosed to BCL that such information was required for use in a criminal trial against Sam R. Ghanem who, according to Commission records, is the owner, President and Qualifying Individual of Washington Movers. (VS Kusumoto, ¶ 8). According to the FBI agent and his affidavit filed in support of the criminal complaint in federal court, Mr. Ghanem was arrested in an FBI sting operation in December 2013 for attempting to smuggle weapons to Lebanon through his company, Washington Movers. (VS Kusumoto, ¶8, and Exhibit No. 1, Affidavit of Michal J. Raska in Support of Criminal Complaint).

Mr. Ghanem was convicted by a federal jury on May 1, 2015, for two separate felonies: (1) unlawfully attempting to export weapons that are prohibited from export to Lebanon in violation of the Arms Export Control Act, 22 U.S.C. § 2278; and (2) unlawfully smuggling goods from the United States in violation of 18 U.S.C. § 554. See Exhibit No. 2, Judgment of the U.S. District Court for the District of Maryland in Criminal No. RWT 8:14-CR-0008-001. On August 12, 2015, the Court sentenced Mr. Ghanem to 18 months incarceration, followed by a term of 3 years of supervised release, and assessed a fine of \$70,734.24. See Exhibit No. 2. Mr. Ghanem is presently incarcerated in the federal correctional institution in Cumberland, MD.

On October 8, 2015, the Commission served an Order To Show Cause directing Washington Movers to show cause why its OTI license no. 017843 should not be revoked. The

Commission's Order is predicated upon the felony convictions of Mr. Ghanem, while acting through the OTI business Washington Movers; the failure to report material changes in fact with respect to Washington Movers; and the failure to obtain prior approval for a change in its corporate name, thereby rendering Respondent no longer qualified to provide ocean transportation intermediary services. BOE was made a party to the proceeding.

Washington Movers filed its reply to the Commission's Order on November 2, 2015.² BOE now submits its memorandum of law and accompanying attachments in support of revocation and in response to the various contentions asserted on behalf of Washington Movers.

II.

ANALYSIS

A. The Commission's Authority

Section 19 (a) of the Shipping Act, 46 U.S.C. § 40901, governs the licensing of ocean transportation intermediaries and conditions the issuance of a license upon a determination by the Commission that the applicant is qualified by experience and character to act as an OTI. Section 19 (c) of the Shipping Act, 46 U.S.C. § 40903 further provides that the Commission:

... after notice and opportunity hearing, shall suspend or revoke an ocean transportation intermediary's license if the Commission finds that the ocean transportation intermediary is not qualified to provide intermediary services . . .

The Commission's implementing regulations, 46 C.F.R. §515.16(a), provide, in pertinent part, that a license may be revoked or suspended for any of the following reasons:

² A Motion For Leave To Intervene was simultaneously filed individually on behalf of Norma Ghanem based on representations that she is the sole owner, officer, and director of Respondent with a protectable interest in the proceeding. As discussed *infra*, serious questions exist as to the veracity of these representations. Consequently, BOE does not consent to her intervention as of right. Moreover, her alternative request for permissive intervention is not grounded in any factual assertions, but simply parrots the requirements of the Commission's rule allowing intervention. 46 C.F.R. §502.68. Mrs. Ghanem's position is duplicative of the position of Washington Movers.

- (1) Violation of any provision of the Act, or any other statute or Commission order or regulation related to carrying on the business of an ocean transportation intermediary;

* * *

- (4) Where the Commission determines that the licensee is not qualified to render intermediary services . . .

These regulatory provisions largely iterate the obligation imposed by the statute that each applicant for a license must initially be qualified by "experience and character" to act as an ocean transportation intermediary, and must continuously maintain such qualifications of integrity, good character, technical OTI expertise and financial responsibility as a condition of license retention. See, e.g., 46 C.F.R. §§ 515.13 and 515.15.³ The Commission has long expressed the view that it has a statutory duty to ensure that access to the profession it regulates is limited to licensees who are fit, willing and able to conduct their business in accordance with high standards of conduct.

Harry Kaufman d/b/a International Shippers Co. of N.Y. – Independent Ocean Freight Forwarder

³As to considerations in the review and investigation of OTI applications, the Commission's licensing regulations currently provide:

§ 515.13 Investigation of applicants. The Commission shall conduct an investigation of the applicant's qualifications for a license. Such investigations may address:

- (a) The accuracy of the information submitted in the application;
- (b) The integrity and financial responsibility of the applicant;
- (c) The character of the applicant and its qualifying individual; and
- (d) The length and nature of the qualifying individual's experience in handling ocean transportation intermediary duties.

§ 515.15 Denial of license. If the Commission determines, as a result of its investigation, that the applicant:

- (a) Does not possess the necessary experience or character to render intermediary services;
- (b) Has failed to respond to any lawful inquiry of the Commission; or
- (c) Has made any materially false or misleading statement to the Commission in connection with its application;

then, a letter of intent to deny the application shall be sent to the applicant by certified U.S. mail or other method reasonably calculated to provide actual notice, stating the reason(s) why the Commission intends to deny the application.

License No. 35, 16 F.M.C. 264, 271 (Examiner, 1972). The Commission has a “strong policy interest” in revoking an OTI license in order to protect the shipping community from those who choose not to comply with the Shipping Act’s licensing requirements and to underscore the ongoing and continuous obligation to demonstrate the necessary character to obtain, and retain, an OTI license. *Stallion Cargo Inc. – Possible Violations, 29 S.R.R. 665, 684 (FMC, 2001).*

Multiple grounds exist for revocation of Washington Movers’ license. Respondent does not, nor can it, dispute Sam Ghanem’s felony conviction. Rather, it urges that Mr. Ghanem’s criminal conduct was separate and independent of Washington Movers and the corporate Respondent should not be penalized by revocation of its license. It further represents that after Mr. Ghanem’s arrest, Washington Movers took immediate steps to effect the transfer of his ownership of the company to his wife, Norma Ghanem, and to oust him as a corporate officer and director. Respondent also concedes that it failed to comply with the Commission’s regulations requiring approval of its name change that it accomplished over 7 years ago, but argues that the violation was not egregious and should not warrant revocation. Respondent’s contentions are contrary to law, as well as factually incorrect.

B. Revocation Is Warranted Based On Ghanem’s Conduct and Conviction

1. Respondent Was The Instrumentality Employed For Commission of the Crime

Sam Ghanem was convicted of unlawfully attempting to export prohibited articles (handguns, rifles, and optic gunsights) to Lebanon in violation of 22 U.S.C. § 2778, and of unlawfully smuggling goods from the United States in violation of 18 U.S.C. § 554. These crimes are directly related to carrying on the business of an ocean transportation intermediary.

The Arms Export Control Act, 22 U.S.C. § 2778, requires registration and licensing for every person engaged in brokering activities with respect to the export or transfer of any defense article and prohibits such activities without a license. Brokering activities are defined to include the transportation, freight forwarding, or taking of any other action that facilitates the export of a defense article. 22 U.S.C. § 2278(b).

Ghanem's conviction for smuggling under 18 U.S.C. § 554 likewise implicates his OTI activities. The statute provides that whoever attempts to export from the United States any article or object contrary to any law of the United States, or knowingly facilitates the transportation or concealment prior to exportation contrary to any law of the United States shall be fined or imprisoned.

As the sole owner and officer of Washington Movers, a licensed OTI, Sam Ghanem used his company as the instrumentality to commit the crimes for which he was convicted. The events and activities leading up to his arrest are set forth in the Affidavit of Michael J. Raska, filed in federal court in support of the criminal complaint against Mr. Ghanem and appended hereto as Exhibit No. 1. The affidavit makes clear that his actions leading to the arrest were made possible by virtue of Washington Movers' business of shipping goods in shipping containers to overseas locations on shipping vessels, i.e., the company's OTI services. The affidavit recounts conversations that occurred at the facilities of Washington Movers; that shipping documents identify the exporter to be Washington Movers; that the weapons were brought to Washington Movers' facility, concealed and loaded into a container there; and that the shipment was booked by Washington Movers for subsequent transportation to the Port of Baltimore for shipment overseas. (Exhibit No. 1, Raska Affidavit at ¶¶ 5, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 19, 20, 21).

Shipping documents issued for the shipment by which Mr. Ghanem carried out his crimes further confirm the role of Washington Movers. Evidence admitted at trial included a dock receipt identifying Washington Movers and its FMC license number as the freight forwarder, purportedly acting on behalf of Champ International; a certificate of salvage issued by the Commonwealth of Pennsylvania for the vehicle shipped as parts; the booking receipt issued by Mediterranean Shipping Company (MSC) to Washington Movers as the shipper; a rated booking confirmation issued by MSC to Washington Movers as the shipper; and an equipment interchange receipt issued by Seagirt Marine Terminal identifying the empty MSC container and chassis picked up by Washington Movers in connection with the booking confirmation. Each of these documents is included in Exhibit No. 3 hereto, and their admission at trial is reflected by the Court Clerk's stamp at the bottom of the first page. Consequently, the Commission can and should find that Washington Movers, as the licensee, was directly involved and may properly be held accountable under 46 C.F.R. §515.31(e)(prohibiting licensee from filing or assisting in preparation of documents for which it has reason to believe are false or fraudulent), and §515.31(f) (duty of licensee to decline to participate in transactions that do not comply with the laws of the United States).

Respondent's contention that Washington Movers was not convicted and should not be penalized for the actions of its principal is specious. Mr. Ghanem used Washington Movers and its license as the transportation instrumentality to facilitate the illegal smuggling and attempted export for which he was convicted. The Commission's regulations are premised on the basic principle that a corporate entity as a legal fiction can only act through individuals. Accordingly, the regulations impose strict responsibility on the licensed OTI for the acts and omissions of its employees and agents. 46 C.F.R. §515.4(b)(2).

The character of a corporate licensee necessarily depends on the character of the company's principals. (See VS Kusumoto, ¶ 20). The Commission has held that a felony conviction of and participation in an illegal scheme by an applicant's principal and proposed QI has a direct impact on the question of character and fitness to render, or to retain a license to render, ocean transportation intermediary services. In *Falcon Shipping, Inc. and Abdiel Falcon – Application for License as an Ocean Transportation Intermediary*, 32 S.R.R. 382, 383-384 (FMC 2012), the Commission upheld the denial of a license to a company based on the lack of requisite character of the company's principal and proposed QI, who had been convicted of smuggling, participated in an illegal scheme, and violated the Shipping Act. The same standard applies to license revocations. The Commission has found that revocation is appropriate when it can no longer rely upon the honesty and integrity of the licensee or its principals to the extent necessary to insure future conduct within the confines of the statute and regulations. In *AAA Nordstar Line, Inc. – Revocation of License No. 12234*, 29 S.R.R. 663 (FMC 2002), revocation was ordered based on the OTI principal's misleading statements concerning business operations, affiliations, and felony convictions. Revocation of Washington Movers license based on Mr. Ghanem's conviction for crimes committed through the use of his company is appropriate and consistent with Commission precedent. See also, *In the Matter of an Ocean Transportation Intermediary License*, 30 S.R.R. 567, 570 (FMC 2004)(commission of federal crimes rises to the level of the most egregious circumstances warranting revocation, citing *AAA Nordstar*).

2. Sam Ghanem Has Not Relinquished Control of Respondent

In an attempt to save its license, Respondent represents that shortly after his arrest Mr. Ghanem's ownership interest in the company was transferred to his wife, Norma Ghanem and she

became the sole owner, officer and director of the company. Respondent also states that at the same time, Sam Ghanem was removed as an officer and director of the company. As evidence of the underlying transaction accomplishing these changes, Respondent submitted copies of: (1) a Stock Transfer Agreement purporting to transfer Sam Ghanem's 100 percent ownership interest to Norman Ghanem effective January 1, 2014; and (2) a Unanimous Written Consent in Lieu of Meeting of Directors purporting to evidence a Board of Directors resolution by which Sam Ghanem resigned as an officer and director of the company, and Norma Ghanem was appointed sole officer (President, Secretary and Treasurer) and director of the corporation.

There are several notable irregularities in these documents, which should make the Commission suitably wary of receiving wholly self-serving documents from Respondent only after its right to retain an OTI license has been put at issue. Both documents purport to be issued in the name of Washington Movers, Inc., notwithstanding that the corporation name was formally changed to Washington Movers International, Inc., 6 years prior to creation of the documents. Similarly, the Stock Transfer Agreement dated December 31, 2014 purports to have been signed by the transferor (Sam Ghanem) and transferee (Norma Ghanem), and formally accepted by Norma Ghanem on behalf of the corporation on that same date. Yet she was not an officer or director of the company on that date. That agreement also states in paragraph 1 that the actual transfer of shares is reflected in a "separate instrument," and thus the complete agreement among the parties has not been provided.

A more significant issue arises which contradicts Respondent's assertions. Virginia's State Corporation Commission makes available on its website corporate annual reports filed with it. Washington Movers' 2014 Annual Report, filed June 12, 2014, was signed by Sam Ghanem on

June 10, 2014, as an officer and director of the company well after the January 1, 2014 date on which he purportedly resigned from the company. The Annual Report also identifies Norma Ghanem, Office Manager, as an officer and director, Sonia Kaovech, Export Manager, as an officer, and Sandra Rodriguez, Accounting, as an officer. Thus, if the document contemporaneously filed with the Commonwealth of Virginia is to be credited, Norma Ghanem was not President, Secretary or Treasurer, nor was she the sole officer and director as has been represented in this proceeding. A copy of the 2014 Annual Report is attached hereto as Exhibit No. 4.⁴ The Virginia Corporation Commission website does not reflect the filing of a 2015 Annual Report by Washington Movers.

More recently, Mr. Ghanem represented to the Court in which he was convicted that he was still fully engaged in the company's business right up to the date of his incarceration. In a Motion filed September 17, 2015, seeking to extend his date of surrender, Mr. Ghanem submitted a letter to the Court dated September 14, 2015, stating that:

“. . . my company is currently undergoing major changes, such as changing the ownership. Changing the management requires time to make the necessary changes prior to my departure. I need more time to properly train my new partner with our new software system, introducing him to all our major clients, and adding him to all our bank accounts , vendor accounts, etc. and assist with the hiring process of new personnel.”

A copy of the Motion and letter to the U.S. District Court are attached as Exhibit No. 5.⁵ The letter affirmatively represents that Mr. Ghanem was actively involved and in control of the company as recently as September 2015. Further, the reference to Mr. Ghanem's "new partner" and to the

⁴ The Annual Report may be accessed at <https://sccefile.scc.virginia.gov/arsearch>. Washington Movers' ID no. is 04688388.

⁵ The documents are available on PACER in the criminal case as Document No. 117.

need to introduce "him" to major clients bespeaks a far different ownership and management structure for the OTI company than what has been represented herein by Mrs. Norma Ghanem as the ostensible sole owner, officer and director of the company.

In sum, Sam Ghanem's criminal conduct was not separate and independent of his company as argued here. Washington Movers, as a licensed OTI, played an integral role in commission of the crimes for which he was convicted. Contrary to Respondent's representations in this proceeding, Respondent has apparently not divorced itself from Mr. Ghanem's control, ownership interest or his influence. Indeed, because Washington Movers itself is the party asserting that Mr. Ghanem was severed from the firm in January 2014, revocation is appropriate inasmuch as the Commission can no longer rely upon the honesty and integrity of the licensee to the extent necessary to insure future conduct within the confines of the statute and regulations. *AAA Nordstar, supra.*

C. Respondent's Violations of Commission Regulations Warrant Revocation

According to the records of the State Corporation Commission of Virginia, Washington Movers changed its name to Washington Movers International, Inc., effective November 7, 2008. VS Kusumoto, ¶ 12, and Exhibit No. 6, evidencing the corporate name change. This name change was later filed with the Maryland Department of Assessments and Taxation, on July 11, 2013. See Exhibit No. 7.

The Commission's OTI regulations identify certain changes with respect to a licensee's ownership or corporate status for which prior approval by the Commission must be obtained, 46 C.F.R. §515.18 (a) (1)-(6). A revised bond also must be filed with the Commission reflecting the amended corporate name of the OTI licensee, 46 C.F.R. §515.21. The Commission's regulations

iterate the above requirements in that no licensee may conduct OTI business except under the name in which its license is issued, 46 C.F.R. §515.31(a). See also 46 C.F.R. §515.14(b) (OTI license is “limited exclusively to use by the named licensee and shall not be transferred without prior Commission approval to another person.”). See also *Harry Kaufman, supra*, 16 F.M.C. at 272, 275.

Washington Movers was obligated to file an FMC-18 application and obtain prior approval by the Commission to change the name on its license. See 46 C.F.R. §515.18(a)(5). However, at no time prior to institution of this proceeding did Washington Movers file an application seeking approval to change the name on its license, nor take any steps to notify BCL of the corporate name change. (VS Kusumoto, ¶ 13). Respondent has thus been in continuous violation of the Commission’s regulation for over 7 years.

Respondent attempts to dismiss the seriousness of this violation by labeling it simply as an “untimely notification”. (Reply, at p. 6). In view of the 7 year time period that passed without any effort on Respondent’s part to advise the Commission, BOE submits that the recent name change filing is the result of the commencement of this proceeding rather than any newfound discovery of a fact previously unobserved or overlooked by Respondent. As a licensed OTI since 2003, Respondent is charged with knowledge of the Commission’s regulations governing its operations. Its long history of non-compliance can only be described as a knowing and willful violation.

In a similar vein, Washington Movers was required to report changes in facts submitted on its original FMC-18 application by filing an amended FMC-18 application within 30 days of the occurrence of a change in material fact. See 46 C.F.R. §515.12(d). The OTI licensing application, Form FMC-18, Part B, question 7, and Part D, question 13 require disclosure of arrests, charges,

and convictions of company officers, owners, and QIs. Such information is material to the Commission's initial investigation of an applicant's qualifications for licensing, 46 C.F.R. §515.13 and §515.15, and remains a material consideration to a licensee's continued qualification to retain an OTI license, 46 C.F.R. §515.16 (1), (4). (VS Kusumoto, ¶ 15).

At no time prior to institution of this proceeding did Washington Movers notify BCL of the December, 2013 arrest, and subsequent indictment, trial, and conviction of its sole owner, President and QI. (VS Kusumoto, ¶ 15). Beginning no later than 30 days following Mr. Ghanem's arrest in December 2013, continuing through the dates of his indictment (Jan. 6, 2014), criminal conviction following trial by jury (May 1, 2015), subsequent sentencing to Federal prison (August 12, 2015) and through the present date, Respondent failed to report any changes in facts as to the character of Washington Movers and its qualifying individual, Mr. Ghanem. See 46 C.F.R. §515.13(c), §515.15(a), and §515.16 (1), (4). Washington Movers' Reply fails even to address this aspect of the Commission's Order.

Respondent's ongoing failure to report these changes in information provides additional bases for revocation. See, e.g., *Revocation of Ocean Transportation Intermediary License No. 012899 – Trans World Logistics Corporation*, 32 S.R.R. 758, 760 (FMC 2012)(respondent ordered to cease and desist operating as OTI based on violations of failure to report resignation of its QI and failure to reply to lawful inquiries by Commission); and *Revocation of OTI License No. 016019N – Central Agency of Florida, Inc.*, 31 S.R.R. 486 (FMC 2008)(license revoked for failure to maintain a QI as required by regulations). The Commission has held that the failure to disclose material information puts the public at risk and, by itself, serves as grounds for denial of a license application. *OC Int'l. Freight, OMJ Int'l. Freight & O. Collado*, 32 S.R.R. 1783, 1795 (FMC

2013). No less should be required in the case of changed circumstances of a licensee reported only on the eve of a license revocation action.

Finally, the factual discrepancies relating to Sam Ghanem's removal from the company raise serious questions of Washington Movers' honesty and integrity. If the Commission were to give credence to Respondent's representation that Mr. Ghanem was removed as an officer and director on Jan. 1, 2014, his separation from employment results in his corresponding termination as the company's approved QI, inasmuch as the QI of a corporate licensee must be an active officer of the company. 46 C.F.R. §515.11(b)(3). The Commission's regulations require notice of the resignation or removal of a corporate QI and the designation of a replacement QI within 30 days of such occurrence. 46 C.F.R. §515.18(c). At no time prior to institution of this proceeding has Washington Movers provided notice to BCL of the removal/resignation of its corporate QI.

If it were assumed that Washington Movers' factual representations as to Mr. Ghanem's removal were true, it follows also that Respondent has operated, and continues to provide OTI services, without an approved QI since Jan. 1, 2014. On the other hand, if Mr. Ghanem remains an officer of the company, his incarceration precludes him from actively participating in the company's activities. In that posture, he is not qualified to serve as the QI. The failure to report his removal and to seek approval of a replacement warrant revocation. *Revocation of License No. 022025 – Cargologic USA LLC*, 33 S.R.R. 666 (FMC 2014).

The obligations to notify the Commission of a licensee's changes in organizational structure and material facts relating to its officers, directors, and QI, and seek appropriate approvals necessitated by those changes, are the responsibility of the licensee. Washington Movers has failed to comply with these regulatory requirements and has been in continuous violation of the

Commission's regulations. Its violations of those regulations provide additional grounds for revocation. 46 C.F.R. §515.16(a)(1).

III.

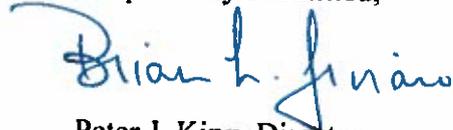
CONCLUSION

Revocation of Washington Movers' license is warranted under the facts and the law. Notwithstanding Respondent's protestations, Sam Ghanem's actions leading to his arrest and conviction are not separable from his company. Respondent offered no facts to dispute the evidence admitted in the criminal trial showing that Mr. Ghanem used Washington Movers as the instrumentality to commit his crimes. Instead, Respondent urges that it has taken steps to sever the connection between Mr. Ghanem and Washington Movers. However, the veracity of those assertions is open to serious doubt. Finally and apart from the character issues raised as to Mr. Ghanem's own conviction, revocation is warranted by reason of this Respondent's failures as a licensee to report material changes in fact relative to its organizational structure and operation. The cumulative impact of all of these transgressions reflects negatively upon Respondent's qualifications to continue rendering intermediary services thereby warranting revocation of its license. *G.R. Minon, supra*, 12 F.M.C. 75, 80.

BOE submits that the existing record is more than sufficient for the Commission to order revocation of the license of Washington Movers. Alternatively, in the event that the Commission believes that the development of a more detailed factual record is required, BOE suggests that the proceeding be assigned to the Office of the Administrative Law Judge for hearing to determine resolution of designated issues, and issuance of appropriate orders to include cease and desist and revocation of Respondent's license. Such proceeding necessarily should include whether civil

penalties should be assessed for any violations of the Shipping Act or Commission regulations that may be found at hearing.

Respectfully submitted,



Peter J. King, Director
Brian L. Troiano, Deputy Director
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Federal Maritime Commission
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(202) 523 - 5783

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Memorandum of Law of Bureau of Enforcement has been served upon counsel for Respondent identified below by email and by first class mail with postage prepaid this 17th day of November, 2015.


Brian L. Troiano

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FEDERAL MARITIME COMMISSION

DOCKET NO. 15-10

**REVOCATION OF LICENSE NO. 017843
WASHINGTON MOVERS, INC.**

ORDER TO SHOW CAUSE

VERIFIED STATEMENT OF SANDRA L. KUSUMOTO

1. My name is Sandra L. Kusumoto and I am the Director of the Bureau of Certification and Licensing (BCL) of the Federal Maritime Commission (Commission). My office address is 800 North Capitol Street, Suite 970, Washington, DC 20573. I have been employed by the Commission for the past 31 years, and in my current position for the past 13 years. I am familiar with the facts stated herein and am authorized to provide this statement.
2. BCL has responsibility for reviewing and acting upon applications for ocean transportation intermediary (OTI) licenses and maintaining records and databases concerning applicants and licensees. BCL also has responsibility for managing all activities with respect to evidence of financial responsibility for OTIs and maintaining records in connection therewith. 46 C.F.R. §501.5(g).

3. In my capacity as the Director, I have responsibility for the overall supervision of BCL's various functions. 46 C.F.R. §501.26. I have reviewed the Commission's licensing records as they relate to Washington Movers, Inc. (Washington Movers or Respondent) and found the following:
 4. Washington Movers is a Virginia corporation qualified to do business as a foreign corporation in Maryland. According to the Commission's Regulated Persons Index (RPI), Respondent's business address is 7913 Cryden Way, Forestville, MD, 20147.¹
 5. BCL records identify Sam R. Ghanem as the principal of the company, its President, and Qualifying Individual (QI). According to the Form FMC-18 filed and signed by Mr. Ghanem in 2003 on behalf of Respondent, he is the sole owner of the company.
 6. Records maintained by BCL indicate that Respondent obtained license no. 017843 to operate as an ocean freight forwarder (OFF) on April 8, 2003. It subsequently added non-vessel-operating common carrier (NVOCC) authority to its license on June 29, 2005.
 7. Records maintained by BCL indicate that Respondent maintains a freight forwarder bond in the amount of \$50,000 and a NVOCC bond in the amount of \$75,000. Both bonds are currently in effect. The surety on both bonds is International Fidelity Insurance Co., Newark, NJ. (Org. No. 015198).
 8. On or about October 28, 2014, BCL staff received a telephone inquiry from Special Agent Timothy Harvey of the Federal Bureau of Investigation for verification of the issuance of an OTI license to Washington Movers, Inc. This was followed with a request for screen shots of the Commission's RPI database with respect to Respondent's license, for use in a criminal trial against Sam Ghanem, Respondent's owner, President and QI. On

¹ Records of the Maryland Department of Assessment and Taxation reflect the same street address and zip code for the company but indicate that the city is District Heights, MD.

information and belief, Mr. Ghanem had been arrested in December 2013 and indicted for attempting to smuggle weapons to Lebanon through his company, Washington Movers. The requested materials were provided under a certification by BCL's Office of Transportation Intermediaries on November 3, 2014. BCL also alerted the Commission's Bureau of Enforcement (BOE) of the criminal proceeding for possible enforcement action relating to the company's OTI license.

9. On information and belief, Mr. Ghanem was convicted on May 1, 2015 of unlawfully attempting to export defense articles that are prohibited from export to Lebanon in violation of the Arms Export Control Act, 22 U.S.C. § 2278, and of unlawfully smuggling goods from the United States in violation of 18 U.S.C. § 554. On August 12, 2015, the U.S. District Court for the District of Maryland sentenced Mr. Ghanem to 18 months incarceration, followed by a term of 3 years of supervised release, and assessed a fine of \$70,734.24. Mr. Ghanem did not appeal and has commenced serving his sentence in a federal correctional institution.
10. The Commission's Order To Show Cause, served Oct. 8, 2015, directed Respondent to show cause why its license should not be revoked based on: (a) Mr. Ghanem is no longer qualified to render intermediary services as a result of his felony conviction of federal crimes related to his company's OTI business; (b) Washington Movers' failure to report to BCL changes in the facts originally recited on its FMC-18 application, specifically, the arrest, indictment, trial and conviction of its President and QI; and (c) Washington Movers' failure to submit an application for approval of a change to its OTI license to reflect a new corporate name that occurred in 2008.

11. Respondent filed its Reply to Order to Show Cause on Nov. 2, 2015, which I have reviewed.
12. The records of Virginia's State Corporation Commission disclose that Washington Movers changed its corporate name to Washington Movers International, Inc., effective November 7, 2008. The records of the Maryland Department of Assessments and Taxation disclose that this name change was filed with it on July 11, 2013.
13. At no time prior to institution of this proceeding did Washington Movers file an application seeking approval to change the name on its license, nor take any steps to notify BCL of the corporate name change. The Commission's OTI regulations set forth a limited set of changes with respect to a licensee's ownership or corporate status for which prior approval by the Commission must be obtained, 46 C.F.R. §515.18 (a) (1)-(6). A revised bond also must be filed with the Commission reflecting the amended corporate name of the OTI licensee, 46 C.F.R. §515.21. The Commission's regulations iterate the above requirements in that no licensee may conduct OTI business except under the name in which its license is issued, 46 C.F.R. §515.31(a). See also 46 C.F.R. §515.14(b) (OTI license is "limited exclusively to use by the named licensee and shall not be transferred without prior Commission approval to another person.")
14. As the licensee, Washington Movers was obligated to file an FMC-18 application for prior approval by the Commission to change the name on its license. See 46 C.F.R. §515.18(a)(5). The licensee's website, www.wmius.com, reflects that the company has been continuously holding itself out to the public under its amended corporate name. I conclude that Washington Movers has been in continuous violation of this regulation for over 7 years.

15. At no time prior to institution of this proceeding did Washington Movers notify BCL of the December, 2013 arrest, and subsequent indictments, trials, and conviction of its sole owner, President and QI. As the licensee, Washington Movers was required to report changes in facts submitted on its original FMC-18 application by filing an amended FMC-18 application within 30 days of the occurrence of a change in material fact. See 46 C.F.R. §515.12(d). In this regard, the OTI licensing application, Form FMC-18, Part B, question 7, and Part D, question 13 require disclosure of arrests, charges, and convictions of company officers, owners, and QIs. Such information is material to the Commission's initial investigation of an applicant's qualifications for licensing, 46 C.F.R. §515.13 and §515.15, and remains a material consideration to a licensee's continued qualification to retain an OTI license, 46 C.F.R. §515.16 (1), (4).
16. As an OTI licensee, Washington Movers was obligated to file an FMC-18 application to notify the Commission of changes in material facts relating to such licensee, 46 C.F.R. §515.12(d). Beginning no later than 30 days following Mr. Ghanem's arrest in December 2013, continuing through the dates of his indictment (Jan. 6, 2014), criminal conviction following trial by jury (May 1, 2015), subsequent sentencing to Federal prison (August 12, 2015) and through the present date, Respondent failed to report any changes in facts as to the character of Washington Movers and its qualifying individual, Mr. Ghanem. See 46 C.F.R. §515.13(c), §515.15(a), and §515.16 (1), (4). I conclude that Washington Movers has been in continuous violation of 46 C.F.R. §515.12(d) since at least January 2014.
17. In Respondent's Reply to the Order to Show Cause, Washington Movers represents, for the first time, that Sam Ghanem's 100 percent ownership of the company was transferred to Norma Ghanem on December 31, 2013, effective Jan. 1, 2014. Corresponding to the

purported transfer of ownership, Washington Movers asserts that Sam Ghanem was removed as an officer and director of the licensee, and replaced by Norma Ghanem as sole officer and director. The records of Virginia's State Corporation Commission refute this representation. The 2014 Annual Report filed on behalf of Washington Movers on June 12, 2014, was signed by Mr. Sam Ghanem on June 10, 2014, in his continued capacity as an officer and director. He is also identified as the company's Registered Agent.² Norma Ghanem is identified as Office Manager and an additional officer and director. Additional individuals identified as officers are Sonia Kaovech, Export Manager, and Sandra Rodriguez. Contrary to Respondent's assertions, Sam Ghanem was still serving as an officer and director of the company well beyond the January 1, 2014, date and Norma Ghanem did not and has not replaced him in the manner so recently represented by Washington Movers.

18. The Commission's regulations require notice of the resignation or removal of a corporate QI and the designation of a replacement QI within 30 days of such occurrence. 46 C.F.R. §515.18(c). At no time prior to institution of this proceeding has Washington Movers provided notice to BCL of the removal/resignation of its corporate QI.
19. Under 46 C.F.R. §515.11(b)(3), the qualifying individual (QI) of a corporate licensee must be an active officer of the company. If it were assumed that Washington Movers' factual representations as to Mr. Ghanem's removal were true, Respondent has operated, and continues to provide OTI services, without an approved QI since Jan. 1, 2014. However, even if Mr. Ghanem remains an officer of the company, his incarceration precludes him from actively participating in the company's activities. In that posture, he is not qualified

² The State Corporation Commission's website does not reflect any filing by Washington Movers of the company's 2015 Annual Report.

to serve as the QI. The obligations to notify the Commission of a licensee's changes in organizational structure and material facts relating to its officers, directors, and QI, and seek appropriate approvals necessitated by those changes, are the responsibility of the licensee. Washington Movers has failed to comply with these regulatory requirements and has been in continuous violation of the Commission's regulations in its own right, wholly apart from Mr. Ghanem's felony conviction.

20. In its Reply, Respondent contends that Mr. Ghanem's conduct is independent of and unrelated to Washington Movers. BCL disagrees with such a claim. As the owner, President, director, and QI of Washington Movers, Mr. Ghanem's criminal conduct has a direct bearing on the license holder's character to act as an ocean transportation intermediary. A corporation can only act through individuals and the requisite character of a corporate applicant or licensee can only be measured by the character of the individuals responsible for charting the company's courses of action. For this reason, the Commission's regulations provide that only active officers may qualify a corporate applicant. 46 C.F.R. §515.11(b). To this end, the FMC-18 application elicits personal information about officers, directors, stockholders of a corporate applicant to include incidents of arrests, charges, convictions, collateral forfeitures, judgments, liens, bankruptcies. See Part B, question 7, and Part D, question 13.
21. When Washington Movers obtained its license, the determination of its character to act as an OTI was necessarily based on the character of Sam Ghanem as the sole owner, officer, and stockholder of the company. Just as Mr. Ghanem's character enabled the issuance of Washington Movers' license, his subsequent criminal conduct was relevant to his character

and hence the character of Washington Movers to act as an ocean transportation intermediary.

22. On information and belief, Mr. Ghanem's conviction was based on evidence demonstrating that he utilized Washington Movers as the instrumentality to attempt to export and smuggle weapons from the United States to Lebanon in violation of two federal statutes. According to sentencing documents filed in the criminal proceeding, his activities were conducted under the auspices of Washington Movers' OTI license and included booking the subject shipment with a vessel operating common carrier, picking up the empty shipping container and bringing it to the Washington Movers' facility for loading, loading the container for shipment, issuing shipping documents, and arranging the movement of the container to port. These are traditional OTI activities, within the purview of Washington's Mover's OTI license. See 46 C.F.R. 515.2(i) and (l) (defining freight forwarding services and NVOCC services, respectively.) In concealing weapons in a shipment booked and loaded by Washington Movers, Mr. Ghanem's actions were dependent upon and flowed directly from his company's status as a licensed OTI.
23. In BCL's view, a felony conviction for violating federal laws related to activities conducted under an OTI license establish that the licensee is not qualified to continue rendering OTI services. Revocation of Washington Movers' license is appropriate under 46 C.F.R. §515.16(a)(1) and/or (4).
24. Mr. Ghanem's purported separation from serving as an active officer of Washington Movers in January 2014 but presented for the first time at hearing herein, appears to be a material misrepresentation to the Commission which further supports revocation of its license. In addition, Mr. Ghanem's incarceration, a fact not disclosed by Washington

Movers to BCL, disqualifies him as an active officer of the company who may serve as QI.
Washington Movers does not now have an approved QI, and should not be conducting OTI
services at the present time.

I declare, under penalty of perjury, that the foregoing statements are true and correct.


Sandra L. Kusumoto
Director
Bureau of Certification and Licensing

Executed this 17th day of November, 2015.

BOE EXHIBIT NO. 1

FILED ENTERED
LOGGED RECEIVED

UNITED STATES DISTRICT COURT
for the
District of Maryland

DEC 23 2013

AT GREENBELT
CLERK, U.S. DISTRICT COURT
DISTRICT OF MARYLAND

DEPUTY

United States of America)

v.)

Sam Rafic GHANEM)

Case No. 13-3043 CBD

CRIMINAL COMPLAINT

I, Special Agent Michael J. Raska, Federal Bureau of Investigation, the complainant in this case, state that the following is true to the best of my knowledge and belief:

On or about December 21, 2013, in the District of Maryland, the defendant violated the Arms Export Control Act, 22 U.S.C. § 2778, by attempting to engage in the unlawful export of defense articles from the United States to Lebanon.

This criminal complaint is based on these facts:

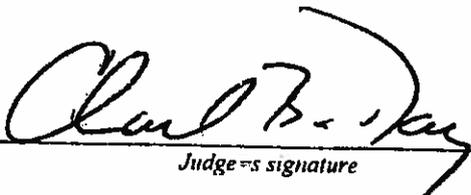
See Attached Affidavit

G Continued on the attached sheet


Complainant's signature
Michael J. Raska, Special Agent
Printed name and title

Sworn to before me and signed in my presence.

Date: Dec 23, 2013


Judge's signature

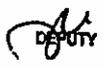
City and state: Greenbelt, MD

Charles B. Day, United States Magistrate Judge
Printed name and title

AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINT

DEC 23 2013

AT GREENBELT
CLERK, U.S. DISTRICT COURT
DISTRICT OF MARYLAND

I, Michael J. Raska, being first duly sworn, hereby depose and state as follows:
BY 

1. I am a Special Agent with the Federal Bureau of investigation (FBI) and have been so employed since May 2010. I am presently assigned to the Baltimore Field Office of the FBI. During my tenure with the FBI, I have investigated various criminal offenses involving international terrorism. I have personally participated in the execution of search and arrest warrants involving said violations of federal criminal laws. Prior to becoming a law enforcement agent, I obtained a Juris Doctor degree and served in Florida as an Assistant Public Defender and an Assistant State Attorney.
2. This affidavit is being submitted in support of a criminal complaint against Sam Rafic GHANEM charging him with attempted export of defense articles in violation of the Arms Export Control Act (AECA), 22 U.S.C. §2778.
3. I have personally participated in this investigation and have witnessed many of the facts and circumstances described herein. I have also received information from other federal law enforcement and intelligence officials relating to this investigation. The information set forth in this affidavit is based on my own observations and review of documents, or reliable information provided to me by other law enforcement personnel. I am setting forth only those facts and circumstances necessary to establish probable cause for the issuance of the requested search and seizure warrants. However, I have not omitted any fact which might tend to defeat a finding of probable cause. Unless otherwise indicated, all written and oral statements referred to herein are set forth in substance and in part, rather than verbatim.



4. The Arms Export Control Act and its implementing regulations, the International Traffic in Arms Regulations (ITAR) (22 C.F.R. Parts 120-130), require a person to obtain a validated export license from the Department of State, Directorate of Defense Trade Controls (DDTC), before exporting from the United States items designated as defense articles on the United States Munitions List (USML), to include arms and munitions. In the export license application, known as a Form DSP-5, the exporter must identify the nature of the defense articles to be exported, the end-recipient, and the purpose for which they are intended.

5. GHANEM owns and operates Washington Movers International (WMI), which is a freight forwarding and shipping service located in District Heights, Maryland, and incorporated in both Maryland and Virginia. The business advertises its services to include shipment of household goods, vehicles and other items to domestic and overseas locations. WMI ships goods through various means, including in shipping containers, which are normally stackable units, twenty (20) to forty (40) feet in length, that are transported via flat-bed trailers attached to semi-tractors, or on shipping vessels.

6. On March 14, 2013, a confidential human source (CHS) assisting the FBI had an encounter with GHANEM, whom he had not seen for over a year. Approximately five years earlier, the CHS had briefly worked for GHANEM at WMI, and had previously utilized the services of WMI to ship some cars overseas.¹ All conversations between the CHS and GHANEM

¹ In connection with his assistance in this particular investigation, the CHS has received compensation of approximately \$6,000, to include reimbursement for expenses associated with that assistance. The CHS has a 2003 felony conviction for social security fraud. The CHS has provided assistance to the FBI in connection with other investigations, some of which have resulted in the successful prosecution of other individuals for their criminal activities. Information provided by the CHS to the FBI has been proven reliable. The CHS became a permanent legal resident of the United States with the assistance of the FBI while he was actively assisting with ongoing FBI investigations unrelated to this matter.

*My
CFO*

since that meeting on March 14 have been recorded with the exception of a few conversations that were not recorded for logistical reasons, or for reasons having to do with operational security. The conversations between the CHS and GHANEM during the course of the underlying investigation have been in Arabic, and references herein to statements made during the conversations are taken from preliminary draft verbatim translations or summaries prepared by either a federal law enforcement agent who is a native Arabic speaker, or FBI contract linguists.

7. During their unrecorded meeting on March 14, GHANEM encouraged the CHS to start shipping cars with him again and indicated that he would be able to ship cars to Lebanon containing other items. On June 14, during a recorded meeting at WMI, the CHS told GHANEM that he would be interested in having two cars shipped to Lebanon and asked how it would be done. GHANEM advised that the vehicles would be placed in a 20 foot shipping container, and the cost would be \$2,600 plus port taxes.

8. On July 24 the CHS met with GHANEM at the latter's residence in Springfield, Virginia. The CHS had driven to the location in a 2006 Hyundai sedan, which GHANEM had agreed to ship to Lebanon for the CHS. Prior to providing the sedan to the CHS, law enforcement agents had secreted inside the vehicle ten bundles of paper made to resemble a total of approximately \$100,000 in United States currency. The CHS provided GHANEM with the title for the car, and GHANEM stated that he would ship the vehicle in a container.

9. During their meeting, the CHS and GHANEM discussed the possibility of vehicles being scanned at the port in Lebanon. The CHS told GHANEM that he had concealed money in the Hyundai. GHANEM cautioned that the money needed to be hidden, to which the CHS replied that it was. When the CHS expressed his concern about whether the vehicle would be

*Myt
OASD*

searched in the United States prior to shipment, GHANEM stated that it would not be and that he would drive the vehicle to the port himself. GHANEM agreed with the CHS that the vehicle would likely be inspected if driven on and off the ship, whereas it would not be inspected if already placed in a container. The CHS stated his knowledge that one cannot bring in, or take out, over \$10,000 in currency, so he wanted GHANEM's assurance that none of his employees would open or search the vehicle; GHANEM stated no one would do so. The CHS gave GHANEM \$1,000 cash to cover shipping costs. (The cash had been provided to the CHS by law enforcement agents just prior to the meeting with GHANEM). The meeting concluded with GHANEM dropping the CHS off at the nearby Metro station.

10. Law enforcement agents subsequently confirmed through shipping records that the Hyundai sedan had left the Norfolk, Virginia, port on August 14, 2013, for shipment to Beirut, Lebanon. The exporter of record was identified as WMI. On September 19, during a recorded phone conversation, the CHS and GHANEM briefly discussed the successful shipment of the vehicle.

11. On October 3, during a recorded meeting with GHANEM at his Virginia residence, the CHS indicated that a friend in Lebanon was interested in doing business, and GHANEM asked if it was "something illegal." A brief discussion ensued about the fact that the Hyundai sedan with concealed currency had made it through the ports. GHANEM told the CHS he did not like people telling him specifics about what they were shipping because it was problematic for him. The CHS then stated that his associates in Lebanon wanted guns shipped. GHANEM related that approximately two years ago he was questioned by FBI agents about a vehicle he had shipped for someone that had been stopped at the port. The agents told him that two

*WMI
CHS*

"pieces" (guns) were found in the vehicle. GHANEM told the CHS that one cannot export weapons even if you own them. The CHS asked if that would be considered smuggling or trading and GHANEM replied in the affirmative. GHANEM cautioned that if someone gives him a car to export, he will do it, but if something happens and he is questioned about the vehicle, he will deny knowledge of anything and refer the FBI to the owner of the vehicle. GHANEM advised the CHS against sending weapons and stated that he had refused to send a p226 Sig Sauer handgun for another individual because it was too risky.

12. Shortly thereafter, GHANEM and the CHS walked outside of the residence. Up until that point in the conversation, the two men had been within earshot of GHANEM's wife, who was present in the residence. GHANEM told the CHS that he had just purchased a Glock 19c handgun for \$425. The CHS advised that the weapon could be purchased on the black market at a lesser price, and he had a contact to whom he could refer GHANEM. GHANEM stated he wished he had known that because recently he had been asked to obtain two "pieces" (guns) for a Lebanese official. He decided not to obtain the guns himself because he would have had to put the weapons in his name and that was too dangerous.

13. The CHS then asked GHANEM if weapons could be shipped in "salvaged containers" (meaning a container containing salvaged vehicles). GHANEM stated it could be done because the salvaged parts would help conceal the guns from detection if the container was scanned. GHANEM cautioned that the weapons should contain no gunpowder. GHANEM told the CHS that he would buy eight or nine salvaged cars for the CHS and break them down, and then the CHS could place the weapons in the container with the car parts. GHANEM reminded the CHS that another person for whom he had shipped a vehicle that contained a

*MHC
CPM*

shotgun ended up in jail. He stated that he was very concerned about the vehicle the CHS had him ship that contained money, but in the end, it was not his business what people put in their vehicles and if caught, he would disavow any knowledge of any contraband. At no time after this conversation on October 3, did GHANEM express any reservations or hesitancy in shipping weapons for the CHS.

14. During the course of various recorded phone conversations and a recorded meeting between October 5 and November 4, 2013, GHANEM and the CHS discussed the details of how the weapons shipment could be accomplished. These discussions included GHANEM: 1) telling the CHS that he would charge \$500 per vehicle for cutting up, assembling, moving and loading each vehicle into CHS's shipment to Lebanon; 2) indicating that the shipment would cost the CHS \$3,000; 3) stating that he would buy the vehicles designated by the CHS and then have an employee cut the vehicles at WMI for subsequent shipment; 3) advising that the container could only contain salvaged vehicle parts and not complete cars; and 4) directing the CHS on how and where to search for salvaged vehicles that he wanted GHANEM to buy for the shipment.

15. In a recorded phone conversation on November 21, GHANEM told the CHS to pay him \$3,000 for the cost of purchasing salvaged vehicles to be used to ship the weapons. He then sent a text message to the CHS identifying the number of a bank account into which the CHS could transfer his payment. Later that day, the CHS deposited \$3,000 into GHANEM's bank account at the direction of law enforcement agents, and with funds provided to him by same. The CHS advised GHANEM of the deposit in a recorded phone conversation on November 22.

16. In a recorded phone conversation on November 24, GHANEM advised the CHS that he had purchased two vehicles and would purchase another two vehicles at a cost of between \$500-\$700 each. In another recorded phone conversation on November 25, GHANEM suggested that the CHS store his weapons in the safe at WMI until they were ready to load the container. GHANEM indicated that it would take about two days to cut the vehicles once they arrived at WMI, and the subsequent shipment of the weapons and vehicles would not arrive in Lebanon until January 10.

17. During a recorded meeting with the CHS at WMI on November 26, GHANEM stated that it was less risky to ship the container out of the Baltimore port. The CHS told GHANEM the general nature of the weapons he planned to put in the shipment, to include: seven Glock handguns, and six to eight semi-automatic rifles with accompanying optic devices. GHANEM told the CHS that he wanted to buy three Glocks, which the CHS advised would come with laser sights, and two of the rifles. GHANEM indicated that the weapons should be placed in the vehicles before the cars were loaded into the container. He also stated he would get the cars cut up after Thanksgiving. The CHS told GHANEM they needed make sure the container was sealed after it was loaded to insure that no one was able to get into it and take anything.

18. During a recorded phone conversation with the CHS on December 4, GHANEM advised he planned to start dismantling the vehicles the following day. GHANEM also confirmed the loaded container would be taken to the port the day after it was loaded. During the course of three recorded phone conversations with the CHS on December 12, GHANEM advised he did not yet have an available shipping container in which to load the cars and weapons. GHANEM told the CHS to be patient. Using a coded reference to weapons, the CHS

Handwritten signature

told GHANEM he had obtained some of the weapons GHANEM wished to purchase. On December 13, GHANEM advised the CHS in a recorded phone conversation that he had arranged for two individuals to cut the cars, and if they did not show up to do it, he would cut the cars himself.

19. On December 21, 2013, law enforcement agents provided ten handguns and ten semi-automatic rifles, and eighteen optic devices. (The weapons had been rendered inert for law enforcement safety). A portion of the weapons, specifically three handguns and two of the rifles had been requested by GHANEM for purchase. Per GHANEM's instructions to the CHS in a recorded phone conversation the previous day, the CHS picked GHANEM up at his Virginia residence and drove them to WMI to begin loading the weapons into a container. The discussions between the CHS and GHANEM while driving to WMI, and the ensuing discussions while at WMI were recorded. Once at WMI, GHANEM and his employees concealed the weapons brought by the CHS, including those GHANEM wished to purchase for himself, within the doors and cut-up parts of the salvaged vehicles, which were then loaded into a shipping container.

20. According to information subsequently provided by the CHS to law enforcement agents, after the weapons had been loaded, GHANEM advised that the shipping container would be loaded with the remaining car parts and would be transported to the Port of Baltimore for shipment overseas on Monday, December 23, 2013. GHANEM told the CHS that he would provide a Jeep Cherokee to the CHS as payment for the weapons he purchased from the CHS for shipment.

*NDP
Can*

21. After loading of the vehicle was completed, law enforcement agents arrested GHANEM. During a search of the container, agents found the weapons provided by the CHS to GHANEM concealed within various car parts, as well as additional items loaded for shipment to which shipping documents were attached. During his Mirandized post-arrest statement, GHANEM admitted to unlawfully concealing the weapons in the shipping container, and admitted that his intended shipment of those concealed weapons overseas would have been a violation of export laws and restrictions.

22. The Department of State previously certified to law enforcement agents in this investigation that the optic sights and weapons provided to GHANEM on December 21 and concealed by him in the shipping container are controlled for export under the ITAR and require a license from the DDTC to be shipped outside of the United States. To date, neither GHANEM nor WMI have applied for such a license. The Department of State has also advised that neither GHANEM nor WMI are registered, or have received licensing approval, to export and ship defense articles, including firearms and optical sighting devices.

23. In light of the above information, your affiant submits that probable cause exists to believe that the defendant, Sam Rafic GHANEM, has committed the crime of attempted export of defense articles in violation of 22 U.S.C. § 2778.

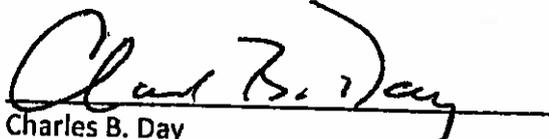
Your affiant has signed this document under oath as to all assertions and allegations contained herein and states that its contents are true and correct to the best of his knowledge.



Michael J. Raska
Special Agent, Federal Bureau of Investigation

Handwritten initials/signature

Sworn and subscribed to before me this 23rd day of December, 2013.

A handwritten signature in black ink, appearing to read "Charles B. Day", written over a horizontal line.

Charles B. Day
United States Magistrate Judge

BOE EXHIBIT NO. 2

United States District Court District of Maryland

UNITED STATES OF AMERICA

v.

SAM RAFIC GHANEM

JUDGMENT IN A CRIMINAL CASE
(For Offenses Committed on or After November 1, 1987)

Case Number: RWT 8:14-CR-0008-001

USM Number: N/A
Defendant's Attorney: Robert Bonsib

Assistant U.S. Attorney: Christine Manuelian and Joseph Baldwin

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) 1s and 2s of the Superseding Indictment after a plea of not guilty.

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Date Offense Concluded</u>	<u>Count Number(s)</u>
22 U.S.C. §2778	Attempted Unlawful Export of Defense Articles	October 2013 to December 2013	1s
18 U.S.C. §554	Smuggling of Goods from the United States	October 2013 to December 2013	2s

The defendant is adjudged guilty of the offenses listed above and sentenced as provided in pages 2 through 6 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984 as modified by United States v. Booker, 543 U.S. 220 (2005).

- The defendant has been found not guilty on count(s) _____
- Count 1 of the Original Indictment is dismissed as to this defendant only on the motion of the United States.

IT IS FURTHER 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.

August 12, 2015
Date of Imposition of Judgment


August 14, 2015
Date

Roger W. Titus
United States District Judge

FILED _____ ENTERED _____
LOGGED _____ RECEIVED _____

Name of Court Reporter: Lisa Bankins
301-344-3912

AUG 14 2015

AT GREENBELT
CLERK, U.S. DISTRICT COURT
DISTRICT OF MARYLAND
BY _____ DEPUTY

DEFENDANT: SAM RAFIC GHANEM

CASE NUMBER: RWT 8:14-CR-0008-001

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of 18 months to run concurrent as to counts one and two.

- The court makes the following recommendations to the Bureau of Prisons:
 1. That the defendant be designated to FCI Cumberland Camp, Maryland for service of his sentence.
 2. The Bureau of Prison is requested to provide the Court with a report of the actions it takes on this recommendation.
- 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, at his/her own expense, to the institution designated by the Bureau of Prisons at the date and time specified in a written notice to be sent to the defendant by the United States Marshal. If the defendant does not receive such a written notice, defendant shall surrender to the United States Marshal:
 - before 2 p.m. on September 28, 2015.

A defendant who fails to report either to the designated institution or to the United States Marshal as directed shall be subject to the penalties of Title 18 U.S.C. §3146. If convicted of an offense while on release, the defendant shall be subject to the penalties set forth in 18 U.S.C. §3147. For violation of a condition of release, the defendant shall be subject to the sanctions set forth in Title 18 U.S.C. §3148. Any bond or property posted may be forfeited and judgment entered against the defendant and the surety in the full amount of the bond.

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 U.S. MARSHAL

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of 3 years to run concurrent as to counts 1 and 2.

The defendant shall comply with all of the following conditions:

The defendant shall 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.

A. STATUTORY CONDITIONS OF SUPERVISED RELEASE

- 1) The defendant shall not commit any federal, state or local crime.
- 2) In any felony case, the defendant shall not possess a firearm or ammunition as defined in 18 U.S.C. §921.
- 3) The defendant shall not illegally use or possess a controlled substance.
- 4) The defendant shall submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as directed by the probation officer.
- 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.)
- 5) Pursuant to Pub. Law 108-405, Revised DNA Collection Requirements Under the Justice for All Act of 2004, if applicable, the defendant shall cooperate in the collection of DNA while incarcerated in the Bureau of Prisons, or as directed by the probation officer.
- 6) If this judgment imposes any criminal monetary penalty, including special assessment, fine, or restitution, it shall be a condition of supervised release that the defendant pay any such monetary penalty 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 sheet of this judgment. The defendant shall notify the court of any material change in the defendant's economic circumstances that might affect the defendant's ability to pay restitution, fines, or special assessments.

B. STANDARD 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 in a manner and frequency directed by the court or probation officer;
- 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 ten days prior to any change in residence or employment;
- 7) The defendant shall refrain from excessive use of alcohol;
- 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 persons 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 72 hours of being arrested or questioned by a law enforcement officer;
- 12) The defendant shall notify the probation officer within 72 hours of being charged with any offense, including a traffic offense;
- 13) The defendant shall not enter into any agreement to act as an informer or special agent of a law enforcement agency without the permission of the court;
- 14) 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: SAM RAFIC GHANEM

CASE NUMBER: RWT 8:14-CR-0008-001

**C. SUPERVISED RELEASE
ADDITIONAL CONDITIONS**

1. The defendant shall provide the probation officer with access to any requested financial information.
2. The defendant shall not incur new credit charges or open additional lines of credit without approval of the probation officer.
3. The defendant shall pay the special assessment in the amount of \$200.00 as directed herein.
4. The defendant shall not travel without permission outside the Metropolitan Washington DC Area

DEFENDANT: SAM RAFIC GHANEM

CASE NUMBER: RWT 8:14-CR-0008-001

SCHEDULE OF PAYMENTS

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.

Payment of the total fine and other criminal monetary penalties shall be due as follows:

- A In full immediately; or
- B \$_____ immediately, balance due (in accordance with C, D, or E); or
- C Not later than _____; or
- D Installments to commence _____ day(s) after the date of this judgment.
- E In _____ (e.g. equal weekly, monthly, quarterly) installments of \$_____ over a period of _____ year(s) to commence when the defendant is placed on supervised release.

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

Unless the court expressly orders otherwise, if this judgment imposes a period of imprisonment, payment of criminal monetary penalties shall be due during the period of imprisonment. All criminal monetary penalties, except those payments made through the Bureau of Prisons Inmate Financial Responsibility Program, are to be made to the Clerk of the Court.

If the entire amount of criminal monetary penalties is not paid prior to the commencement of supervision, the balance shall be paid:

- in equal monthly installments during the term of supervision; or
- on a nominal payment schedule of \$_____ per month during the term of supervision.

The U.S. probation officer may recommend a modification of the payment schedule depending on the defendant's financial circumstances.

Special instructions regarding the payment of criminal monetary penalties:

- Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

- 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:

BOE EXHIBIT NO. 3

DOCK RECEIPT

Exporter Washington Mover Inc. C/O CHAMP INTERNATIONAL Co. 6714 FORSYTHIA STREET SPRINGFIELD, VA 22150		Booking # 038BAL1016511	
		Exporter Reference WMIU16511	
Consignee CHAMP INTERNATIONAL CO C.I.C S.A.R.L 1339 BEIRUT PORT AVENUE Beirut, Lebanon Tele Fax: +(961)1 560721 Cell phone: +(961) 3 649667 EMAIL: RAFIC@WMIUS.COM		Freight Forwarder Washington Mover Inc 7913 Cryden Way Forestville, MD 20747 Tel: 301-516-3000/ Fax: 301-516-1515 FMC#017843NF	
Notify Party MR. RAFIC ABOU FAKHER 961.3649667		Point of Origin DISTRICT HEIGHTS, MD	
PRE Carriage By: Washington Movers inc.		Routing/Export Instructions: VESSEL: MELINA NU352R Ship line: MSC Cutoff date: 12-23-2013 Port Cutoff: 12-23-2013 E. SAILING DATE: 12-30-2013 ESTIMATED TIME OF ARRIVAL: 02-02-2014 Arrival: BEIRUT, LEBANON	
Ocean Carrier MSC		P.O.L /Terminal SEAGIRT, PORT OF BALTIMORE	
P.O.D BEIRUT, LEBANON		Type of Move OCEAN	
		Containerized 1 * 40 HC	

Marks / Numbers	# Of PKGS	Description of Commodity	Weight	Color	
CONT# ***** MSCU9119445 SEAL# ***** 11803	1 AUTO	2007 JEEP GRAND CHEROKEE LAR/COL/FR VIN: 1J8HR48N87C525308 BULK AUTO PARTS <i>THE BATTERY HAS BEEN UNHOOKED AND THE GAS Drained OUT. ON BOARD FREIGHT PREPAID.</i>	1957 KG	SILVER	TITLE: 68312509904 STATE OF PA

Delivered By Washington Movers Truck: Arrived: Checked By: Dropped (Port):	Received the above goods or packages subject to all the terms of the undersigned's regular form of dock receipt and bill of lading, which shall constitute the contract under which the goods are received? Copies of which are available from the carrier on request and may be inspected at any of its offices.
	By _____ For the master Date: _____ Receiving Clerk

XTN-AES-(541880051)-(WMIU16511)

Exhibit No. 98
Criminal No. RWT-14-0008
Identified _____
Admitted APR 28 2015

KMD
Dm H

COMMONWEALTH OF PENNSYLVANIA

CERTIFICATE OF SALVAGE FOR A VEHICLE

REGISTRATION NOT TO BE ISSUED

131230399000260 001

VEHICLE IDENTIFICATION NUMBER 1J8HR88N87C525908		YEAR 2007	MAKE OF VEHICLE JEEP	TITLE NUMBER 4B31240776 00
BODY TYPE SUV	SEAT CAP XX	FRONT TITLE STATE PA	ODOM. PROC. DATE 05/13/13	ODOM. MILES 07234
DATE PA TITLED 05/13/13	DATE OF ISSUE 05/13/13	UNLADEN WEIGHT XXXXXX	GVWR XXXXXX	GVWR XXXXXX
TITLE BRANDS		TITLE BRANDS		

VOID VOID VOID VOID

VOID VOID VOID VOID

VOID VOID VOID VOID

- TITLE BRANDS**
- 1 - ANTIQUE VEHICLE
 - 2 - CLASSIC VEHICLE
 - 3 - COLLECTIBLE VEHICLE
 - 4 - OUT OF COUNTRY
 - 5 - ORIGINAL 1981-1983 METAL DISTRIBUTION
 - 6 - AGRICULTURAL VEHICLE
 - 7 - TRUCKING VEHICLE
 - 8 - SARAS A POLICE VEHICLE
 - 9 - RECONSTRUCTED
 - 0 - STREET ROD
 - 1 - UNCOVERED TRICYCLE
 - 2 - VEHICLE CONTAINING REISSUED VIN
 - 3 - HOOD VEHICLE
 - 4 - SEWER TAX

- ODOMETER STATUS**
- 1 - ACTUAL MILEAGE
 - 2 - MILEAGE EXCEEDS THE MECHANICAL LIMITS
 - 3 - NOT THE ACTUAL MILEAGE
 - 4 - NOT THE ACTUAL MILEAGE (MOTORCYCLE)
 - 5 - TAMPERED MILEAGE
 - 6 - EXEMPT FROM ODOMETER REGISTRATION

IMPORTANT NOTICE - FORM MV-426B MUST BE USED WHEN APPLYING FOR A "RECONSTRUCTED" PENNSYLVANIA CERTIFICATE OF TITLE. THIS SALVAGE VEHICLE MAY NOT BE OPERATED ON THE HIGHWAY UNTIL A "RECONSTRUCTED" TITLE IS ISSUED.

SALVAGE VEHICLE OWNER(S)

561006
 ERIE INSURANCE GROUP
 42336 GILBERT DRIVE
 P.O. BOX 306
 TITUSVILLE PA 16354

Suran

BARRY J. SCHOCH, P. E.
 Secretary of Transportation

I certify as of the date of issue, the official records of the Pennsylvania Department of Transportation reflect that the person(s) or company named herein is the lawful owner of the said salvage vehicle.



3256853

Beirut

BOOKING RECEIPT

038BAL1016511

Booking Taken by: mcdoney on 12/19/2011 14:17:17 (M)

SHIPPER

Washington Movers

airdocs@wmus.com

FROM / TO

Precarriage : From Port

Port of Loading : Baltimore

Port of Discharge : BEIRUT

Final Destination : To Port

CARGO

Container Size And Quantity

20DV

40DV

40HC

1

Commodity

autos

Weight

20,000 Pounds

SCHEDULE

Vessel and Voy	Opens	Doc Cut	Haz Cut	Cargo Cut	Arrival	Sails	ETA
Melina NU352R	Friday, 12/20	Monday, 12/23	Monday, 12/23	Thursday, 12/26	Monday, 12/30	Monday, 12/30	Sunday, 01/02

EMPTY PICK UP: Seagrif Marine Terminal 2500 Broome Highway Baltimore, MD 21224 (410) 258-0607 8644, 3145

FULL CONTAINER TO BE RETURNED TO: Seagrif Marine Terminal 2800 Broome Highway Baltimore, MD 21224 (410) 258-0607 2645, 3145

RATES

Rate Reference

THIS IS A BOOKING ACKNOWLEDGMENT
 It is not a contract. The booking receipt is not a contract. It is a receipt for the booking only. The contract is the Bill of Lading. The contract is the Bill of Lading. The contract is the Bill of Lading.
 All dates and times are subject to change without notice.
 All dates and times are subject to change without notice.
 All dates and times are subject to change without notice.

Thank You for Your Business

Mediterranean Shipping Company (USA)



MEDITERRANEAN SHIPPING COMPANY(USA) Inc.

Booking Confirmation

12/19/2013

4:32:22PM

Page 1 of 3

SHIPPER WASHINGTON MOVERS 7985 FERNHAM LANE Forestville, MD 20747	DOCUMENT No. Booking #:038BAL1016511
Contact: Sandra Phone: 301-518-1818	FORWARDING AGENT - REFERENCES

CHARGES DUE TO MIS-STOWAGE BECAUSE OF ERRONEOUS BOOKING DETAILS OR DOCK RECEIPT DETAILS WILL BE FOR THE ACCOUNT OF THE SHIPPER OF RECORDS.	CARGO SUPPLIER
--	----------------

ESTIMATED SAILING DATE 2-Jan-2014	PLACE OF RECEIPT	SERVICE CONTRACT NUMBER 13-306WW
VESSEL AND VOYAGE NUMBER MELINA NU352R	PORT OF LOADING BALTIMORE, MD	LIVE LOAD
PORT OF DISCHARGE BEIRUT, LEBANON	PLACE OF DELIVERY	

REQUESTED / ASSIGNED CONTR #	DESCRIPTION	APPOINTMENT DATE	INTERMODAL COMMENTS	PICK UP DATE	DROP OFF LOADED
1	40' High Cube Motor cars and other motor vehicles principally do			PICK UP EMPTY Seagirt Marine Terminal	SEAGIRT MARINE TERMINAL Baltimore

Dear customer
As of July 2, 2008, the US Census Bureau & US Customs Border Protection (USCBP) require mandatory filing of export information through the Automated Export System (AES) for all shipments at least 24 hours prior to the vessel arrival at the Port of Loading. In order to safely prepare the vessel stow plan, MSC has decided to institute a deadline for the AES ITN or MASTERS. The documentation deadline is 12PM, local POL time, two days before the vessel scheduled arrival. MSC will not load cargo without proof of a filing citation, exemption or exclusion. Please be advised that for cargo loading in BALTIMORE, MD, MSC must receive the AES/ITN or exemption by 12PM EASTERN two days prior to the scheduled vessel arrival. If not received, MSC will be forced to roll over your cargo to the next available vessel. In this case, a Late AES Administrative Fee of \$50 per Bill of Lading, and roll over and demurrage charges (where applicable) will apply. You should submit your Master B/L containing the AES# or exemption legend by email to BALTIMOREDOCS@MSC.US, or by fax to (908) 605 - 2514, or via electronic submission to www.DNTRA.com. For "REVISED MASTERS" please do not use this email address - it is reserved strictly for new AES or MASTER B/L submissions; instead, contact your Port Of Loading documentation representative directly for further instructions.
Note: this port is a "NO DOCS NO LOAD" port. Full Master B/L instructions are required.
\$150 RE-HANDLING / ROLLOVER FEE (PER REHANDLE, TO BE CONFIRMED BY TERMINAL) PER CTR, \$50 LATE AES FILING FEE PER BKG AND ALL APPLICABLE DEMURRAGE CHARGES
All vehicle titles approved by US Customs ex Baltimore port-of-load must be sent to BaltimoreTitles@msc.us before port cut off to prevent rollover and related costs.

Please be informed that MSC has implemented the use of a new B/L format. We suggest that you read the terms and conditions since some of the clauses have been changed.
PLEASE CONTACT MSC WITHIN 48 HOURS IF ANY CORRECTION TO THIS BOOKING IS NECESSARY

SHIPPER TO AFFIX UPON STUFFING OF CARGO INSIDE THE CONTAINERS, SEALS ON THE CONTAINER DOORS, IN COMPLIANCE WITH INTERNATIONAL ORGANIZATION FOR STANDARDIZATION/ PUBLICLY AVAILABLE SPECIFICATION 17712 (ISO/PAS 17712) FAILING WHICH, ALL COST AND CONSEQUENCES ARISING OUT OF SHIPPERS FAILURE TO AFFIX SUCH SEALS SHALL BE FOR SHIPPERS ACCOUNT.

WEIGHT: You are responsible for declaring the accurate weight of the goods. MSC and its agents do not accept any liability for, and you agree to indemnify MSC and its agents in respect of, any loss or damage arising from, or in connection with, any inaccuracy in the weight as declared by you. You must ensure that the weight of the goods packed inside the container does not exceed the maximum payload marked on the containers CSC Plate. MSC and its agents rely upon the weight information provided by you and will not be liable for any loss or damage arising from reliance on this information, including any delays in delivery of the goods. You agree to indemnify MSC and its agents against all liabilities arising from such reliance, and/or from a failure to provide the accurate weight of the goods.

The Merchants are herewith informed that this booking is subject to documentation fees due at destination, in addition to other local charges, payable prior to delivery. For further information please contact your local MSC Agent.

CONTAINERS TO BE DELIVERED AT A RAIL RAMP WILL NOT BE RECEIVED SOONER THAN 3 DAYS FROM THE RAIL RAMP CUTOFF TIME ADVISED BY THE LINE WITH THE EXCLUSION OF CHICAGO. IF CONTAINERS ARE ENGAGED INTO A RAIL RAMP BEFORE SUCH TIME ANY AND ALL COST THAT WILL ARISE FROM SUCH ACTION WILL BE PASSED TO THE SHIPPER.
CHICAGO RAIL RAMP HAS A FIXED FOUR DAYS RECEIVING POLICY AS FOLLOWS:
N ATLANTIC AND ECSA RECEIVE FROM MONDAY TO THURSDAY
FAR EAST RECEIVE FROM WEDNESDAY TILL MONDAY
S AFRICA AND WEST MED RECEIVE FROM TUESDAY TO FRIDAY

ANY PREPAID FOREIGN CURRENCY WILL BE CHARGED AT THE SAIL DATE'S EXCHANGE RATE
PLEASE CONTACT MSC WITHIN 48 HOURS IF ANY CORRECTION TO THIS BOOKING IS NECESSARY
If you should have any questions, please contact Mary Mooney at mmooney@msc.us or call 410 631 7567
To track and trace your containers please visit our website at: www.mscgva.ch/tracking
WE APPRECIATE YOUR BUSINESS AND SUPPORT



MEDITERRANEAN SHIPPING COMPANY(USA) Inc.

Booking Confirmation

12/19/2013

4:32:22PM

Page 2 of 3

SHIPPER WASHINGTON MOVERS 7985 FERNHAM LANE Forestville, MD 20747		DOCUMENT No. Booking #:038BAL1016511
Contact: Sandra Phone: 301-516-1616		FORWARDING AGENT - REFERENCES
CHARGES DUE TO MIS-STOWAGE BECAUSE OF ERRONEOUS BOOKING DETAILS OR DOCK RECEIPT DETAILS WILL BE FOR THE ACCOUNT OF THE SHIPPER OF RECORDS.		CARGO SUPPLIER
ESTIMATED SAILING DATE 2-Jan-2014	PLACE OF RECEIPT	SERVICE CONTRACT NUMBER 13-306WW
VESSEL AND VOYAGE NUMBER MELINA NU352R	PORT OF LOADING BALTIMORE, MD	LIVE LOAD
PORT OF DISCHARGE BEIRUT, LEBANON	PLACE OF DELIVERY	

REQUESTED / ASSIGNED CONTR #	DESCRIPTION Hazardous info:	APPOINTMENT DATE	INTERMODAL COMMENTS	PICK UP DATE PICK UP EMPTY	DROP OFF LOADED
*** HAZARDOUS MIS-DECLARATION FEE *** A DGD (Dangerous Good Declaration) must be submitted and approved prior to booking being confirmed by the Line. Any inconsistencies between the master bill of lading / shipping instruction and submitted DGD will result in a mis-declaration hazardous fee of \$300. Such declaration will not limit any fines/costs, etc., associated with the mis-declaration and it will be for the shippers account. *** HAZARDOUS NON-DECLARATION FEE *** In case a container is booked as non hazardous and upon departure is found to be hazardous a non declaration fee of \$500 will be billed to the shipper. Such fine will not limit in any way other costs/fines associated with the non declaration of the hazardous cargo.					

The Merchants are herewith informed that this booking is subject to documentation fees due at destination, in addition to other local charges, payable prior to delivery. For further information please contact your local MSC Agent.

CONTAINERS TO BE DELIVERED AT A RAIL RAMP WILL NOT BE RECEIVED SOONER THAN 3 DAYS FROM THE RAIL RAMP CUTOFF TIME ADVISED BY THE LINE WITH THE EXCLUSION OF CHICAGO. IF CONTAINERS ARE INGATED INTO A RAIL RAMP BEFORE SUCH TIME ANY AND ALL COST THAT WILL ARISE FROM SUCH ACTION WILL BE PASSED TO THE SHIPPER.

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PLEASE CONTACT MSC WITHIN 48 HOURS IF ANY CORRECTION TO THIS BOOKING IS NECESSARY

If you should have any questions, please contact Mary Mooney at mmooney@msc.us or call 410 631 7567

To track and trace your containers please visit our website at: www.mscgva.ch/tracking

WE APPRECIATE YOUR BUSINESS AND SUPPORT



MEDITERRANEAN SHIPPING COMPANY(USA) Inc.

Booking Confirmation

12/19/2013

4:32:22PM

Page 3 of 3

SHIPPER WASHINGTON MOVERS 7985 FERNHAM LANE Forestville, MD 20747		DOCUMENT No. Booking #:038BAL1016511
Contact: Sandra Phone: 301-516-1616		FORWARDING AGENT - REFERENCES
CHARGES DUE TO MIS-STOWAGE BECAUSE OF ERRONEOUS BOOKING DETAILS OR DOCK RECEIPT DETAILS WILL BE FOR THE ACCOUNT OF THE SHIPPER OF RECORDS.		CARGO SUPPLIER
ESTIMATED SAILING DATE	PLACE OF RECEIPT	SERVICE CONTRACT NUMBER
2-Jan-2014		13-306WW
VESSEL AND VOYAGE NUMBER	PORT OF LOADING	LIVE LOAD
MELINA NU352R	BALTIMORE, MD	
PORT OF DISCHARGE	PLACE OF DELIVERY	
BEIRUT, LEBANON		

REQUESTED / ASSIGNED CONTR #	DESCRIPTION	APPOINTMENT DATE	INTERMODAL COMMENTS	PICK UP DATE	DROP OFF LOADED
	Hazardous Info:			PICK UP EMPTY	
TOTAL 20'S					
TOTAL 40'S	1				
TOTAL 45'S					
TOTAL 48'S					
TOTAL	1				

Closing Date Rail :
Closing Date Yard : 12/26/2013

FREIGHT & CHARGES	BASIS	RATE	PREPAID	COLLECT
Fuel Additional Surcharge	1	150.00	150.00 USD	
ISPS Export	1		8.00 USD	
Low Sulphur Fuel Contribution	1	20.00	20.00 USD	
Ocean Freight	1	1,750.00	1,750.00 USD	
Carrier Security Fee	1	11.00	11.00 USD	
Export Chassis Usage	1	25.00	25.00 USD	
Ad Valorem Charges If Any:			1,964.00 USD	

TRUCKER

BOOKING TAKEN BY Mary Mooney
DATE BOOKING TAKEN 19-Dec-2013

The Merchants are herewith informed that this booking is subject to documentation fees due at destination, in addition to other local charges, payable prior to delivery. For further information please contact your local MSC Agent.

CONTAINERS TO BE DELIVERED AT A RAIL RAMP WILL NOT BE RECEIVED SOONER THAN 3 DAYS FROM THE RAIL RAMP CUTOFF TIME ADVISED BY THE LINE WITH THE EXCLUSION OF CHICAGO. IF CONTAINERS ARE INGATED INTO A RAIL RAMP BEFORE SUCH TIME ANY AND ALL COST THAT WILL ARISE FROM SUCH ACTION WILL BE PASSED TO THE SHIPPER.

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N ATLANTIC AND ECSA RECEIVE FROM MONDAY TO THURSDAY
FAR EAST RECEIVE FROM WEDNESDAY TILL MONDAY
S AFRICA AND WEST MED RECEIVE FROM TUESDAY TO FRIDAY

ANY PREPAID FOREIGN CURRENCY WILL BE CHARGED AT THE SAIL DATE'S EXCHANGE RATE

PLEASE CONTACT MSC WITHIN 48 HOURS IF ANY CORRECTION TO THIS BOOKING IS NECESSARY

If you should have any questions, please contact Mary Mooney at mmooney@msc.us or call 410 631 7567

To track and trace your containers please visit our website at: www.mscgva.ch/tracking

WE APPRECIATE YOUR BUSINESS AND SUPPORT



Seagirt Marine INTERCHANGE 4745
 MSC: Mediterranean Shipping

EMPTY OUT	9550: WASHINGTON MOVERS, I	20DEC2013 11:34
DRIVER NAME:	TRUCK NUMBER: 654F84	
CONTAINER: MSCU9119445	SIZE/TYPE: 40 DR 96	
CHASSIS: METZ425711	SIZE/TYPE: 40 CZ	
VESSEL: ELIN 352R 1 PORT:	RELEASE: 038BAL1016511	
GENERATOR:	SCALE WT: LB	
FUEL LEVEL:	GROSS WT: 8750 LB	
TEMP: AIR EXCH:	CARGO WT: 0 LB	
SEALS:	In Time: 20DEC2013 10:59	



Seagirt Marine PICKUP 4745
 MSC: Mediterranean Shipping

EMPTY OUT	9550: WASHINGTON MOVERS, I	20DEC2013 10:59
CONTAINER:	SIZE/TYPE: 40 DR 96	
CHASSIS:	SIZE/TYPE:	
GENERATOR:	TEMP: AIR EXCH:	
VESSEL: ELIN 352R 1	RELEASE: 038BAL1016511	

0574: CONTAINER from yard on 68N
 12438: Pickup 40 ft. MSC, DCL, MET, MSK or SFL CHASSIS from 400
 SEE REVERSE FOR TERMINAL PROCEDURES
 ALL REEFERS must report to the REEFER EXCHANGE AREA



BOE EXHIBIT NO. 4

2014 ANNUAL REPORT
COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

21409.1940--6/12/14

21409.1940



1. CORPORATION NAME:

Washington Movers International, Inc.

DUE DATE: 07/31/14

2. VA REGISTERED AGENT NAME AND OFFICE ADDRESS: OFFCR.

SAM R GHANEM
6714 FORSYTHIA ST
SPRINGFIELD, VA 22150

SCC ID NO.: 0468838-8

5. STOCK INFORMATION

CLASS	AUTHORIZED
COMMON	1,000

3. CITY OR COUNTY OF VA REGISTERED OFFICE:

129-FAIRFAX COUNTY

4. STATE OR COUNTRY OF INCORPORATION:

VA-VIRGINIA

DO NOT ATTEMPT TO ALTER THE INFORMATION ABOVE. Carefully read the enclosed instructions. Type or print in black only.

6. PRINCIPAL OFFICE ADDRESS:

<input type="checkbox"/> Mark this box if address shown below is correct	If the block to the left is blank or contains incorrect data please add or correct the address below.
ADDRESS: 6714 FORSYTHIA ST	ADDRESS:
CITY/ST/ZIP SPRINGFIELD, VA 22150	CITY/ST/ZIP

7. DIRECTORS AND PRINCIPAL OFFICERS:

All directors and principal officers must be listed.
An individual may be designated as both a director and an officer.

Mark appropriate box unless area below is blank: <input type="checkbox"/> Information is correct <input type="checkbox"/> Information is incorrect <input type="checkbox"/> Delete information	If the block to the left is blank or contains incorrect data, please mark appropriate box and enter information below: <input type="checkbox"/> Correction <input type="checkbox"/> Addition <input type="checkbox"/> Replacement
OFFICER <input type="checkbox"/> DIRECTOR <input checked="" type="checkbox"/>	OFFICER <input type="checkbox"/> DIRECTOR <input type="checkbox"/>
NAME: SAM GHANEM	NAME:
TITLE: P/T	TITLE:
ADDRESS: 6714 FORSYTHIA ST	ADDRESS:
CITY/ST/ZIP: SPRINGFIELD, VA 22150	CITY/ST/ZIP:

I affirm that the information contained in this report is accurate and complete as of the date below.

SIGNATURE OF DIRECTOR/OFFICER LISTED IN THIS REPORT

Sam Ghanem
PRINTED NAME AND CORPORATE TITLE

6/10/14
DATE

It is a Class 1 misdemeanor for any person to sign a document that is false in any material respect with intent that the document be delivered to the Commission for filing.

2014 ANNUAL REPORT CONTINUED

21409.1940--6/12/2

214091940

CORPORATION NAME:
Washington Movers International, Inc.

DUE DATE: 07/31/14
SCC ID NO.: 0468838-8

7. DIRECTORS AND PRINCIPAL OFFICERS: (continued)

All directors and principal officers must be listed.
An individual may be designated as both a director and an officer.

<p>Mark appropriate box unless area below is blank: <input type="checkbox"/> Information is correct <input type="checkbox"/> Information is incorrect <input checked="" type="checkbox"/> Delete information</p>	<p>If the block to the left is blank or contains incorrect data, please mark appropriate box and enter information below: <input type="checkbox"/> Correction <input checked="" type="checkbox"/> Addition <input type="checkbox"/> Replacement</p>
<p>OFFICER <input type="checkbox"/> DIRECTOR <input checked="" type="checkbox"/> NAME: SAJIH GHANEM TITLE: VP/EXPORT MNGR ADDRESS: 818 N ASHTON ST CITY/ST/ZIP: ALEXANDRIA, VA 22312</p>	<p>OFFICER <input checked="" type="checkbox"/> DIRECTOR <input type="checkbox"/> NAME: Sonia Kaouech TITLE: Export Manager ADDRESS: 12764 Wood Hollow Drive Apt. 1525 CITY/ST/ZIP: Woodbridge, VA 22192</p>
<p>Mark appropriate box unless area below is blank: <input type="checkbox"/> Information is correct <input type="checkbox"/> Information is incorrect <input type="checkbox"/> Delete information</p>	<p>If the block to the left is blank or contains incorrect data, please mark appropriate box and enter information below: <input type="checkbox"/> Correction <input type="checkbox"/> Addition <input type="checkbox"/> Replacement</p>
<p>OFFICER <input type="checkbox"/> DIRECTOR <input checked="" type="checkbox"/> NAME: NORMA GHANEM TITLE: OFFICE MNGR ADDRESS: 6714 FORSYTHIS ST CITY/ST/ZIP: SPRINGFIELD, VA 22150</p>	<p>OFFICER <input type="checkbox"/> DIRECTOR <input type="checkbox"/> NAME: TITLE: ADDRESS: CITY/ST/ZIP:</p>
<p>Mark appropriate box unless area below is blank: <input type="checkbox"/> Information is correct <input type="checkbox"/> Information is incorrect <input checked="" type="checkbox"/> Delete information</p>	<p>If the block to the left is blank or contains incorrect data, please mark appropriate box and enter information below: <input type="checkbox"/> Correction <input type="checkbox"/> Addition <input type="checkbox"/> Replacement</p>
<p>OFFICER <input checked="" type="checkbox"/> DIRECTOR <input type="checkbox"/> NAME: HANAN HALABI TITLE: OFFICE MNGR ADDRESS: 9111 BALTIMORE ST #1 CITY/ST/ZIP: SAVAGE, MD 20763</p>	<p>OFFICER <input type="checkbox"/> DIRECTOR <input type="checkbox"/> NAME: TITLE: ADDRESS: CITY/ST/ZIP:</p>
<p>Mark appropriate box unless area below is blank: <input type="checkbox"/> Information is correct <input type="checkbox"/> Information is incorrect <input type="checkbox"/> Delete information</p>	<p>If the block to the left is blank or contains incorrect data, please mark appropriate box and enter information below: <input type="checkbox"/> Correction <input type="checkbox"/> Addition <input type="checkbox"/> Replacement</p>
<p>OFFICER <input checked="" type="checkbox"/> DIRECTOR <input type="checkbox"/> NAME: SANDRA RODRIGUEZ TITLE: ACCOUNTING ADDRESS: 2404 LADYMEADE DR CITY/ST/ZIP: SILVER SPRING, MD 20906</p>	<p>OFFICER <input type="checkbox"/> DIRECTOR <input type="checkbox"/> NAME: TITLE: ADDRESS: CITY/ST/ZIP:</p>

0003207



BOE EXHIBIT NO. 5

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(Southern Division)

UNITED STATES OF AMERICA *
VS. * CASE NO. RWT14-0008
SAM GHANEM *

OPPOSED MOTION TO EXTEND THE DATE FOR VOLUNTARY SURRENDER

The Defendant by and through his attorney, Robert C. Bonsib, respectfully requests this Honorable Court to extend the date for the Defendant's voluntary surrender in the above-captioned matter and as reasons therefore states as follows:

1. The Defendant has been sentenced as a result of his conviction by a jury of the two count indictment in the above captioned matter and sentenced to a term of imprisonment. The Defendant is presently scheduled to surrender on September 28, 2015.
2. For the reasons set forth in the attached letter, the Defendant is requesting that his surrender date be extended until October 8, 2015.
3. Undersigned counsel has contacted Assistant United States Attorney Christine Manuelian to determine the government's position with respect to this request. The government has advised that it opposes any extension of the surrender date.
4. The Defendant's request is reasonable, does not unduly extend the date by which he would be required to serve his sentence and constitutes good cause for a brief extension of the surrender date.

WHEREFORE it is respectfully requested that this Honorable Court extend the date for the Defendant's voluntary surrender to October 8, 2015.

Respectfully submitted,

/S/

ROBERT C. BONSI, ESQ.
6411 Ivy Lane, Suite 116
Greenbelt, Maryland 20770
(301) 441-3000
(301) 441-3003 (fax)
robertbonsib@marcusbonsib.com
Trial Bar No. 00324

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was sent via ECF this 17th day of September, 2015 to Assistant United States Attorney Christine Manuelian, Office of the United States Attorney, 36 South Charles St. Baltimore, MD 21201

/S/

ROBERT C. BONSI

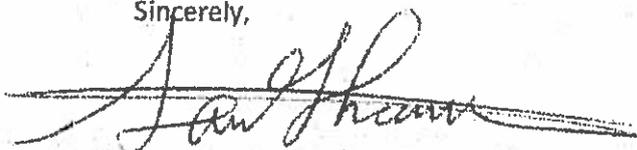
September 14, 2015

To whom it may concern,

This letter is to request an extension for my surrender date of September 28th, 2015 to October 8th, 2015. The reasons for the need of an extension are because my company is currently undergoing major changes, such as changing the ownership. Changing the management requires time to make the necessary changes prior to my departure. I need more time to properly train my new partner with our new software system, introducing him to all our major clients, and adding him to all our bank accounts, vendor accounts, etc. and assist with the hiring process of new personnel. I feel that two weeks will not be suffice time to complete all the necessary training that needs to be done. Another major reason is that my assistant/office manager, Sandra Rodriguez, will be traveling out of the country as of September 26, 2015 to October 4, 2015 for family reasons. Her absence is making it impossible to turn myself in on September 28th since she will not be present the first week that I will be gone to train the new staff. Please find attached proof for statements mentioned above.

Your consideration for this request is very much appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Sam Ghanem", with a long horizontal flourish extending to the right.

Sam Ghanem

BOE EXHIBIT NO. 6

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

The name of WASHINGTON MOVERS, INC. was changed to Washington Movers International, Inc. pursuant to a certificate of amendment issued by the Commission effective as of November 07, 2008.

Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:
May 30, 2013*

Joel H. Peck
Joel H. Peck, Clerk of the Commission

BOE EXHIBIT NO. 7

Maryland Department of Assessments and Taxation Business Services (w4)

[Search Help](#)

Entity Name: WASHINGTON MOVERS INTERNATIONAL, INC.

Department ID: F10737153

General Information	Amendments	Personal Property	Certificate of Status				
Description	Date Filed		Film	Folio	Pages	View Document	Order Copies
RESOLUTION	10/20/2014 8:30 AM				2		
STATEMENT OF NAME CHANGE	07/11/2013 4:15 PM				3		
THIS AMENDMENT RECORD INDICATES THE NAME CHANGE FROM: WASHINGTON MOVERS, INCORPORATED. TO: WASHINGTON MOVERS INTERNATIONAL, INC.							
RESOLUTION	05/23/2013 3:09 PM				2		
RESOLUTION	09/14/2011 10:35 AM				2		
QUALIFICATION	07/06/2005 3:42 PM		B00827	0545	2		

KEEP WITH DOCUMENT

DOCUMENT CODE 32A BUSINESS CODE _____

F10737153



Close _____ Stock _____ Nonstock _____

P.A. _____ Religious _____

Merging (Transferor) _____

Surviving (Transferee) _____

ID # F10737153 ACK # 1000362005537271
PAGES: 0003
WASHINGTON MOVERS INTERNATIONAL, INC.

07/11/2013 AT 04:15 P WO # 0004167313

New Name Washington Movers International, Inc.

FEES REMITTED

Base Fee: 25
Org. & Cap. Fee: _____
Expedite Fee: _____
Penalty: 169
State Recordation Tax: _____
State Transfer Tax: _____
Certified Copies _____
Copy Fee: _____
Certificates _____
Certificate of Status Fee: _____
Personal Property Filings: _____
Mail Processing Fee: _____
Other: _____

TOTAL FEES: 194

- Change of Name
- Change of Principal Office
- Change of Resident Agent
- Change of Resident Agent Address
- Resignation of Resident Agent
- Designation of Resident Agent and Resident Agent's Address
- Change of Business Code
- Adoption of Assumed Name
- Other Change(s)

Credit Card _____ Check _____ Cash _____

Code _____

Documents on _____ Checks

Attention: _____

Approved By: 16

Mail: Name and Address
WASHINGTON MOVERS INTERNATIONAL, INC.
7913 CRYDEN WAY
DISTRICT HEIGHTS MD 20747-4508

Keyed By: _____

COMMENT(S):

CUST ID: 0002950733
WORK ORDER: 0004167313
DATE: 08-21-2013 12:39 PM
AMT. PAID: \$210.00

Commonwealth of Virginia

RECEIVED
OFFICE OF THE CLERK OF THE SUPREME COURT OF APPEALS
2013 JUL 11 2 4: 15



State Corporation Commission

CERTIFICATE OF GOOD STANDING

I Certify the Following from the Records of the Commission:

That Washington Movers International, Inc. is duly incorporated under the law of the Commonwealth of Virginia;

That the date of its incorporation is July 11, 1996;

That the period of its duration is perpetual; and

That the corporation is in existence and in good standing in the Commonwealth of Virginia as of the date set forth below.

Nothing more is hereby certified.

CUST ID: 0002950733
WORK ORDER: 0004167313
DATE: 08-21-2013 12:39 PM
AMT. PAID: \$219.00



*Signed and Sealed at Richmond on this Date:
July 8, 2013*

Joel H. Peck
Joel H. Peck, Clerk of the Commission

Commonwealth of Virginia



State Corporation Commission

CERTIFICATE OF FACT

I Certify the Following from the Records of the Commission:

The name of WASHINGTON MOVERS, INC. was changed to Washington Movers International, Inc. pursuant to a certificate of amendment issued by the Commission effective as of November 07, 2008.

Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:
May 30, 2013*

Joel H. Peck
Joel H. Peck, Clerk of the Commission