



Case closed? Final arguments heard in 'Merchant of Death' trial

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 3:41 PM October 31, 2011

RT.com on October 31, 2011 released the following:

"Both the prosecution and defense have delivered their closing statements in the case of alleged arms dealer Viktor Bout. It is now up to the jury to deliver a verdict; how long their deliberations will last is anyone's guess.

Assistant federal attorney Anjan Sahni told the jury that a guilty verdict was "inescapable" for the former Soviet officer. The defense, meanwhile, maintained that their client is involved in legitimate business deals and must be acquitted.

Bout's trial began three weeks ago, but his tribulations started long before that. Arrested in a US Drug Enforcement Administration sting operation in the Thai capital Bangkok in March 2008, he first spent months in the infamous "Bangkok Hilton" – one of the world's most notorious prisons – while awaiting his extradition hearing. Despite many claims of pressure on the Thai court by US officials, the lengthy proceedings finally came to a close in 2010, when Bout was sent to the US.

Bout faces four charges: conspiring to kill American nationals, conspiring to kill American officers and employees, conspiring to use and acquire anti-aircraft missiles, and conspiring to provide material support to the FARC rebels in Colombia. He has maintained his innocence throughout the case, stating his business was sales and services in the shipping industry.

US prosecutors, however, insisted that Bout is one of the world's most prolific black-market arms dealers, and backed up their charges with a conversation with



Bout recorded during the sting operation in Thailand. But the state's confidence in a guilty verdict was shaken when New York Southern District Court Judge Shira Scheindlin threw out Bout's testimony made prior to his extradition to the United States. Scheindlin said Thai officials allowed for serious procedural violations by refusing Bout a meeting with his attorneys.

The case has attracted media attention from the very beginning, not least because of Bout himself. A Hollywood movie starring Nicolas Cage as Bout has given him a lot of notoriety, to the point where jury members had to sign pledges vowing not to Google the man on trial, so as to remain unbiased.

The case has also had an effect on relations between Moscow and Washington – and not a positive one. Russia believes Bout's extradition was only possible because of unprecedented political pressure on Thai judicial authorities, and that the trial was lost before it had even begun. Many, both in Russia and abroad, seemed to share that opinion, claiming that after all the effort and media coverage associated with Bout and his trial, prosecutors simply could not afford to lose the case.

And while they have been emboldened by Bout's former partner Andrew Smulian

pleading guilty and testifying for the prosecution in return for a deal, they have turned a blind eye to statements shining a less-than-favorable light on US officials.

A Russian pilot sentenced to 20 years for alleged drug trafficking said he got his lengthy prison time because he refused to testify against Bout. Konstantin Yaroshenko says has never met Bout personally, and only saw him a few times while they were both held in a Manhattan jail. According to Yaroshenko, US prosecutors tried to influence him to testify – even offering him freedom and US citizenship for his entire family.

The jury will now deliberate. If the 12 jurors fail to reach a unanimous verdict, the judge will be forced to declare a mistrial and set a date for new proceedings. If Bout is found guilty, he is expected to appeal."

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Douglas McNabb and other members of the U.S. law firm practice and write and/or report extensively on matters involving Federal Criminal Defense, INTERPOL Red Notice Removal, International Extradition and OFAC SDN Sanctions Removal.

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Justice Department Settles Lawsuit Against Terrebonne Parish Regarding Unlawful Conditions at Juvenile Detention Center

(USDOJ: Justice News)

Submitted at 7:01 PM October 31, 2011

Today, the U.S. District Court for the Eastern District of Louisiana in New

Orleans entered the revised settlement agreement reached between the United States and Terrebonne Parish as an order of the court.

September 11th Victim Compensation Fund Begins Accepting Claims

(USDOJ: Justice News)

Submitted at 1:46 PM October 31, 2011

The September 11th Victims Compensation Fund (VCF) is now accepting claims applications on its website.



Houston Doctor Sentenced in Federal Court to 11+ Years in Health Care Fraud Scheme

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 9:49 AM October 31, 2011

The U.S. Attorney's Office Southern District of Texas on October 28, 2011 released the following:

"HOUSTON – Houston doctor Christina Joy Clardy, 61, has been sentenced to 135 months in federal prison for her role in a massive health care fraud conspiracy that billed the federal Medicare and Texas Medicaid programs for \$45,039,230 over a 2 ½-year-period, United States Attorney Kenneth Magidson announced today. Clardy was sentenced just a short while ago in federal court in Houston.

Clardy is the third defendant to be sentenced in this matter. Last week Umawa Oke Imo, the owner of City Nursing Services of Texas, Inc., was sentenced to 327 months for his role in the conspiracy and health care fraud. Clardy, who was found guilty of one count of conspiracy to commit health care fraud, 14 counts of health care fraud and three counts of mail fraud on May 27, 2011, after an 18-day trial in front of U.S. District Judge Melinda Harmon, was also ordered to pay \$15,626,084.01 in restitution to Medicare and Medicaid. In arriving at Clardy's sentence today, Judge Harmon considered the pivotal role Clardy played in abusing the trust of the Medicare and Medicaid programs by allowing the fraudulent billing under her provider numbers.

Former Asphalt Manager of Pelican Refinery Pleads Guilty in Louisiana to Air Pollution Causing Negligent Endangerment

(USDOJ: Justice News)

Submitted at 4:54 PM October 31, 2011

The former asphalt facilities manager of Pelican Refining Company LLC (PRC), pleaded guilty today to the crime of negligent endangerment under the Clean Air Act in federal court in Lafayette, La.

Owner of Houston Health Care Company Sentenced to 41 Months in Prison in Connection with \$1.3 Million Medicare Fraud Scheme

(USDOJ: Justice News)

Submitted at 4:52 PM October 31, 2011

Ekpedeme Obot, 35, of Houston, was sentenced by U.S. District Judge Lee Rosenthal in Houston.

City Nursing billed more than \$25 million worth of physical therapy services under Clardy's physician provider numbers between January 2007 and August 2008. The United States introduced a letter at trial, sent by Clardy to Imo in July of 2007 – a year before she left the clinic, showing her knowledge of the fraudulent activities at the clinic, ordering Imo to immediately cease billing Medicare under her provider number, to notify Medicare of the prior fraudulent billing and threatening to notify Medicare of the fraud if he did not. Clardy testified at trial that after Imo received her letter they had a private meeting at her house and after that she never contacted Medicare about the fraud and never asked Imo if he contacted Medicare or stopped the fraudulent billing. Other evidence introduced by the United States showed that beginning in August 2007, a few weeks after Clardy's letter, Imo began making large cash payments to Clardy and continued to bill approximately \$21 million worth of false and fraudulent physical therapy services.

City Nursing employee Joann Michelle White, who played a minor role in the health care fraud conspiracy, pleaded guilty to conspiracy in February 2010 and testified for the United States during the trial. She was sentenced to 46 months on Oct. 14, 2011. The last convicted defendant, Kenneth Anokam, will be sentenced later next month.

Department of Justice Challenges South Carolina's Immigration Law

(USDOJ: Justice News)

Submitted at 4:53 PM October 31, 2011

The Department of Justice challenged South Carolina's recently passed immigration law, Act No. 69, in federal court today.

The investigation into City Nursing was the result of the joint efforts by special agents of the FBI, Internal Revenue Service-Criminal Investigations, the Department of Health and Human Services-Office of Inspector General and the Texas Attorney General's Office-Medicare Fraud Control Unit. Assistant United States Attorneys Julie Redlinger and Mark Donnelly prosecuted the case. Assistant United States Attorney Kristine Rollinson assisted with forfeiture and restitution."

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