

Magistrate Judge Karen L. Strombom

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UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

IN THE MATTER OF THE EXTRADITION
OF:

NO. *MJ 14-5067*

RADU NEMES, and
DIANA NEMES

Complaint
(18 U.S.C. § 3184)

I, the undersigned Assistant United States Attorney, being duly sworn, state on information and belief that the following is true and correct:

1. In this matter I act for and on behalf of the Government of Romania;
2. There is an extradition treaty in force between the United States and Romania. *See* Extradition Treaty Between the United States of America and Romania and the Protocol to the Treaty Between the United States of America and Romania on Mutual Legal Assistance in Criminal Matters, U.S. - Rom., September 10, 2007, S. TREATY DOC. NO. 110-11 (2008);

1 3. Pursuant to the treaty, the Government of Romania has submitted formal
2 requests through diplomatic channels for the extradition of Radu NEMES and Diana
3 NEMES;

4 4. Radu Nemes was charged in Romania with the crimes of Tax Evasion in
5 violation of Article 9, paragraph 1(a), (b), and (c) and paragraph 3 of the Act No.
6 241/2005, and Setting Up an Organized Criminal Group in violation of Article 7,
7 paragraphs 1 and 3 of the Act No. 39/2003 of the Criminal Code of Romania. Diana
8 NEMES was charged in Romania with the crimes of Tax Evasion in violation of Article
9 9, paragraph 1(a), (b), and (c) and paragraph 3 of the Act No. 241/2005, and Supporting
10 an Organized Criminal Group in violation of Article 7, paragraphs 1 and 3 of the Act No.
11 39/2003 of the Criminal Code of Romania. These crimes were committed within the
12 jurisdiction of the requesting state, and warrants for international pursuit in view of
13 extradition were issued on July 11, 2012, by the Court of Appeal of Bucharest – Second
14 Criminal Section;

15 5. The warrants were issued on the basis of the following facts that are set
16 forth in the extradition request and supplemental materials submitted by the Government
17 of Romania:

18 Between May 2011 and July 2012, Radu NEMES orchestrated a scheme to evade
19 taxes on the bulk sales of diesel fuel and then launder the proceeds of the scheme through
20 offshore accounts. NEMES and his co-conspirators sold approximately 990,000 tons of
21 diesel fuel, but, using a series of shell companies he controlled, falsely reported to the
22 Romanian Government the sale of lower grade industrial and maritime fuel, resulting in
23 payment of significantly lower excise taxes and value added taxes. By covering up the
24 sale of diesel fuel and falsely reporting the sales as lower grade fuels, the NEMES and
25 their co-conspirators avoided a tax liability of approximately 53 million Euros. Diana
26 NEMES supported the scheme by controlling many of the shell companies used to
27 facilitate the scheme and by laundering the proceeds of the crimes through bank accounts
28

1 she controlled in Dubai and further transferring the proceeds to accounts in the United
2 States where the NEMES are currently residing.

3 Radu NEMES and Diana NEMES, as well as other co-conspirators, imported and
4 transported diesel fuel using companies under their control purportedly for the purpose of
5 combining the diesel with brut oil to manufacture lesser grade industrial and maritime
6 fuels. The NEMES deceived the Romanian government and evaded higher taxes
7 assessed on diesel fuel through the creation of false accounting records, including
8 invoices and payment records used to falsely document the manufacture of lesser grade
9 fuels. The NEMES and their co-conspirators also created and utilized several shell
10 companies to falsely document the sales and distribution of the purportedly lesser grade
11 industrial and maritime fuels.

12 In fact, the NEMES and their co-conspirators never purchased any brut oil and
13 never manufactured the lesser grade fuels. Instead, they sold the higher grade diesel fuel
14 to retail petrol stations for distribution. The higher grade diesel fuel should have been
15 subject to higher excise taxes and value added taxes upon sales to the retail petrol
16 stations. By concealing the sales of the diesel fuels, the NEMES evaded the higher taxes
17 and generated significant revenue that was not subject to the appropriate excise tax.

18 Radu NEMES and Diana NEMES then utilized various shell companies they
19 controlled to launder the proceeds of this tax evasion scheme. Their money laundering
20 activity included withdrawing large sums of cash to make it falsely appear as if the
21 revenues held in the shell company bank accounts were consistent with the sales of lesser
22 grade fuels they were reporting to the Romanian government. The illegal proceeds were
23 further laundered through bank accounts held in the names of companies controlled by
24 Radu and Diana NEMES in Dubai, United Arab Emirates.

25 6. Radu NEMES and Diana NEMES may be found within the jurisdiction of
26 this court in Yelm, Washington.

27 7. Julie B. Martin, an attorney in the Office of the Legal Adviser of the United
28 States Department of State, has provided the Department of Justice with a declaration

1 authenticating copies of the diplomatic notes by which the requests for extradition were
2 made and a copy of the extradition treaty between the United States and Romania, stating
3 that the offenses for which extradition is demanded are covered by the treaty, and
4 confirming that the documents supporting the requests for extradition are properly
5 certified by the Romanian Ministry of Justice, so as to enable them to be received in
6 evidence; and

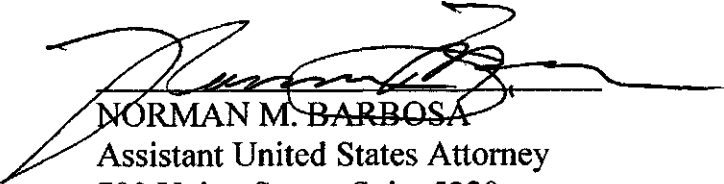
7 8. The declarations from the Department of State with attachments, including
8 a copy of the diplomatic notes from the requesting state, a copy of the relevant extradition
9 treaty, and the certified documents submitted in support of the requests, marked
10 collectively as Government's Exhibits #1 (Radu Nemes) and #2 (Diana Nemes) are filed
11 with this complaint and incorporated by reference herein;

12 9. The fugitives in this case would be likely to flee if they learned of the
13 existence of warrants for their arrest.

14 WHEREFORE, the undersigned requests that warrants for the arrest of Radu and
15 Diana NEMES be issued in accordance with the Extradition Treaty between the United
16 States and Romania, and Title 18 United States Code, Section 3184, so that the fugitives
17 may be arrested and brought before this court, "to the end that the evidence of criminality
18 may be heard and considered" and that this complaint and the warrant be placed under
19 the seal of the Court until such time as the warrants are executed.

20 DATED this 17th day of March, 2014.

21
22 Respectfully submitted,
23 JENNY A. DURKAN
24 United States Attorney

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26 
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6 SUBSCRIBED AND SWORN to before me this 17th day of March, 2014.
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KAREN L. STROMBOM
UNITED STATES MAGISTRATE JUDGE