



U. S. Department of Justice

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April 19, 2011

Thomas Warshaw  
30300 Northwestern Hwy Ste 315  
Farmington Hills, MI 48334

Re: *United States v. Hassan Aoun, et al.*, Criminal Number 2:10-cr-20458

Dear Mr. Warshaw:

We have calculated your client's sentencing guidelines. Using the conservative fraud / loss amount of between \$400,000 and \$1,000,000, assessing 2 points for his being a supervisor of a group of more than 5 people, plus 2 points for more than 10 victims, and crediting him with 3 points in the event of a plea, his guidelines are 37 to 46 months. This assumes your client has no criminal history points. We would also agree not to prosecute Ali Aoun or Jihad Aoun, your client's father and brother, if we are able to reach a global settlement of the case.

As you know from the discovery materials, law enforcement seized over 13,000 pairs of counterfeit Nike shoes during this investigation. Based upon that, we concluded that Nike is the primary victim (although there were certainly more than 10 victims, including Timberland, Coach, Chanel, Luis Vuitton, Gucci, Jordan, Coogi, the various National Football League licensees, to name a few). The fraud / loss level was based upon the average retail price of one pair of Nike shoes, which is \$90.00. The counterfeit shoes alone take the amount to over \$1,000,000. However, we recognize there are other ways to assess loss in counterfeit cases, and we decided to limit the loss amount to under \$1,000,000.

Of course your client may elect to cooperate, which could result in our moving for a substantial assistance departure and lower guidelines. I know it is early to consider a plea, but I wanted you to be fully informed from the outset.

Very truly yours,

BARBARA L. McQUADE  
United States Attorney

*/s/ Cynthia Oberg*  
CYNTHIA OBERG  
Assistant U.S. Attorney

cc: SA Brian Max, FBI  
SA Travis Shirley, FBI