

R. v. Grozell, Provincial Court of British Columbia, September 30th, 2004 (unreported)
**(26 months and five months pre-trial custody for possession, uttering and making approximately
CDN\$950,000 and US\$119,000)**

Mr. Grozell pled guilty to possession, uttering and making counterfeit money. He also pled guilty to several other offences including impersonation, fraudulent use of credit card data and theft from mail.

On November 14th, 2003, Mr. Grozell was arrested by the RCMP in Nanaimo after a lounge employee became suspicious because Mr. Grozell had attempted to pass several bills at the establishment. Mr. Grozell was found in possession of two Canadian counterfeit \$100 bills.

On January 28th, 2004, in Regina, Saskatchewan, the accused and his accomplice, Mr. Sagedur, attempted to pass an older looking \$100 bill at a local mall. Mr. Grozell was arrested and found to be in possession of a counterfeit \$100 bill. The police conducted a search of his hotel room and seized a laptop computer, a printer, an ink-jet printer, \$7,500 in uncut Canadian notes, \$1,900 in cut Canadian notes, and \$1,190 in American cut counterfeit notes. Two teens, hired by Grozell to distribute the counterfeit money, were also found in the room.

Mr. Grozell provided a statement to the Regina police. He said that he and Mr. Sadegur had been traveling across western Canada passing counterfeit money. He admitted to having left Vancouver with \$7,000 in counterfeit funds and that during their stay in Edmonton, he and Mr. Sagedur had printed up 20 sheets of \$100 bills containing up to three bills per sheet.

On May 4th, 2004, in Hope, Mr. Grozell was pulled over for speeding. A search of the vehicle revealed six \$100 counterfeit Canadian bills, two \$5 counterfeit Canadian bills, one \$20 counterfeit Canadian bill and one \$20 American bill rolled up in a black cell phone case, an aluminum case containing several sheets of high quality paper, five uncut sheets with one \$10 Canadian bill and two \$20 Canadian bills on each sheet, blank printer papers, colour scanner copier and laptop which included sophisticated images of various bank notes, leather water repellent spray, a black ultraviolet light and gold sparkle paper with maple leaf cut-outs.

At the sentencing hearing, Crown argued that making American money was an aggravating circumstance because it amounted to tampering with another nation's currency and economy and because it is harder for merchants in Canada to detect American counterfeit money. The Crown asked the Court to consider a global sentence in the range of three to five years. The defense took the position that a conditional sentence order was appropriate.

The judge accepted the evidence linking the activities of Mr. Grozell to the criminal organization comprised of Mr. Palianali and Mr. Wah who were responsible for the distribution of the counterfeit JD series notes from August, 2003 to September, 2004 in Western Canada. The judge did not consider the difficult detention caused by passing counterfeit bills to drug dealers to be a mitigating circumstance.

The judge relied on the affidavit from a Bank of Canada employee and on the sentence imposed to Mr. Palianali.

In conclusion, the judge said:

“[53] Printers of counterfeit bills and other persons who take a lead role in this type of counterfeiting operations usually should be sentenced more severely than those who merely distribute the money. Mr. Grozell is not a mere distributor. He was involved in the printing and passing, distributing, and the transportation of the equipment of a very sophisticated, far-reaching, extensive counterfeiting ring. This is a large operation. It can affect a local economy. In some cases these types of offences can affect the economy of a whole country. The degree of sophistication of the product, and I accept that these are sophisticated bills, and the prevalence of the distribution are matters that I have to take into consideration.”