

R. v. Mihalkov, Ontario Court of Justice, June 15th, 2005

Mr. Mihalkov was charged and committed for trial, after his preliminary inquiry, on a number of counts of conspiracy to make counterfeit money, counts of conspiracy to be in possession of counterfeit money as well as some counts relating to the possession of credits cards and social insurance number cards.

In October 2003, Toronto police began operation Project Greenback, an investigation into a counterfeiting operation carried out from the house of the accused. On March 19th, 2004, an undercover agent proceeded to purchase 240,000.00 worth of \$20.00 counterfeit bills from the accused. He was then arrested. The investigation revealed that the accused and his main accomplice, Mr. Todorov, used two premises as print shops and a third as a currency finishing shop. A search of the various locations disclosed a massive counterfeiting operation of \$10.00 and \$20.00 bills. Many thousands of fully cut and uncut \$20.00 and \$10.00 notes were seized as well as a number of Epson printers and all the paraphernalia associated with the production of counterfeit money. At one location, the police seized more than 40 boxes of Epson printers, thousand of print cartridges in garbage bag, gold leaf paper, heavy paper without bleach, metal stamps, dyes, paper cutters and a Heidelberg press.

An RCMP expert in counterfeit detection testified that the counterfeit bills were of good quality. He estimated that approximately 3.1 million worth of counterfeit money produced by the accused's operation had been put in circulation. An affidavit from the Bank of Canada was filed at the sentencing hearing.

The judge concluded that Mr. Mihalkov was, at a minimum, a partner in a sophisticated criminal organization. The Crown prosecutor recommended a 7 year sentence. The judge imposed Mr. Mihalkov a term of imprisonment of 50 months, taking into consideration his young age and the absence of a criminal record.