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# CANADA

## Toronto Police Fugitive Squad nabs businessman with ties to Jason Kenney, John Baird



STEPHEN MAHER, CANADIAN PRESS | Oct 26, 2012 8:57 PMET | Last Updated: Oct 26, 2012 9:41 PMET [More from Canadian Press](#)



Nathan Jacobson was arrested in downtown Toronto Thursday in connection to a U.S. money laundering charge. Postmedia files

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Businessman Nathan Jacobson has gone from hobnobbing with the most powerful politicians in Canada to a jail cell.

The fugitive, who is facing a sentence in an American prison for conspiracy to commit




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The fugitive, who is facing a sentence in an American prison for conspiracy to commit money laundering, is in Toronto's Metro West Detention Centre, an official there said Friday.

He was picked up by members of the Toronto Police Fugitive Squad in downtown Toronto on Thursday and made an appearance at the Toronto Courthouse on University Avenue on Friday.

Jacobson pleaded guilty to money laundering connected to an illegal online pharmacy in San Diego in 2008. But the plea was sealed while he helped investigators with their case and he travelled around the world, spending time with senior ministers in the Canadian government.

Few knew about his trouble with American law enforcement until he failed to show up for a sentencing hearing in San Diego in July, at which point Judge Irma Gonzalez, in the U.S. District Court for the Southern District of California, issued a warrant for his arrest.

At the time, Jacobson's Canadian lawyer, Howard J. Wolch, said his client was in Asia on business, and asserting that he was unaware of any legal proceeding concerning him.

Jacobson came back to Toronto, where he was taken into custody on Friday.

Jacobson, who grew up in Winnipeg, has dual Canadian-Israeli citizenship, and until last year had a credit card clearing company in Tel Aviv, Paygea, which processed payments for online gaming sites and adult websites. Israeli media reports say that when the company ceased operations, it left creditors in the lurch.

Jacobson is a prominent member of the Canadian Jewish community and has been a strong backer of the Conservative government. He was previously on the board of the Canada-Israel Chamber of Commerce and the Canada-Israel Committee.

In May, 2009, he was master of ceremonies for a party celebrating the 61st anniversary of the founding of Israel in the West Block of Parliament Hill, introducing the keynote speaker, Citizenship and Immigration Minister Jason Kenney.

He has travelled in Israel with Foreign Affairs Minister John Baird and is said to be friendly with both ministers.

Both ministers have said they were unaware of his legal difficulties until they were reported by Postmedia News this summer.

Next month, Kenney was scheduled to appear with Jacobson at the Royal York Hotel in Toronto, where the minister will receive an honorary doctorate from the University of Haifa. Jacobson, who was to be the master of ceremonies, withdrew after his legal troubles became public.



Jason Kenney in the foyer of the House of Commons Wednesday. Kenney was scheduled to appear with Jacobson at the Royal York Hotel in Toronto next month. CANADIAN PRESS/Adrian Wylid

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## Calgary's 'epicentre' of evil, death and darkness may soon become a frightening piece of the past



Calgary's historic Cecil Hotel, one of only six pre-First World War hotels still standing in the city, has been described as a place brimming with darkness and death

Jacobson is suing Mark Adler, the Conservative MP for York Centre.

In his statement of claim, filed in October, 2011, Jacobson alleges that in 2009 and 2010 he loaned \$265,000 to Adler and his Economic Club of America, an offshoot of the Economic Club of Canada, a firm Adler started to provide a forum for high-powered guest speakers in Toronto.

Adler's statement of defence, filed in January, says that Jacobson provided him with \$114,962 in 2009 and 2010 "as a friendly gesture," and did not expect to be paid back.

In March, Jacobson was photographed with Prime Minister Stephen Harper and Israeli Prime Minister Benjamin Netanyahu. The photo was taken at a reception in the Railway Room on the evening of March 2, 2012, where about 150 or 200 people gathered to greet the two prime ministers.

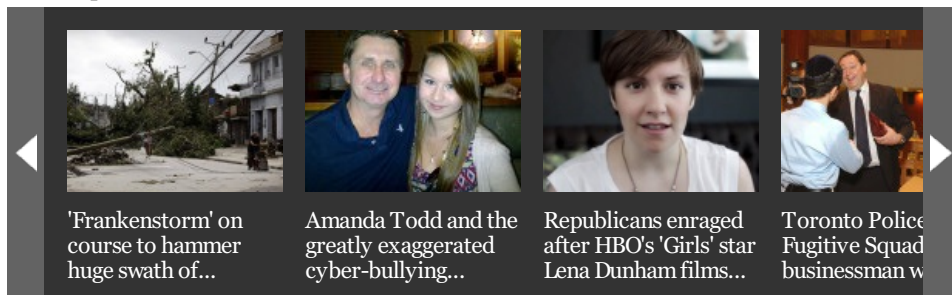
From 2004 to 2011, Jacobson donated about \$10,000 to the Conservative Party, including donations to the central party and to the riding associations of former MP Wajid Khan, Environment Minister Peter Kent and Labour Minister Lisa Raitt.

He also donated \$1,100 to the federal NDP on election day in 2011.

Jacobson is expected to make a court appearance this week.

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