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**WAUKEGAN GROCER AND WIFE INDICTED FOR ALLEGEDLY DEFRAUDING  
U.S. FOOD STAMP AND NUTRITION PROGRAMS OF MORE THAN \$500,000**

CHICAGO — A Waukegan couple who operate a small grocery were indicted for allegedly defrauding government food stamp and nutrition programs of more than \$500,000 over the last two years following an undercover investigation, federal law enforcement officials announced today. The defendants, **Fatima** and **Khaled Saleh**, who own and operate Sunset Food Market in Waukegan, allegedly illegally exchanged cash with customers who made falsely inflated purchases using food stamp cards and nutrition coupons. They also allegedly purchased items, typically infant formula, that customers bought at other stores using their program benefits, paying customers approximately half of the value of the items in cash and then re-selling the same items in their store at a substantially higher price.

Khaled Saleh, 46, and Fatima Saleh, 35, were each charged with one count of conspiracy to defraud government programs and one count of Agriculture Department program fraud in a two-count indictment that was returned by a federal grand jury yesterday, announced Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, together with Joe Smith, Special Agent-in-Charge of the U.S. Department of Agriculture Office of Inspector General, and

John Gullickson, Acting Special Agent-in-Charge of the U.S. Secret Service, both in Chicago. The Illinois Department of Human Services assisted in the investigation.

The charges followed an investigation in which a USDA-OIG agent, acting undercover, allegedly exchanged food stamp benefits for cash and used benefits to purchase formula at a discount store and then sold the formula cans for half the price in cash to the Salehs on several occasions. Agents executed a federal search warrant at Sunset market on April 26, 2011, and the Salehs were arrested last month on a criminal complaint. Both defendants remain free on bond and will be arraigned at a later date in U.S. District Court.

After the search of the store, Fatima Saleh went to her apartment and agents observed her leaving a short time later with a suitcase and her mother. After giving consent to search the suitcase, agents found more than \$350,000 cash and more than 800 coupon vouchers for the Women, Infants and Children Program (WIC), a supplemental food program to provide a more nutritious diet to low-income infants, young children and pregnant and post-partum women. Agents later discovered an additional \$25,000 cash in the couple's apartment.

The indictment seeks forfeiture of approximately \$377,000 seized on April 26, as well as more than \$14,500 seized from Sunset Food's bank account.

According to the indictment, in addition to accepting WIC coupons, Sunset Foods also participated in the Supplemental Nutrition Assistant Program, formerly known as the Food Stamp Program, and was authorized to accept LINK cards used by customers to purchase eligible food items. Between August 2009 and April 2011, the defendants redeemed more than \$1.175 million in LINK food stamp and WIC coupons, with more than \$500,000 being obtained through the fraud, the indictment alleges. The store's participation in the programs has been suspended.

Court documents allege that Fatima Saleh had applied for and received LINK food stamp benefits and WIC coupons for herself. In 2010, she last received WIC vouchers and as much as \$952 a month in LINK card benefits, and a month ago she was receiving \$738 a month in food stamp benefits.

The government is being represented by Assistant U.S. Attorney Andrew R. DeVoght.

Each count of the indictment carries a maximum penalty of five years in prison and a \$250,000 fine. If convicted, restitution is mandatory and the Court must impose a reasonable sentence under the advisory United States Sentencing Guidelines.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the United States has the burden of proving guilt beyond a reasonable doubt.

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