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RING LEADER SENTENCED TO 14 YEARS IN PRISON FOR
\$24 MILLION FRAUD SCHEME

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, ANDREW CUOMO, the Attorney General of the State of New York, and RICHARD H. NEIMAN, the Superintendent for the New York State Banking Department, announced today that TAHIR ALI KHAN, the leader of a ring that used fake identification documents to bilk over 50 financial institutions out of more than \$24 million, was sentenced today by United States District Judge LORETTA A. PRESKA to 14 years in prison. KHAN was indicted, along with 14 other co-defendants, in a multi-count Indictment unsealed on August 15, 2007. Today's sentence follows KHAN's guilty plea on November 25, 2008, to a four-count Superseding Information charging him with one count of conspiracy to commit credit card fraud, one count of conspiracy to commit wire fraud and bank fraud, and two counts of aggravated identity theft.

As set forth in the Government's sentencing submission and other public filings in this case, KHAN headed a ring that produced false identification documents in fictitious names. The documents, purporting to have been issued by state and federal government authorities, included driver's licenses, resident alien cards, social security cards, and tax identification documents. In order to build financial credit for the fictitious identities, members of KHAN's ring, among other things, fraudulently

established bank accounts, credit card accounts, apartment leases, and telephone and utility accounts in the names of the fictitious identities. Participants in the ring also applied for and obtained lucrative bank loans, home mortgage loans, increased credit card limits, lines of credit, and other financial benefits in the names of the fictitious identities or in the names of sham businesses supposedly operated by those fictitious identities. The loans and credit card debt were then defaulted on, resulting in millions in losses to numerous financial institutions. Losses from the ring's fraudulent activities exceeded \$24 million.

In sentencing KHAN to 14 years in prison, Judge PRESKA stated that KHAN had been involved in "a vast array of crimes, of frauds and thefts, extending well over a decade." Judge PRESKA further noted that KHAN committed those crimes charged in the Superseding Information while a fugitive from justice. As set forth in the Government's sentencing submission, after federal authorities arrested KHAN on August 15, 2007, they learned through a fingerprint match that KHAN had been previously arrested federally in 1995, in California, under the name "Jonathan Branscum," but that KHAN absconded in that case after being granted bail. KHAN dropped the name "Jonathan Branscum," and moved to the New York area, using a different name.

Judge PRESKA further stated that KHAN's "entry into the United States was itself the subject of identity theft." Count Three of the Superseding Information, to which KHAN pleaded guilty, charged KHAN with stealing the identity of a real person, "Waheed Khan," in order to obtain a permanent resident card and other immigration benefits.

In addition to the prison term, Judge PRESKA sentenced KHAN to three years of supervised release, restitution in the amount of \$24,649,890.32, and forfeiture of items seized in August 2007 from KHAN's homes in Alabama and New York.

Acting United States Attorney LEV L. DASSIN said this investigation is "a model of cooperation between federal, state and local prosecutors and investigative agencies."

New York Attorney General ANDREW CUOMO said, "TAHIR ALI KHAN developed a comprehensive scheme to steal millions of dollars from an overburdened financial industry, and now he is paying for his crimes. My office will continue to aggressively pursue those whose greed supersedes their regard for the law in New York State."

"We are pleased to have participated in this joint investigation and successful prosecution," said RICHARD H. NEIMAN, Superintendent of Banks for the State of New York. "As this case demonstrates, law enforcement agencies will continue to work closely to aggressively pursue individuals who attempt to take advantage of our banking system. I commend the Banking Department's Criminal Investigations Bureau staff for their work over the last four years on this matter."

Of the sixteen defendants charged in the Indictment, KHAN, 32, most recently of Hoover, Alabama, is the twelfth defendant to plead guilty and the sixth to be sentenced. PRADIPT SHARMA was granted a deferred prosecution agreement. Criminal charges remain pending against four defendants, including MUHAMMAD SHARIF, ARIE BENSHIMON, SYED HASSAN, and SYED SHAH, who remains a fugitive. As to those defendants, the charges contained in the Indictment are merely accusations and the defendants are presumed innocent unless and until proven guilty.

The case is being jointly prosecuted by the U.S. Attorney's Office and the New York State Attorney General's Office. The prosecution resulted from a 16-month investigation conducted by the New York State Attorney General's Office, the New York City Police Department, New York State Police, the Hoover, Alabama Police Department, and the New York State Banking Department, the Federal Bureau of Investigation, the Department of Homeland Security's U.S. Immigration and Customs Enforcement, the United States Postal Inspection Service, the New York State Department of Motor Vehicles, the New York City Department of Probation, the Social Security Administration, and the United States Secret Service. Mr. DASSIN and Mr. CUOMO thanked those agencies for their assistance.

Mr. DASSIN praised the work of the Attorney General's Office, the New York State Banking Department, and other state, local and federal law enforcement agencies in the investigation, stating that the Indictment dismantled an extremely active and aggressive criminal ring that caused more than \$24 million in losses to financial institutions in New York and other states.

Assistant United States Attorneys LISA ZORNBERG and ANNA ARREOLA, and Assistant Attorney General MERYL LUTSKY -- who is designated as a Special Assistant U.S. Attorney in this case -- are in charge of the prosecution.

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