

1 MICHAEL J. YAMAGUCHI  
2 United States Attorney  
3 Attorney for Plaintiff  
4  
5

FILED  
96 JUN 19 AM 11:52  
U.S. DISTRICT COURT  
NO. DIST. OF CA., S.T.  
CLERK  
YOUNG

6 IN THE UNITED STATES DISTRICT COURT  
7 FOR THE NORTHERN DISTRICT OF CALIFORNIA

LHK PSG

9 UNITED STATES OF AMERICA,  
10 Plaintiff,  
11 v.

CR 96 20094  
No. 96 20094  
JW

Violations:

12 ZAHID ALI,  
13 RIFFAT ALI, a/k/a  
14 RIFFAT MEHMOOD,  
REFAT HUSAIN, and  
15 MUJEEBULLAH MUJAHID KHAN,  
16 Defendants.

Count 1: (All Defendants)  
18 U.S.C. § 1344(1) and (2)  
Bank Fraud  
Count 2: (Riffat Ali)  
18 U.S.C. § 2314  
Transporting Stolen Monies

17 I N D I C T M E N T  
18

19 COUNT ONE: (18 U.S.C. § 1344(1) and (2))

20 The Grand Jury charges that:

21 1. Beginning on or about July 2, 1994, and continuing  
22 through and including at least on or about September 9, 1994,  
23 in the State and Northern District of California, and  
24 elsewhere,

25 ZAHID ALI,  
26 RIFFAT ALI, a/k/a RIFFAT MEHMOOD, REFAT HUSAIN, and  
MUJEEBULLAH MUJAHID KHAN,  
defendants herein, did knowingly, and with intent to defraud,

I N D I C T M E N T

1  
Court  
Criminal Processing

1 execute, and attempt to execute, a scheme and artifice to  
2 defraud Home Savings of America, a financial institution the  
3 deposits of which were then insured by the Federal Deposit  
4 Insurance Corporation, and to obtain the monies and funds of  
5 Home Savings of America by means of false and fraudulent  
6 pretenses, representations and promises.

7 2. It was the scheme of the defendants to defraud and to  
8 obtain the monies and funds of Home Savings of America through  
9 the submission of a loan application that contained false and  
10 fraudulent material information, that was supported by  
11 fraudulent documents and documents containing false material  
12 information, and that was submitted in the name of a "straw  
13 borrower," that is, a person who had no intent personally to  
14 repay the loan.

15 3. In furtherance of the scheme and as a part thereof,  
16 the defendants caused money to be deposited into an account of  
17 the straw borrower in order to inflate his apparent net worth  
18 to be reported on the fraudulent loan application.

19 4. In furtherance of the scheme and as part thereof,  
20 ZAHID ALI submitted to MUJEEBULLAH MUJAHID KHAN in his capacity  
21 as loan consultant at Home Savings of America, a false and  
22 fraudulent loan application in the name of the straw borrower,  
23 Niteshkumar M. Bhatt, with supporting documents, for the  
24 purpose of causing further forwarding of the application for  
25 the approval of the loan and resulting disbursement of funds,  
26 thereby obtaining the monies and funds of Home Savings of  
America.

1           5. In furtherance of the scheme and as part thereof, the  
2 participants knowingly caused Home Savings of America to  
3 disburse funds in the amount of approximately \$438,866.

4           All in violation of 18 U.S.C. §§ 2 and 1344(1) and (2).

5  
6   COUNT TWO:           (18 U.S.C. § 2314)

7           The Grand Jury further charges that:

8           On or about September 20, 1994, in the State and Northern  
9 District of California, and elsewhere,

10                           RIFFAT ALI, a/k/a  
11                           RIFFAT MEHMOOD and REFAT HUSAIN,

12 defendant herein, did aid, abet, counsel, command, induce and  
13 procure and did willfully cause the transporting, transmitting,  
14 and transferring, in foreign commerce, money of the value of  
15 \$5,000 or more, that is, \$80,000, knowing the same to have been  
16 stolen and taken by fraud from Home Savings of America.

17           All in violation of 18 U.S.C. §§ 2 and 2314.

18           Dated: June 19, 1996

19                           A TRUE BILL.

20                           *Janabelle Pyle*  
21                           \_\_\_\_\_  
22                           FOREPERSON

23                           *Michael J. Yamaguchi*  
24                           \_\_\_\_\_  
25                           MICHAEL J. YAMAGUCHI  
26                           United States Attorney *(SBA)*

(Approved as to form: *JL*)  
AUSA: LPC

**DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT**

BY  COMPLAINT  INFORMATION  INDICTMENT

**OFFENSE CHARGED**

COUNT ONE: Bank Fraud

COUNT TWO: Transporting Stolen Monies

Petty

Minor

Misdemeanor

Felony

PENALTIES: Attached

Place of offense

U.S.C. Citation  
18 U.S.C. §1344(1) & (2)  
18 U.S.C. §2314

**PROCEEDING**

Name of Complainant Agency, or Person (& Title, if any)

S/A Henry Belch, FBI

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrP 20,21, or 40. Show District

this is a reprosecution of charges previously dismissed which were dismissed on motion of:

U.S. Att'y  Defense

this prosecution relates to a pending case involving this same defendant

prior proceedings or appearance(s) before U.S. Magistrate Judge regarding this defendant were recorded under

SHOW  
DOCKET NO.

MAGISTRATE  
JUDGE CASE NO.

Name and Office of Person  
Furnishing Information on  
THIS FORM

MICHAEL J. YAMAGUCHI

U.S. Att'y  Other U.S. Agency

Name of Asst. U.S.  
Att'y (if assigned)

LEO P. CUNNINGHAM

Name of District Court, and/or Judge/Magistrate Judge Location (City)

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE, CALIFORNIA

CR 96 20094

DEFENDANT -- U.S. vs.

ZAHID ALI

Address

Birth Date

(Optional unless a juvenile)

96 JUN 19 AM 11:55  
FILED  
U.S. DISTRICT COURT  
NO. DIST. OF CA. S.

Male  Female  Allen (if applicable)

DEFENDANT

**IS NOT IN CUSTODY**

- 1)  Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
- 2)  Is a Fugitive
- 3)  Is on Bail or Release from (show District)

**IS IN CUSTODY**

- 4)  On this charge
- 5)  On another conviction  Fed'l  State
- 6)  Awaiting trial on other charges. If answer to (6) is "Yes", show name of institution

Has detainer been filed?  Yes  No

If "Yes" give date filed

Mo. Day Year

DATE OF ARREST

Or...if Arresting Agency & Warrant were not Federal

Mo. Day Year

DATE TRANSFERRED TO U.S. CUSTODY

This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

11

PENALTY SHEET

COUNT ONE: (18 U.S.C. § 1344) (Class A Felony)

30 years imprisonment; \$1,000,000 fine; 5 years supervised release and restitution. 18 U.S.C. § 3561(a) precludes a sentence of probation for this offense.

COUNT TWO: (18 U.S.C. §2314) (Class C Felony)

10 years imprisonment; \$250,000 fine; 3 years supervised release and restitution.

**DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION IN U.S. DISTRICT COURT**

BY  COMPLAINT  INFORMATION  INDICTMENT

**OFFENSE CHARGED**

COUNT ONE: Bank Fraud

COUNT TWO: Transporting Stolen Monies

Petty

Minor

Misdemeanor

Felony

PENALTIES: Attached

Place of offense

U.S.C. Citation  
18 U.S.C. §1344(1) & (2)  
18 U.S.C. §2314

**PROCEEDING**

Name of Complainant Agency, or Person (& Title, if any)

S/A Henry Belch, FBI

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCP 20, 21, or 40. Show District

this is a reprosecution of charges previously dismissed which were dismissed on motion of:

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SHOW DOCKET NO.

MAGISTRATE JUDGE CASE NO.

Name and Office of Person  
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THIS FORM

MICHAEL J. YAMAGUCHI

U.S. Att'y  Other U.S. Agency

Name of Asst. U.S.  
Att'y (if assigned)

LEO P. CUNNINGHAM

Name of District Court, and/or Judge/Magistrate Judge Location  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE, CALIFORNIA

**CR 96 20094**

DEFENDANT **LHK** U.S. vs. **PSG**

RIFFAT ALI, a/k/a Riffat Mehmood, Refat Husain

Address

Birth Date

(Optional unless a juvenile)

96 JUN 19 AM 11:55  
U.S. DISTRICT COURT  
NO. DIST. OF CA. (S.D.)

Male  Female  Alien (if applicable)

FILED

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Mo. Day Year

DATE OF ARREST

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Mo. Day Year

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ADDITIONAL INFORMATION OR COMMENTS

Δ2

PENALTY SHEET

COUNT ONE: (18 U.S.C. § 1344) (Class A Felony)

30 years imprisonment; \$1,000,000 fine; 5 years supervised release and restitution. 18 U.S.C. § 3561(a) precludes a sentence of probation for this offense.

COUNT TWO: (18 U.S.C. §2314) (Class C Felony)

10 years imprisonment; \$250,000 fine; 3 years supervised release and restitution.

**DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION IN U.S. DISTRICT COURT**

BY:  COMPLAINT  INFORMATION  INDICTMENT

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COUNT TWO: Transporting Stolen Monies

PENALTIES: Attached

- Petty
- Minor
- Misdemeanor
- Felony

Place of offense

U.S.C. Citation  
 18 U.S.C. §1344(1) & (2)  
 18 U.S.C. §2314

**PROCEEDING**

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S/A Henry Belch, FBI

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrP 20,21, or 40. Show District

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MAGISTRATE JUDGE CASE NO.

Name and Office of Person  
Furnishing Information on  
THIS FORM

MICHAEL J. YAMAGUCHI

U.S. Att'y  Other U.S. Agency

Name of Asst. U.S.  
Att'y (if assigned)

LEO P. CUNNINGHAM

Name of District Court, and/or Judge/Magistrate Judge Location (City)  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE, CALIFORNIA

**CR 96 20094**

DEFENDANT - U.S. vs.

Mujeebullah Mujahid Khan

Address

Birth Date

(Optional unless a juvenile)

96 JUN 19 AM 11:56  
FILED  
U.S. DISTRICT COURT  
NO. DIST. OF CA. S.

Alien (if applicable)

**DEFENDANT**

**IS NOT IN CUSTODY**

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Mo. Day Year

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**ADDITIONAL INFORMATION OR COMMENTS**



PENALTY SHEET

COUNT ONE: (18 U.S.C. § 1344) (Class A Felony)

30 years imprisonment; \$1,000,000 fine; 5 years supervised release and restitution. 18 U.S.C. § 3561(a) precludes a sentence of probation for this offense.

COUNT TWO: (18 U.S.C. §2314) (Class C Felony)

10 years imprisonment; \$250,000 fine; 3 years supervised release and restitution.