

RETURN OF INFORMATION

Please present this form to the Magistrate Judge or his Deputy Clerk at the time your return is made.

DATE OF RETURN: September 4, 2013

CRIMINAL      DEFENDANT      WARRANT/SUMMONS      ASSIGNED AUSA

*CR 13-122 M*

CRISTINA RAMIREZ

SUMMONS

SRH

*PAS*

To Be Completed By Clerk's Office

NAME OF MAGISTRATE RETURNED BEFORE: \_\_\_\_\_

IF APPLICABLE, SUMMONSES TO BE RETURNED BEFORE: \_\_\_\_\_

DATE AND TIME SUMMONSES TO BE RETURNED: \_\_\_\_\_

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA

v.

CRISTINA RAMIREZ

CR. **CR 13** **122M**

In violation of 18 U.S.C. §§ 371 and 1956

INFORMATION

The United States Attorney charges that:

COUNT I

INTRODUCTION

1. At all times relevant to this Information, the defendant, CRISTINA RAMIREZ, owned Cristina's Market, a store located at 524 Smith Street, Providence, Rhode Island. Cristina's Market sold food items, beverages, cleaning products, groceries, tobacco products, and paper products.

2. During the relevant time period, Cristina's Market was authorized to accept Supplemental Nutrition Assistance Program (SNAP) benefits (also known as "food stamps") as payment for eligible food items sold out of the store. Cristina's Market was authorized to participate in SNAP based upon an application submitted to the United States Department of Agriculture (USDA) Food and Nutrition Service by the defendant, CRISTINA RAMIREZ, on or about February 2, 2005.

3. SNAP enables low-income households to obtain a more nutritious diet by increasing their food purchasing power.

4. Under the program, eligible households receive “SNAP benefits” in the form of credits to an electronic benefit card to buy food from retail food stores that participate in the SNAP. SNAP benefits are obligations of the United States and redeemable at face value by the Secretary of the USDA through the facilities of the Treasury of the United States. The USDA administers SNAP nationally.

5. Rhode Island relies upon the Electronic Benefit Transfer (EBT) system for the distribution of SNAP benefits. The EBT system uses plastic debit cards, which are automatically credited with the recipient’s appropriate amount of benefits at the beginning of each month. To access benefits, the recipient presents the card at an authorized retailer’s location. The card is swiped through an electronic terminal device, commonly known as an EBT terminal. The EBT terminal reads coded information on the card’s magnetic strip. Through a series of wire transfers, the transaction amount is deducted from the EBT card’s balance and deposited into the retailer’s account.

6. In order to receive payment for SNAP transactions, retailers must use state contracted processing companies or third party processing companies. These companies facilitate the transfer of each state’s pool of USDA SNAP benefits to the bank accounts maintained by authorized retailers. The authorized retailers are responsible for providing the processing companies with the appropriate bank routing and account information. The processing companies are responsible for providing the retailers with the EBT terminals.

7. Payments come to the retailers in the form of wire transfers from the processing company based upon retailers’ daily sales totals from SNAP benefits. These

payments typically take two banking business days to clear to the retailer's bank account. Each state has an approved contractor that can facilitate these SNAP transactions. The State of Rhode Island uses JPMorganChase to facilitate the administration of its SNAP benefits.

8. Retailers also must obtain a license from the USDA Food and Nutrition Service to accept SNAP benefits from eligible recipients as payment for authorized food purchases. Before receiving authorization to participate in SNAP, a retailer is provided with an application to participate in SNAP and a book of federal regulations governing SNAP. The SNAP application advises retailers of the SNAP regulations, including those prohibiting the retailer from providing cash or ineligible items to recipients in exchange for the recipient's SNAP benefits. Typical ineligible items include gasoline, tobacco products, alcohol, paper products, and cleaning products.

9. On February 2, 2005, the defendant, CRISTINA RAMIREZ, signed an Agreement with the USDA Food and Nutrition Service in which she agreed to follow the SNAP rules. As part of this agreement, RAMIREZ was advised that trading cash for food stamp benefits was a prohibited transaction.

10. On February 26, 2005, the defendant, CRISTINA RAMIREZ, submitted an affidavit to the USDA Food and Nutrition Service under penalty of perjury in which she stated that she had never been involved in "Food Stamp Program/EBT" violations and she agreed that she had no business relations with the prior owners of the store who had been disqualified from SNAP.

11. At all times relevant to this Information, SNAP benefits associated with transactions conducted at Cristina's Market were deposited into a bank account at Citizens Bank controlled by the defendant, CRISTINA RAMIREZ, [hereinafter the Cristina's Market account]. Between on or about October 1, 2010 and on or about April 1, 2013, as a result of fraudulent and non-fraudulent transactions, SNAP funds in excess of \$1,200,000 were deposited into the Cristina's Market account.

#### THE CONSPIRACY

12. Beginning on a date unknown, but at least as early as October 1, 2010, and continuing until on or about April 1, 2013, in the District of Rhode Island, the defendant, CRISTINA RAMIREZ, did knowingly, intentionally and wilfully combine, conspire, confederate, and agree with J.H., an employee of Cristina's Market, and other uncharged co-conspirators, to acquire and possess food stamp coupons, authorization cards, and access devices in a manner not authorized by law or regulation, where the food stamp coupons, cards, and devices have a value of \$100 or more, in violation of 7 U.S.C. § 2024(b).

#### THE OBJECT OF THE CONSPIRACY

13. It was the object of the conspiracy for the defendant, CRISTINA RAMIREZ, to enrich herself by allowing recipients of SNAP benefits to redeem their SNAP benefits for cash and ineligible items, and by charging the recipients a surcharge in return for allowing them to redeem their benefits for cash.

## METHODS AND MEANS

14. It was part of the conspiracy that the defendant, CRISTINA RAMIREZ, and employees of Cristina's Market regularly allowed SNAP benefit recipients to exchange SNAP benefits for cash at Cristina's Market.

15. It was further part of the conspiracy that the defendant, CRISTINA RAMIREZ, and employees of Cristina's Market charged the SNAP benefit recipient's EBT card an additional amount as a surcharge for providing cash back. The surcharge varied depending upon the transaction.

16. It was further part of the conspiracy that the defendant, CRISTINA RAMIREZ, supplied employees of Cristina's Market with United States currency to use in the fraudulent cash for SNAP benefit exchanges conducted at Cristina's Market.

17. It was further part of the conspiracy that by engaging in these fraudulent transactions, the defendant, CRISTINA RAMIREZ, and employees of Cristina's Market caused the USDA to transfer more than \$350,000 to the Cristina's Market account. As a result, RAMIREZ was able to withdraw at least \$362,752 from the Cristina's Market account via structured cash withdrawals or checks made payable to herself.

## OVERT ACTS

18. In furtherance of the conspiracy and to effect the objects of the conspiracy, on or about the dates set forth in the table below, in the District of Rhode Island, the defendant, CRISTINA RAMIREZ, acquired SNAP benefits in a manner not authorized by law or regulation, in the amounts set forth in the table below, when RAMIREZ, or employees of Cristina's Market exchanged cash and merchandise for SNAP benefits:

<u>Date</u>	<u>Merchandise purchased in SNAP transaction</u>	<u>Cash received by SNAP cardholder</u>	<u>Total SNAP benefits acquired by Ramirez</u>
8/1/12	\$1.49	\$80	\$121.49
9/5/12	\$1.19	\$30	\$ 47.19
10/2/12	\$1.15	\$60	\$ 96.15
11/1/12	\$1.38	\$80	\$121.38
12/3/12	\$7.44	\$80	\$137.44
1/3/13	\$3.25	\$60	\$103.25
2/4/13	None	\$20	\$ 31.19
3/4/13	\$3.75	\$20	\$ 33.75

All in violation of 18 U.S.C. § 371.

COUNT II

1. The United States realleges and incorporates by reference paragraphs 1-11 of this Information in their entirety.

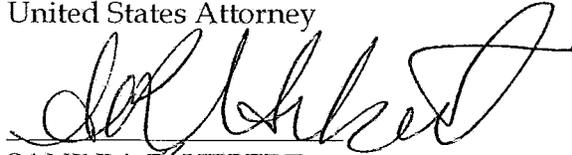
2. Between October 1, 2010 and April 1, 2013, by engaging in fraudulent SNAP benefit transactions, the defendant, CRISTINA RAMIREZ, and employees of Cristina's Market caused the USDA to transfer more than \$350,000 to the Cristina's Market account.

3. On or about September 6, 2012, in the District of Rhode Island, the defendant, CRISTINA RAMIREZ, did knowingly conduct a financial transaction affecting interstate and foreign commerce, namely, negotiating two checks made payable to herself in the amount of \$6,800 and \$5,000 respectively and drawn on the Cristina's Market account, which involved the proceeds of a specified unlawful activity, that is, SNAP benefit fraud, knowing that the transaction was designed in whole and in part to avoid a transaction reporting requirement under Federal law, and that while

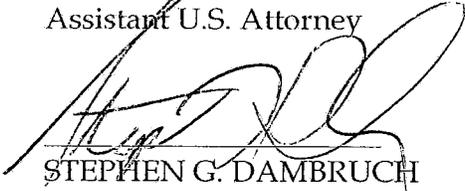
conducting such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of 18 U.S.C. § 1956(a)(1)(B)(ii).

PETER F. NERONHA  
United States Attorney



SANDRA R. HEBERT  
Assistant U.S. Attorney



STEPHEN G. DAMBRUCH  
Assistant U.S. Attorney  
Criminal Chief

Dated:

August 5, 2013

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA

v.

CRISTINA RAMIREZ

:  
:  
:  
:  
:

CR. NO.

**CR 13**

122 M

PLEA AGREEMENT

Pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure, the United States and Defendant, CRISTINA RAMIREZ, have reached the following agreement:

1. Defendant's Obligations.

a. Defendant will waive presentation of this matter to a grand jury and consent to the filing of an Information which charges defendant with conspiracy to commit food stamp fraud, in violation of 18 U.S.C. § 371, and money laundering, in violation of 18 U.S.C. § 1956(a)(1)(B)(ii).

b. Defendant agrees that Defendant will plead guilty to said Information.

c. Defendant further agrees that the time between the filing of this plea agreement and the scheduled date for the change of plea is excludable under the Speedy Trial Act, 18 U.S.C. § 3161.

d. Defendant further agrees:

(i) to forfeit all interests in one lot of seven thousand nine hundred ninety-eight dollars and seventy cents (\$7,998.70) in United States currency.

Defendant acknowledges that said property is subject to forfeiture as proceeds of illegal conduct, property facilitating illegal conduct, property involved in illegal conduct giving rise to forfeiture, or substitute assets for property otherwise subject to forfeiture.

Defendant warrants that Defendant is the sole owner of all of the property listed above, and agrees to hold the United States, its agents, and its employees harmless from any claims whatsoever in connection with the seizure or forfeiture of property covered by this agreement;

(ii) to waive all interest in any such asset in any administrative or judicial forfeiture proceeding, whether criminal or civil, federal or state. Defendant agrees to consent to the entry of orders of forfeiture for such property and waives the requirements of Federal Rules of Criminal Procedure 32.2 and 43(a) regarding notice of the forfeiture in the charging instrument, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment.

(iii) to take all steps as requested by the United States to pass clear title to forfeitable assets to the United States, and to testify truthfully in any judicial forfeiture proceeding.

2. Government's Obligations. In exchange for Defendant's plea of guilty:

a. The government will recommend that the Court impose a term of imprisonment at the lowest point of sentences for the offense level determined by the Court under the United States Sentencing Guidelines (the U.S.S.G. or "guidelines), but not including probation or a "split-sentence," even if permitted under the guidelines.

b. For purposes of determining the offense level, the government agrees to recommend a two-level reduction in the offense level for acceptance of responsibility under § 3E1.1(a) of the guidelines if Defendant continues to demonstrate acceptance of responsibility through sentencing.

c. As of the date of this agreement, Defendant has timely notified authorities of an intention to enter a plea of guilty. If the offense level is 16 or greater and Defendant enters a plea of guilty pursuant to this agreement, the government will move the sentencing Court for an additional decrease of one level, pursuant to U.S.S.G. § 3E1.1(b)(2), unless Defendant indicates an intention not to enter a plea of guilty, thereby requiring the government to prepare for trial.

d. The government is free to recommend any combination of supervised release, fines, and restitution which it deems appropriate.

3. Defendant understands that the guidelines are not binding on the Court, and that, although the Court must consult the guidelines in fashioning any sentence in this case, the guidelines are only advisory, and the Court may impose any reasonable sentence in this matter up to the statutory maximum penalties after taking into account the factors enumerated in 18 U.S.C. § 3553(a).

4. The United States and Defendant stipulate and agree to the following facts under the guidelines:

a. Beginning on a date unknown, but at least as early as October 1, 2010, and continuing until on or about April 1, 2013, the defendant conspired to fraudulently

acquire and possess Supplemental Nutrition Assistance Program (SNAP) benefits without authorization, in violation of 18 U.S.C. § 371.

b. The parties agree to recommend to the Court at sentencing that the amount of loss to the U.S. Department of Agriculture under U.S.S.G. § 2B1.1(b)(1)(G) is more than \$200,000, but less than \$400,000.

c. Between October 1, 2010 and January 9, 2013, Defendant structured the withdrawal of \$362,752 from the Cristina's Market bank account into which the proceeds of the food stamp fraud were deposited. Defendant conducted these financial transactions with the intent to avoid Federal reporting requirements.

5. Except as expressly provided in this agreement, there is no agreement as to which Offense Level and Criminal History Category applies in this case. Both the United States and Defendant reserve their rights to argue and present evidence on all matters affecting the guidelines calculation.

6. The maximum statutory penalties for the offenses to which Defendant is pleading are as follows:

a. As to Count I, five years imprisonment; a fine of \$250,000; a term of supervised release of three years; and a mandatory special assessment of \$100.

b. As to Count II, twenty years imprisonment; a fine of \$500,000; a term of supervised release of three years; and a mandatory special assessment of \$100.

c. If imposed consecutively, the maximum penalties for all offenses to which Defendant is pleading guilty are twenty-five years imprisonment; a fine of

\$750,000; and a term of supervised release of six years. The mandatory special assessment totals \$200.

7. Defendant agrees that, after Defendant and Defendant's counsel sign this agreement, counsel will return it to the United States Attorney's Office along with a money order or certified check, payable to the Clerk, United States District Court, in payment of the special assessments. Failure to do so, unless the Court has made a previous finding of indigence, will relieve the government of its obligation to recommend a reduction in the offense level under the guidelines for acceptance of responsibility.

8. Defendant is advised and understands that:

- a. The government has the right, in a prosecution for perjury or making a false statement, to use against Defendant any statement that Defendant gives under oath;
- b. Defendant has the right to plead not guilty, or having already so pleaded, to persist in that plea;
- c. Defendant has the right to a jury trial;
- d. Defendant has the right to be represented by counsel – and if necessary have the Court appoint counsel – at trial and every other stage of the proceeding;
- e. Defendant has the right at trial to confront and cross-examine adverse witnesses, to be protected from self-incrimination, to testify and present evidence, and to compel the attendance of witnesses;

f. Defendant waives these trial rights if the Court accepts a plea of guilty;  
and,

g. Defendant recognizes that pleading guilty may have consequences with respect to her immigration status if she is not a citizen of the United States. Under federal law, a broad range of crimes are removable or deportable offenses. Removal, deportation and other immigration consequences are the subject of separate proceedings, however, and defendant understands that no one, including her attorney or the district court, can predict to a certainty the effect of her conviction on her immigration status. Defendant nevertheless affirms that she wants to plead guilty regardless of any immigration consequences that her plea may entail, even if the consequence is her automatic removal from the United States.

9. The government reserves its full right of allocution, including the right to present any information to the Court for its consideration in fashioning an appropriate sentence, the right to correct misstatements, misrepresentations, or omissions by Defendant, and to answer any questions asked by the Court.

10. Except for paragraphs 2 and 4 above, the parties have made no agreement concerning the application of the guidelines in this case.

11. Defendant understands that the Court alone makes all sentencing decisions, including the application of the guidelines and the sentence to be imposed. The Court is not bound by the parties' stipulations of fact, offense level adjustments, or the government's recommendations. The Court is free to impose any sentence it deems

appropriate up to and including the statutory maximum. Defendant also understands that even if the Court's guideline determinations and sentence are different than Defendant expects, Defendant will not be allowed to withdraw Defendant's plea of guilty.

12. Defendant hereby waives Defendant's right to appeal the convictions and sentences imposed by the Court, if the sentences imposed by the Court are within or below the sentencing guideline range determined by the Court. This agreement does not affect the rights or obligations of the United States as set forth in 18 U.S.C. § 3742(b), and the government retains its right to appeal any of the Court's sentencing determinations.

13. This agreement is binding on the government only if Defendant pleads guilty, fulfills all Defendant's obligations under the agreement, does not engage in any conduct constituting obstruction of justice under § 3C1.1 of the guidelines, and does not commit any new offenses. Defendant understands that if Defendant violates this agreement in any way, the government shall be released from its obligations under the agreement and will be free to make any recommendations that it deems appropriate. If that occurs, Defendant shall not have the right to withdraw Defendant's guilty plea.

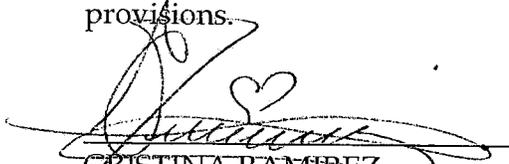
14. This agreement is limited to the District of Rhode Island and does not bind any other federal, state, or local prosecutive authorities.

15. This agreement constitutes the entire agreement between the parties. No other promises or inducements have been made concerning the plea in this case. Defendant acknowledges that no person has, directly or indirectly, threatened or coerced

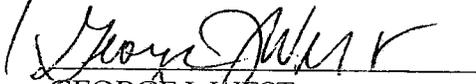
Defendant to enter this agreement. Any additions, deletions, or modifications to this agreement must be made in writing and signed by all the parties in order to be effective.

16. Counsel for Defendant states that Counsel has read this agreement, been given a copy of it for Counsel's file, explained it to Defendant, and states that to the best of Counsel's knowledge and belief, Defendant understands the agreement.

17. Defendant states that Defendant has read the agreement or has had it read to Defendant, has discussed it with Defendant's Counsel, understands it, and agrees to its provisions.

  
CRISTINA RAMIREZ  
Defendant

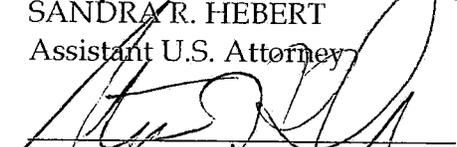
7/23/13  
Date

  
GEORGE J. WEST  
Counsel for Defendant

7/23/2013  
Date

  
SANDRA R. HEBERT  
Assistant U.S. Attorney

8/5/13  
Date

  
STEPHEN G. DAMBRUCH  
Assistant U.S. Attorney  
Chief, Criminal Division

08/05/2013  
Date

I hereby certify that I truly and accurately translated the above plea agreement for CRISTINA RAMIREZ on 7-23-13 in the presence of her attorney and Defendant acknowledged that she understood all of the provisions of the agreement.

Ana FARIAS  
Name of Interpreter (Print)

  
Signature of Interpreter

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

BY:  INFORMATION  INDICTMENT  COMPLAINT

CASE NO. **CR 13 122 M**

Matter Sealed:  Juvenile  Other than Juvenile  
 Pre-Indictment Plea  Superseding  Defendant Added  
 Indictment  Charges/Counts Added  
 Information

USA vs.  
 Defendant: CRISTINA RAMIREZ

Address: **[REDACTED]**  
 Providence, RI 02909

Name of District Court, and/or Judge/Magistrate Location (City)  
 UNITED STATES DISTRICT COURT RHODE ISLAND  
 DISTRICT OF RHODE ISLAND Divisional Office

Name and Office of Person Furnishing Information on THIS FORM  
PETER F. NERONHA  
 U.S. Atty  Other U.S. Agency  
 Phone No. (401) 709-5000  
 Name of Asst. U.S. Attorney (if assigned) SANDRA R. HEBERT

Interpreter Required Dialect: \_\_\_\_\_

Birth Date 1/11/1976  Male  Female  Alien (if applicable)

Social Security Number \_\_\_\_\_

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)  
 U.S. DEPARTMENT OF AGRICULTURE

- person is awaiting trial in another Federal or State Court (give name of court)
- this person/proceeding 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. Atty  Defense
- this prosecution relates to a pending case involving this same defendant. (Notice of Related Case must still be filed with the Clerk.)
- prior proceedings or appearance(s) before U.S. Magistrate Judge regarding this defendant were recorded under

SHOW DOCKET NO.

MAG. JUDGE CASE NO.

Place of offense RHODE ISLAND County

DEFENDANT

Issue:  Warrant  Summons

Location Status:

Arrest Date \_\_\_\_\_ or Date Transferred to Federal Custody \_\_\_\_\_

- Currently in Federal Custody
- Currently in State Custody
- Writ Required
- Currently on bond
- Fugitive

Defense Counsel (if any): \_\_\_\_\_

- FPD  CJA  RET'D
- Appointed on Target Letter

This report amends AO 257 previously submitted

OFFENSE CHARGED - U.S.C. CITATION - STATUTORY MAXIMUM PENALTIES - ADDITIONAL INFORMATION OR COMMENTS

Total # of Counts 2

Set	Title & Section/Offense Level (Petty = 1 / Misdemeanor = 3 / Felony = 4)	Description of Offense Charged	Felony/Misd.
	SEE ATTACHMENT		<input checked="" type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
		Estimated Trial Days: 5	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor

Attachment to  
Defendant Information Relative to a Criminal Action – In U.S. District Court

Defendant: CRISTINA RAMIREZ

Count I: Conspiracy to commit food stamp fraud, in violation of 18 U.S.C. § 371.

Max Penalties: 18 U.S.C. § 371 – 5 years imprisonment; a fine of \$250,000; 3 years supervised release; \$100 mandatory special assessment.

Count II: Money laundering, in violation of 18 U.S.C. § 1956(a)(1)(B)(ii).

Max Penalties: 18 U.S.C. § 1956(a)(1)(B)(ii) – 20 years imprisonment; a fine of \$500,000 or the greater of twice the gross gain or twice the gross loss; 3 years supervised release; \$100 mandatory special assessment.

RETURN OF INFORMATION

Please present this form to the Magistrate Judge or his Deputy Clerk at the time your return is made.

DATE OF RETURN: September 4, 2013

CRIMINAL      DEFENDANT      WARRANT/SUMMONS      ASSIGNED AUSA

CR13-121ML      FARHAN MUSTAFA      SUMMONS      SRH      LDA

To Be Completed By Clerk's Office

NAME OF MAGISTRATE RETURNED BEFORE: \_\_\_\_\_

IF APPLICABLE, SUMMONSES TO BE RETURNED BEFORE: \_\_\_\_\_

DATE AND TIME SUMMONSES TO BE RETURNED: \_\_\_\_\_

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA

v.

FARHAN MUSTAFA

)  
)  
)  
)  
)  
)  
)

CR No.

  
In violation of 18 U.S.C. § 1001

121 ML

INFORMATION

The United States Attorney charges that:

COUNT I

1. At all times relevant to this Information, M.A.K. owned Eido Mart, Inc. d/b/a Corner Store, which was located at 549B Broad Street, Providence, Rhode Island.
2. Corner Store is a convenience store offering for sale various food products, as well as items such as cigarettes, personal hygiene products, hookahs, lighters, candy, gum, soda and household cleaners.
3. Based upon an application submitted by M.A.K. on or about March 8, 2010, Corner Store was authorized to accept Supplemental Nutrition Assistance Program (SNAP) benefits (also known as "food stamps") as payment for eligible food items sold out of the store.
2. The SNAP Program enables low-income households to obtain a more nutritious diet by increasing their food purchasing power.

3. Under the program, eligible households receive “SNAP benefits” in the form of credits to an electronic benefit card to buy food from retail food stores that participate in the SNAP. SNAP benefits are obligations of the United States and redeemable at face value by the Secretary of the United States Department of Agriculture (USDA) through the facilities of the Treasury of the United States. The Food and Nutrition Service, a component of the USDA, administers SNAP nationally.

4. Retailers must obtain a license from the USDA Food and Nutrition Service to accept SNAP benefits from eligible recipients as payment for authorized food purchases. Before receiving authorization to participate in SNAP, a retailer is provided with an application to participate in SNAP and a book of federal regulations governing SNAP.

5. In the case of a privately held corporation or limited liability company, USDA Food and Nutrition Service Form FNS-252E, entitled “Supplemental Nutrition Assistance Program Application for Stores,” requires that (1) the name and address of the corporation owning the applicant store be identified; and (2) the name and home address of all officers, owners, partners and members be identified.

6. As part of the certification of Form FNS-252E, the owner of the firm certifies by signing the form that he is an owner of the firm and that he understands and agrees to the terms of the application.

7. The form specifically advises the applicant that “if false information is provided or information is hidden from the Food and Nutrition Service, the owners of

the firm may be liable for a \$10,000 fine or imprisoned for as long as five years, or both (7 U.S.C. 2024(f) and 18 U.S.C. 1001).”

8. Based upon the Food and Nutrition Service Form FNS-252E submitted by M.A.K., Corner Store’s actual owner, Corner Store participated in the SNAP between March 18, 2010 and April 1, 2013, the date agents with the USDA and the Internal Revenue Service executed a search warrant at Corner Store.

9. On or about December 6, 2012, in the District of Rhode Island, the defendant, FARHAN MUSTAFA, did knowingly and wilfully make materially false, fictitious, and fraudulent statements and representations in an application submitted to the Food and Nutrition Service, Form FNS-252E, in a matter that is within the jurisdiction of the USDA, in that the defendant falsely asserted that Corner Store was owned by Farhan, Inc., a privately held corporation owned by the defendant.

All in violation of Title 18, United States Code, Section 1001(a).

## COUNT II

On or about April 4, 2013, in the District of Rhode Island, the defendant, FARHAN MUSTAFA, did knowingly and wilfully make materially false, fictitious, and fraudulent statements and representations to a Special Agent with the USDA, in a matter that is within the jurisdiction of the USDA, in that the defendant falsely asserted

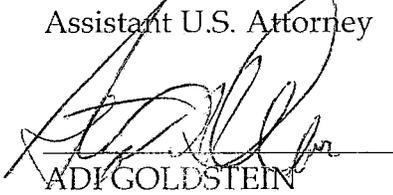
that he purchased Corner Store from M.A.K. for \$35,000 to be paid by monthly installments.

All in violation of Title 18, United States Code, Section 1001(a).

PETER F. NERONHA  
United States Attorney



SANDRA R. HEBERT  
Assistant U.S. Attorney



ADI GOLDSTEIN  
Assistant U.S. Attorney  
Deputy Criminal Chief

Dated:

August 5, 2013

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

BY:  INFORMATION  INDICTMENT  COMPLAINT

CASE NO. 121 ML

Matter Sealed:  Juvenile  Other than Juvenile  
 Pre-Indictment Plea  Superseding  Defendant Added  
 Indictment  Charges/Counts Added  
 Information

USA vs.

Defendant: FARHAN MUSTAFA

Address: Providence, Rhode Island

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

UNITED STATES DISTRICT COURT RHODE ISLAND  
DISTRICT OF RHODE ISLAND Divisional Office

Name and Office of Person Furnishing Information on THIS FORM PETER F. NERONHA  
 U.S. Atty  Other U.S. Agency  
Phone No. (401) 709-5000

Name of Asst. U.S. Attorney (if assigned) SANDRA R. HEBERT

Interpreter Required Dialect: \_\_\_\_\_

Birth Date 1/5/1976  Male  Alien  
 Female (if applicable)

Social Security Number \_\_\_\_\_

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)  
U.S. DEPARTMENT OF AGRICULTURE

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

this person/proceeding 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:

U.S. Atty  Defense

SHOW DOCKET NO.

this prosecution relates to a pending case involving this same defendant. (Notice of Related Case must still be filed with the Clerk.)

MAG. JUDGE CASE NO.

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

Place of offense RHODE ISLAND County

DEFENDANT

Issue:  Warrant  Summons

Location Status:

Arrest Date \_\_\_\_\_ or Date Transferred to Federal Custody \_\_\_\_\_

Currently in Federal Custody

Currently in State Custody

Writ Required

Currently on bond

Fugitive

Defense Counsel (if any): \_\_\_\_\_

FPD  CJA  RET'D

Appointed on Target Letter

This report amends AO 257 previously submitted

OFFENSE CHARGED - U.S.C. CITATION - STATUTORY MAXIMUM PENALTIES - ADDITIONAL INFORMATION OR COMMENTS

Total # of Counts 2

Set	Title & Section/Offense Level (Petty = 1 / Misdemeanor = 3 / Felony = 4)	Description of Offense Charged	Felony/Misd.
	SEE ATTACHMENT		<input checked="" type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
		Estimated Trial Days: 5	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor

Attachment to  
Defendant Information Relative to a Criminal Action – In U.S. District Court

Defendant: FARHAN MUSTAFA

Count I: Knowingly and wilfully made materially false, fictitious, and fraudulent statements and representations in an application submitted to the Food and Nutrition Service, Form FNS-252E, in a matter that is within the jurisdiction of the USDA, in that the defendant falsely asserted that Corner Store was owned by Farhan, Inc., a privately held corporation owned by the defendant, in violation of 18 U.S.C. § 1001(a).

Max Penalties: 18 U.S.C. § 1001(a) – 5 years imprisonment; \$250,000 fine; 3 years supervised release; \$100 mandatory special assessment.

Count II: Knowingly and willfully made materially false, fictitious, and fraudulent statements and representations to a Special Agent with the USDA, in a matter that is within the jurisdiction of the USDA, in that the defendant falsely asserted that he purchased Corner Store from M.A.K. for \$35,000 to be paid by monthly installments, in violation of 18 U.S.C. § 1001(a).

Max Penalties: – 18 U.S.C. § 1001(a) – 5 years imprisonment; \$250,000 fine; 3 years supervised release; \$100 mandatory special assessment.

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA

v.

FARHAN MUSTAFA

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CR. NO.

**CR 13**

121 ML

PLEA AGREEMENT

Pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure, the United States and Defendant, FARHAN MUSTAFA, have reached the following agreement:

1. Defendant's Obligations.

a. Defendant will waive presentation of this matter to a grand jury and consent to the filing of an Information which charges Defendant with two counts of making materially false, fictitious, or fraudulent statements, in violation of 18 U.S.C. § 1001(a).

b. Defendant agrees that Defendant will plead guilty to said Information.

c. Defendant further agrees that the time between the filing of this plea agreement and the scheduled date for the change of plea is excludable under the Speedy Trial Act, 18 U.S.C. § 3161.

d. Defendant further agrees, upon execution of this agreement, to cooperate with the United States as follows:

(i) Defendant will meet with government representatives as often as necessary and provide complete and truthful information to them.

(ii) Defendant will appear and testify completely and truthfully in any and all legal proceedings, including, but not limited to, any federal or state, grand jury, pre-trial, trial, re-trial, sentencing, and administrative proceedings.

(iii) Defendant understands that any and all statements, information, and testimony Defendant provides must at all times be complete and truthful. In this regard, Defendant agrees to submit to a polygraph test, if so requested by the government. If, at any time, the government or the court has determined that Defendant wilfully provided any false statement, information, or testimony, he may be subject to prosecution for doing so, including but not limited to prosecution for making a false statement, obstruction of justice, and perjury. Further, if the government or the court has determined that Defendant wilfully provided any false statement, information, or testimony, the government will no longer be bound to the terms of this plea.

(iv) Defendant agrees not to provide false information or testimony to the Court, the Probation Office, Pretrial Services, or the Government; or fail to comply with any of the other promises he has made in this Agreement. Defendant agrees that, if he fails to comply with any promises he has made in this Agreement, then the

Government will be released from all of its promises, but he will not be released from his guilty plea.

2. Government's Obligations. In exchange for Defendant's plea of guilty:

a. The government will recommend that the Court sentence the defendant to a term of probation. Defendant understands that in return for his cooperation pursuant to this plea agreement, the government's sole obligation is to make the recommendations set forth in Paragraphs 2a-d of this plea agreement and that the government will not be filing a separate motion for a downward departure pursuant to U.S.S.G. § 5K1.1.

b. For purposes of determining the offense level, the government agrees to recommend a two-level reduction in the offense level for acceptance of responsibility under § 3E1.1(a) of the guidelines if Defendant continues to demonstrate acceptance of responsibility through sentencing.

c. As of the date of this agreement, Defendant has timely notified authorities of his intention to enter a plea of guilty. If the offense level is 16 or greater and Defendant enters a plea of guilty pursuant to this agreement, the government will move the sentencing court for an additional decrease of one level, pursuant to U.S.S.G. § 3E1.1(b)(2), unless Defendant indicates an intention not to enter a plea of guilty, thereby requiring the government to prepare for trial.

d. The government agrees to recommend a fine in the amount of \$4,500.

3. Defendant understands that the guidelines are not binding on the Court, and that, although the Court must consult the guidelines in fashioning any sentence in this case, the guidelines are only advisory, and the Court may impose any reasonable sentence in this matter up to the statutory maximum penalties after taking into account the factors enumerated in 18 U.S.C. § 3553(a).

4. The United States and Defendant stipulate and agree to the following facts under the guidelines:

a. M.A.K. asked Defendant to put various licenses and other documents associated with Corner Store, located at 549B Broad Street, Providence, Rhode Island, in Defendant's name. Defendant agreed.

b. M.A.K. paid Defendant \$1,500 per month for three months for putting Corner Store in Defendant's name. At no time did Defendant actually own or operate Corner Store.

c. On December 6, 2012, Defendant submitted a signed Food and Nutrition Service Form FNS-252E, "Supplemental Nutrition Assistance Program Application for Stores," to the Food and Nutrition Service on behalf of Corner Store. In this Form FNS-252E, Defendant falsely represented that he was the owner of Corner Store.

d. On April 4, 2013, Defendant was interviewed by U.S. Department of Agriculture Special Agent Christopher Robinson and Internal Revenue Service - Criminal Investigation Special Agent Jason Rameaka. Defendant falsely represented to

these agents that he had an agreement with M.A.K. to purchase Corner Store. He said the purchase price was \$35,000. Defendant said he agreed to make monthly payments to M.A.K. for the purchase of Corner Store until he paid M.A.K. \$35,000. Defendant had no such agreement with M.A.K.

5. Except as expressly provided in this agreement, there is no agreement as to which Offense Level and Criminal History Category applies in this case. Both the United States and Defendant reserve their rights to argue and present evidence on all matters affecting the guidelines calculation.

6. The maximum statutory penalties for the offenses to which Defendant is pleading are five years imprisonment; a fine of \$250,000; a term of supervised release of three years; and a mandatory special assessment of \$100. If imposed consecutively, Defendant would face a maximum term of imprisonment of 10 years; a fine of \$500,000; a term of supervised release of six years; and, a mandatory special assessment of \$200.

7. Defendant agrees that, after Defendant and Defendant's counsel sign this agreement, counsel will return it to the United States Attorney's Office along with a money order or certified check, payable to the Clerk, United States District Court, in payment of the special assessments. Failure to do so, unless the Court has made a previous finding of indigence, will relieve the government of its obligation to recommend a reduction in the offense level under the guidelines for acceptance of responsibility.

8. Defendant is advised and understands that:
- a. The government has the right, in a prosecution for perjury or making a false statement, to use against Defendant any statement that Defendant gives under oath;
  - b. Defendant has the right to plead not guilty, or having already so pleaded, to persist in that plea;
  - c. Defendant has the right to a jury trial;
  - d. Defendant has the right to be represented by counsel – and if necessary have the Court appoint counsel – at trial and every other stage of the proceeding;
  - e. Defendant has the right at trial to confront and cross-examine adverse witnesses, to be protected from self-incrimination, to testify and present evidence, and to compel the attendance of witnesses;
  - f. Defendant waives these trial rights if the Court accepts a plea of guilty;
- and,
- g. Defendant recognizes that pleading guilty may have consequences with respect to his immigration status if he is not a citizen of the United States. Under federal law, a broad range of crimes are removable or deportable offenses. Removal, deportation and other immigration consequences are the subject of separate proceedings, however, and defendant understands that no one, including his attorney or the district court, can predict to a certainty the effect of his conviction on his immigration status. Defendant nevertheless affirms that he wants to plead guilty regardless of any immigration

affect the rights or obligations of the United States as set forth in 18 U.S.C. § 3742(b), and the government retains its right to appeal any of the Court's sentencing determinations.

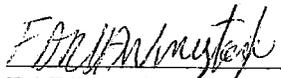
13. This agreement is binding on the government only if Defendant pleads guilty, fulfills all Defendant's obligations under the agreement, does not engage in any conduct constituting obstruction of justice under § 3C1.1 of the guidelines, and does not commit any new offenses. Defendant understands that if Defendant violates this agreement in any way, the government shall be released from its obligations under the agreement and will be free to make any recommendations that it deems appropriate. If that occurs, Defendant shall not have the right to withdraw Defendant's guilty plea.

14. This agreement is limited to the District of Rhode Island and does not bind any other federal, state, or local prosecutive authorities.

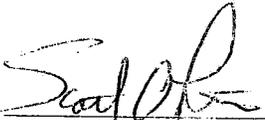
15. This agreement constitutes the entire agreement between the parties. No other promises or inducements have been made concerning the plea in this case. Defendant acknowledges that no person has, directly or indirectly, threatened or coerced Defendant to enter this agreement. Any additions, deletions, or modifications to this agreement must be made in writing and signed by all the parties in order to be effective.

16. Counsel for Defendant states that Counsel has read this agreement, been given a copy of it for Counsel's file, explained it to Defendant, and states that to the best of Counsel's knowledge and belief, Defendant understands the agreement.

17. Defendant states that Defendant has read the agreement or has had it read to Defendant, has discussed it with Defendant's Counsel, understands it, and agrees to its provisions.

  
\_\_\_\_\_  
FARHAN MUSTAFA  
Defendant

7-24-13  
Date

  
\_\_\_\_\_  
SCOTT LUTES  
Counsel for Defendant

7/24/13  
Date

  
\_\_\_\_\_  
SANDRA R. HEBERT  
Assistant U.S. Attorney

8/5/13  
Date

  
\_\_\_\_\_  
ADI GOLDSTEIN  
Assistant U.S. Attorney  
Deputy Chief, Criminal Division

08/05/2013  
Date

RETURN OF INFORMATION

Please present this form to the Magistrate Judge or his Deputy Clerk at the time your return is made.

DATE OF RETURN: September 4, 2013

CRIMINAL      DEFENDANT      WARRANT/SUMMONS      ASSIGNED AUSA

CR13-123M

GLENDALOPEZ

SUMMONS

SRH

LDA

To Be Completed By Clerk's Office

NAME OF MAGISTRATE RETURNED BEFORE: \_\_\_\_\_

IF APPLICABLE, SUMMONSES TO BE RETURNED BEFORE: \_\_\_\_\_

DATE AND TIME SUMMONSES TO BE RETURNED: \_\_\_\_\_

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA

v.

GLENDA LOPEZ

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CR 13 123 M  
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In violation of 18 U.S.C. §§ 371 and 1956  
and 26 U.S.C. § 7206(1)

INFORMATION

The United States Attorney charges that:

COUNT I

INTRODUCTION

1. At all times relevant to this Information, the defendant, GLENDA LOPEZ, owned Dugout Convenience Store [hereinafter "Dugout"], a store located at 97 Burnside Street, Providence, Rhode Island. Dugout sold food items, beverages, cleaning products, groceries, tobacco products, and paper products.

2. During the relevant time period, Dugout was authorized to accept Supplemental Nutrition Assistance Program (SNAP) benefits (also known as "food stamps") as payment for eligible food items sold at the store. Dugout was authorized to participate in SNAP based upon an application submitted to the United States Department of Agriculture (USDA) Food and Nutrition Service by the defendant, GLENDA LOPEZ on or about November 9, 2006.

3. SNAP enables low-income households to obtain a more nutritious diet by increasing their food purchasing power.

4. Under the program, eligible households receive “SNAP benefits” in the form of credits to an electronic benefit card to buy food from retail food stores that participate in the SNAP. SNAP benefits are obligations of the United States and redeemable at face value by the Secretary of the USDA through the facilities of the Treasury of the United States. The USDA administers SNAP nationally.

5. Rhode Island relies upon the Electronic Benefit Transfer (EBT) system for the distribution of SNAP benefits. The EBT system uses plastic debit cards, which are automatically credited with the recipient’s appropriate amount of benefits at the beginning of each month. To access benefits, the recipient presents the card at an authorized retailer’s location. The card is swiped through an electronic terminal device, commonly known as an EBT terminal. The EBT terminal reads coded information on the card’s magnetic strip. Through a series of wire transfers, the transaction amount is deducted from the EBT card’s balance and deposited into the retailer’s account.

6. In order to receive payment for SNAP transactions, retailers must use state contracted processing companies or third party processing companies. These companies facilitate the transfer of each state’s pool of USDA SNAP benefits to the bank accounts maintained by authorized retailers. The authorized retailers are responsible for providing the processing companies with the appropriate bank routing and account information. The processing companies are responsible for providing the retailers with the EBT terminals.

7. Payments come to the retailers in the form of wire transfers from the processing company based upon retailers’ daily sales totals from SNAP benefits. These

payments typically take two banking business days to clear to the retailer's bank account. Each state has an approved contractor that can facilitate these SNAP transactions. The State of Rhode Island uses JPMorganChase to facilitate the administration of its SNAP benefits.

8. Retailers also must obtain a license from the USDA Food and Nutrition Service to accept SNAP benefits from eligible recipients as payment for authorized food purchases. Before receiving authorization to participate in SNAP, a retailer is provided with an application to participate in SNAP and a book of federal regulations governing SNAP. The SNAP application advises retailers of the SNAP regulations, including those prohibiting the retailer from providing cash or ineligible items to recipients in exchange for the recipient's SNAP benefits. Typical ineligible items include gasoline, tobacco products, alcohol, paper products, and cleaning products.

9. As part of the SNAP application process, the defendant, GLENDA LOPEZ, was required to sign a document which explained that trading cash for SNAP benefits was prohibited.

10. At all times relevant to this Information, SNAP benefits associated with transactions conducted at Dugout were deposited into a bank account at Citizens Bank controlled by the defendant, GLENDA LOPEZ (hereinafter the "Dugout account"). Between on or about January 1, 2009 and on or about April 1, 2013, as a result of fraudulent and non-fraudulent transactions, SNAP funds in excess of \$1,000,000 were deposited into the Dugout account.

### THE CONSPIRACY

11. Beginning on a date unknown and continuing until on or about April 1, 2013, in the District of Rhode Island, the defendant, GLENDA LOPEZ, did knowingly, intentionally and wilfully combine, conspire, confederate, and agree with other uncharged co-conspirators, to acquire and possess food stamp coupons, authorization cards, and access devices in a manner not authorized by law or regulation, where the food stamp coupons, cards, and devices have a value of \$100 or more, in violation of 7 U.S.C. § 2024(b).

### THE OBJECT OF THE CONSPIRACY

12. It was the object of the conspiracy for the defendant, GLENDA LOPEZ, to enrich herself by allowing recipients of SNAP benefits to redeem their SNAP benefits for cash and ineligible items, and by charging the recipients a surcharge in return for allowing them to redeem their benefits for cash.

### METHODS AND MEANS

13. It was part of the conspiracy that the defendant, GLENDA LOPEZ, and others employed by her, regularly allowed SNAP benefit recipients to exchange SNAP benefits for cash at Dugout.

14. It was further part of the conspiracy that the defendant, GLENDA LOPEZ, and her employees charged the SNAP recipient's EBT card an additional amount as a surcharge for providing cash back. The surcharge varied depending upon the transaction. Typically, LOPEZ would charge the SNAP recipient's card for twice the amount of cash she would provide to the recipient.

15. It was further part of the conspiracy that the defendant, GLENDA LOPEZ, supplied her employees with United States currency to use in the fraudulent cash for SNAP benefit exchanges conducted at Dugout.

17. It was further part of the conspiracy that by engaging in these fraudulent transactions, the defendant, GLENDA LOPEZ, and her employees caused the USDA to transfer more than \$398,000 to the Dugout account.

18. It was further part of the conspiracy that the defendant, GLENDA LOPEZ, attempted to conceal the proceeds of the SNAP benefit fraud. To conceal the fraud, she underreported her gross receipts on her tax returns and she withdrew at least \$268,000 from the Dugout account through cash withdrawals or checks made payable to "Cash" in a manner designed to avoid causing the bank to generate a currency transaction report.

#### OVERT ACTS

19. In furtherance of the conspiracy and to effect the objects of the conspiracy, the following overt acts, among others, were committed in the District of Rhode Island and elsewhere:

(A) On or about March 31, 2010, in the District of Rhode Island, the defendant, GLENDA LOPEZ, filed a federal tax return for tax year 2009, Form 1040, in which she reported gross receipts at Dugout of \$123,800, when in fact she received \$235,260 in SNAP benefits in 2009, as well as receipts from other sources.

(B) On or about the dates set forth in the table below, in the District of Rhode Island, the defendant, GLENDA LOPEZ, acquired SNAP benefits in a manner

not authorized by law or regulation, in the amounts set forth in the table below, when the defendant, GLENDA LOPEZ, or her employees exchanged cash and merchandise for SNAP benefits:

<u>Date</u>	<u>Merchandise purchased</u>	<u>Cash received by SNAP benefit recipient</u>	<u>Total SNAP benefits received by Lopez</u>
1/27/10	None	\$20	\$ 40.00
2/09/10	\$2.50	\$20	\$ 42.50
10/13/10	\$2.00	\$10	\$ 22.00
11/02/10	\$2.25	\$50	\$102.25
1/04/11	\$1.00	\$50	\$101.00
2/03/11	\$1.00	\$50	\$ 51.00
3/02/11	\$1.75	\$115.00	\$229.77
4/05/11	None	\$85	\$179.99
7/03/12	\$0.99	\$20	\$ 39.99
8/01/12	\$1.50	\$80	\$161.50
9/05/12	None	\$40	\$ 79.99
11/01/12	\$1.50	\$60	\$121.50
12/03/12	\$1.50	\$40	\$ 81.50
1/03/13	\$0.50	\$50	\$100.50
2/04/13	\$1.50	\$80	\$191.50
3/04/13	\$2.50	\$80	\$162.50

(C) On or about April 15, 2011, in the District of Rhode Island, the defendant, GLENDA LOPEZ, filed a federal tax return for tax year 2010, Form 1040, in which she reported gross receipts at Dugout of \$125,100, when in fact she received \$340,287 in SNAP benefits in 2010, as well as receipts from other sources.

(D) On or about May 4, 2011, in the District of Rhode Island, the defendant, GLENDA LOPEZ, withdrew \$5,000 in cash from the Dugout account.

(E) On or about May 4, 2011, in the District of Rhode Island, the defendant, GLENDA LOPEZ, withdrew \$4,000 in cash from the Dugout account.

(F) On or about May 4, 2011, in the District of Rhode Island, the defendant, GLENDA LOPEZ, negotiated a check made payable to "Cash" in the amount of \$1,000 which was drawn on the Dugout account.

(G) On or about May 5, 2011, in the District of Rhode Island, the defendant, GLENDA LOPEZ, withdrew \$500 in cash from the Dugout account.

(H) On or about May 6, 2011, in the District of Rhode Island, the defendant, GLENDA LOPEZ, negotiated a check made payable to "Cash" in the amount of \$5,000 which was drawn on the Dugout account.

All in violation of 18 U.S.C. § 371.

#### COUNT II

1. The United States realleges and incorporates by reference paragraphs 1-10 of this Information in their entirety.

2. Between January 1, 2009 and April 1, 2013, by engaging in fraudulent SNAP benefit transactions, the defendant, GLENDA LOPEZ, and her employees caused the USDA to transfer more than \$398,000 to the Dugout account.

3. On or about November 3, 2011, in the District of Rhode Island, the defendant, GLENDA LOPEZ, did knowingly conduct financial transactions affecting interstate and foreign commerce, to wit: (i) negotiating one check made payable to "Cash" in the amount of \$1,200 and drawn on the Dugout account, and (ii) on that same day, withdrawing cash from the Dugout account in two separate transactions in the amount \$9,000 and \$800 respectively, which involved the proceeds of a specified unlawful activity, that is, SNAP benefit fraud, knowing that the transactions were

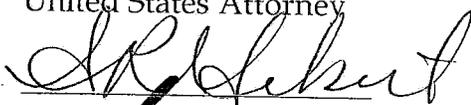
designed in whole and in part to avoid a transaction reporting requirement under Federal law, and that while conducting such financial transactions knew that the property involved in the financial transaction represented the proceeds of unlawful activity.

All in violation of 18 U.S.C. § 1956(a)(1)(B)(ii).

COUNT III

On or about April 15, 2011, in the District of Rhode Island, the Defendant, GLENDA LOPEZ, a resident of West Warwick, Rhode Island, did willfully make and subscribe a U.S. Individual Income Tax Return, Form 1040, for tax year 2010, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service Center, which said income tax return she did not believe to be true and correct as to every material matter, in that the said return reported \$125,100.00 on Line 1 of Schedule C, whereas, she then and there well knew and believed, the said return failed to include all of her gross receipts, and her total gross receipts was greater than the amount reported on Line 1 of Schedule C, in violation of 26 U.S.C. § 7206(1).

PETER F. NERONHA  
United States Attorney

  
SANDRA R. HEBERT  
Assistant U.S. Attorney

  
STEPHEN G. DAMBRUCH  
Assistant U.S. Attorney  
Chief, Criminal Division

Dated:

01/12/13

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA

v.

GLEND A LOPEZ

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CR 13

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PLEA AGREEMENT

Pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure, the United States and Defendant, GLEND A LOPEZ, have reached the following agreement:

1. Defendant's Obligations.

a. Defendant will waive presentation of this matter to a grand jury and consent to the filing of an Information which charges defendant with conspiracy to commit food stamp fraud, in violation of 18 U.S.C. § 371, money laundering, in violation of 18 U.S.C. § 1956(a)(1)(B)(ii), and filing a false tax return, in violation of 26 U.S.C. § 7206(1).

b. Defendant agrees that Defendant will plead guilty to said Information.

c. Defendant further agrees that the time between the filing of this plea agreement and the scheduled date for the change of plea is excludable under the Speedy Trial Act, 18 U.S.C. § 3161.

d. Defendant further agrees:

(i) to forfeit all interests in one lot of one thousand seventeen dollars and thirty-two cents (\$1,017.32) in United States currency. Defendant

acknowledges that said property is subject to forfeiture as proceeds of illegal conduct, property facilitating illegal conduct, property involved in illegal conduct giving rise to forfeiture, or substitute assets for property otherwise subject to forfeiture. Defendant warrants that Defendant is the sole owner of all of the property listed above, and agrees to hold the United States, its agents, and its employees harmless from any claims whatsoever in connection with the seizure or forfeiture of property covered by this agreement;

(ii) to waive all interest in any such asset in any administrative or judicial forfeiture proceeding, whether criminal or civil, federal or state. Defendant agrees to consent to the entry of orders of forfeiture for such property and waives the requirements of Federal Rules of Criminal Procedure 32.2 and 43(a) regarding notice of the forfeiture in the charging instrument, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment; and,

(iii) to take all steps as requested by the United States to pass clear title to forfeitable assets to the United States, and to testify truthfully in any judicial forfeiture proceeding.

e. The Defendant agrees to the entry of a Restitution Order for \$93,098, the full amount of the intended tax loss incurred by the United States for tax years 2009 through 2010 as itemized below in paragraph 4. Defendant agrees that, pursuant to 18 U.S.C. §§ 3663 and 3663A and §§ 3563(b)(2) and 3583(d), the Court may order restitution of the full amount of the actual loss caused by the offense conduct. Defendant consents

to restitution being made a condition of supervised release or probation.

f. Defendant understands and agrees that the terms of the plea agreement in no way resolve any civil tax liability she may have, including any penalties and interest. Defendant further understands and agrees that this plea agreement in no way restricts the Internal Revenue Service from pursuing any administrative or civil actions against Defendant. Defendant agrees to cooperate with employees of the IRS, the Civil Division of the U.S. Attorney's Office, and law enforcement agents working with attorneys in the Civil Division of the U.S. Attorney's Office, in making an assessment of her civil liabilities. Defendant specifically authorizes release by the IRS to the aforementioned agencies and their representatives of information for purposes of making that assessment. Defendant further agrees to assent to the filing and allowance of a motion under Rule 6(e) of the Federal Rules of Criminal Procedure, to permit the disclosure of matters occurring before the grand jury for this purpose. Defendant agrees to file accurate, amended federal income tax returns for tax years 2009 through 2010.

2. Government's Obligations. In exchange for Defendant's plea of guilty:

a. The government will recommend that the Court impose a term of imprisonment within the range of sentences for the offense level determined by the Court under the United States Sentencing Guidelines (the U.S.S.G. or "guidelines), but not including probation or a "split-sentence," even if permitted under the guidelines.

b. For purposes of determining the offense level, the government agrees to recommend a two-level reduction in the offense level for acceptance of responsibility

under § 3E1.1(a) of the guidelines if Defendant continues to demonstrate acceptance of responsibility through sentencing.

c. As of the date of this agreement, Defendant has timely notified authorities of an intention to enter a plea of guilty. If the offense level is 16 or greater and Defendant enters a plea of guilty pursuant to this agreement, the government will move the sentencing Court for an additional decrease of one level, pursuant to U.S.S.G. § 3E1.1(b)(2), unless Defendant indicates an intention not to enter a plea of guilty, thereby requiring the government to prepare for trial.

d. The government is free to recommend any combination of supervised release, fines, and restitution which it deems appropriate.

3. Defendant understands that the guidelines are not binding on the Court, and that, although the Court must consult the guidelines in fashioning any sentence in this case, the guidelines are only advisory, and the Court may impose any reasonable sentence in this matter up to the statutory maximum penalties after taking into account the factors enumerated in 18 U.S.C. § 3553(a).

4. The United States and Defendant stipulate and agree to the following facts under the guidelines:

a. Beginning on a date unknown and continuing until on or about April 1, 2013, the defendant conspired to fraudulently acquire and possess Supplemental Nutrition Assistance Program (SNAP) benefits without authorization, in violation of 18 U.S.C. § 371.

b. The parties agree to recommend to the Court at sentencing that the amount of loss to the U.S. Department of Agriculture under U.S.S.G. § 2B1.1(b)(1)(G) is more than \$200,000, but less than \$400,000.

c. Between December 28, 2009 and May 4, 2012, Defendant structured the withdrawal of more than \$268,000 from the Dugout account into which the proceeds of the food stamp fraud were deposited. Defendant conducted these financial transactions with the intent to avoid federal reporting requirements.

d. The parties agree that for guidelines purposes, the unreported business receipts and corresponding additional tax due and owing are as follows:

Tax Year	Unreported Receipts	Additional Tax Owing
2009	\$111,460.32	\$44,749
2010	\$215,187	\$48,349
Total	\$326,647.32	\$93,098

5. Except as expressly provided in this agreement, there is no agreement as to which Offense Level and Criminal History Category applies in this case. Both the United States and Defendant reserve their rights to argue and present evidence on all matters affecting the guidelines calculation.

6. The maximum statutory penalties for the offenses to which Defendant is pleading are as follows:

a. As to Count I, five years imprisonment; a fine of \$250,000; a term of supervised release of three years; and a mandatory special assessment of \$100.

b. As to Count II, twenty years imprisonment; a fine of \$500,000 or the greater of twice the gross gain or twice the gross loss; a term of supervised release of three years; and a mandatory special assessment of \$100.

c. As to Count III, three years imprisonment; a fine of \$250,000 or the greater of twice the gross gain or twice the gross loss; a term of supervised release of one year; and a mandatory special assessment of \$100.

d. If imposed consecutively, the maximum penalties for all offenses to which Defendant is pleading guilty are twenty-eight years imprisonment; a fine of \$1,000,000 or the greater of twice the gross gain or twice the gross loss; and a term of supervised release of seven years. The mandatory special assessment totals \$300.

7. Defendant agrees that, after Defendant and Defendant's counsel sign this agreement, counsel will return it to the United States Attorney's Office along with a money order or certified check, payable to the Clerk, United States District Court, in payment of the special assessments. Failure to do so, unless the Court has made a previous finding of indigence, will relieve the government of its obligation to recommend a reduction in the offense level under the guidelines for acceptance of responsibility.

8. Defendant is advised and understands that:

a. The government has the right, in a prosecution for perjury or making a false statement, to use against Defendant any statement that Defendant gives under oath;

- b. Defendant has the right to plead not guilty, or having already so pleaded, to persist in that plea;
- c. Defendant has the right to a jury trial;
- d. Defendant has the right to be represented by counsel – and if necessary have the Court appoint counsel – at trial and every other stage of the proceeding;
- e. Defendant has the right at trial to confront and cross-examine adverse witnesses, to be protected from self-incrimination, to testify and present evidence, and to compel the attendance of witnesses; and,
- f. Defendant waives these trial rights if the Court accepts a plea of guilty.

9. The government reserves its full right of allocution, including the right to present any information to the Court for its consideration in fashioning an appropriate sentence, the right to correct misstatements, misrepresentations, or omissions by Defendant, and to answer any questions asked by the Court.

10. Except for paragraphs 2 and 4 above, the parties have made no agreement concerning the application of the guidelines in this case,

11. Defendant understands that the Court alone makes all sentencing decisions, including the application of the guidelines and the sentence to be imposed. The Court is not bound by the parties' stipulations of fact, offense level adjustments, or the government's recommendations. The Court is free to impose any sentence it deems appropriate up to and including the statutory maximum. Defendant also understands that even if the Court's guideline determinations and sentence are different than

Defendant expects, Defendant will not be allowed to withdraw Defendant's plea of guilty.

12. Defendant hereby waives Defendant's right to appeal the convictions and sentences imposed by the Court, if the sentences imposed by the Court are within or below the sentencing guideline range determined by the Court. This agreement does not affect the rights or obligations of the United States as set forth in 18 U.S.C. § 3742(b), and the government retains its right to appeal any of the Court's sentencing determinations.

13. This agreement is binding on the government only if Defendant pleads guilty, fulfills all Defendant's obligations under the agreement, does not engage in any conduct constituting obstruction of justice under § 3C1.1 of the guidelines, and does not commit any new offenses. Defendant understands that if Defendant violates this agreement in any way, the government shall be released from its obligations under the agreement and will be free to make any recommendations that it deems appropriate. If that occurs, Defendant shall not have the right to withdraw Defendant's guilty plea.

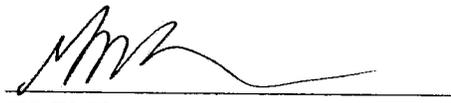
14. This agreement is limited to the District of Rhode Island and does not bind any other federal, state, or local prosecutive authorities.

15. This agreement constitutes the entire agreement between the parties. No other promises or inducements have been made concerning the plea in this case. Defendant acknowledges that no person has, directly or indirectly, threatened or coerced Defendant to enter this agreement. Any additions, deletions, or modifications to this agreement must be made in writing and signed by all the parties in order to be effective.

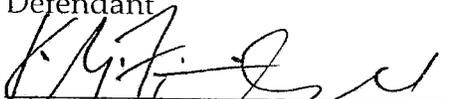
16. Counsel for Defendant states that Counsel has read this agreement, been

given a copy of it for Counsel's file, explained it to Defendant, and states that to the best of Counsel's knowledge and belief, Defendant understands the agreement.

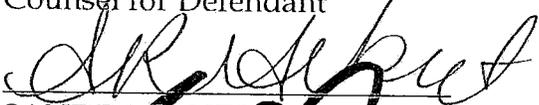
17. Defendant states that Defendant has read the agreement or has had it read to Defendant, has discussed it with Defendant's Counsel, understands it, and agrees to its provisions.

  
\_\_\_\_\_  
GLENDA LOPEZ  
Defendant

8/8/13  
Date

  
\_\_\_\_\_  
KEVIN FITZGERALD  
Counsel for Defendant

8-8-13  
Date

  
\_\_\_\_\_  
SANDRA R. HEBERT  
Assistant U.S. Attorney

8-12-13  
Date

  
\_\_\_\_\_  
STEPHEN G. DAMBRUCH  
Assistant U.S. Attorney  
Chief, Criminal Division

08-12-2013  
Date

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

BY:  INFORMATION  INDICTMENT  COMPLAINT

CASE NO.

USA **CR 13** **123M**

- Matter Sealed:  Juvenile  Other than Juvenile
- Pre-Indictment Plea  Superseding  Defendant Added
- Indictment  Charges/Counts Added
- Information

Defendant: GLEND A LOPEZ

Address: [REDACTED]  
West Warwick, RI 02893

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

UNITED STATES DISTRICT COURT RHODE ISLAND

DISTRICT OF RHODE ISLAND Divisional Office

Name and Office of Person Furnishing Information on THIS FORM PETER F. NERONHA

U.S. Atty  Other U.S. Agency

Phone No. (401) 709-5000

Name of Asst. U.S. Attorney (if assigned) SANDRA R. HEBERT

Interpreter Required Dialect: \_\_\_\_\_

Birth Date 10/4/1973  Male  Alien (if applicable)

Female

Social Security Number [REDACTED]

PROCEEDING

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

U.S. DEPARTMENT OF AGRICULTURE

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

this person/proceeding 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. Atty  Defense

this prosecution relates to a pending case involving this same defendant. (Notice of Related Case must still be filed with the Clerk.)

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

SHOW DOCKET NO.

MAG. JUDGE CASE NO.

Place of offense RHODE ISLAND County

DEFENDANT

Issue:  Warrant  Summons

Location Status:

Arrest Date \_\_\_\_\_ or Date Transferred to Federal Custody \_\_\_\_\_

- Currently in Federal Custody
- Currently in State Custody
- Writ Required
- Currently on bond
- Fugitive

Defense Counsel (if any): \_\_\_\_\_

- FPD  CJA  RET'D
- Appointed on Target Letter

This report amends AO 257 previously submitted

OFFENSE CHARGED - U.S.C. CITATION - STATUTORY MAXIMUM PENALTIES - ADDITIONAL INFORMATION OR COMMENTS

Total # of Counts 3

Set	Title & Section/Offense Level (Petty = 1 / Misdemeanor = 3 / Felony = 4)	Description of Offense Charged	Felony/Misd.
	SEE ATTACHMENT		<input checked="" type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
		Estimated Trial Days: 5	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor

Attachment to  
Defendant Information Relative to a Criminal Action -- In U.S. District Court

Defendant: GLENDA LOPEZ

Count I: Conspiracy to commit food stamp fraud, in violation of 18 U.S.C. § 371.

Max Penalties: 18 U.S.C. § 371 – 5 years imprisonment; a fine of \$250,000; 3 years supervised release; \$100 mandatory special assessment.

Count II: Money laundering, in violation of 18 U.S.C. § 1956(a)(1)(B)(ii).

Max Penalties: 18 U.S.C. § 1956(a)(1)(B)(ii) – 20 years imprisonment; a fine of \$500,000 or the greater of twice the gross gain or twice the gross loss; 3 years supervised release; \$100 mandatory special assessment.

Count III: Filing a false tax return, in violation of 26 U.S.C. § 7206(1).

Max Penalties: 26 U.S.C. § 7206(1) – 3 years imprisonment; a fine of \$250,000 or the greater of twice the gross gain or twice the gross loss; 1 year supervised release; \$100 mandatory special assessment.