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EASTERN DISTRICT OF CALIFORNIA

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7 IN THE UNITED STATES DISTRICT COURT
8 EASTERN DISTRICT OF CALIFORNIA
9

10 UNITED STATES OF AMERICA,
11 Plaintiff,
12 v.
13 JATINDERJEET KAUR SIHOTA, aka Jyoti
Sihota, Jyoti Sihota Dhami,
14 Defendant.
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Case No. 1:21-cr-00053-NONE-SKO

VIOLATIONS: 18 U.S.C. § 1349 – Conspiracy to
Commit Mail Fraud; 18 U.S.C. § 1341 – Mail Fraud;
18 U.S.C. § 981(a)(1)(C), and 28 U.S.C. § 2461(C) –
Criminal Forfeiture

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18 INDICTMENT

19 COUNT ONE: [18 U.S.C. § 1349 – Conspiracy to Commit Mail Fraud]

20 The Grand Jury charges:

21 JATINDERJEET KAUR SIHOTA,
22 aka Jyoti Sihota, Jyoti Sihota Dhami,

23 defendant herein, as follows:

24 INTRODUCTION

25 1. At times relevant to this Indictment:

26 2. Defendant JATINDERJEET KAUR SIHOTA resided in Selma, California, in the State
27 and Eastern District of California.
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1 3. Defendant SIHOTA operated and controlled her family's farming operations in Fresno
2 and Tulare Counties, California, in the State and Eastern District of California, which operated under the
3 names of the individuals B.S., D.K., and B.K., and their business entities B.S.F. and SSS International,
4 among other names (referred to herein, collectively, as the "SIHOTA FAMILY FARMS"). The
5 SIHOTA FAMILY FARMS produced table grapes, plums, and other crops.

6 4. BROKER 1 is a fruit broker, which has operations in the State and Eastern District of
7 California and elsewhere. Defendant SIHOTA caused the SIHOTA FAMILY FARMS to sell crops to
8 supermarket chains and other third-party buyers through BROKER 1 and other fruit brokers.

9 5. Defendant SIHOTA was the primary point of contact with BROKER 1 and other fruit
10 brokers on crop transactions involving the SIHOTA FAMILY FARMS and handled communications
11 and transactions with the brokers. Defendant SIHOTA had a Power of Attorney for B.S. and acted at all
12 relevant times in the name of B.S. in furtherance of the conspiracy. Defendant SIHOTA also acted at all
13 relevant times in furtherance of the conspiracy in the names of the other SIHOTA FAMILY FARMS
14 individuals and entities.

15 6. Defendant SIHOTA caused federally-backed crop insurance policies from INSURANCE
16 COMPANY 1 to be obtained for the SIHOTA FAMILY FARMS in the names of B.S. and D.K.,
17 covering table grapes, plums, and other crops produced by the SIHOTA FAMILY FARMS.
18 INSURANCE COMPANY 1 has operations in the State and Eastern District of California and
19 elsewhere. The crop insurance policies were issued through the Federal Crop Insurance Program, which
20 is administered through the Federal Crop Insurance Corporation. Defendant SIHOTA was the primary
21 point of contact with INSURANCE COMPANY 1 and handled communications and transactions with
22 the company for the insurance claims and payments that were made on the crop insurance policies.

23 **BACKGROUND ON THE FEDERAL CROP INSURANCE PROGRAM**

24 7. The United States Department of Agriculture, Risk Management Agency ("USDA")
25 administers the Federal Crop Insurance Program through the government-owned Federal Crop Insurance
26 Corporation ("FCIC"). The FCIC provides and underwrites crop insurance policies for hundreds of
27 types of crops to farmers throughout the United States. The insurance policies are crop-specific and are
28 purchased from and serviced by private insurance companies known as approved insurance providers,

1 such as INSURANCE COMPANY 1, for each crop year. For FCIC purposes, the crop year is generally
2 considered to be the year in which a crop is predominately harvested, with coverage ending upon
3 completion of the harvest. For example, crops planted in the fall of one year and harvested in the spring
4 of the following year are deemed to be harvested in that following year.

5 8. The FCIC pays the administrative and operating costs that the private insurance
6 companies incur while selling and servicing the crop insurance policies, subsidizes the farmers'
7 premiums, and reimburses the private insurance companies for insurance payments made to the farmers
8 for losses caused by covered, naturally occurring events such as heat waves, droughts, and floods.

9 9. An insured farmer is required to disclose his or her historical crop production numbers to
10 obtain the crop insurance policy. The historical crop production numbers must include crop acres that
11 are being insured, as well as crop acres that are not being insured. This information is used to determine
12 the farmer's expected crop production numbers for the crop year, which is called the approved yield.
13 The farmer then selects a percentage of the approved yield he or she wants to insure against damage or
14 loss for that crop year. The approved yield multiplied by the percentage of coverage is the farmer's
15 guarantee under the insurance policy. If an insurable event occurs during that crop year, the farmer must
16 disclose his or her actual crop production numbers for the year, which includes both insured and
17 uninsured crops, to the insurance company's loss adjuster. The loss adjuster then compares the farmer's
18 guarantee to the farmer's actual crop production numbers for the crop year to determine the farmer's
19 loss and the amount of the insurance payment that he or she is owed. The insurance company typically
20 makes the insurance payment to the farmer by mailing him or her a check.

21 10. Insurance payments made under the Federal Crop Insurance Program are ultimately
22 funded either in whole or in part by federal government funds through the FCIC.

23 11. If an insured farmer, or anyone assisting the farmer, misrepresents a material fact relating
24 to the farmer's crop insurance policy or claim, the policy is retroactively denied in its entirety and the
25 farmer must reimburse insurance payments made under the policy for the crop year of concern.

26 CONSPIRACY

27 12. Beginning on a date unknown to the Grand Jury, but not later than in or about November
28 2013, and continuing through until at least September 2016, in the State and Eastern District of

1 California and elsewhere, defendant SIHOTA did knowingly conspire, combine, and confederate with
2 others both known and unknown to the grand jury, including one or more individuals at BROKER 1, to
3 execute a scheme and artifice to defraud the FCIC and INSURANCE COMPANY 1 of money and
4 property, and to obtain money and property from the FCIC and INSURANCE COMPANY 1, by means
5 of materially false and fraudulent pretenses, representations, and promises, and to cause mail matter to
6 be placed in a post office or an authorized depository for mail matter, and to be sent and delivered by the
7 United States Postal Service, in execution of the scheme and artifice to defraud, all in violation of Title
8 18, United States Code, Section 1341.

9 **MANNER AND MEANS OF THE CONSPIRACY**

10 13. During the above-described period, defendant SIHOTA and others both known and
11 unknown to the grand jury, including one or more individuals at BROKER 1, conspired to defraud the
12 FCIC and INSURANCE COMPANY 1 of money and property, and caused money and property to be
13 obtained from the FCIC and INSURANCE COMPANY 1, by the following manner, means, and acts,
14 among others:

15 14. For crop years 2013 through 2015, Defendant SIHOTA and her co-conspirators caused
16 table grapes, plums, and other crops produced by the SIHOTA FAMILY FARMS to be sold through
17 BROKER 1 and other fruit brokers to supermarket chains and other third-party buyers.

18 15. For crop years 2013 through 2015, defendant SIHOTA and her co-conspirators caused
19 false and fraudulent crop insurance claims, and false and fraudulent supporting documentation, to be
20 submitted to INSURANCE COMPANY 1 on the crop insurance policies issued for the table grapes,
21 plums, and other crops produced by the SIHOTA FAMILY FARMS. Through the false claims, and the
22 submission of false and fraudulent records, defendant SIHOTA and others caused INSURANCE
23 COMPANY 1 to make fraudulent insurance payments for purported crop losses by the SIHOTA
24 FAMILY FARMS that had not occurred.

25 16. In furtherance of the conspiracy, defendant SIHOTA and her co-conspirators
26 communicated with each other through in-person meetings and lunches, telephone calls, emails, and
27 other methods for the purpose of causing false and fraudulent crop insurance claims, and false and
28 fraudulent supporting documentation, to be submitted to INSURANCE COMPANY 1.

1 17. In responding to requests by INSURANCE COMPANY 1 for supporting documentation
2 regarding the crop insurance claims, defendant SIHOTA and others, including one or more individuals
3 at BROKER 1, caused records for crops that the SIHOTA FAMILY FARMS sold through BROKER 1
4 and other fruit brokers to be altered to misrepresent crop varieties, crop quantities, and other information
5 concerning the crops. These false records contained materially false and fraudulent misrepresentations
6 that purported to show the SIHOTA FAMILY FARMS' crop production numbers to be below the
7 insurance guarantee, thereby establishing sufficient crop losses to obtain insurance payments.
8 Defendant SIHOTA and her co-conspirators knew these records were false, knew that they significantly
9 understated the SIHOTA FAMILY FARMS' actual crop production numbers, and knew that based on
10 the actual numbers the SIHOTA FAMILY FARMS would not be entitled to receive the crop insurance
11 payments.

12 18. Defendant SIHOTA and others nonetheless caused these false records to be submitted to
13 the loss adjusters for INSURANCE COMPANY 1, in furtherance of the conspiracy and to prevent the
14 loss adjusters from uncovering the falsity of the insurance claims that defendant SIHOTA and others had
15 caused to be submitted. The conspirators knew that the records were false, and contained false and
16 fraudulent misrepresentations, at the time the records were made and submitted to the loss adjusters.
17 When INSURANCE COMPANY 1's loss adjusters contacted defendant SIHOTA and her co-
18 conspirators to confirm the accuracy and completeness of the records they had submitted purporting to
19 show the SIHOTA FAMILY FARMS' crop losses, the conspirators falsely confirmed that the records
20 were accurate and complete.

21 19. The conspirators' false and fraudulent misrepresentations were material to the insurance
22 claims being approved and paid by the FCIC and INSURANCE COMPANY 1. The FCIC and
23 INSURANCE COMPANY 1 would have denied the insurance claims had they known that the claims
24 and supporting documentation were based on such false and fraudulent information.

25 20. Defendant SIHOTA and her co-conspirators' scheme to defraud caused INSURANCE
26 COMPANY 1 to make insurance payments on behalf of the FCIC by checks payable in the name of B.S.
27 for the SIHOTA FAMILY FARMS. The checks were sent through the United States mail to Fresno,
28 California, in the State and Eastern District of California.

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2 21. For example, for crop year 2015, defendant SIHOTA and her co-conspirators caused a
3 fraudulent crop insurance claim to be submitted to INSURANCE COMPANY 1 for the crop insurance
4 policy issued in the names of B.S. and D.K. for table grapes, with Claim Number ending -2230 and
5 Policy Number ending -3084. Their insurance claim falsely misrepresented that the production of table
6 grapes was approximately 700,000 pounds, and that other table grapes had been lost or damaged due to
7 excessive heat, moisture, and precipitation. In fact, as defendant SIHOTA and her co-conspirators well
8 knew, the table grape production was over 1.3 million pounds.

9 22. When INSURANCE COMPANY 1 required the submission of supporting documentation
10 on this claim, defendant SIHOTA and her co-conspirators caused false records to be made and submitted
11 to INSURANCE COMPANY 1 that underreported the table grape production for that crop year by
12 nearly 600,000 pounds. When INSURANCE COMPANY 1's loss adjusters contacted defendant
13 SIHOTA to confirm the accuracy and completeness of the false records, defendant SIHOTA and others
14 caused BROKER 1 to falsely confirm that the records were accurate and complete. As a result,
15 INSURANCE COMPANY 1 made at least \$283,976 in fraudulent insurance payments on behalf of the
16 FCIC for the SIHOTA FAMILY FARMS, by Check Number ending -8844 payable to B.S., that was
17 mailed on or around February 26, 2016.

18 23. As a result of the fraudulent crop insurance claims that defendant SIHOTA and her co-
19 conspirators caused to be submitted to INSURANCE COMPANY 1, they caused the FCIC and
20 INSURANCE COMPANY 1 to make at least \$790,000 in fraudulent insurance payments for the
21 SIHOTA FAMILY FARMS for crop years 2013 through 2015. Defendant SIHOTA then caused these
22 monies to be used for the benefit of the SIHOTA FAMILY FARMS as well as for personal expenditures
23 by her and others. Although defendant SIHOTA and others benefitted from the sales of the SIHOTA
24 FAMILY FARMS' crops each year, SIHOTA and the SIHOTA FAMILY FARMS also wrongfully
25 benefitted from receiving crop insurance payments based on defendant SIHOTA's false
26 misrepresentations of losses of the crops.

27 24. The USDA subsequently conducted an audit of the SIHOTA FAMILY FARMS'
28 insurance claims for table grapes for crop years 2013 through 2015. The USDA requested that

1 defendant SIHOTA submit records for the table grapes that the SIHOTA FAMILY FARMS sold
2 through BROKER 1 and other fruit brokers during that period. In a further attempt to forestall the
3 discovery of the conspiracy and scheme to defraud, defendant SIHOTA caused the USDA to be
4 provided with the same false and fraudulent supporting documentation that she and her co-conspirators
5 previously provided to INSURANCE COMPANY 1 in support of the insurance claims.

6 25. In carrying out the conspiracy and scheme to defraud, defendant SIHOTA and her co-
7 conspirators acted, at all times, with the intent to defraud.

8 All in violation of Title 18, United States Code, Section 1349.

9 COUNT TWO: [18 U.S.C. § 1341 – Mail Fraud]

10 The Grand Jury further charges:

11 JATINDERJEET KAUR SIHOTA
12 aka Jyoti Sihota, Jyoti Sihota Dhami,

13 defendant herein, as follows:

14 26. Paragraphs 1 through 11 and 13 through 25 are re-alleged and incorporated by reference
15 as though fully set forth herein.

16 27. Beginning on a date unknown to the Grand Jury, but not later than in or about November
17 2013, and continuing to and including at least September 2016, in the State and Eastern District of
18 California and elsewhere, defendant JATINDERJEET KAUR SIHOTA knowingly devised, intended to
19 devise, participated in, and executed a material scheme and artifice to defraud the FCIC and
20 INSURANCE COMPANY 1, and to obtain money and property from the FCIC and INSURANCE
21 COMPANY 1 by means of materially false and fraudulent pretenses, representations, and promises.

22 28. On or about the dates listed below, within the State and Eastern District of California and
23 elsewhere, and for delivery into the State and Eastern District of California, for the purpose of executing
24 the scheme and artifice to defraud, and attempting to do so, as more fully set forth above, defendant
25 SIHOTA, with the intent to defraud, knowingly caused the mail matter described below to be placed in a
26 post office or an authorized depository for mail matter, to be sent and delivered by the Postal Service,
27 and knowingly caused to be delivered by mail according to the direction thereon, as follows:
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COUNT	DATE	MATTER MAILED AND DESTINATION
TWO	02/26/16	Check for payment of \$509,804, from INSURANCE COMPANY 1, with Check Number ending -8844, Claim Number ending -2230, and Policy Number ending -3084, payable to B.S. for the SIHOTA FAMILY FARMS, sent to Fresno, California, through the United States mail.

All in violation of Title 18, United States Code, Section 1341.

FORFEITURE ALLEGATION: [18 U.S.C. § 981(a)(1)(C), 28 U.S.C. § 2461(c) - Criminal Forfeiture]

Upon conviction of one or more of the offenses alleged in Counts One and Two of this Indictment, defendant SIHOTA shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), all property, real and personal, which constitutes or is derived from proceeds traceable to such violations, including but not limited to:

- a. A sum of money equal to the amount of proceeds traceable to such offenses for which defendants are convicted.

If any property subject to forfeiture as a result of the offenses alleged in Counts One and Two of this Indictment for which defendants are convicted:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

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1 it is the intent of the United States, pursuant to 28 U.S.C. § 2461(c), incorporating 21 U.S.C. § 853(p), to
2 seek forfeiture of any other property of said defendant, up to the value of the property subject to
3 forfeiture.

4 A TRUE BILL.

5
6 /s/ Signature on file w/AUSA

7 FOREPERSON

8 MCGREGOR W. SCOTT
9 United States Attorney

10 **KIRK E. SHERRIFF**
11 KIRK E. SHERRIFF
12 Chief, Fresno Office
Assistant United States Attorney

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