



financial and real estate transactions, developing tax planning strategies, and preparing tax returns for Individual A and the Individual A Family Office.

e. Pursuant to a power of attorney signed by Individual A, ISSA had the authority to make internal transfers among certain Individual A Family Office accounts at Bank A, subject to limitations. Under the power of attorney, ISSA was also authorized to make external transfers of up to \$100,000 from a limited number of accounts, including accounts created to trade Initial Public Offerings (IPOs) on Individual A's behalf, with any trading profits to be split between ISSA and Individual A. These trading accounts included an account in the name of Hibiscus Capital LE IPO LLC (the Hibiscus Capital account), which was established in approximately 2010, and an account in the name of SR Trading LLC (the SR Trading account), which was established in approximately 2013.

f. ISSA also solicited investment funds from various individuals in his personal capacity and represented to these individuals that he would and did invest their money in legitimate investment opportunities, including securities, investment funds, and real estate and business ventures, including Seriously Automotive Group (d/b/a Global Luxury Imports), a luxury car dealership in Burr Ridge, Illinois, owned and controlled by ISSA.

2. Beginning no later than 2007, and continuing through at least November 2017, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

SULTAN ISSA,

defendant herein, devised, intended to devise, and participated in a scheme to defraud clients and financial institutions, and to obtain money and property from those clients and financial institutions by means of materially false and fraudulent pretenses, representations, and promises, and by concealment of material facts, which scheme affected a financial institution and is further described below.

3. It was part of the scheme that ISSA engaged in a fraudulent scheme designed to benefit himself and business entities under his ownership and control to the financial detriment of clients, including Individual A and the Individual A Family Office, multiple financial institutions, including Bank A, and individual investors. As part of the scheme, ISSA misappropriated in excess of \$65 million dollars in funds from clients and financial institutions, provided financial institutions with fraudulent loan documents and forged and fraudulent authorizations purportedly in the name of Individual A and Individual A Family Office entities, and lied to clients about the use, status, and safety of their invested funds. In order to continue and conceal his scheme, ISSA created and provided clients false and misleading account statements, and made Ponzi-type payments to clients and financial institutions.

### **Individual A and the Individual A Family Office**

4. It was further part of the scheme that ISSA, without Individual A's knowledge or consent, forged Individual A's signature on powers of attorney and authorizations purporting to grant him authority to act as attorney-in-fact with respect to Individual A Family Office entities, assets, and accounts across multiple financial institutions. Pursuant to these forged authorizations, beginning no later than 2009 and continuing through at least October 2017, ISSA transferred tens of millions of dollars in funds and other financial assets belonging to Individual A and the Individual A Family Office into accounts under ISSA's control at Bank A, including the Hibiscus Capital and SR Trading accounts, and at other financial institutions where the Individual A Family Office had accounts and assets, without Individual A's knowledge or consent. ISSA then externally transferred funds from these accounts into accounts in his name and in the names of entities under his ownership and control at other financial institutions. By forging Individual A's signature on those authorizations and making those transfers, ISSA deceived multiple financial institutions, including Bank A, and caused them to provide funds to which he knew he was not entitled.

5. It was further part of the scheme that ISSA concealed the above unauthorized transfers by creating mirror accounts at other financial institutions using the same or similar account names as the Hibiscus Capital and SR Trading accounts located at Bank A. By using the same account names as the Bank A accounts, ISSA intended to make it appear as if funds were being transferred

internally at Bank A, when in fact ISSA was transferring funds belonging to the Individual A Family Office and Bank A to accounts at other financial institutions under ISSA's ownership and control without Individual A or Bank A's knowledge or consent.

6. It was further part of the scheme that, in order to continue his scheme, and to conceal his misappropriation of funds, ISSA made false representations to Individual A and Individual A's agents regarding the status of the Individual A Family Office assets, Individual A's personal financial status, and the amount of returns generated by ISSA's trading of IPOs through the Hibiscus Capital and SR Trading entities. In addition, ISSA intentionally created and provided to Individual A and his agents false and misleading account statements regarding the status of the Individual A Office assets.

7. It was further part of the scheme that ISSA fraudulently obtained at least approximately \$55,000,000 in funds belonging to or held for the benefit of Individual A and the Individual A Family Office.

### **Financial Institutions**

8. It was further part of the scheme that ISSA misappropriated funds from financial institutions by providing false information in loan applications and supporting documents, including, but not limited to, false representations regarding ISSA's personal financial status and the financial status of entities owned or controlled by ISSA; forged and fraudulent tax documents; forged and fraudulent authorizations and other documents purportedly signed by Individual A or on behalf

of Individual A Family Office entities; and forged and fraudulent pledges of collateral, all in order to fraudulently obtain loans and extensions of credit for his own and his business entities' use and benefit.

9. It was further part of the scheme that, by submitting fraudulent loan applications and other fraudulent materials to financial institutions, ISSA deceived financial institutions and fraudulently caused them to provide him and entities under his ownership and control loan funds and extensions of credit totaling at least approximately \$83,000,000, knowing he was not authorized to obtain those funds or extensions of credit.

10. It was further part of the scheme that ISSA concealed his financial institution fraud by using funds and assets fraudulently obtained from Individual A and the Individual A Family Office and from other financial institutions to make down payments, to pledge as collateral, and to cover interest payments and expenses related to the fraudulently obtained loans and extensions of credit.

### **Individual Investors**

11. It was further part of the scheme that ISSA solicited individual investors by representing that he would trade their investment funds, when in fact he intended to and did use the funds to benefit himself and his business entities and to conceal his ongoing fraud against Individual A and the Individual A Family Office and against various financial institutions by replenishing funds misappropriated from Individual A and the Individual A Family Office accounts and making payments on fraudulently obtained loans and lines of credit.

12. It was further part of the scheme that, in order to continue the scheme and to conceal his misappropriation of funds, ISSA knowingly created and provided to investors and their families fraudulent account statements and correspondence, which falsely represented the status of investment portfolios of investors, including their performance and rate of return.

13. As a result of the scheme, ISSA fraudulently misappropriated at least approximately \$8,800,000 from at least approximately 13 individual investors.

### **Use of Fraudulently Obtained Proceeds**

14. It was further part of the scheme that ISSA used the funds fraudulently diverted from Individual A, the Individual A Family Office, and the financial institutions and individuals described herein to facilitate the scheme, and for his own and his business entities' use and benefit. ISSA's use of fraudulently obtained funds included but was not limited to the following:

a. **Personal Expenses and Property:** ISSA used tens of millions of dollars in fraudulently obtained funds to cover personal expenses and to acquire real and personal property for his own use and benefit and for the benefit of his business entities and family. ISSA used proceeds of the scheme to purchase and secure fraudulent loans relating to at least 25 residential properties in Illinois, Montana, Michigan, and Cabo San Lucas, Mexico; two private aircraft; four motor yachts; approximately 60 firearms; and assorted watches, jewelry and memorabilia. ISSA also used residential properties purchased with fraud proceeds as collateral to obtain loans and lines of credit from financial institutions.

b. **Business Expenses:** ISSA used at least approximately \$15,000,000 in fraudulently obtained funds to pay expenses related to Seriously Automotive Group, including expenses related to the purchase and build-out of showroom space, the acquisition of luxury vehicles, and the salaries of employees.

c. **Ponzi-type Payments:** ISSA used a portion of the fraudulently obtained funds to make Ponzi-type payments to other individuals and financial institutions. For example, ISSA used funds misappropriated from the Individual A Family Office to make loan payments and service lines of credit that he had fraudulently obtained from financial institutions, and used funds fraudulently obtained from the Individual A Family Office and financial institutions to make payments to individual investors, which he falsely represented as legitimate investment returns.

15. It was further part of the scheme that, as a result of his actions, ISSA caused losses to victims, including Individual A and the Individual A Family Office, financial institutions, and individual investors in excess of approximately \$65,000,000.

16. It was further part of the scheme that ISSA misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden, the existence, purposes, and acts done in furtherance of the scheme.



17. On or about April 19, 2017, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

SULTAN ISSA,

defendant herein, for the purpose of executing the above described scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings and signals, namely, an interstate wire transfer of approximately \$150,000 from the SR Trading account at Bank A to an account under ISSA's control at another financial institution;

In violation of Title 18, United States Code, Section 1343.

**FORFEITURE ALLEGATION**

The UNITED STATES ATTORNEY further alleges:

1. Upon conviction of an offense in violation of Title 18, United States Code, Section 1343, as set forth in this Information, defendant shall forfeit to the United States of America any property which constitutes and is derived from proceeds traceable to the offense, as provided in Title 18, United States Code, Section 982(a)(2)(A) and Title 28, United States Code, Section 2461(c).

2. If any of the property described above, as a result of any act or omission by defendant: cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty, the United States of America shall be entitled to forfeiture of substitute property, as provided in Title 21, United States Code Section 853(p).

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UNITED STATES ATTORNEY