

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 :
 v. : Crim. No. 19-
 :
 MIRIAM ZUGHBI : 18 U.S.C. § 371
 :

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

1. At various times relevant to this Information:

a. Jamaica Meat Market (“JMM”) was a grocery store located in Paterson, New Jersey;

b. Defendant MIRIAM ZUGHBI was an employee of JMM, which was owned by her husband, IBRAHIM ZUGHBI;

c. The Supplemental Nutrition Assistance Program (“SNAP”) was a program funded by the United States government, which provided nutrition assistance to eligible, low-income individuals and families. SNAP was funded by the United States Department of Agriculture.

d. Pursuant to the Food Stamp Act of 1977, as amended, 7 U.S.C. §§ 2011-32, and its accompanying regulations, 7 C.F.R. §§ 271-85, eligible low income persons (“SNAP Recipients”) could obtain SNAP benefits loaded onto Electronic Benefits Transfer (“EBT”) cards. SNAP benefits could only lawfully be used to purchase specific food items, and not to purchase prepared

foods, alcoholic beverages, pet food, or other non-food items. SNAP benefits could not lawfully be exchanged for cash.

e. Food retailers, such as JMM, applied for authorization to participate in the SNAP. Once approved to participate in the SNAP as an Authorized Retailer, the Authorized Retailer could redeem purchases of eligible food products by SNAP Recipients. SNAP Recipients completed purchases by swiping an EBT card at an Authorized Retailer's point of sale terminal and entering a PIN. Payments were then transferred from the United States government into a bank account designated by the Authorized Retailer.

2. Since in or around July 2011, JMM was an Authorized Retailer approved to accept SNAP benefits, also commonly referred to as "food stamp" benefits.

COUNT ONE
(Conspiracy to Engage in SNAP Benefit Fraud)

3. From in or around January 2014 through in or around January 2018, in Passaic County, in the District of New Jersey, and elsewhere, the defendant,

MIRIAM ZUGHBI

did knowingly and willfully conspire with IBRAHIM ZUGHBI and others to use, transfer, acquire and possess Supplemental Nutrition Assistance Program benefits having a value of \$5,000 and more in a manner contrary to the provisions of Title 7, United States Code, Chapter 51, and the regulations issued pursuant thereto, that is, the defendant knowingly and unlawfully exchanged

SNAP benefits for cash, contrary to Title 7, United States Code, Section 2024(b)(1).

OBJECT OF THE CONSPIRACY

4. It was the object of the conspiracy for the defendant MIRIAM ZUGHBI and others (the “Co-Conspirators”) to enrich themselves by fraudulently charging SNAP Recipients’ EBT cards for phantom “purchases” of goods, retaining a portion of the money that the government remitted to JMM for those “purchases,” and providing the remainder in cash to the SNAP Recipients, in violation of SNAP regulations.

MANNER AND MEANS OF THE CONSPIRACY

5. It was part of the conspiracy that the Co-Conspirators, including defendant MIRIAM ZUGHBI, would inform SNAP Recipients that JMM was willing to provide SNAP Recipients with cash representing a percentage of a phantom SNAP “purchase” made at JMM with EBT cards.

6. It was further part of the conspiracy that the Co-Conspirators, including defendant MIRIAM ZUGHBI, would conduct their fraudulent transactions early in the morning to avoid detection.

7. It was further a part of the conspiracy that the Co-Conspirators, including defendant MIRIAM ZUGHBI, would obtain cash to pay the SNAP Recipients engaged in the fraud, and would stop accepting EBT benefits in exchange for cash once the cash obtained for that day had run out.

8. It was further part of the conspiracy that SNAP Recipients engaged in the fraud typically would purchase a nominal amount of goods from JMM, but

would ask for a sum of cash back in exchange for allowing a greater amount to be debited from their EBT cards. For example, a SNAP Recipient engaged in the fraud would purchase \$3.75 worth of goods from JMM, and would ask for \$70.00 in cash. In exchange, the Co-Conspirators, including defendant MIRIAM ZUGHBI, would debit a total of \$108.75 from the SNAP Recipient's EBT card, making it appear as if the SNAP Recipient spent that much on SNAP-eligible items. In reality, the Co-Conspirators, including MIRIAM ZUGHBI, would give the SNAP Recipients \$70 in cash and retain the balance (\$35.00) for themselves, in violation of SNAP regulations.

OVERT ACTS

9. In furtherance of the scheme and in order to effect the illegal object thereof, defendant MIRIAM ZUGHBI and her Co-Conspirators committed and caused to be committed the following overt acts in the District of New Jersey and elsewhere:

a. On or about April 10, 2017, defendant MIRIAM ZUGHBI debited a total of approximately \$162 in SNAP benefits from an EBT card held by a Cooperating Witness (the "CW"). Approximately \$3.99 was used to purchase store items. Defendant then provided the CW with approximately \$100 in cash, in violation of SNAP regulations, and the Co-Conspirators kept the remaining approximately \$58.

b. On or about June 9, 2017, defendant MIRIAM ZUGHBI debited a total of approximately \$228 in SNAP benefits from an EBT card held by a CW. Approximately \$3.49 was used to purchase a store item. Defendant

then provided the CW with approximately \$150 in cash, in violation of SNAP regulations, and the Co-Conspirators kept the remaining approximately \$75.

All in violation of Title 18, United States Code, Section 371.

FORFEITURE ALLEGATION

1. As a result of committing the conspiracy to commit food stamps fraud offense in violation of 18 U.S.C. § 371, contrary to 7 U.S.C. § 2024, as charged in Count One of this Information, the defendant,

MIRIAM ZUGHBI

shall forfeit to the United States, pursuant to 7 U.S.C. § 2024(f), all property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation of 7 U.S.C. § 2024(b), and all proceeds traceable to a violation of 7 U.S.C. § 2024(b).

SUBSTITUTE ASSETS PROVISION

2. If any of the property described above, as a result of any act or omission of the defendant:

- 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,

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.



CRAIG CARPENITO
United States Attorney

CASE NUMBER: _____

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UNITED STATES OF AMERICA

v.

MIRIAM ZUGHBI

INFORMATION FOR

18 U.S.C. § 371

CRAIG CARPENITO

U.S. ATTORNEY

NEWARK, NEW JERSEY

SEAN M. SHERMAN

ASSISTANT U.S. ATTORNEY

(973) 645-2773

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