

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

UNITED STATES OF AMERICA,)	
)	
<i>Plaintiff,</i>)	
)	
v.)	
)	Cause No. 1:16-cr-0167-WTL-MJD
MOHAMED MAHMOUD,)	
)	
<i>Defendant.</i>)	-01

PETITION TO ENTER PLEA OF GUILTY AND PLEA AGREEMENT

The United States of America, by counsel, Josh J. Minkler, United States Attorney for the Southern District of Indiana, and Cynthia J. Ridgeway and Kristina M. Korobov, Assistant United States Attorneys (“the Government”), and the defendant, MOHAMED MAHMOUD (“the defendant”), in person and by counsel, James H. Voyles, Jr. and Frederick Vaiana, hereby inform the Court that a Plea Agreement has been reached in this case pursuant to Federal Rule of Criminal Procedure 11(c)(1)(A) and 11(c)(1)(B). The following are its terms and conditions:

Part 1: Guilty Plea and Charge(s)

1. **Plea of Guilty:** The defendant petitions the Court for leave to enter and agrees to enter a plea of guilty to Count One as charged in the Superseding Indictment, which charges Conspiracy to Commit Racketeer Influenced and Corrupt Organizations, in violation of Title 18, United States Code, Section 1962(d).

2. **Potential Maximum Penalties:** Count One is punishable by a maximum sentence of twenty (20) years’ imprisonment, a \$500,000.00 fine, and not more than three (3) years’ supervised release following any term of imprisonment.

3. Elements of the Offense: To sustain the offense to which the defendant is pleading guilty, the Government must prove the following elements beyond a reasonable doubt:

- First: That Elite Enterprise was an “enterprise”; and
- Second: That the defendant was associated with or employed by the Enterprise; and
- Third: That the defendant knowingly conducted or participated in the conduct of the affairs of Elite Enterprise through the pattern of racketeering activity as described in Count One of the Superseding Indictment; and
- Fourth: That the activities of Elite Enterprise affected interstate commerce; and
- Fifth: That the commission of at least one of the racketeering acts described in Count One of the Superseding Indictment occurred on or after five years prior to the return of the Superseding Indictment.

Part 2: General Provisions

4. 18 U.S.C. § 3553(a) and Sentencing Guidelines: The defendant acknowledges that this Plea Agreement is governed by Federal Rule of Criminal Procedure 11(c)(1)(B) and that the Court will use its discretion to fashion a sentence within the statutory range set forth in Paragraph 2. The defendant agrees and understands that the Court will consider the factors set forth in 18 U.S.C. § 3553(a) in determining the appropriate sentence within the statutory range. The defendant understands that the final determination concerning the advisory guideline calculation, criminal history category, and sentence guideline range will be made by the Court. The defendant understands that if the Court decides to impose a sentence higher or lower than any recommendation of either party, or determines a different advisory sentencing guideline range, then the defendant will not be permitted to withdraw the plea of guilty for that reason and will be bound by the plea of guilty.

5. Plea Agreement Based on Information Presently Known: The defendant recognizes and understands that this Plea Agreement is based upon the information presently known to the Government.

6. No Protection From Prosecution for Unknown or Subsequent Offenses: The defendant acknowledges and agrees that nothing in this agreement shall protect the defendant in any way from prosecution for any offense not specifically covered by this agreement, or not known to the United States Attorney for the Southern District of Indiana at this time. The defendant further acknowledges and agrees that nothing in this agreement shall protect the defendant in any way from prosecution for any offense committed after the date of this agreement.

7. Rights Under Rule 11(b), Fed. R. Crim. P.: The defendant understands that the Government has the right, in a prosecution for perjury or false statement, to use against the defendant any statement that the defendant gives under oath during the guilty plea colloquy. The defendant also understands that the defendant has the right: (A) to plead not guilty, or having already so pleaded, the right to persist in that plea; (B) to a jury trial; (C) to be represented by counsel—and if necessary have the court appoint counsel—at trial and at every other stage of the proceedings, including appeal; and (D) to confront and cross-examine adverse witnesses, to be protected from compelled self-incrimination, to testify and present evidence, and to compel the attendance of witnesses. The defendant also understands that the Constitution guarantees the right to be considered for release until trial¹; and if found guilty of the charge(s), the right to appeal the conviction on such charge(s) to a higher court. The defendant understands that if the Court accepts this plea of guilty, the defendant waives all of these rights.

¹Title 18, U.S.C. §§ 3141-3156, Release and Detention Pending Judicial Proceedings.

Part 3: Sentence to be Imposed

8. Sentencing Recommendation Pursuant to Federal Rule of Criminal

Procedure 11(c)(1)(B):

A. Imprisonment: At the time of sentencing, the defendant understands that the Court will use its discretion to fashion a sentence within the statutory range set forth in Paragraph 2. In exchange for the concessions in the Plea Agreement, the government agrees to recommend a sentence of imprisonment at the low end of the Guideline range determined by the Court.

B. Fine: The parties agree that the imposition of a fine in this case is left to the discretion of the Court.

C. Placement: The defendant does not make a specific request at this time that this Court recommend to the Federal Bureau of Prisons that the defendant serve any sentence of imprisonment imposed in this case at a specific United States Penitentiary.

D. Programs and/or Treatment: The defendant will notify Court and counsel prior to the filing of the final Presentence Investigation Report of any requests that the Court recommend to the Federal Bureau of Prisons that the defendant participate in specific programs or receive specific treatment while serving any sentence of imprisonment imposed in this case. The defendant acknowledges and understands that any recommendation by the Court is only a recommendation and does not bind the Federal Bureau of Prisons. The government does not object to this procedure and reserves the right to object to specific programs or treatment upon notice.

E. Supervised Release: Both parties reserve the right to present evidence and arguments concerning whether the Court should impose a term of supervised release to follow

any term of imprisonment in this case, the duration of any term of supervised release, and the terms and conditions of the release.

F. Conditions of Supervised Release: The parties understand and agree that the Court will determine which standard and special conditions of supervised release to apply in this case. The parties reserve the right to present evidence and arguments concerning these conditions. However, to assist the Court, the parties have carefully considered the factors listed in 18 U.S.C. § 3553 and jointly recommend that the Court impose the Special Conditions of supervised release set forth below, in addition to any other Standard and Special Conditions which the Court deems appropriate in this case:

i) No contact directly or indirectly with government witnesses or co-defendants charged in the instant matter.

G. Probation: The parties agree that the imposition of a term of probation in this case is left to the discretion of the Court.

H. No Appeal of Supervised Release Term and Conditions: As discussed in greater detail below, the parties' reservation of the rights to present evidence and arguments to the Court concerning the length and conditions of supervised release or probation is not intended to be inconsistent with the Waiver of Appeal specified below, which includes a waiver of the right to appeal to the length and conditions of the period of supervised release.

I. Mandatory Special Assessment: The defendant will pay a total of \$100.00 on the date of sentencing or as ordered by the Court to the Clerk, United States District Court, which amount represents the mandatory special assessment fee imposed pursuant to 18 U.S.C. § 3013.

J. Obligation to Pay Financial Component of Sentence: If the defendant is unable to pay any financial component of the defendant's sentence on the date of sentencing, then the defendant agrees that the payment of the financial component should be a condition of supervised release or probation as well as an ordered payment through the Inmate Financial Responsibility Program of the U.S. Bureau of Prisons if applicable. The defendant has a continuing obligation to pay the financial component of the sentence. The defendant further agrees that as of the date of filing this Plea Agreement the defendant will provide all requested financial information, including privacy waivers, consents, and releases requested by the Government to access records to verify the defendant's financial disclosures, to the Government for use in the collection of any fines, restitution, and money judgments imposed by the Court and authorizes the Government to obtain credit reports relating to the defendant for use in the collection of any fines and restitution, and money judgments imposed by the Court. The defendant also authorizes the Government to inspect and copy all financial documents and information held by the United States Probation Office. If the defendant is ever incarcerated in connection with this case, the defendant will participate in the Bureau of Prisons Inmate Financial Responsibility Program, regardless of whether the Court specifically directs participation or imposes a schedule of payments.

K. Restitution: The Court shall order restitution to each victim in the full amount of each victim's losses as required by law and determined by the Court.

The defendant agrees that, while the District Court sets the payment schedule, this schedule may be exceeded if and when the defendant's financial circumstances change. In that event, and consistent with its statutory obligations, the Government may take any and all actions

necessary to collect the maximum amount of restitution in the most expeditious manner available.

L. Forfeiture: The defendant admits that the property listed below constitutes contraband, was used to facilitate, or constitutes the fruits of the commission of the offense(s) to which the defendant is pleading guilty, and, therefore, is subject to forfeiture to the United States. The defendant abandons all right, title, and interest in the property listed below so that proper disposition, including destruction, may be made thereof by federal, state, or local law enforcement agencies involved in the investigation of the defendant's criminal activity, without further notice or obligation whatsoever owing to the defendant. The defendant further agrees not to contest any forfeiture action brought against and consents to the forfeiture of any of the property listed below, whether any such forfeiture action is administrative, judicial, civil, or criminal, and agrees not to contest any use or destruction of any of the property listed below by any federal, state, or local law enforcement agency:

- funds up to the amount of \$30,651.02, held in JP Morgan Chase checking account number 239890295, in the name of Elite Imports, LLC, and
- funds up to the amount of \$4,936.18, held in JP Morgan Chase checking account number 611139556, in the name of Elite Imports, LLC.

The defendant consents to the entry of orders of forfeiture for such property and waives the requirements of Rules 32.2 and 43(a), Fed. R. Crim. P., regarding notice of the forfeiture in the charging document, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment. The defendant understands that the forfeiture of assets is part of the sentence that may be imposed in this case and waives any failure by the Court to advise the defendant of this, pursuant to Rule 11(b)(1)(J), at the time the defendant's guilty plea is accepted.

The defendant further agrees to waive all constitutional and statutory challenges in any manner (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this Plea Agreement on any grounds, including that the forfeiture constitutes an excessive fine or punishment.

M. Rule 11(c)(1)(A). In exchange for the concessions herein, at the sentencing hearing of this matter, the government will move to dismiss the remaining counts pending against this defendant.

Part 4: Factual Basis for Guilty Plea

9. The parties stipulate and agree that the following facts establish a factual basis for the defendant's plea(s) of guilty to the offense(s) set forth in Paragraph One, above, and that the Government would be able to establish the following facts beyond a reasonable doubt in the event this cause was to proceed to trial. The following information is only a summary of the government's evidence. This Plea Agreement is not intended to foreclose the presentation of and the government reserves the right to present additional evidence at the time of sentencing.

INTRODUCTION

A. ELITE IMPORTS, LLC, formerly doing business as Elite Motors, LLC, was a car dealership registered with the Indiana Secretary of State on or about August 26, 2010 and principally located at 4550 N. Keystone Avenue, Indianapolis, Indiana (ELITE IMPORTS). ELITE IMPORTS was in the business of buying and selling new and used motor vehicles including cars and motorcycles under the direct management of Defendant MOHAMED NOSHI MAHMOUD (Defendant NOSHI).

B. ELITE CAR IMPORTS, LLC, formerly doing business as Elite Car Motors, LLC, was a car dealership registered with the Indiana Secretary of State on or about February 19, 2013

and principally located at 8102 Pendleton Pike, Indianapolis, Indiana (ELITE CAR IMPORTS). ELITE CAR IMPORTS was in the business of buying and selling new and used motor vehicles including cars and motorcycles under the direct management of Defendant NOSHI.

C. Defendant MOHAMED MAHMOUD, a/k/a NOSHI (NOSHI) was the principal leader, organizer and manager of ELITE ENTERPRISE, defined below. Beginning on or near the date ELITE ENTERPRISE registered with the Indiana Secretary of State through approximately September 2015, defendant NOSHI participated in the operation and management of ELITE ENTERPRISE by being the principal decision maker for the ENTERPRISE and by directing other members and associates of the ENTERPRISE to engage in activity that assisted him in carrying out unlawful and other acts in furtherance of ENTERPRISE objectives. Defendant NOSHI exerted influence and control over each of the above identified auto dealerships.

D. MAHDI KHELIFI (KHELIFI) was a member of ELITE ENTERPRISE and beginning on or near the date ELITE ENTERPRISE registered with the Indiana Secretary of State through approximately September 2015, promoted its objectives as a managing sales associate involved in the day-to-day operations of the dealerships including participating in legal and illegal activity at the direction of defendant NOSHI and other ENTERPRISE leaders and members.

E. ISSA KAYYALI (KAYYALI) was a member of ELITE ENTERPRISE and beginning in or around October 2013 through approximately September 2015, promoted its objectives as a sales associate involved in the day-to-day operations of the dealerships including participating in legal and illegal activity at the direction of defendant NOSHI and other ENTERPRISE leaders and members.

F. HAMZA DRIDI, a/k/a “Alex” (DRIDI) was a member of ELITE ENTERPRISE and beginning on or near the date ELITE ENTERPRISE registered with the Indiana Secretary of State through approximately September 2015, promoted its objectives as a service manager and mechanic involved in the day-to-day operations of the dealerships including participating in legal and illegal activity at the direction of defendant NOSHI and other ENTERPRISE leaders and members.

G. D.P. was a member of ELITE ENTERPRISE and beginning in or around June 2012 through approximately September 2015, promoted its objectives as a Finance Manager involved in the day-to-day operations of the dealerships including participating in legal and illegal activity at the direction of defendants NOSHI, KHELIFI, and other ENTERPRISE leaders and members.

H. P.T. was a member of ELITE ENTERPRISE and beginning in or around May 2013 through approximately September 2015, promoted its objectives as a Finance Manager involved in the day-to-day operations of the dealerships including participating in legal and illegal activity at the direction of Defendants NOSHI, KHELIFI, D.P. and other ENTERPRISE leaders and members.

I. S.W., K.K., C.B., and E.A. were associates of ELITE ENTERPRISE and promoted its objectives through participating in legal and illegal activity at the direction of defendants NOSHI, KHELIFI, D.P., P.T., and other ENTERPRISE leaders and members. S.W. worked in this capacity beginning in or around 2014 through approximately September 2015. K.K. worked in this capacity beginning in or around 2013 through approximately September 2015. C.B. worked in this capacity beginning in or around 2013 through approximately 2015. E.A. worked in this capacity during 2015.

THE ELITE ENTERPRISE

J. The individuals identified above, the two car dealerships, ELITE IMPORTS, LLC, and ELITE CAR IMPORTS, LLC, and several shell companies including, but not limited to LEVERAGE GROUP, a/k/a “LG,” a/k/a “LG/HG,” UNIVERSAL MULTIMEDIA MARKETING, ABC CONSTRUCTION, NINECORP & ASSOCIATES, and HAMILTON GROUP, a/k/a “Hamilton Business Group,” constituted an association-in-fact enterprise, referred to herein as ELITE ENTERPRISE or the ENTERPRISE. ELITE ENTERPRISE was an “enterprise” consisting of legal entities and individuals all associated-in-fact, as defined by Title 18, United States Code, Section 1961(4). The ENTERPRISE constituted an ongoing organization whose leaders, members, and associates functioned through illicit and other acts as a continuing unit for the common purpose of achieving the objectives of the ENTERPRISE. ELITE ENTERPRISE was engaged in, and its activities affected, interstate commerce through the purchase and sale of motor vehicles and the transfer of money, among other things.

MANNER AND MEANS OF THE ENTERPRISE

K. The defendants and their associates conducted and knowingly participated in the conduct and affairs of the Enterprise through three interlocking, but distinct fraud schemes: (1) lender fraud, achieved through a series of substantive mail and wire fraud acts and conspiracy to commit the same; (2) fraud against insurance carriers, achieved through the dismantling and disassembling of motor vehicles and a series of false misrepresentations and omissions resulting in the interstate transfer of money; and (3) floor plan fraud, achieved through a series of wire fraud acts and conspiracy to commit the same.

Mail Fraud and Wire Fraud (Lender Financing)

L. It was part of the scheme to defraud that defendants NOSHI, KHELIFI, KAYYALI, D.P., P.T. and other ELITE ENTERPRISE members procured fraudulent documents from S.W., K.K., and other individuals, which documents and false and fraudulent information contained therein, were submitted electronically and via U.S. mail in loan applications to financial and lending institutions to underwrite the purchase of motor vehicles including cars and motorcycles from ELITE IMPORTS and ELITE CAR IMPORTS for ENTERPRISE customers and to benefit the ENTERPRISE and its members. A few examples of the false and fraudulent information included in the loan application were inflated down payment, employment status, salaries earned, and vehicle description.

M. It was further part of the scheme to defraud that in some, but not all instances, the fraudulent documents submitted by defendants D.P., KHELIFI, and other ELITE ENTERPRISE members to financial and lending institutions to underwrite the purchase of motor vehicles including cars and motorcycles from ELITE IMPORTS, LLC, and ELITE CAR IMPORTS, LLC, for ENTERPRISE customers and to benefit the ENTERPRISE and its members, included a means of identification of another such as Social Security number and date of birth, among other things. These actions were done under the general supervision of defendant NOSHI and in at least some, but not all instances, with his direct knowledge.

N. It was further part of the scheme to defraud that in some, but not all instances, the fraudulent documents submitted by defendants D.P., KHELIFI, and other ELITE ENTERPRISE members to financial and lending institutions to underwrite the purchase of motor vehicles including cars and motorcycles from ELITE IMPORTS, LLC, and ELITE CAR IMPORTS, LLC, for ENTERPRISE customers and to benefit the ENTERPRISE and its members, included paystubs purporting to be from LEVERAGE GROUP, a/k/a "LG," a/k/a "LG/HG,"

UNIVERSAL MULTIMEDIA MARKETING, ABC CONSTRUCTION, NINECORP & ASSOCIATES, and HAMILTON GROUP, a/k/a “Hamilton Business Group,” and other business entities operating as shell companies used as a vehicle for the business transactions, when in truth and in fact, as the defendants and ELITE ENTERPRISE associates well knew, the applicants were not so employed.

O. It was further part of the scheme to defraud that defendants KHELIFI, P.T., K.K., E.A., S.W., and other ELITE ENTERPRISE members and associates created fraudulent documents, which documents and false and fraudulent information contained therein, were submitted electronically and via U.S. mail in loan applications to financial and lending institutions to underwrite the purchase of motor vehicles including cars and motorcycles from ELITE IMPORTS, LLC, and ELITE CAR IMPORTS, LLC, for ELITE ENTERPRISE customers and to benefit the ENTERPRISE and its members. Examples of these fraudulent documents included, but were not limited to driver’s licenses, social security cards, business paystubs, bank statements, and utility bills. These actions were done under the general supervision of defendant NOSHI and in at least some, but not all instances, with his direct knowledge.

P. It was further part of the scheme to defraud that as a result of the false and material pretenses, misrepresentations, and omissions made by ELITE ENTERPRISE members acting on behalf of the ENTERPRISE, financial and lending institution funds intended to underwrite the purchase of motor vehicles including cars and motorcycles from ELITE IMPORTS, LLC, and ELITE CAR IMPORTS, LLC, for ENTERPRISE customers and to benefit the ENTERPRISE and its members were received and deposited into ENTERPRISE bank accounts.

Q. Specific examples of the fraudulent documents and information procured, created, and submitted by ELITE ENTERPRISE members acting on behalf of the ENTERPRISE and under the general supervision of defendant NOSHI, some but not all of which were with his direct knowledge, are set forth below:

	APPROXIMATE DATE	LENDING INSTITUTION	FALSE PRETENSE, REPRESENTATION AND OMISSION
A.	01/29/13	American Credit Acceptance, LLC	S.W. was employed by Universal MultiMedia Marketing
B.	02/26/13	American Credit Acceptance, LLC	Consumers N. P. and T.P. were employed by NineCorp & Associates
C.	05/14/13	American Credit Acceptance, LLC	Consumer B.D. was employed by Leverage Group
D.	09/26/13	American Credit Acceptance, LLC	C.B. was employed by Hamilton Business Group
E.	02/17/14	Pelican Auto Finance, LLC	Consumer B.A. was employed by Universal MultiMedia Marketing
F.	05/06/14	Tebo Financial Services	Consumer A.G. was employed by Leverage Group, LLC
G.	05/24/14	Pelican Auto Finance, LLC	Consumer S.B. was employed by Leverage Group, and had current Indiana Power and Light utility service
H.	06/09/14	United Auto Credit	Consumer A.T. was employed by Hamilton Group, LLC
I.	08/26/14	Go Financial Lending, LLC	Consumer Z.J. was employed by Hamilton Group
J.	08/27/14	Go Financial Lending, LLC	Consumer W.H. was employed by Universal MultiMedia Marketing
K.	10/29/14	Santander Consumer USA, Inc.	S.W. held a valid Indiana Driver's License and was employed by Universal MultiMedia Marketing
L.	12/08/14	Pelican Auto Finance, LLC	C.B. was employed by LG
M.	01/21/15	Santander Consumer USA, Inc.	Consumer A.K. was employed by Inter Market Logist, a/d/b/a "Entermarket"
N.	02/02/15	Santander Consumer USA, Inc.	Consumer A.C. was employed by Hamton [sic] Group and held a valid Indiana Driver's License
O.	02/04/15	Santander Consumer USA, Inc.	Consumer P.G. had current Indiana Power and Light utility service
P.	02/06/15	United Auto Credit	Consumer F.T. held a valid Indiana Driver's License

Q.	02/12/15	United Auto Credit	Consumer J.C. held a valid Indiana Driver's License
R.	03/09/15	United Auto Credit	Consumer C.C. was employed by ABC Construction
S.	03/20/15	Reliable Auto Finance	Consumer C.B. was employed by VIP Lounge
T.	03/24/15	Pelican Auto Finance, LLC	E.A.'s SSN ended 4198
U.	04/02/15	Pelican Auto Finance, LLC	Consumer M.M.'s SSN ended 4969 and M.M.'s DOB was XX/XX/1979
V.	04/06/15	Santander Consumer USA, Inc.	Consumer M.M.'s SSN ended 4969 and M.M.'s DOB was XX/XX/1979
W.	04/23/15	Santander Consumer USA, Inc.	Consumer R.H. was employed by Elite Wireless
X.	05/28/15	Pelican Auto Finance, LLC	Consumer B.E.'s SSN ended 6171 and B.E. was employed by Leverage Group, LLC
Y.	07/30/15	Coastal Credit, LLC	Consumer A.K. was employed by Inter Market Logist, a/d/b/a "Entermarket"
Z.	08/05/15	United Auto Credit	Consumer J.P. was employed by ABC Construction
AA.	09/18/15	Veros Credit	K.K. was employed by "Nine" (Ninecorp & Associates) and was issued SSN ending 2336
BB.	05/23/14	Pelican Auto Finance, LLC	Consumer A.G.'s SSN ended 8918 and A.G. was employed by Leverage Group, LLC

Insurance Fraud, Interstate Transportation of Stolen Property and Chop Shops

R. Defendants NOSHI, KHELIFI, KAYYALI, DRIDI, D.P., P.T., C.B., and other ELITE ENTERPRISE members and associates conspired to and materially misled insurance carriers through the submission of false claim information asserting, in some instances, that motor vehicles including cars and motorcycles were stolen or damaged. Following the submission of fraudulent insurance claims, in many but not all instances, defendants NOSHI, KHELIFI, DRIDI, D.P. and other members and associates of ELITE ENTERPRISE instructed dealership customers to claim proceeds through insurance policies or were aware of the activity and deliberately ignored the same.

S. ELITE ENTERPRISE members and associates used a storage unit leased by defendant NOSHI that was physically located behind the Keystone Avenue dealership at 4530 B. N. Keystone Avenue, Indianapolis, Indiana (the “storage unit”), to receive, conceal, disassemble, dismantle, reassemble, and store motor vehicles and motor vehicle parts, some of which had been unlawfully obtained and obtained by fraud in order to alter, counterfeit, deface, destroy, disguise, falsify, forge, obliterate, or remove the identity including the vehicle identification number or derivative thereof, of such motor vehicle or motor vehicle part.

T. In or around September 2015, agents with the Federal Bureau of Investigation, the U.S. Postal Inspector, and the U.S. Social Security Administration Office of Inspector General searched the business premises of the two ELITE ENTERPRISE car dealerships and the storage unit located on Keystone Avenue and Pendleton Pike in Indianapolis, Indiana, among other locations. During the searches, nine (9) vehicles and vehicle parts identified by unique vehicle identification number (VIN) that were the subject of insurance claims alleging theft were located. Some, but not all of the insurance claims resulted in the payment of insurance proceeds. An example of these fraudulent insurance claim submissions is set forth below:

	APPROXIMATE DATE	INSURANCE CARRIER	CLAIMANT	FALSE PRETENSE, REPRESENTATION AND OMISSION
A.	10/16/13	Omni Insurance Company	C.B.	Stolen Vehicle Claim: 2006 Land Rover Range Rover, VIN SALSF254X6A973204
B.	9/12/14	Sentry Insurance	Defendant KHELIFI	Stolen Vehicle Claim: 2009 Ducati Monster 696, VIN ZDM1RADN19B023167
C.	10/02/14	Progressive	Defendant KAYYALI	Stolen Vehicle Claim: 2006 Dodge Charger, VIN 2B3KA43G06H461310

D.	03/05/15	Esurance Property and Casualty Insurance Company	A.P.	Stolen Vehicle Claim: 2000 Mercedes ML 320, VIN 4JGAB72E4YA182948
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U. By way of example, as set forth above, on or before December 16, 2013, D.P. and C.B. agreed to submit an insurance claim alleging the 2006 Land Rover Range Rover VIN ending 3204, above, was stolen. Following the claim, P.T. submitted a guarantee dealer of title knowing full well that the claim was fraudulent. Witnesses to the insurance fraud agreement including C.B. and D.P. would testify that defendant NOSHI was advised of the agreement and defendant NOSHI informed C.B. he would “take care of her.” Similarly, the other insurance claims described above occurred under the general supervision of defendant NOSHI and either with his direct knowledge or deliberate ignorance of the same.

Wire Fraud (Floor Plan Fraud)

V. Defendants NOSHI, KHELIFI, KAYYALI, DRIDI, D.P., P.T., and members and associates of ELITE ENTERPRISE devised a scheme, intended to devise, and participated in a scheme to defraud specialty finance companies involved in floor plan inventory financing, and to obtain money from the specialty finance companies, by means of false and fraudulent pretenses and representations.

W. It was part of the scheme to defraud that defendants NOSHI, KHELIFI, D.P., and other ELITE ENTERPRISE managers secured short term financing and lines of credit from specialty finance companies to acquire inventory including motor vehicles, a process referred to as “floor planning” inventory. These “floor planned” vehicles would remain on the car dealerships’ lots for subsequent sale. The specialty finance companies would, in most cases, audit the inventory at ELITE IMPORTS and ELITE CAR IMPORTS on a bi-weekly or monthly

basis. Following a sale, the ELITE IMPORTS and ELITE CAR IMPORTS car dealerships were required to: (1) tender the purchase price of the “floor planned” vehicle to the specialty finance company, which would, in turn, trigger the release of proper vehicle title from the specialty finance company to the dealership to transfer to the buyer, and (2) update the title of the “floor planned” vehicle within 21-days from the date of sale with the Indiana Bureau of Motor Vehicles (BMV).

X. Defendants NOSHI, KHELIFI, KAYYALI, DRIDI, D.P., and other ELITE ENTERPRISE members and associates sold some, but not all, “floor planned” vehicles from the ELITE IMPORTS and ELITE CAR IMPORTS car dealership lots “out of trust” that is, the vehicle was sold by ENTERPRISE members without tendering the purchase price to the specialty finance company, perfecting the vehicle title, or notifying the buyer about the imperfect title. In some, but not all of these occasions, financing had not been fully received by the dealership, but vehicle possession had been tendered to the customer.

Y. Following the “out of trust” sale of a “floor planned” vehicle, defendants NOSHI and KHELIFI would direct P.T., and other ELITE ENTERPRISE to access and process copies of the vehicle title through the ENTERPRISE’s Online Registration System through the BMV Dealer Track portal knowing full well that the title had not been perfected and the specialty finance company had not been paid. Defendant P.T. did not receive direction from defendants NOSHI or KHELIFI for each transaction; rather understood the process as overseen by these defendants and would seek specific guidance only if necessary.

Z. On numerous occasions, defendants NOSHI, KHELIFI, KAYYALI, D.P., P.T., and other ELITE ENTERPRISE members and associates failed to provide original and perfected

title to ENTERPRISE customers, and on some occasions, provided and used copies of vehicle titles for registration with the Indiana BMV.

AA. On numerous occasions, defendants NOSHI, KHELIFI, KAYYALI, DRIDI, D.P., P.T., and other ELITE ENTERPRISE members and associates instructed customers of ELITE IMPORTS and ELITE CAR IMPORTS to return the “floor planned” vehicle to the car dealership to avoid detection by the specialty finance company during an audit. Upon arrival to the dealership, the temporary license plates would be removed from the “floor planned” vehicles in an effort to conceal the fact that vehicle possession had been tendered to the consumer.

BB. On numerous occasions, defendants NOSHI, KHELIFI, KAYYALI, D.P., P.T., other ELITE ENTERPRISE members and associates deceived the specialty finance company auditors by providing misleading information about the whereabouts and location of some of the “floor planned” vehicles.

Part 5: Other Conditions

10. Background Information: The defendant acknowledges and understands that no limitation shall be placed upon the Court’s consideration of information concerning the background, character, and conduct of the defendant for the purpose of imposing an appropriate sentence. The defendant acknowledges and understands that the Government is not prohibited from providing information concerning background, character, and conduct of the defendant for the purpose of recommending or advocating an appropriate guideline calculation and sentence.

11. Good Behavior Requirement: The defendant agrees to fully comply with all conditions of release imposed by the Court during all stages of this case. If the defendant fails to fully comply with such conditions, then the Government may withdraw from this Agreement.

12. Compliance with Federal and State Laws: The defendant understands that the obligations of the Government in this Plea Agreement are expressly contingent upon the defendant abiding by federal and state laws.

Part 6: Sentencing Guideline Stipulations

13. Guideline Computations: Pursuant to Section 6B1.4 of the Sentencing Guidelines, the parties agree to the Stipulations below. The parties understand and agree that these Stipulations are binding on the parties but are only a recommendation to the Court and that the Court will determine the advisory sentencing guidelines applicable in this case. The parties agree that no stipulation regarding any factors in Chapter 4, Criminal History Category, of the Sentencing Guidelines has been made, and that such determination will be made by the Court. The 2016 version of the Sentencing Guidelines has been used by the parties to make the stipulations set forth below.

A. Base Offense Level. The base offense level for the Racketeering Conspiracy charged in Count One of the Information is **seven (7)** pursuant to §§ 2B1.1(a)(1), 2E1.1.

B. Specific Offense Characteristics. Because the loss involved in the offense exceeded \$1.5 million, the base offense level is increased by **sixteen (16)** levels, pursuant to § 2B1.1(b)(1)(I). The defendant reserves the right to object to this loss calculation.

C. Ten or More Victims. Because the offense involved 10 or more victims, the base offense level is increased by **two (2)** levels, pursuant to § 2B1.1(b)(2)(A).

D. Offense Involving Stolen Property. Because the offense involved receiving stolen property and the defendant was involved in an organized scheme to steal or to receive stolen vehicles or vehicle parts, the base offense level is increased by **two (2)** levels, pursuant to § 2B1.1(b)(14).

E. Acceptance of Responsibility. To date, the defendant has demonstrated a recognition and affirmative acceptance of personal responsibility for the defendant's criminal conduct. Based upon the defendant's willingness to accept a Plea Agreement and enter a plea of guilty to the criminal conduct noted in this agreement, the Government agrees that the defendant should receive a **two (2) level reduction**, pursuant to Guideline § 3E1.1(a). Because the defendant timely notified the Government of defendant's intention to enter a plea of guilty thereby permitting the Government to avoid preparing for trial and permitting the Government and the Court to allocate their resources efficiently, the Government will move the court for an additional **one (1) level reduction**, pursuant to Guideline § 3E1.1(b). These acceptance of responsibility reductions are subject to the defendant satisfying the criteria set forth in Guideline § 3E1.1 up to and including the time of sentencing. The parties reserve the right to present evidence and arguments concerning the defendant's acceptance of responsibility at the time of sentencing.

F. Final Offense Level: Based upon all of these stipulations, if the Court deems U.S.S.G. § 2B1.1(b)(1)(I)(loss exceeding \$1.5 million but less than \$3.5 million) is applicable, the defendant faces a final offense level of **twenty-four (24)**.

Part 7: Waiver of Right to Appeal

14. Direct Appeal: The defendant understands that the defendant has a statutory right to appeal the conviction and sentence imposed and the manner in which the sentence was determined. Acknowledging this right, and in exchange for the concessions made by the Government in this Plea Agreement, the defendant expressly waives the defendant's right to appeal the conviction imposed in this case on any ground, including the right to appeal conferred by 18 U.S.C. § 3742. The defendant further agrees that regardless of the defendant's criminal

history category or how the sentence is calculated by the Court, the defendant expressly waives the defendant's right to appeal the sentence imposed in this case on any ground, including the right to appeal conferred by 18 U.S.C. § 3742. This waiver of appeal specifically includes all provisions of the guilty plea and sentence imposed, including the length and conditions supervised release and the amount of any fine.

15. Collateral Attack: Additionally, the defendant expressly agrees not to contest, or seek to modify, the defendant's conviction or sentence or the manner in which either was determined in any proceeding, including but not limited to, an action brought under 18 U.S.C. § 3582 or 28 U.S.C. § 2255. As concerns this Section 3582 waiver, should the United States Sentencing Commission and/or Congress in the future amend the Sentencing Guidelines to lower the guideline range that pertains to the defendant's offense(s) and explicitly make such an amendment retroactive, the government agrees that it will not assert this waiver as a bar to the defendant filing a motion with the district court pursuant to 18 U.S.C. § 3582(c)(2). However, if the defendant files such a motion, the government reserves the right to oppose the motion on any other grounds, and reserves the right to assert this waiver as a bar to an appeal from the district court's decision regarding the motion. As concerns the Section 2255 waiver, the waiver does not encompass claims, either on direct or collateral review, that the defendant received ineffective assistance of counsel.

16. No Appeal of Supervised Release Term and Conditions: The parties' reservation of the rights to present evidence and arguments in this Court concerning the length and conditions of supervised release is not intended to be inconsistent with the Waiver of Appeal specified above, which includes a waiver of the right to appeal to the length and conditions of the period of supervised release.

Part 8: Presentence Investigation Report

17. The defendant requests and consents to the commencement of a presentence investigation by probation officers of the United States District Court for purposes of preparing a Presentence Investigation Report at this time and prior to the entry of a formal plea of guilty.

18. The defendant further requests and consents to the review of the defendant's Presentence Investigation Report by a Judge, defendant's counsel, the defendant, and the government at any time, including prior to entry of a formal plea of guilty.

Part 9: Immigration Consequences

19. The defendant recognizes that pleading guilty may have consequences with respect to the defendant's immigration status if the defendant is not a citizen of the United States. Under federal law, a broad range of crimes are removable offenses, including the offenses to which the defendant is pleading guilty. The defendant also recognizes that removal will not occur until service of any sentence imposed in this case has been completed. Removal and other immigration consequences are the subject of a separate proceeding, however, and the defendant understands that no one, including the defendant's attorney or the Court, can predict to a certainty the effect of the conviction in this case on the defendant's immigration status. The defendant nevertheless affirms that the defendant wants to plead guilty regardless of any immigration consequences that this plea may entail, even if the consequence is the defendant's removal from the United States.

Part 10: Statement of the Defendant

20. By signing this document, the defendant acknowledges the following:

A. I have received a copy of the Information and have read and discussed it with my attorney. I believe and feel that I understand every accusation made against me in this case. I

wish the Court to omit and consider as waived by me all readings of the Information in open Court, and all further proceedings including my arraignment.

B. I have told my attorney the facts and surrounding circumstances as known to me concerning the matters mentioned in the Information, and believe and feel that my attorney is fully informed as to all such matters. My attorney has since informed, counseled and advised me as to the nature and cause of every accusation against me and as to any possible defenses I might have in this case.

C. I have read the entire Plea Agreement and discussed it with my attorney.

D. I understand all the terms of the Plea Agreement and those terms correctly reflect the results of plea negotiations.

E. Except for the provisions of the Plea Agreement, no officer or agent of any branch of government (federal, state or local), nor any other person, has made any promise or suggestion of any kind to me, or within my knowledge to anyone else, that I would receive a lighter sentence, or probation, or any other form of leniency, if I would plead "Guilty". I respectfully request that the Court consider in mitigation of punishment at the time of sentencing the fact that by voluntarily pleading "Guilty" I have saved the Government and the Court the expense and inconvenience of a trial. I understand that before it imposes sentence, the Court will address me personally and ask me if I wish to make a statement on my behalf and to present any information in mitigation of punishment.

F. I am fully satisfied with my attorney's representation during all phases of this case. My attorney has done all that anyone could do to counsel and assist me and that I fully understand the proceedings in this case against me.

G. I make no claim of innocence, and I am freely and voluntarily pleading guilty in this case.

H. I am pleading guilty as set forth in this Plea Agreement because I am guilty of the crime(s) to which I am entering my plea.

I. I understand that if convicted, a defendant who is not a United States Citizen may be removed from the United States, denied citizenship, and denied admission to the United States in the future.

J. My attorney has informed me, and I understand, that I have the right to appeal any conviction and sentence that I receive, unless I have waived my right to appeal as part of this Plea Agreement. If I have not waived my right to appeal, I understand that I must file a Notice of Appeal within fourteen (14) days of the entry of the judgment in this case; I further understand that the Clerk of the Court will prepare and file a Notice of Appeal on my behalf if I ask that to be done. I also understand that the United States has the right to appeal any sentence that I receive under this Plea Agreement.

K. My attorney has informed me, and I understand, that if I provide or cause to be provided materially false information to a judge, magistrate-judge, or probation office, then Section 3C1.1 of the Sentencing Guidelines allows the Court to impose a two level increase in the offense level.

L. I request that any trial date be continued to permit the Court to consider this proposed guilty Plea Agreement. I further understand that any delay resulting from the Court's consideration of this proposed guilty Plea Agreement, up to and including the date on which the Court either accepts or rejects my guilty plea, will be excluded in computing the time within which trial of this cause must commence, pursuant to 18 U.S.C. § 3161(h)(1)(G).

Part 11: Certificate of Counsel

21. By signing this document, the defendant's attorney and counselor certifies as follows:

A. I have read and fully explained to the defendant all the accusations against the defendant which are set forth in the Information in this case;

B. To the best of my knowledge and belief each statement set forth in the foregoing petition to enter plea of guilty and Plea Agreement is in all respects accurate and true;

C. The plea of "Guilty" as offered by the defendant in the foregoing petition to enter plea of guilty and Plea Agreement accords with my understanding of the facts as related to me by the defendant and is consistent with my advice to the defendant;

D. In my opinion, the defendant's waiver of all reading of the Information in open court, and in all further proceedings, including arraignment as provided in Rule 10, Fed.R.Crim.P., is voluntarily and understandingly made; and I recommend to the Court that the waiver be accepted by the Court;

E. In my opinion, the plea of "Guilty" as offered by the defendant in the foregoing petition to enter plea of guilty and Plea Agreement is voluntarily and understandingly made and I recommend to the Court that the plea of "Guilty" be now accepted and entered on behalf of the defendant as requested in the foregoing petition to enter plea of guilty and Plea Agreement.

Part 12: Final Provision

22. Complete Agreement: The defendant acknowledges that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this document, to induce the defendant to plead guilty. This document is the complete and only Plea Agreement between the defendant and the United States Attorney for the Southern District of

Indiana and is binding only on the parties to the plea agreement, supersedes all prior understandings, if any, whether written or oral, and cannot be modified except in writing, signed by all parties and filed with the Court, or on the record in open court.

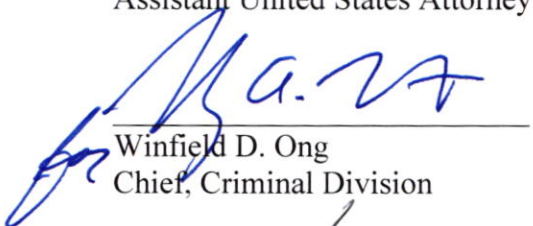
Respectfully submitted,

JOSH J. MINKLER
United States Attorney

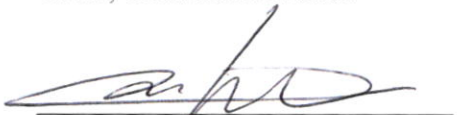
10/10/17
DATE


Cynthia J. Ridgeway
Assistant United States Attorney

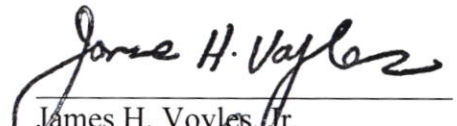
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Winfield D. Ong
Chief, Criminal Division

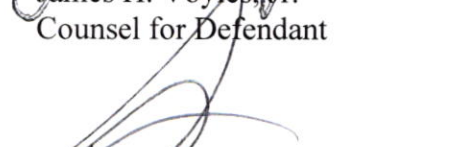
10/7/17
DATE


MOHAMED MAHMOUD
Defendant

10/10/17
DATE


James H. Voyles, Jr.
Counsel for Defendant

10/10/17
DATE


Frederick Vaiana
Counsel for Defendant