



U.S. Immigration
and Customs
Enforcement

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News Release

SIXTEEN INDIVIDUALS AND TWO COMPANIES CHARGED IN SCHEME TO ILLEGALLY OBTAIN FEDERALLY GUARANTEED LOANS

SAN FRANCISCO -- United States Attorney Kevin Ryan announced today that 16 individuals and two corporations have been charged in a 38-count indictment returned by a San Francisco grand jury on charges of conspiracy to make false statements to banks, conspiracy to commit wire fraud, false statements to influence banks, wire fraud, and money laundering in a scheme to obtain loans guaranteed by the Small Business Administration and Rural Development and thereafter launder the proceeds.

This case is the result of an eighteen-month investigation overseen by the U.S. Attorney's Office as well as special agents of U.S. Immigration and Customs Enforcement (ICE), the Federal Bureau of Investigation, Internal Revenue Service Criminal Investigation, the Small Business Administration Office of the Inspector General, and the United States Department of Agriculture Office of Inspector General. In addition, the State of California's Alcoholic and Beverage Control also provided assistance.

Under federal law, qualified individuals may obtain loans guaranteed by the Small Business Administration and the Rural Development, an agency of the United States Department of Agriculture. The indictment charges the defendants with entering into a series of separate but interconnected conspiracies to qualify for loans and then obtain monies to which Ashraf Ali, Yasmin Ali, and their co-conspirators were not legally entitled.

"Honest business people are put at a disadvantage and our local economy can ultimately suffer when these government programs are abused," said U.S. Attorney Kevin Ryan. "The loans involved in this case are designed for rural development by creating jobs, and we are committed to prosecuting these abuses. I appreciate all the efforts of participating federal and state agencies who have assisted with this investigation."

The defendants named in the thirty-eight count indictment unsealed in court today before the Honorable Edward M. Chen are as follows: Ashraf Ali a/k/a "Mike" Ali, 51, of Pleasanton, his wife, Yasmin Ali, 48, also of Pleasanton, Mohammed Mir, 40, of Mountain View, Muhammad Farooq, 50, of Pleasant Hill, Humayoon Lodhi, 47, of Santa Rosa, Enayat Khuwaja, 52, of Santa Rosa, Ahmed Basheer, 29, of Petaluma, Fatma Khuwaja, 49, Santa Rosa, Jasmer Mann, 47, of Santa Rosa, Surinder Kaur, 46, of Santa Rosa, Jatinder Sangha, 54, of American Canyon, Manjit Singh, 50, of American Canyon, Abdul Waheed, 36, of Petaluma, Mukul Yajnik, 46, of Rohnert Park, Vinay Khullar, 38, of Tracy, and Majid Mahmood, 31, of Eureka, California; the indictment also charges two business entities as defendants, Shawn Corporation and AASIM

Enterprises, Inc.

Ashraf Ali is the sole shareholder of Shawn Corporation, a California corporation with its headquarters in Benicia. His wife, Yasmin Ali, is the sole shareholder of AASIM Enterprises, a California corporation that also maintains its headquarters in Benicia. Ashraf and Yasmin Ali own and/or control a series of convenience stores throughout the Bay Area and Northern California. The remaining defendants all have current or prior business interests in convenience stores owned and/or controlled by Ashraf and Yasmin Ali.

A second, related five-count indictment was also unsealed in court today before the Honorable Edward M. Chen and listing as defendants Ashraf Ali, Yasmin Ali, Abdul Waheed, and Noor Mohammad. Noor Mohammad, 40, who was not named in the first indictment, is a resident of St. Helena. All four defendants in this indictment are charged with harboring illegal aliens. In addition, Ashraf Ali is also charged with engaging in a pattern and practice of hiring illegal aliens; Ashraf and Yasmin Ali are further charged with engaging in a pattern and practice of continuing to employ illegal aliens.

For the first indictment, the maximum statutory penalty for each count of conspiracy is 5 years and a fine of \$250,000. The maximum statutory penalty for each count of false statements to influence banks or wire fraud is 30 years, \$1,000,000 fine, and restitution. The maximum statutory penalty for money laundering is 20 years imprisonment and a \$500,000 fine. Certain defendants may also face additional penalties of the forfeiture to the United States of proceeds resulting from their criminal activities as well as restitution to their victims.

For the second indictment, the maximum statutory penalty for each count of harboring illegal aliens is 10 years imprisonment and a \$250,000 fine. The maximum statutory penalty for each count of engaging in a pattern or practice of hiring or continuing to employ illegal aliens is 6 months imprisonment, and a \$3,000 fine (per alien).

Any sentence following conviction for any of the charges contained in the two indictments would be dictated by the Federal Sentencing Guidelines, which take into account a number of factors, and would be imposed in the discretion of the Court. It is important to note that an indictment simply contains allegations against an individual and, as with all defendants, all defendants named in both indictments must be presumed innocent unless and until convicted.

No-bail arrest warrants were issued for all defendants except the two corporations; they were executed earlier today around Northern California. Timothy Lucey and Monica Fernandez are the Assistant U.S. Attorneys who are prosecuting the case.

ICE

U.S. Immigration and Customs Enforcement (ICE) is the largest investigative arm of the Department of Homeland Security. ICE seeks to prevent acts of terrorism by targeting the people, money and materials that support terrorist and criminal activities.