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# Identifying the Links

between

## White-collar Crime and Terrorism

for the Enhancement of Local and State Law Enforcement

Investigation and Prosecution



September 2004

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**ABSTRACT**

The threat of terrorism has become the principal security concern in the United States since September 11, 2001. One method of addressing this threat has been the enactment and modification of laws and rules, such as the USA PATRIOT Act, Border Security and Visa Entry Reform Act, and federal fraud statutes. All of these legal vehicles deal with crimes that have been traditionally referred to as white-collar crimes (WCCs), including money laundering, identity theft, credit card fraud, insurance fraud, immigration fraud, illegal use of intellectual property, and tax evasion. Reasons behind this approach to counter-terrorism include the belief that terrorist activities require funding, not only for weaponry, but also for training, travel, and living expenses. In addition, the need for anonymity during the planning stages of terrorist activities requires various acts of deception, such as the creation and use of false identifications.

The purpose of this report is to identify and describe the relationship between WCC and terrorism in a way that is useful to law enforcement and prosecutors for recognizing and deterring terrorist activities in the U.S. The intended audience is state and local law enforcement and prosecutors because criminal activity is often first identified at state and local levels, yet investigative, enforcement, and prosecuting personnel at these levels of government often have limited access to resources, including training, intelligence, and other information. Although many terrorism-related cases are investigated and prosecuted at the federal level, it is crucial for state and local personnel to develop knowledge and skills that are needed to identify suspected terrorism-related activities and develop a working knowledge of laws and procedures that is needed to identify and secure evidence that is admissible, relevant, and compelling in a criminal case, regardless of jurisdictional venue.

The central focus of the report is a detailed study of cases investigated and prosecuted in Colorado that involve members of a terrorist group known as Jamaat Ul Fuqra. (Fuqra). A substantial component of these cases is a worker's compensation scheme that involved not only fraudulent insurance claims but also identification fraud, money laundering, and tax evasion. Information on these cases was gathered through interviews and document analysis and is presented in subject modules that identify challenges and successes of the Fuqra cases, as well as recommendations for investigation techniques and agency practices.

## **Identifying the Links between White-collar Crime and Terrorism**

for the Enhancement of Local and State Law Enforcement Investigation and Prosecution

### **EXECUTIVE SUMMARY**

The threat of terrorism has become the principal security concern in the United States since September 11, 2001 (9/11). One method of addressing this threat has been the enactment and modification of laws and rules, such as the USA PATRIOT Act, Border Security and Visa Entry Reform Act, and federal fraud statutes. All of these legal vehicles deal with crimes that have been traditionally referred to as white-collar crimes (WCCs), or crimes that are non-violent in nature and usually involve some form of deception, or fraud, to achieve financial gain.<sup>1</sup> These crimes include, but are not limited to, credit card fraud, insurance fraud, identity theft, money laundering, immigration fraud, and tax evasion. Reasons behind this approach to counter-terrorism include the belief that terrorist activities require funding, not only for weaponry, but also for training, travel, and living expenses. In addition, the need for anonymity during the planning stages of terrorist activities requires various acts of deception, such as the creation and use of false identifications<sup>2</sup> (to enter the country, gain employment, acquire equipment, and accumulate money) and money laundering<sup>3</sup> (to hide the source, destination, use, and amount of money acquired).

The purpose of this report is to identify and describe the relationship between WCC and terrorism in a way that is useful to law enforcement and prosecutors for recognizing and deterring terrorist activities in the United States. The intended audience is state- and local-level law enforcement and prosecutors because criminal activity is often first identified at state and local levels, yet investigative, enforcement, and prosecuting personnel at these levels of

government often have limited access to resources, including training, intelligence, and other information. Although many cases involving terrorist activities are investigated and prosecuted at the federal level, it is crucial for state and local personnel to have a solid understanding of the elements of terrorist-related cases. It is important for them to develop knowledge and skills (including intuitive awareness) that are often needed to initially identify suspected terrorism-related activities. It is also useful for them to develop a working knowledge of state and federal laws and procedures so they are better prepared to identify and secure evidence that is admissible, relevant, and compelling in a criminal case, regardless of jurisdictional venue. With an understanding of federal as well as state laws and procedures, state and local personnel are in a better position to make choices about the best venue for prosecution and are better prepared to proceed with a case at the federal level if it is more fruitful to do so. If state prosecution is the most viable option, knowledge of federal cases and laws are often useful sources of information, in part because of the larger volume of cases that exists.

This report, therefore, includes data and information from both federal and state cases. It also includes information from government reports, articles, books, and other documents that explore the relationship between WCC and terrorism. An analysis of 100 federal criminal cases brought since September 11, 2001, provides descriptive information on recent terrorism-related cases, including allegations brought in nineteen states, as well as charges and penalties for each case. Included in this sample of federal cases are most of the 93 complaints and indictments publicly identified by U.S. Attorney General John Ashcroft on November 27, 2001. All of the cases include charges of WCCs, which are classified in the analysis in six major categories: identification document fraud, financial fraud, credit card fraud, immigration fraud, mail and wire fraud, and tax fraud. Identification fraud is by far the most widely charged violation in

these cases, with 54 percent of defendants charged with violations such as forgery of a passport, social security fraud, or fraud in connection with a driver's license.

A state-level perspective is provided through an analysis of criminal cases brought in Colorado against members of a known terrorist group, Jamaat Ul Fuqra. (Fuqra). Investigation in these cases began at the state level in the 1990s, when local police in Colorado found evidence of criminal activity by members of Fuqra, including documentation of a worker's compensation scheme involving fraudulent insurance claims, identification fraud, money laundering, and tax evasion. To gain a better understanding of the complex nature of terrorism-related cases that involve WCC, NW3C examined the Colorado Fuqra cases in depth through interviews of key participants and analysis of case documents. Interviews were conducted with investigators from Colorado's Office of the Attorney General and Department of Labor and Employment to identify policies and practices used in the Fuqra cases. Interviews with prosecutors were also conducted. The goal of these interviews was to identify elements of the cases that resulted in successful prosecution, including evidence gathered and legal procedures used. Documents reviewed included law enforcement reports, testimony, court depositions, interview transcripts, investigative notes, press releases, media bulletins, and graphical reports.

Information gathered from these interviews and documents is presented in this report through a series of modules that identify details of the cases and lessons learned by Colorado law enforcement and prosecutors. The first module outlines the organizational structure and activities of terrorist groups in general and Fuqra specifically. The second module details the investigation of properties in the Fuqra cases, including a vehicle search, searches of a storage locker, and a search of a training compound in Colorado. Module Three describes the steps that investigators took to verify suspected worker's compensation violations committed by four

Fuqra members, and Module Four illustrates the flow of cash from the worker's compensation fraud to the purchase of property for terrorist training. Module Five identifies some of the legal strategies, including use of state statutes and rules, to prosecute the Fuqra cases, and the final module outlines lessons learned and recommendations in five issue areas, as described by key participants in the Fuqra cases. Together these modules provide a detailed view of complex terrorism cases along with personal insights concerning successes and failures, which may be applicable to the investigation and prosecution of terrorist-related cases in the future.

The finding in the Colorado case study that WCCs play a crucial role in the daily operations and overall effectiveness of terrorist organizations is supported by studies, articles, and books about terrorist activities<sup>4</sup> as well as federal case documents. For example, terrorist suspects Ahmad Ajaj and Ramzi Yousef collected materials such as photographs, identification cards, bank records, and education records to create the false identities, which they later used to travel to the United States.<sup>5</sup> Other WCCs, such as identity theft, insurance fraud, and credit card fraud,<sup>6</sup> have been used to fund terrorist activities. Accordingly, a principle strategy used by the Federal Bureau of Investigation (FBI) to investigate terrorist organizations is "identifying and tracing funds used to finance and fund these organizations."<sup>7</sup>

One method of funding terrorism identified in federal court cases<sup>8</sup> is raising funds through fraudulent charitable organizations claiming to support a particular cause such as disaster relief or food services. Two possible reasons for this association are that "charities face far less scrutiny from the IRS than other for-profit corporations and individuals," and that charities can often secure "financial assistance from government sponsored grant programs such as the U.S. Agency for International Development."<sup>9</sup> With charitable organizations in the U.S. raising an estimated \$133 billion per year, controls on charitable fund raising and distribution

have become an issue in efforts to control terrorism.<sup>10</sup> In 2004, a federal indictment charged that the group Holy Land Foundation for Relief and Development (HLFRD) provided more than \$12 million to the terrorist group Hamas.<sup>11</sup> In addition, HLFRD reportedly received supplemental aid from USAID.<sup>12</sup> HLFRD's U.S. donations were estimated at \$13 million in 2000, \$6.3 million in 1999, and \$5.8 million in 1998.<sup>13</sup> According to the indictment against HLFRD, the group raised more than \$57 million since 1992 but only reported \$36.2 million to the IRS.<sup>14</sup>

Shell companies have also been used by terrorist groups to receive and distribute money.<sup>15</sup> These companies provide a legitimate appearance and may engage in legitimate activities to establish a positive reputation in the business community.<sup>16</sup> To launder or distribute funds, a shell company may produce bills for non-existent products that are "paid" by another party with profits from illegal activities, such as insurance fraud or identity theft. If a shell company generates revenues, funds can be distributed by altering financial statements to hide profits and then depositing the profits in accounts that are used directly or indirectly to support terrorist activities. In 2001, a U.S. telecommunications company was indicted on charges of aiding members of al Qaeda in preparation for the 9/11 terrorist attacks by handling more than \$500,000 in transfers monthly.<sup>17</sup>

Another source of terrorist funding, which is discussed less often in the literature, is intellectual property (IP) crime.<sup>18</sup> The illegal sale of counterfeited goods and illegal use of IP to commit other crimes, such as stock manipulation,<sup>19</sup> have been used to support terrorist activities.<sup>20</sup> In an article titled "The Links between Intellectual Property Crime and Terrorist Financing," global trade in counterfeited goods is estimated at nearly \$450 billion, or 5 to 7

percent of all international trade.<sup>21</sup> The FBI has estimated overall losses to U.S. businesses from IP crime at \$200 to \$250 billion per year.<sup>22</sup>

After funds are generated through illegal activities, money may be distributed or laundered. Like traditional organized crime groups, terrorist groups deposit illegal funds in various financial institutions, including offshore banking centers that are located in nations with few regulations and no cooperative agreements with the U.S. government. According to the Financial Action Task Force on Money Laundering, a multi-governmental organization headquartered in Paris, more than 60 nations advertise financial services as “untraceable.” The tiny Pacific island of Nauru alone is home to several hundred “shell banks,” which are designed specifically to hide money. Laws in the Seychelles Islands provide immunity to investors from all outside criminal charges and permit deposits of \$10 million or more even if the money was originally obtained through acts of violence or drug trafficking. The government requires only that the investor not engage in illegal activities on the Seychelles chain itself.<sup>23</sup> Other nations known for providing havens for illegal funds include Cook Islands, Egypt, Guatemala, Indonesia, Myanmar, Nigeria, the Philippines, St. Vincent and the Grenadines, and Ukraine.<sup>24</sup>

Other methods for distributing illegal funds include concealing cash in exported goods and moving funds through informal banking networks like hawala.<sup>25</sup> These less traditional methods of money laundering generate no reliable records of transactions and present jurisdictional and evidentiary problems for law enforcement. For example, the hawala system, which is completely unregulated, transfers money deposited with a broker in one country to a second broker in another country. Organized through a series of informal promises, this system generates no records other than occasional personal notes.<sup>26</sup> One group associated with hawala allegedly used the services of a Dubai bank to transfer \$1 million to the September 11 hijackers

through Western Union Financial Services. Western Union was subsequently fined \$8 million for the transaction by New York bank regulators for failing to report the transaction and enabling money laundering.<sup>27</sup>

Suggested remedies and solutions to curb the funding of terrorist activities include changes in banking guidelines, international legislation, and cooperation among nation states. The G8 – an informal group of eight countries: Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the U.S. – has recently agreed to a set of principles designed to thwart terrorist activities by blocking the transfer of terrorism-related assets, protecting sensitive information, and ensuring that each country’s legal system is mutually supportive “to achieve the goal of combating terrorism.”<sup>28</sup> Cooperation since 9/11 has yielded more than 3,000 captured al-Qaeda operatives in over 100 countries and more than \$121 million in frozen financial assets.<sup>29</sup> In contrast, government corruption has been identified as a continuing threat to anti-terrorist efforts. Corruption under General Suharto’s regime in Indonesia, for example, contributed to the emergence of a radical group that allegedly embezzled funds and funneled money to terrorist organizations. In 2000 alone, \$22 billion, which represented 45% of the national budget, completely “disappeared.”<sup>30</sup>

As stated earlier, experienced investigators and prosecutors interviewed by NW3C described a relationship between WCC and terrorism that is consistent with information found in the literature. By and large, it was asserted that terrorist activities are almost always associated with WCCs.<sup>31</sup> Allegations in state and federal legal cases also support this assertion. The crimes identified in the NW3C interviews included money laundering, credit card and bank fraud, identification fraud (including identity theft), mail and wire fraud, insurance fraud, investment fraud, computer-related crime, racketeering, tax evasion, and immigration fraud.

Immigration fraud and identification fraud facilitate entry into the U.S. and access to jobs and social services. Credit card fraud, bank fraud, identity theft, insurance fraud, and investment fraud serve the purpose of raising, concealing, and distributing funds. Examples of these crimes include falsified worker's compensation claims (such as in the Fuqra case study examined in this report) and fraudulent charity fund raising (such as the Benevolence International Foundation case, discussed in the following section). Concealing and distributing funds may also be accomplished through money laundering, tax evasion, mail fraud, and wire fraud.

One of the reasons for the association between WCC and terrorism is the networked structure of terrorist organizations.<sup>32</sup> Rather than being composed of field cells supported by a central cell, as in a hierarchical structure, terrorist organizations tend to be composed of semi-independent cells that raise their own funds and develop their own plans with little financial or strategic support from other cells. Therefore, individual terrorist cells usually need to find a means of funding travel, training, shelter, weapons, and food while maintaining a profile that will not impede future plans to commit terrorist acts.<sup>33</sup> This means is often WCC, as evidenced by training manuals of al Qaeda<sup>34</sup> and al Fuqra discovered throughout the world that instruct members in practices of forging, counterfeiting, and other deceptive practices.

#### **ANALYSIS OF FEDERAL TERRORISM-RELATED CASES**

Terrorist activities and WCCs used to support terrorist activities often involve multiple jurisdictions, not only within the U.S. but also abroad. For this reason, violations of this kind are often pursued in the federal court system. This section reviews a number of terrorism-related cases that have been brought before federal courts in recent years. The purpose of this section is to identify characteristics of terrorism-related cases and provide summary information for future investigations and prosecutions. Drawing a sample from federal rather than state cases made it

possible to reach a larger sample size and increase the likelihood that characteristics of the sample are representative of those in other terrorism cases. An analysis of federal cases also provides information that may be useful to state and local investigators who work with, or plan to work with, federal agencies in a developing terrorist case.

In November 2001, Attorney General Ashcroft announced that 93 criminal complaints had been filed against individuals suspected of terrorist activity. Most of these cases included charges of WCC. These cases, along with additional cases listed at the FindLaw Web site as “Criminal Terror Cases,” constitute a sample of 100 defendants indicted in federal court since September 11, 2001. From this sample, seven general categories of WCC are identified: identification document fraud (IDF); financial fraud (FF); credit card fraud (CCF); immigration fraud (IF); mail and wire fraud (MWF); tax fraud (TF), and other related violations.

Of the 100 defendants in the cases studied, more than half were charged or indicted in Pennsylvania, New York, and Virginia. Specifically, 23% were charged in Pennsylvania, 21% in New York, and 16% in Virginia (see Table 1). The WCC offense that most (54%) of the 100 defendants were charged with was identification document fraud (IDF), including fraud in connection with identification documents and information (18 USC 1028), forgery or false use of a passport (18 USC 1543), misuse of a passport (18 USC 1544), and fraud and misuse of visas, permits, and other documents (18 USC 1546) (see Table 2). Twelve of the 19 states in the sample brought allegations of identification fraud, with Pennsylvania bringing thirty-seven percent (37%) of these charges (see Table 3). Twenty-one of the 23 charges brought in Pennsylvania involved fraudulent driver’s licenses, specifically, Pennsylvania commercial driver’s licenses with a hazardous materials endorsement. More than half of the cases brought in Virginia involved fraud associated with driver’s licenses, identification cards, and residency

certificates. Other cases involved fraudulent passports, visas, and resident alien cards.

Sixteen percent (16%) of the defendants in the study sample, were charged with a form of financial fraud (FF), including bank fraud (18 USC 1344), money laundering (18 USC 1956), structuring financial transactions (31 USC 5324), making a false statement on a credit application (18 USC 1014), counterfeiting or forging securities of the states and private entities (18 USC 513), operating an unlicensed money transmitting business (18 USC 1960), and racketeering (18 USC 1962). Another sixteen percent (16%) of the defendants, in 10 of the 19 states, were

**Table 1  
Defendants Charged with WCCs  
In Federal Case Sample  
By State**

<b>State</b>	<b>Percent of Defendants Charged</b>
<b>Pennsylvania</b>	<b>23%</b>
<b>New York</b>	<b>21%</b>
<b>Virginia</b>	<b>16%</b>
<b>New Jersey</b>	<b>6%</b>
<b>Michigan</b>	<b>5%</b>
<b>Arizona</b>	<b>4%</b>
<b>California</b>	<b>4%</b>
<b>Florida</b>	<b>4%</b>
<b>North Carolina</b>	<b>3%</b>
<b>Illinois</b>	<b>2%</b>
<b>Indiana</b>	<b>2%</b>
<b>Massachusetts</b>	<b>2%</b>
<b>Ohio</b>	<b>2%</b>
<b>Alabama</b>	<b>1%</b>
<b>Colorado</b>	<b>1%</b>
<b>Delaware</b>	<b>1%</b>
<b>Missouri</b>	<b>1%</b>
<b>Montana</b>	<b>1%</b>
<b>South Carolina</b>	<b>1%</b>
<b>All States</b>	<b>100%</b>

charged with an immigration violation, including false representation as a U.S. citizen (18 USC 911); false statement in matters relating to naturalization, citizenship, or alien registry (18 USC 1015); and unlawful procurement of citizenship or naturalization (18 USC 1425). Ten percent (10%) of the defendants were charged with credit card fraud, and four percent (4%) were charged with mail or wire fraud (MWF), including mail fraud (18 USC 1341) and fraud by wire, radio, or television (18 USC 1343). Only one state, Virginia, brought charges of tax fraud. Other charges that were brought, often in conjunction with one or more other charges, included

aiding and abetting (18 USC 2), conspiracy to defraud the U.S. (18 USC 371), making a materially false statement (18 USC 1001), perjury (18 USC 1621), and providing material support to terrorists (18 USC 2339). Table 4 lists most of the federal statutes associated with WCC that were used to prosecute the sample cases.

**Table 2**  
**Charges Filed in Federal Case Sample**  
**By WCC Category**

<b>WCC Category</b>	<b>Percent of Charges Filed</b>
<b>Identification Document Fraud</b>	<b>54%</b>
<b>Financial Fraud</b>	<b>16%</b>
<b>Immigration Fraud</b>	<b>16%</b>
<b>Credit Card Fraud</b>	<b>10%</b>
<b>Mail and Wire Fraud</b>	<b>4%</b>
<b>Tax Fraud</b>	<b>1%</b>

**Table 3**  
**Charges Filed in Federal Case Sample**  
**By State**

<b>State</b>	<b>Identification Document Fraud</b>	<b>Financial Fraud</b>	<b>Immigration Fraud</b>	<b>Credit Card Fraud</b>	<b>Mail &amp; Wire Fraud</b>	<b>Tax Fraud</b>
<b>Pennsylvania</b>	<b>37%</b>					
<b>New York</b>	<b>16%</b>	<b>16%</b>	<b>22%</b>	<b>55%</b>	<b>25%</b>	
<b>Virginia</b>	<b>19%</b>	<b>21%</b>	<b>22%</b>			<b>100%</b>
<b>New Jersey</b>	<b>2%</b>	<b>21%</b>			<b>25%</b>	
<b>Michigan</b>	<b>6%</b>			<b>18%</b>		
<b>Arizona</b>	<b>6%</b>	<b>5%</b>	<b>6%</b>	<b>9%</b>	<b>25%</b>	
<b>California</b>	<b>3%</b>		<b>11%</b>			
<b>Florida</b>	<b>5%</b>		<b>6%</b>			
<b>North Carolina</b>	<b>2%</b>	<b>5%</b>	<b>6%</b>			
<b>Illinois</b>	<b>2%</b>	<b>11%</b>		<b>9%</b>	<b>25%</b>	
<b>Indiana</b>		<b>5%</b>	<b>6%</b>			
<b>Massachusetts</b>		<b>11%</b>				
<b>Ohio</b>			<b>11%</b>			
<b>Alabama</b>				<b>9%</b>		
<b>Colorado</b>			<b>6%</b>			
<b>Delaware</b>	<b>2%</b>					
<b>Missouri</b>		<b>5%</b>				
<b>Montana</b>			<b>6%</b>			
<b>South Carolina</b>	<b>2%</b>					
<b>All States *</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* Percentages are rounded to the nearest 1 percent; therefore, the percentages shown may not equal 100%.

The cases that were most directly involved with funding terrorist activities were those with charges of credit card fraud (CCF) and financial fraud (FF). For example, in a New York case, three defendants were charged with fraud in connection with access devices. In this case, the defendants (Sarwer, Hussain, and Awan) allegedly established a shell company, which was represented as a computer sales company, and established accounts with credit card clearing houses and banks. The defendants then processed fictitious sales using valid credit card numbers for which the clearing houses and banks deposited funds into business checking accounts that had been established in the name of the shell company.<sup>35</sup>

Another case, brought in Illinois, involved a scheme to defraud donors who contributed funds to a non-profit organization, Benevolence International Foundation (BIF). Specifically, the defendant, Enaam Arnaout, was charged with falsely representing that donations would be used solely for humanitarian purposes when in fact they were used to support organizations engaged in violence, including al Qaeda and Hezb e Islami. Arnaout was indicted in October 2002, and sentenced to 11 years in federal prison in August 2003.<sup>36</sup>

Cases involving illegal transfers of money were brought in several states. Although many of the charges appear to have been supported by credible evidence, some were challenged vigorously or simply dropped, suggesting that at least some of the post-9/11 complaints may have been products of incorrect assumptions or hasty efforts to curtail terrorism.

**Table 4**  
**White-collar Crime Offenses Associated with Terrorism Cases**  
**September 2001 through December 2003**

<b>Type of Offense</b>	<b>Description of Offense</b>	<b>Statute</b>
<b>Identification Document Fraud</b>	Fraud in connection with identification documents	<b>18 USC 1028</b>
	Forgery or false use of passport	<b>18 USC 1543</b>
	Misuse of a passport	<b>18 USC 1544</b>
	Fraud and misuse of visas, permits, and other documents	<b>18 USC 1546</b>
	Social security fraud	<b>42 USC 408</b>
<b>Financial Fraud</b>	Bribery of public officials and witnesses	<b>18 USC 201</b>
	Counterfeited or forged securities of states and private entities	<b>18 USC 513</b>
	Making false statement on a credit application	<b>18 USC 1014</b>
	Bank fraud	<b>18 USC 1344</b>
	Money laundering	<b>18 USC 1956</b>
	Operating unlicensed money transmitting business	<b>18 USC 1960</b>
	Racketeering	<b>18 USC 1962</b>
	Structuring transactions to evade reporting requirements	<b>31 USC 5324</b>
<b>Mail and Wire Fraud</b>	Mail fraud	<b>18 USC 1341</b>
	Fraud by wire, radio, or television	<b>18 USC 1343</b>
<b>Credit Card Fraud</b>	Fraud in connection with access devices	<b>18 USC 1029</b>
<b>Tax Fraud</b>	Filing materially false income tax returns	<b>26 USC 7206</b>
	Corrupt endeavor to impede admin. of IRS laws	<b>26 USC 7212</b>
<b>Immigration Fraud</b>	Deportable alien	<b>8 USC 1227</b>
	Alien failing to report address change	<b>8 USC 1305</b>
	Alien smuggling	<b>8 USC 1324</b>
	Evading immigration laws	<b>8 USC 1325</b>
	Falsely representing oneself as a U.S. citizen	<b>18 USC 911</b>
	Illegal alien in the U.S.	<b>18 USC 922</b>
	Making false statement regarding naturalization, citizenship, or alien registry	<b>18 USC 1015</b>
	Unlawful procurement of citizenship or naturalization	<b>18 USC 1425</b>
<b>Other Related Charges</b>	Aiding and abetting	<b>18 USC 2</b>
	Conspiracy to commit offense or defraud the U.S.	<b>18 USC 371</b>
	Making a materially false statement	<b>18 USC 1001</b>
	Perjury	<b>18 USC 1621</b>
	Providing material support to terrorists	<b>18 USC 2339</b>
	Conspiracy to give or receive funds, goods, or services for a designated terrorist	<b>50 USC 595</b>

Note: Subchapters are not listed for purposes of simplification.

In New York, two Yemeni immigrants, Ali Alfatimi and Basam Nahshal, were arrested on October 16, 2001, for failing to file a monetary instrument report, i.e, financial fraud.<sup>37</sup> Nahshal was apprehended at Kennedy Airport in New York for trying to smuggle \$140,763 out of the country to Yemen without claiming the funds. Most of the cash was stuffed in cardboard boxes between jars of honey. The rest of the money, over \$40,000, was in the form of cash and checks.<sup>38</sup> Nahshal claimed to have no knowledge of the money in the cardboard boxes and stated that Alfatimi had given him the boxes to transport to Yemen. Alfatimi, owner of a travel agency, claimed that the money was his, and he used passengers as couriers to transport money to Yemen.<sup>39</sup> The arrests came four days after the government tried to freeze the assets of several honey businesses in Yemen because investigators claimed Osama bin Laden used honey shops as fronts for al-Qaeda's weapons, drug and money smuggling operations.<sup>40</sup> Charges against Nahshal and Alfatimi were abruptly dropped November 29, 2001, with no further explanation from authorities.<sup>41</sup>

In Virginia, Sheik-Ali Abdirahman Isse and Abdillah Abdi were charged in June 2002 with structuring financial transactions through a money transmitting service, i.e. money laundering. They allegedly "structured" more than \$4 billion in funds, collecting millions of dollars in cash from various individuals and depositing the funds in multiple accounts at multiple banks in Virginia. Six million dollars, representing a portion of the fees collected for this service, was allegedly distributed to the al-Barakaat network in the United Arab Emirates in increments under \$10,000 each. Isse was sentenced to 18 months in prison, and Abdi was sentenced to 37 months.<sup>42</sup>

In Massachusetts, Mohamed and Liban Hussain were also charged with illegally operating a money transmitting business associated with al-Barakaat. Mohamed Hussain was

sentenced to 18 months in prison.<sup>43</sup> However, a series of events related to the case against Liban Hussain raised some questions about the U.S. government's allegations of terrorist-related activities. Since Liban Hussain was a Canadian citizen, the U.S. initiated extradition proceedings in 2001 to bring Liban Hussain to the United States. By June 2002, the Canadian Justice Department halted the extradition proceedings based on a lack of evidence to support the claim that Hussain's activities were related to terrorism. In addition, Liban Hussain allegedly received a monetary settlement from the Canadian government in response to a civil suit that was prepared but never filed.<sup>44</sup>

A New York case that involved a variety of allegations implicated the owner of a flight school who was charged after 9/11 for attempting to obtain insurance for a damaged airplane. Ahmed Abdullah Elashmouny was already facing deportation to Egypt for a 1993 credit card conviction and a 1998 conviction for selling fraudulent visas. He had purchased two airplanes, received a commercial pilot's license, and operated a flight school while facing deportation. Elashmouny was also accused of falsely claiming to be a U.S. citizen on an FAA application to renew his status as a flight instructor and illegally using credit card numbers of his flight school students to purchase airplane fuel.<sup>45</sup> An FAA spokeswoman asserted that no criminal background checks are required for pilots unless they fly large passenger or freight planes. Representative Steve Isreal (D-NY) responded by saying that this case represents "a complete lack of common sense and a gaping hole in our system of national security" and promised to use it to illustrate the need for legislation on background checks, including cross references to criminal and immigration databases.<sup>46</sup>

Since of some of the 100 federal cases studied resulted in dropped charges, release, and deportation proceedings, there is reason to believe that some of the post-9/11 terrorism-related

cases did not involve illegal activity or were not supported by credible evidence. (See Appendix A for a complete listing of the cases.) Given the political and emotional environment immediately following 9/11, it would be surprising to find otherwise. On the other hand, a number of the cases brought in federal courts presented substantial, credible evidence of terrorist-related activities associated with a number of crimes. Descriptions of activities contained in the complaints, indictments, and other court documents associated with these cases provide information about techniques for raising and distributing funds and methods of investigation that may be useful to law enforcement and prosecutors. This information, along with the details of the Fuqra case study in the following sections, creates a set of scenarios that are familiar to those who deal with terrorism cases on a regular basis. That said, case studies should not be the basis for generalizations. The value of case studies is the identification of characteristics in one situation that may contribute to an understanding of other cases.

#### **FUQRA CASE STUDY: THE PROCESS**

In the mid-1990's the Colorado Attorney General's Office, successfully prosecuted members of a fundamentalist Islamic sect known as Jamaat Ul Fuqra (Fuqra). In addition to being accused of acts of domestic terrorism, Fuqra members were charged with various WCCs, including committing insurance fraud in a worker's compensation scheme that spanned a period of more than seven years. As one investigator phrased it, the "backbone" of the cases was the WCC aspect.<sup>47</sup>

In June 2004, NW3C researchers interviewed investigators and prosecutors who were involved in developing criminal cases against Fuqra members. In addition, NW3C was granted access to documents that were developed by investigators and prosecutors, copies of documents that were recovered in the course of the investigations, and a variety of photographs and

illustrations associated with the Fuqra cases. The following case study is a product of analysis of these various materials and is designed not only to provide information about one of the most elusive terrorist groups resident in the U.S., but also to provide a template for anti- and counter-terrorism strategies for law enforcement and prosecutors who have limited resources to address non-traditional criminal activity. Included in the case study is background information on the Fuqra group and a series of five modules examining organization and activity, investigation techniques, insurance fraud, money laundering, and legal strategies. Lessons learned, as described in interviews with investigators and prosecutors who were involved in the Colorado Fuqra cases, are presented in a sixth module. This final module describes challenges and successes of the Colorado cases and provides recommendations for investigation techniques and agency practices. All of these modules include detailed information from interviews and documents used in the Colorado investigation and prosecution of Fuqra members.

### **Background of Fuqra**

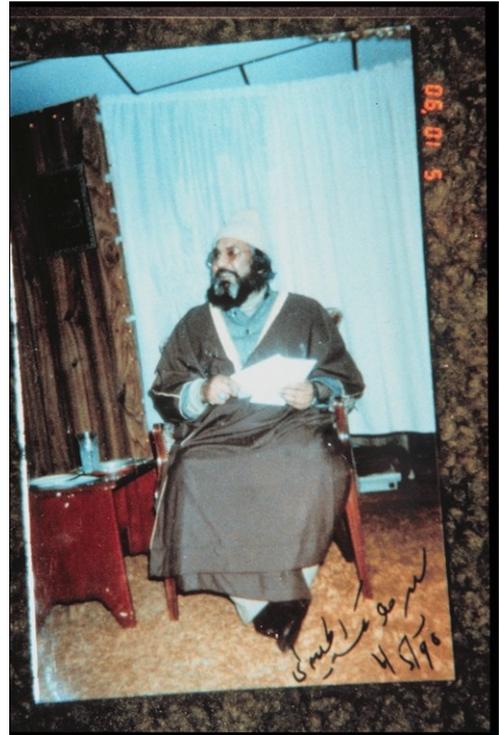
The Fuqra group was first organized in Pakistan by Sheikh Mubarik Ali Jilani Hasmi (Jilani), who also established a United States Fuqra organization in 1980. The followers of Jilani reportedly believe that their leader can perform miracles and exhibit unquestioning respect and obedience. Most, though not all, of the members of Fuqra are African-American, U.S. citizens who have adopted extremist beliefs and live in communal environments, or “Jamaats.” It is believed that over thirty-five (35) Jamaats have existed in the U.S. since 1980, in addition to more than a dozen “covert training compounds” in Colorado, Texas, New York, Georgia, North Carolina, South Carolina, Pennsylvania, Michigan, California, Oregon, Washington, Maryland, Alabama, Oklahoma, Virginia, and Tennessee (see Map of Selected Fuqra Activities). In 1991, Canadian authorities also discovered a 232-acre compound in Ontario that housed at least

sixteen Fuqra members.

Reportedly, the group has openly supported Muslim Kashmiri separatists against the Indian government and has indirectly been involved in the Sinhalese conflict in Sri Lanka. Over the past few decades, it is believed that the U.S. Fuqra has been preparing for and engaging in a holy war (Jihad) against individuals and groups they perceive to be their enemy. These enemies include Israel, the Nation of Islam, Hindus, Ansar Muslims, East Indians, Jews, the Jewish Defense League, Hare Krishnas, Buddhists, and the U.S. government. Since the formation of Fuqra in the U.S., it is suspected that Fuqra members and associates have been involved in at least thirteen murders and sixteen bombings. (See Appendix B for a partial listing.)

The first investigation of Fuqra was initiated by the FBI in 1983, in response to a killing and double firebombing in Detroit, Michigan, directed at the Ahmadiyya Movement in Islam. Various investigations were conducted – at federal and state levels – between 1983 and 1989. In August 1989, the discovery of a storage locker by the Colorado Springs Police Department marked the beginning of a second stage of investigation, which focused on fraudulent claims for worker's compensation and is the central component of this report (see Module Two, Part B). To accomplish this scheme, Fuqra members created aliases and fraudulent companies that were used to facilitate the planning and implementation of WCCs and violent crimes (see Tables 5

**Sheikh Jilani, founder of Fuqra**



Photograph courtesy of Colorado Department of Labor and Employment and Attorney General's Office

and 6). For example, the security company Professional Security International (PSI), which has been associated with a number of Fuqra members, is thought to be a key facilitator of money laundering and transfers, as well as an information source for planned terrorist activities. By maintaining a company such as PSI, Fuqra members have been able to establish the appearance of legitimacy and negotiate security contracts with federal government centers and international airports that house sensitive information. According to Colorado law enforcement, PSI and similar security businesses frequently exist wherever Fuqra members are active.<sup>48</sup>

**Table 5**  
**Organizations Associated with Fuqra 1980 - Present**

<b>Organization</b>	<b>Description</b>
<b>Professional Security International (PSI)</b>	headquartered in Colorado and headed by Fuqra member, James D. Williams
<b>786 Security Firm, aka 786 Security Company</b>	headquartered in New York and operated by Fuqra member Husain M. Abdallah, aka Eugene Clarence Spencer
<b>Dagger Investigative Services</b>	associated with 786 Security Firm and located in New York
<b>Watchdog Securities</b>	associated with 786 Security Firm and located in New York
<b>Mills Security</b>	associated with 786 Security Firm and located in New York
<b>CCC Carpentry</b>	operated by Fuqra member, Chris Childs
<b>RDW Construction</b>	operated by Fuqra member, James Upshur
<b>Ray and Ken, subcontracting company</b>	operated by Fuqra member, James Upshur
<b>McClane's Carpenter &amp; Home Builders</b>	operated by Fuqra member, James D. Williams
<b>CML Construction</b>	associated with various Fuqra members
<b>R &amp; D Carpenters</b>	associated with various Fuqra members
<b>Muslims of America</b>	founded by Sheikh Jilani
<b>Quaranic Open University</b>	founded by Sheikh Jilani

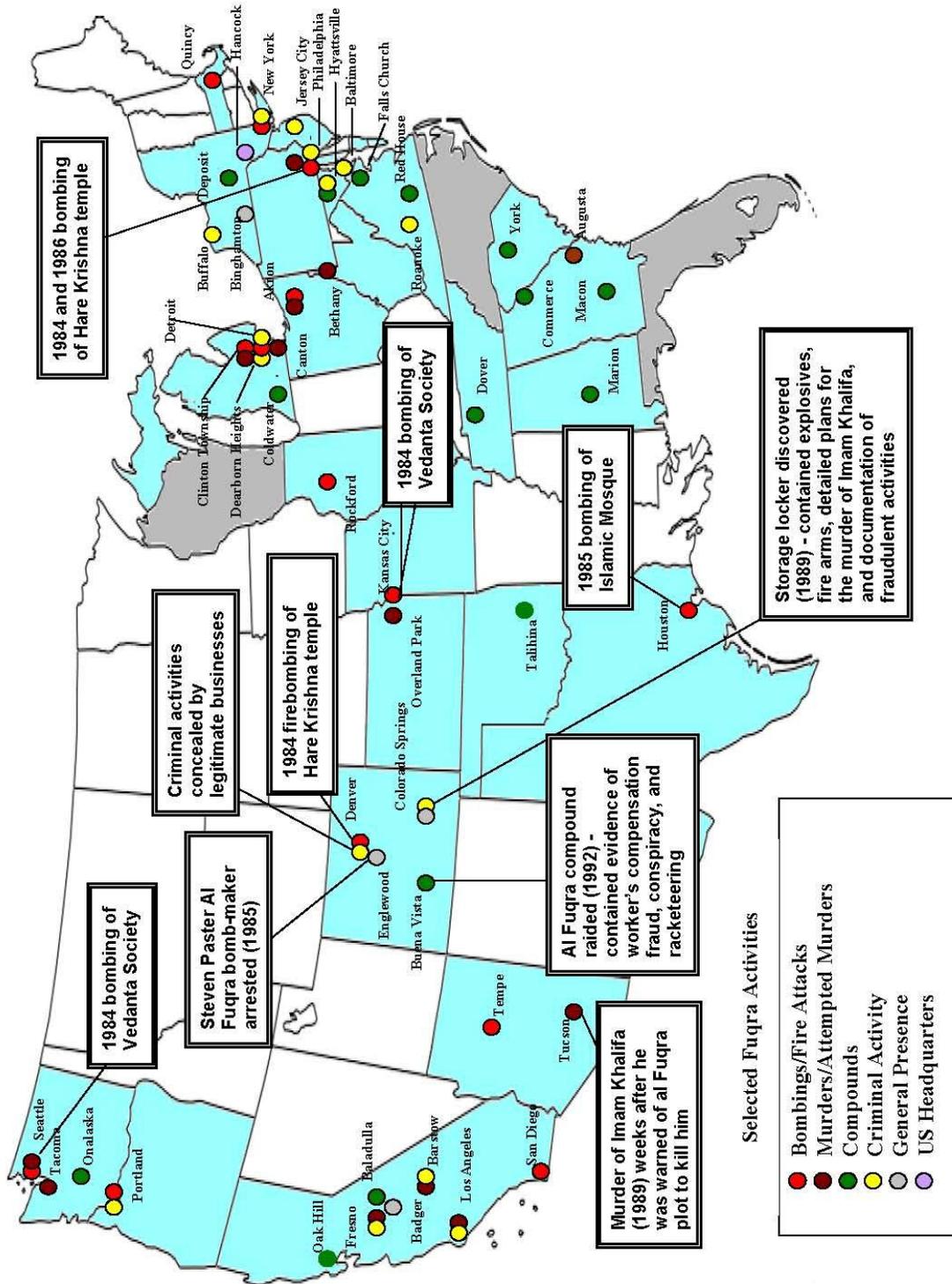
Source: Documents collected in the Colorado Fuqra case.

**Table 6**  
**Fuqra Names, Aliases, and Associations**

<b>Fuqra Member</b>	<b>Aliases</b>	<b>Fuqra Role</b>
<b>Sheikh Mubarik Ali Jilani Hasmi</b>	<ul style="list-style-type: none"> <li>▪ Jilani</li> <li>▪ Sheikh Mubarik Shah Jilani</li> <li>▪ “Abu” Mubarik Shah</li> <li>▪ Masood Ahmad</li> <li>▪ Sixth Sultan UI Faqr</li> </ul>	<ul style="list-style-type: none"> <li>▪ founder, U.S. al-Fuqra (1980)</li> <li>▪ founder, Muslims of the Americas</li> <li>▪ founder, Quaranic Open Univ.</li> <li>▪ founder, The Islamic Chronicle</li> </ul>
<b>James Donald Williams</b>	<ul style="list-style-type: none"> <li>▪ James D. Williams</li> <li>▪ Samuel McClane</li> <li>▪ Naib Muhammad Abdus Shakur</li> <li>▪ Colonel Shakur</li> <li>▪ Colonel Shakur A. Quddud</li> </ul>	<ul style="list-style-type: none"> <li>▪ leader, Sector 5 of Muhammad Commandos (Colorado “Jamaat”)</li> <li>▪ president, Professional Security International (PSI), CO</li> <li>▪ owner, McClane’s Carpenter &amp; Home Builders</li> <li>▪ purchased Buena Vista compound</li> <li>▪ 1984 bombing, Hare Krishna Temple, Denver</li> <li>▪ 1990 murder of Imam Rashad Abdel Khalifa, Tucson, AZ</li> </ul>
<b>James Lincoln Upshur, Jr.</b>	<ul style="list-style-type: none"> <li>▪ James L. Upshur, Jr.</li> <li>▪ Raymond D. Williams</li> <li>▪ Ali Abdul Aziz</li> </ul>	<ul style="list-style-type: none"> <li>▪ vice president, Professional Security International (PSI), CO</li> <li>▪ operated RDW Construction</li> <li>▪ operated sub-contracting business, “Ray &amp; Ken”</li> </ul>
<b>Vincent Rafael Pierre</b>	<ul style="list-style-type: none"> <li>▪ Rajab Abdur Rahim</li> <li>▪ Rafael Upshur</li> </ul>	<ul style="list-style-type: none"> <li>▪ supervisor, Professional Security International (PSI), CO</li> </ul>
<b>Chris Childs</b>	<ul style="list-style-type: none"> <li>▪ Amin Abdul Rashid</li> <li>▪ Kenneth Green</li> <li>▪ Chris Johnson</li> </ul>	<ul style="list-style-type: none"> <li>▪ owner, CCC Carpentry</li> </ul>
<b>Edward Ivan McGhee</b>	<ul style="list-style-type: none"> <li>▪ Salahudee Mujahideen</li> <li>▪ Daryl Woods</li> <li>▪ Vincente Rafael Pierre</li> </ul>	
<b>Edward Nicholas Laurent Flinton</b>	<ul style="list-style-type: none"> <li>▪ Edward Soloman Katz</li> <li>▪ William Alfred Lemay</li> <li>▪ Idris Abdul Musawwir</li> <li>▪ Edward Lindsey</li> </ul>	<ul style="list-style-type: none"> <li>▪ U.S. Fuqra “mastermind” who allegedly developed assassination and bombing plans</li> <li>▪ 1983 hotel bombing attempt, Portland, OR</li> <li>▪ 1984 bombing, Hare Krishna Temple, Denver</li> <li>▪ 1990 murder of Imam Rashad Abdel Khalifa, Tucson, AZ</li> </ul>

Source: Documents collected in the Colorado Fuqra case.

**Map 1: Map of Selected Fuqra Activities**



## **Module One: Organization and Activity**

In interviews conducted by NW3C, investigators and prosecutors in Colorado identified characteristics of the terrorist groups they had experience with and identified ways in which these groups differed from other organized crime groups.<sup>49</sup> The organization of terrorist groups was described as having a “hub and spoke” structure, with a central person who has an understanding of the “big picture,” and “spokes” who generally do not have access to information about activities or plans of other members or the group as a whole. New members are “vetted” through a careful selection process that includes identifying individuals with certain characteristics or behaviors and indoctrinating them in the cultural norms of the group. In the case of Fuqra, members have been recruited from prisons.

Terrorist groups are known to maintain detailed documents of planned and on-going activities, including murders, bombings, and schemes to fraudulently obtain funds. Members also frequently maintain written contractual agreements among themselves, such as those found in Colorado documenting agreements concerning the allocation of any income a member receives to the organization or leader, duties that a member is responsible for executing, and crimes a member has agreed to carry out.

Although terrorist groups are in many ways similar to traditional organized crime groups, some characteristic distinctions were made by investigators in the NW3C interviews. Terrorist groups were described as unique in the following ways:

1. Members are driven by their belief systems.
2. Money is not raised for the benefit of individual members; it is used to promote

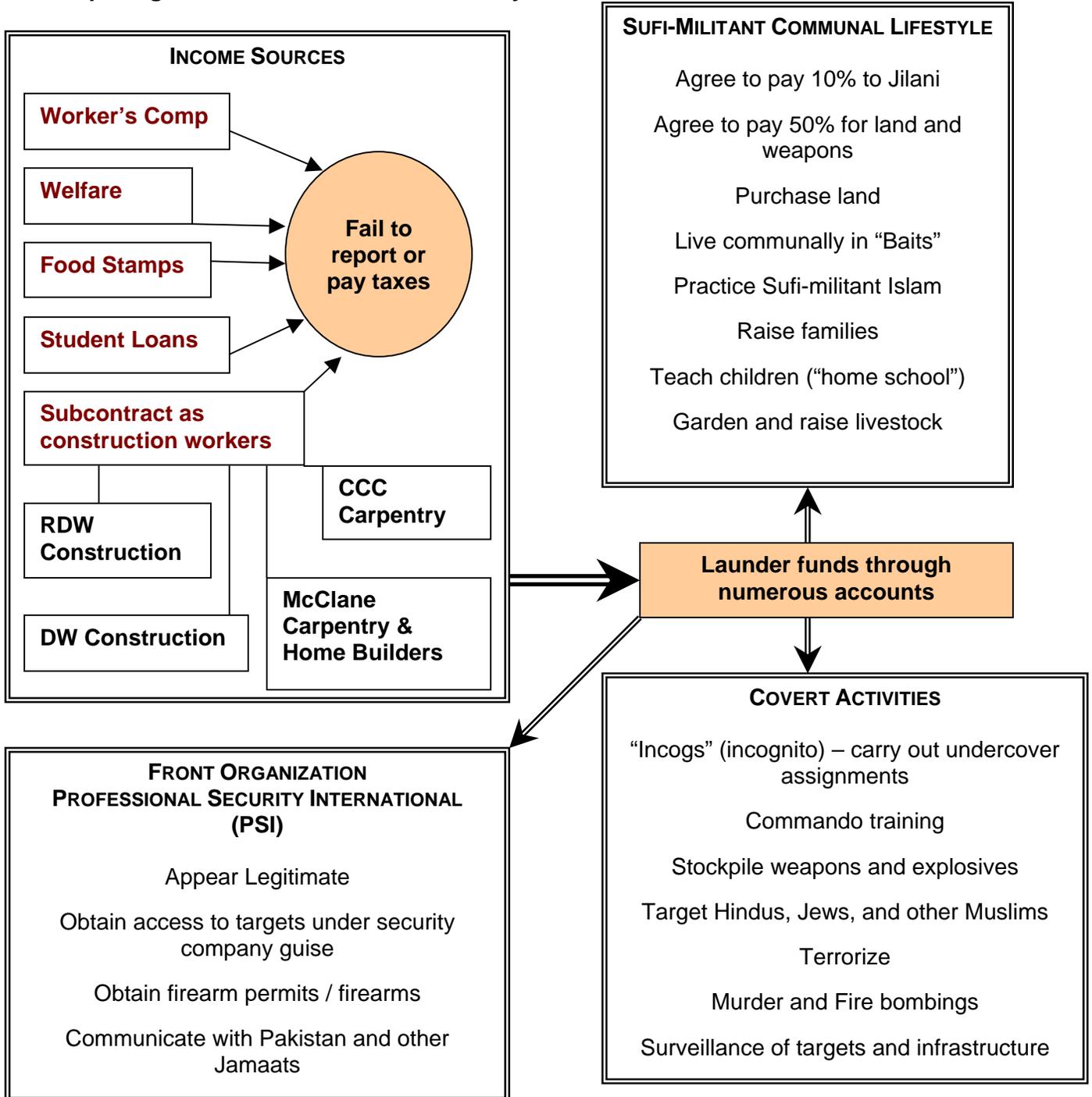
the group's cause.

3. Typically the assets of individual members are represented only by "the clothes on their back" and the "money in their pocket."
4. Members rarely have criminal convictions (only civil offenses, if any violation).
5. Members make a concerted effort to "stay off the radar" and maintain the appearance of an average, law-abiding citizen.
6. One member often controls the group and keeps the organization together by establishing a certain lifestyle that fits the norms of the environment.
7. The group, or a certain member of the group, creates and maintains records, which are often detailed and sometimes coded, documenting activities and long-range plans. (Note: These records can serve as good evidence for prosecuting WCC violations, as well as terrorist-related charges.)

Investigators and prosecutors interviewed all agreed that terrorist activity frequently involves some form of WCC, in part because WCCs allow group members to maintain a significantly lower profile than if they raised funds through crimes such as illegal drug sales. It is apparently rare for terrorist activities, including group-organized bombings and murder, to be funded by a parent organization or outside group. Group members must raise money needed to carry out activities and demonstrate their commitment to the group cause. In addition to raising money for weapons and travel, group members raise money for food, clothing, and housing, and often send a portion of the money to their "home country" (such as Pakistan, in the case of Fuqra). Members of the Fuqra group have raised money by taking advantage of a variety of social services programs, including worker's compensation, public health care, welfare, and food stamps programs. Other crimes committed by Fuqra members include the creation and use

of false identification cards, birth certificates, and other forged documents (see Appendix C). A graphical representation of Fuqra’s organization and activity shown in Chart 1 illustrates the integral nature of WCC within the structure and processes of the Fuqra group.

**Chart 1  
Fuqra Organizational Structure and Activity**



Source: "Four Faces of Fuqra," Colorado investigative notes for the Fuqra case.

## Module Two: Investigation of Properties

### Part A: Vehicle Search, 1985

The following events occurred in 1985, after a killing and firebombing in Detroit (1983) and a bombing in Seattle (1984) believed to be associated with Fuqra members.<sup>50</sup>

1. It was determined that Fuqra members had been in contact with the occupants of a residence in Englewood, Colorado, so investigators conducted surveillance of the residence over a period of time.
2. A vehicle was stopped shortly after it was observed leaving the residence. The driver was identified as Stephen Paul Paster, a suspect in bombings that occurred in 1983 and 1984.
3. A police sergeant with Englewood Police Department observed "what appeared to be a homemade weapon, in plain view, placed along the driver's side door in the car."<sup>51</sup>
4. The Arapahoe County Bomb Squad and Bureau of Alcohol, Tobacco and Firearms (ATF) were called to the scene to search the vehicle for illegal weapons and explosives (based on the known and suspected history of the driver).
5. The device observed in the car was a handmade weapon consisting of an 8 inch piece of pipe held by a wooden stock grip. The firing mechanism consisted of two springs attached to one end. The device also had two metal straps and a glue-like substance on one side.
6. An ATF agent stated that the device was capable of firing one shotgun shell.

7. A shopping list for the following items was also found in the vehicle:
  - a. C. B. mobile antenna
  - b. Auto cigarette lighter plug
  - c. C. C. microphone plug
  - d. Project case
  - e. Toy radio controlled car or walkie-talkie
  - f. Electronic parts
8. An agent from ATF stated that these items could be used to construct a radio controlled explosive device.

See Module Six, Part B for investigation techniques recommended by Colorado law enforcement for noticing, identifying, and securing evidence that indicates possible terrorist activity.

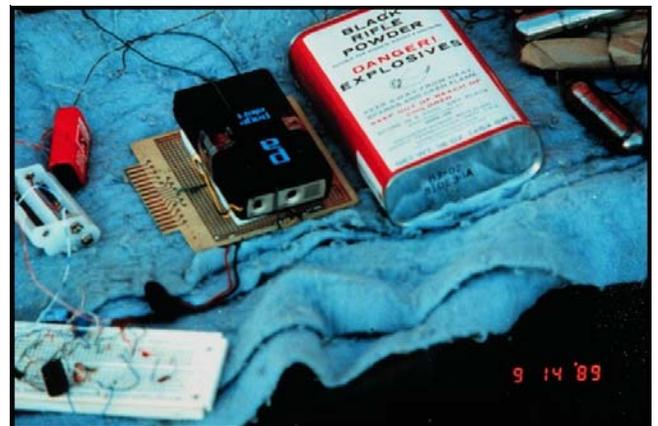
### **Part B: Storage Locker Search, 1989**

In August 1989, a detective from the Colorado Springs Police Department (CSPD) identified a storage locker at Astrozon Self Storage in Colorado Springs that he believed to be associated with a series of burglaries in the area.<sup>52</sup> The manager of the facility indicated that the locker was apparently abandoned and that it had been secured by management pending payment of past due rent.

1. The following are the steps taken in the initial stages of the investigation:
  - a. On August 29, after consulting with the District Attorney's Office, the CSPD detective entered the locker with the storage locker manager to determine if any of the stolen property under investigation was in the locker.

- b. The detective found none of the stolen property, but found numerous documents relating to alarm systems and weapons inventories and noticed that some of the documents appeared to be in Arabic.
- c. The detective contacted a detective of the CSPD Intelligence Unit, who accompanied him to the locker on August 31.
- d. Documents identified on the second visit included maps with overlays depicting locations and routes of major electric, gas, and telephone lines throughout Colorado.
- e. A “targeting packet” with photographs and a detailed description of a planned bomb attack against a Hare Krishna Temple in Denver were found. (Chart 2 outlines an analysis of this packet that identified similarities with an actual bombing that occurred five years earlier and caused \$150,000 in damages.)
- f. Items believed to be bomb making components were also identified, including electric wiring and timers.
- g. On September 14, the original CSPD detective obtained a search warrant to thoroughly search the contents of the storage locker.
- h. On September 14, both detectives (from the second visit) searched the storage locker with members of the Bomb Unit and K-9 Unit, along with

**Weapons seized in storage locker search**



Photograph courtesy of Colorado Department of Labor and Employment and Attorney General's Office

Colorado Department of Revenue, Liquor and Tobacco Enforcement Unit.

2. The following items were found in the storage locker:
  - a. 30 pounds of explosives
  - b. three large pipe bombs (completely wired and ready to detonate)
  - c. 2 shape charges
  - d. bomb-making instructions
  - e. 10 handguns (some with obliterated serial numbers)
  - f. silencers (in various stages of manufacture)
  - g. a number of improvised explosive devices (IEDs), including CO<sup>2</sup> canisters configured into explosive devices
  - h. numerous “Talibeen Fuqra Jamaat” membership applications
  - i. instructional materials detailing methods of guerilla warfare, bombings, sniping, target selection, and surveillance
  - j. documents indicating potential “targets” in the Los Angeles, Tucson, and Denver areas (including photographs, maps, and notes)
  - k. an envelope containing several newspaper clippings of a triple homicide of three East Indians in Washington State
  - l. military training manuals
  - m. a business card of Professional Security International (PSI) showing James D. Williams as president and director

**Evidence seized in storage locker search**



Photograph courtesy of Colorado Department of Labor and Employment and Attorney General's Office

- n. documents with details of dates and activities that indicated that Fuqra members “knowingly and with malice aforethought conspired to commit”<sup>53</sup> the crimes of worker’s compensation fraud
  - o. other evidence of fraudulent activity, including 54 *blank*, embossed birth certificates from North Carolina and Louisiana
3. An inventory list of 279 items was completed.
  4. A search warrant for the escrow account of James D. Williams was executed. Evidence gathered through this search warrant revealed the connection between fraudulent worker’s compensation claims and the purchase of the property known as the Trout Creek Pass compound (see Modules Two and Four).
  5. One of the packets of documents discovered in the storage locker contained a detailed description of the methods that should be used to murder an occupant of a Muslim mosque in Tucson, Arizona. The following is an excerpt from a Colorado agency memorandum that describes efforts that investigators took to determine the facts that might be associated with this finding.

Colorado Springs police investigators checked with Tucson, Arizona police department and found that no attack on the mosque or any of its members had at that point taken place. Tucson police did visit the mosque and interview the Imman (the leader of the Tucson congregation), a man by the name of Rashad Khalifa. Mr. Khalifa acknowledged that he had written several documents concerning the Koran, and that the views he expressed in these articles were not very popular with many other Muslims. Mr. Khalifa said that as a result of his research and publication, he felt that he had enemies from Saudi Arabia to Arizona, but that he had never heard of an organization called Fuqra. He did say that he had received threatening telephone calls “from Colorado.” Approximately two weeks after his interview by the Tucson police, Mr. Khalifa was murdered at the mosque by an as yet unidentified intruder who stabbed him to death. The use of a knife to accomplish the murder was one of the methods discussed in the targeting package found in Colorado Springs.<sup>54</sup>

6. Following the discovery of the storage locker, investigators contacted and obtained information and investigative support from numerous agencies and individuals. Tables 7 and 8 illustrate the extent of cooperation that was needed to develop the early elements of the Colorado Fuqra case.<sup>55</sup>

**Table 7**  
**Investigation of the Murder of Imam Rashad Abdel Khalifa in Tucson, Arizona**

<b>Organization</b>	<b>Individual(s)</b>	<b>Comments</b>
<b>Colorado Springs Police Department</b>	Sergeant Detectives	
<b>El Paso County District Attorney’s Office</b>		
<b>Astrozon Self-Storage Locker</b>	Facility manager	
<b>Tucson Police Department</b>	Detective Homicide detective	
<b>Apartment complex</b>	Owner	Rented by Benjamin Phillips (Fuqra member)
<b>Tucson Shopper</b>	Employee	Employed Benjamin Phillips (Fuqra member)
<b>Tucson Electric Power Company</b>		Provided utilities for Benjamin Phillips (Fuqra member)
<b>Portland Police Department</b>	Detective	Regarding the 1983 Portland hotel bombing
<b>Federal Bureau of Investigation (FBI)</b>	Special agent, AR Special agent, TX Lab agent	
<b>Buckley Powder Company</b>	Business manager	Regarding explosives
<b>Explosives expert</b>		Regarding explosives
<b>W. H. Zeller Enterprise</b>		Regarding explosives
<b>Holbrook Police Department</b>	Sergeant	
<b>Hotel in Holbrook, Arizona</b>		
<b>Los Angeles Police Department, Intelligence Division</b>		

Source: Colorado Fuqra case documents.

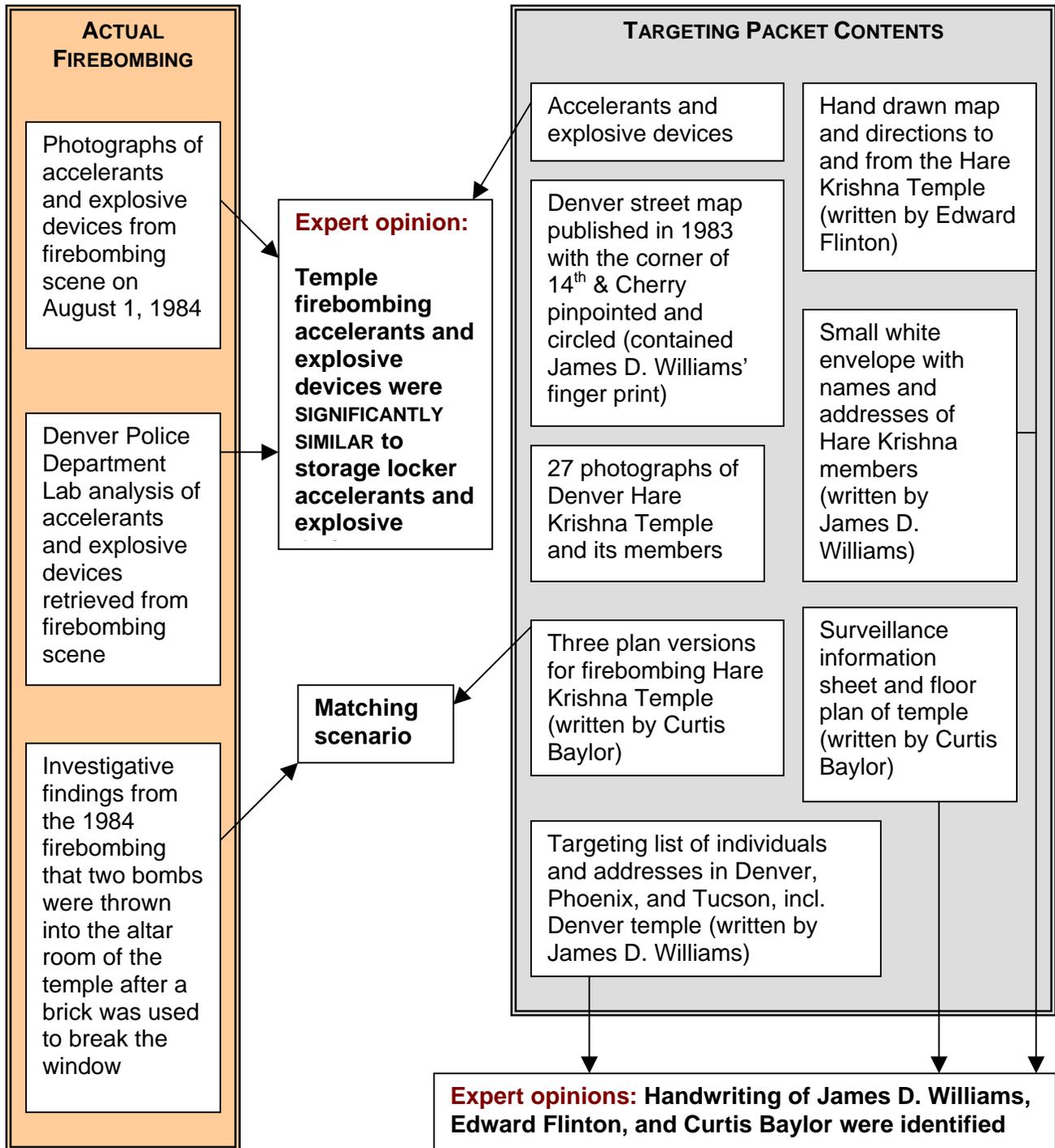
**Table 8**  
**Investigation of the Hare Krishna Temple Firebombing in Denver, Colorado**

<b>Organization</b>	<b>Individual(s)</b>	<b>Comments</b>
<b>Denver Fire Department</b>	Arson supervisor Investigator	
<b>Denver Police Department</b>	Lab technician	
<b>Colorado Springs Police Department</b>	Bomb Squad Detective Sergeant	
<b>Philadelphia Fire Department</b>		Regarding Hare Krishna temple firebombing in Philadelphia
<b>Colorado Bureau of Investigation, Pueblo Office</b>	Lab agent	
<b>Federal Bureau of Investigation (FBI)</b>		
<b>U.S. Department of State</b>		Regarding passport applications
<b>Arapahoe County Sheriff's Office</b>		
<b>Colorado Attorney General's Office</b>	Special investigators	
<b>Metropolitan Toronto Police Department</b>	Detective	Regarding attempted firebombing of Hindu temple and theater, Toronto

Source: Colorado Fuqra case documents.

Note: Module Six, Part B outlines some of the investigation techniques recommended by Colorado law enforcement for noticing, identifying, and securing evidence that indicates possible terrorist activity.

**Chart 2**  
**Analysis of Denver Hare Krishna Temple Targeting Packet Found in the 1989 Storage Locker Search**

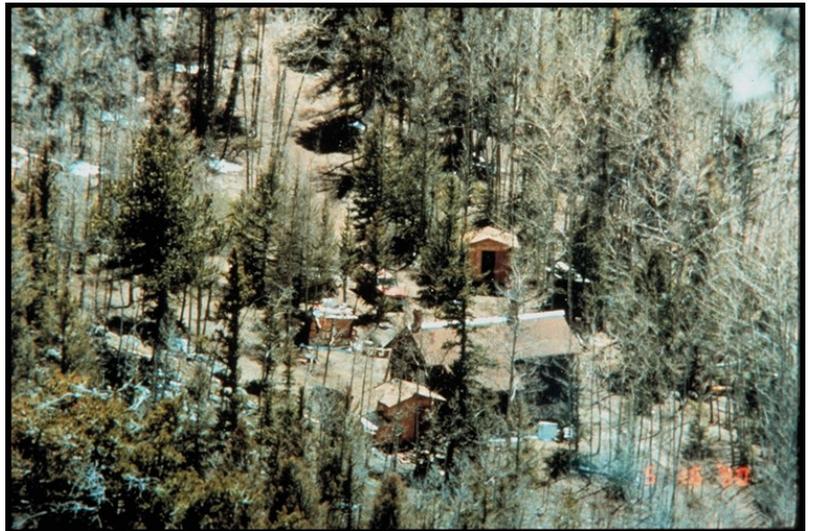


Source: "Denver Hare Krishna Temple Targeting Packet," Colorado investigative notes for the Fuqra case.

### Part C: Trout Creek Pass Compound Search

An interview with county sheriff personnel (by CSPD) revealed that various individuals had been observed on the Trout Creek Pass compound near Buena Vista, Colorado, conducting martial arts training, engaging in hand-to-hand combat, and practicing the shooting of assorted firearms and weaponry. The search of the Trout Creek Pass compound began at sunrise on October 8, 1992. Safe houses in the Colorado Springs area and in Williamsport, Pennsylvania were searched simultaneously. These searches involved more than 60 law enforcement officers, including individuals from the Colorado Office of the Attorney General, Colorado Department of Labor and Employment, U.S. Postal Inspection Service, Colorado Highway Patrol, Colorado Springs Police Department, Colorado Division of Minerals and Geology (mine inspection), Jefferson County Sheriff's Office (Colorado) SWAT, Arapahoe County (Colorado) Sheriff Bomb Squad, Chaffee County (Colorado) Sheriff's Office, Park County (Colorado) Sheriff's Office, Fremont County (Colorado) Sheriff's Office, Royal Canadian Mounted Police, Metropolitan Toronto Police Department, and Lycoming County (Pennsylvania) District Attorney's Office. The Trout Creek Pass compound contained numerous mine shafts, one of which contained assault weapons, 40,000 rounds of ammunition, and survival gear. It also housed a number of women

**Trout Creek Pass: 100-acre training compound, Colorado**



Photograph courtesy of Colorado Department of Labor and Employment and Attorney General's Office

and children. (See Module Six for challenges that were associated with this search).

One of the investigators recalled carrying a 3-year-old boy down a steep mountain to a trailer that was being used to contain the occupants of the compound during the search. As the investigator was putting the child down, a resident woman warned the child, “Don’t look at them; they’re the devil!” Although the child had shown no fear or discomfort around the investigator up to that point, he and the other children quickly responded by moving away from the investigator and looking at him with distrust. The investigator noted that all of the children in the compound were home-schooled and received early training to prepare them for terrorist activity in later years. The current whereabouts of these children, now young adults, is unknown.<sup>56</sup>

**Weapons seized in Trout Creek Pass search**



Photograph courtesy of Colorado Department of Labor and Employment and Attorney General's Office

Items seized in the Trout Creek Pass compound search supported suspicions of terrorist activities and aided the investigation and prosecution of the Fuqra cases. One of the charges in the case against James D. Williams involved the use of fraudulently obtained funds (from worker’s compensation claims) to purchase the Trout Creek Pass property. Module Four illustrates portions of the cash flow analysis used to make this charge.

**Module Three:  
Investigation of Worker's Compensation Fraud**

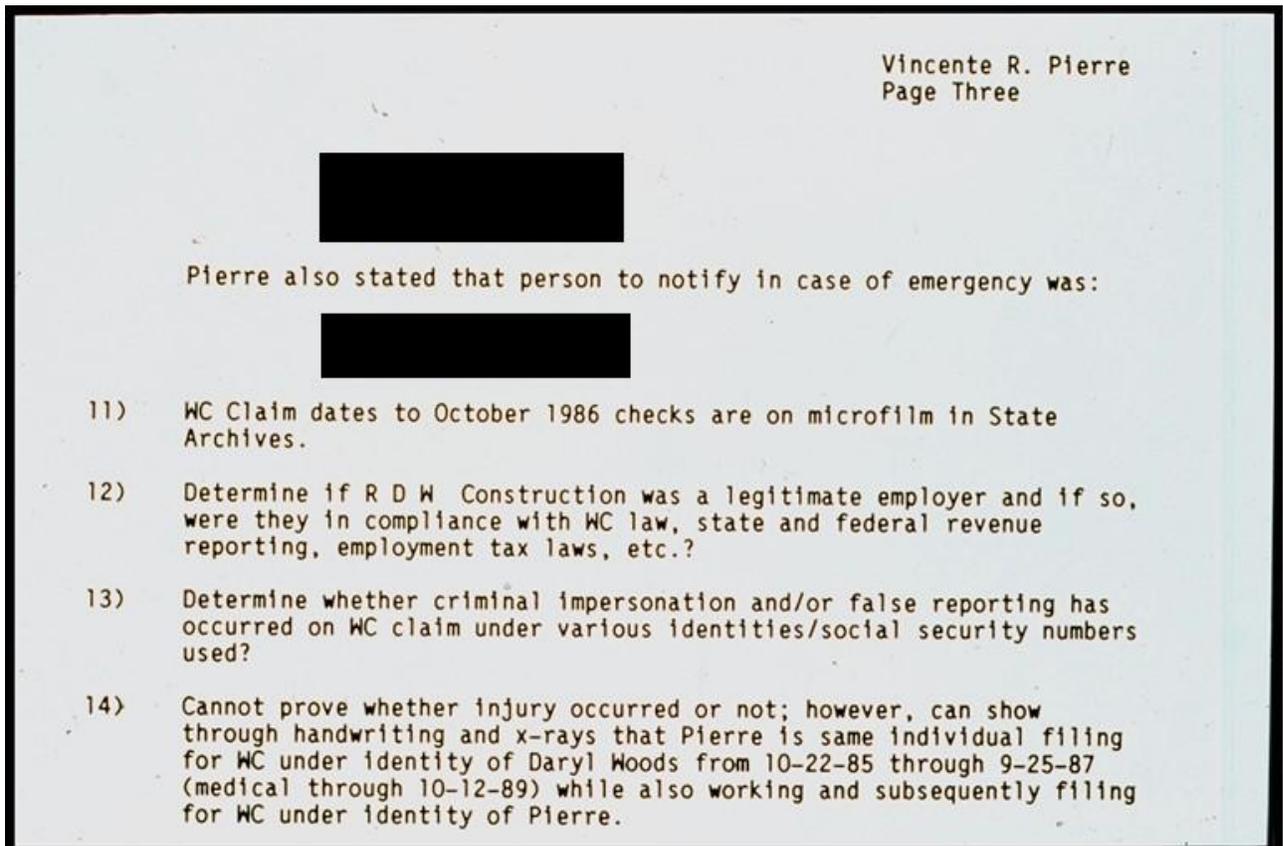
In February 1990, the FBI presented to Colorado's Department of Labor and Employment (CDLE) a list of suspected worker's compensation fraud cases, based on documents the Colorado Springs Police Department had discovered in the storage locker search. In response to the FBI's inquiry, a CDLE investigator cross-referenced 2,000 to 3,000 names associated with Fuqra, with names in the worker's compensation database, and produced a small list of potential suspects. Of particular interest was a worker's compensation case with a claimant who was listed as a witness on another case. The following sections provide details of the subsequent investigation conducted by a CDLE investigator. Since the CDLE investigator was also a court-qualified document examiner and handwriting expert, one "red flag" identified early in the investigation was the similarity of signatures among cases with different names.

**Part A: Worker's Compensation Claims of Woods and Pierre – Loss of \$54,438.73**

The following are some of the "red flags" that led to a determination and provided supporting evidence for the allegations of worker's compensation fraud by Daryl Woods and Vincent Rafael Pierre:<sup>57</sup>

1. The social security number used by Woods in a worker's compensation claim filed through L & L Construction was never issued by the Social Security Administration (SSA).
2. The witness to Woods' accident, James D. Williams, Jr. (a Fuqra member), listed the same home address as Woods on the claim form.

3. The social security number used by Pierre in a claim filed through RDW Construction (operated by Raymond D. Williams, a Fuqra member) was issued by SSA to a 65-year old female.
4. No witness was listed on Pierre's claim, but Raymond D. Williams (a Fuqra member) signed the claim.
5. Signatures of Woods and Pierre on medical records were identified as the same by a court-qualified forensic document examiner.
6. A forensic report comparing the x-rays used in the claims of Woods and Pierre identified the x-rays as belonging to the same individual.
7. Therefore, the claims of Woods and Pierre were filed by the same person – Woods.



Source: Colorado Fuqra case documents.

8. Signatures on the back of Woods' claim checks were identified as Woods' by a court-qualified forensic document examiner.
9. Signatures on the back of Pierre's claim check were identified as Pierre's by a court-qualified forensic document examiner.
10. Therefore, Pierre conspired with Woods to commit the worker's compensation fraud, although Pierre did not actually file any claim.
11. Colorado Department of Revenue found no record of individual income tax returns filed by Woods or Pierre.

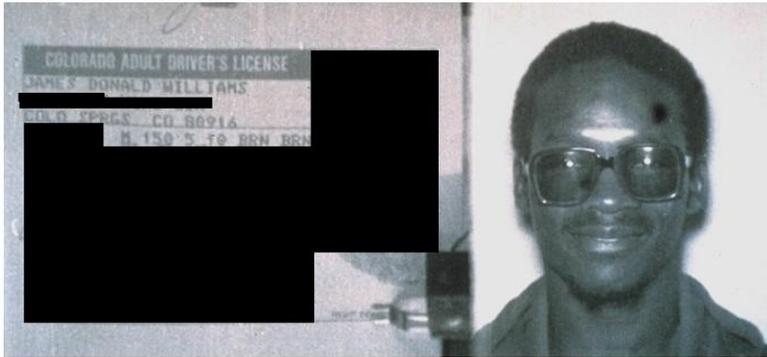
**Part B: Worker's Compensation Claims of Williams and Upshur – Loss of \$205,754.70**

The following are some of the “red flags” that led to a determination and provided supporting evidence for the allegations of worker's compensation fraud by Raymond D.

Williams, Jr. and James L. Upshur, Jr.:<sup>58</sup>

1. The social security number used by Williams in a worker's compensation claim was issued to Raymond Williams, Jr. (no middle initial).
2. Williams told a worker's compensation counselor that he had served in the U.S. Army for three years. His story was documented in the counselor's report.
3. The Armed Forces National Personnel Records provided copies of records for Raymond Williams, Jr. (no middle initial).
4. Signatures of Raymond Williams, Jr. (no middle initial) – in Army records and SSA records – were identified as NOT the same as the signature of claimant Raymond D. Williams, Jr. by a court-qualified forensic document examiner.
5. The social security number used by Upshur in a worker's compensation claim was issued by SSA to James L. Upshur, Jr.

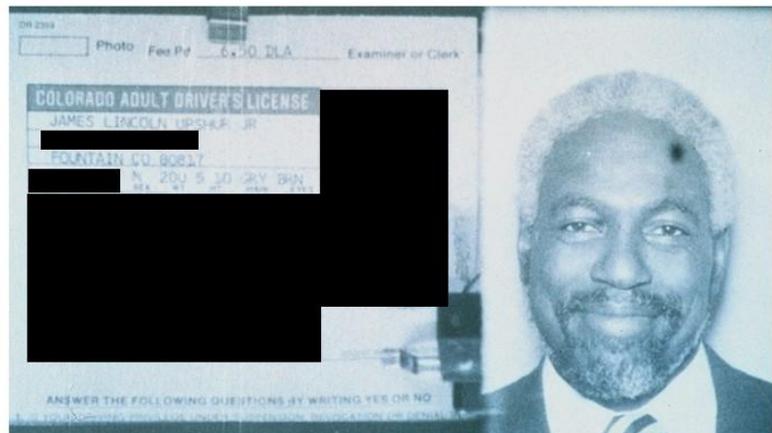
6. Upshur's claim was filed through CCC Carpentry (owned by Chris Childs, a Fuqra member).
7. The address of CCC Carpentry was listed as the same address as RDW Construction. Both companies were used to file claims, and both companies were owned by Fuqra members.
8. Colorado Department of Revenue found no record of RDW Construction (reporting was required by law).
9. The Armed Forces National Personnel Records provided copies of records for James Lincoln Upshur, Jr., which included information about location, date, and nature of service that matched the information provided to the worker's compensation counselor by Williams.



**Colorado driver's license  
James Donald Williams**

Photographs courtesy of Colorado Department of Labor and Employment and Attorney General's Office

**Colorado driver's license  
James Lincoln Upshur, Jr.**



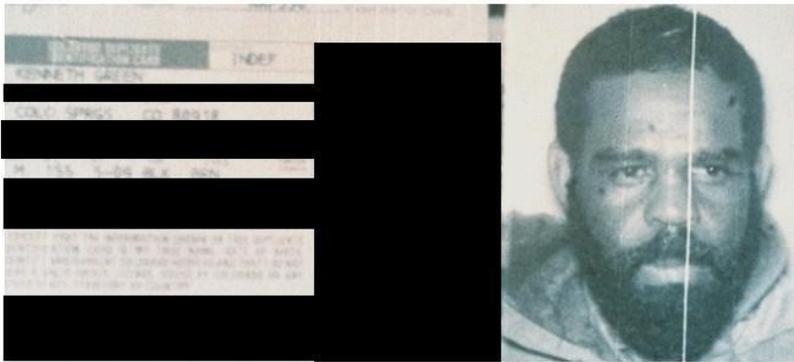
10. Williams' worker's compensation counselor was asked to identify Williams among a series of photographs, and "without hesitation," the counselor identified the photograph of Upshur as claimant Williams.
11. An expert document examiner reported it was "highly probable" that a handwritten letter signed by Upshur and a handwritten patient information document signed by Williams were written by the same individual.
12. Signatures of Upshur obtained from Army documents and claim documents were identified as the same by a court-qualified forensic document examiner.
13. A neuro-radiologist provided an expert opinion that it was "highly probable" that the x-rays of Williams and Upshur were of the same individual.
14. Therefore, Williams and Upshur were the same individual, who filed claims under both a true name (Upshur) and an assumed name (Williams).
15. Colorado Department of Revenue found no record of individual income tax returns filed by Upshur or Williams.

James Donald Williams was indicted in 1992 in Colorado on charges of racketeering, worker's compensation fraud, conspiracy to commit murder, and conspiracy to commit arson. After his conviction, Williams fled and remained a fugitive until he was apprehended in Virginia in August 2000. Williams was returned to Colorado and sentenced in March 2001 to 69 years in prison.<sup>59</sup>

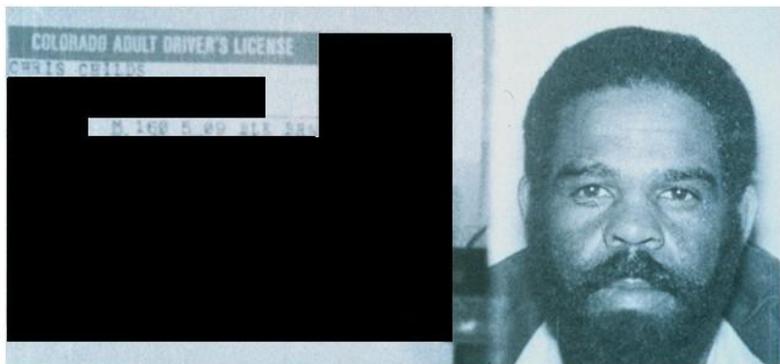
**Part C: Worker's Compensation Claims of Green, Childs, and Johnson – Loss of \$149,185.30**

The following are some of the “red flags” that led to a determination and provided supporting evidence for the allegations of worker's compensation fraud by Kenneth Green, Chris Childs, and Chris Johnson:<sup>60</sup>

1. Green filed worker's compensation claims using two different social security numbers.
2. Neither social security number used by Green in claims was ever issued by SSA.
3. For at least one of the claim periods, Green's listed address was the same as the addresses used by Daryl Woods and Raymond D. Williams, Jr. (both Fuqra members).
4. Green's claim was filed through CCC Carpentry (owned by Chris Childs, a Fuqra member).
5. Signatures of Green and signatures of Chris Childs dba CCC Carpentry were compared with signatures on driver's licenses of Green and Childs, and all were identified as the same by a court-qualified forensic document examiner.
6. Colorado Department of Labor and Employment found no record of CCC Carpentry (reporting was required by law).
7. Colorado Department of Revenue found no record of CCC Carpentry (reporting was required by law).
8. Samuel McClane (a Fuqra member) also (later) filed a worker's compensation claim through Chris Childs dba CCC Carpentry (a Fuqra member).



**Colorado driver's license  
Kenneth Green**



**Colorado driver's license  
Chris Childs**

9. Photographs on Colorado driver's licenses issued to Kenneth Green, Chris Childs, and Chris Johnson appeared to be of the same individual.



**Colorado driver's license  
Chris Johnson**

Photographs courtesy of Colorado Department of Labor and Employment and Attorney General's Office

10. Signatures of Johnson on claim forms and signatures of Green, Childs, and Johnson on driver's licenses were executed by the same individual, according to a court-qualified forensic document examiner.
11. The social security number used by Johnson in a worker's compensation claim through Samuel McClane dba McClane's Carpenter and Home Builders (operated by a Fuqra member) was never issued by SSA.
12. Therefore, Green, Childs, and Johnson were all the same individual, who filed claims as Green and as Johnson through employers, Childs dba CCC Carpentry and McClane dba McClane's Carpenter and Home Builders (all Fuqra members).
13. Colorado Department of Revenue found no record of individual income tax returns filed by Green, Childs, or Johnson.

**Part D: Worker's Compensation Claims of McClane – Loss of \$21,438.65**

The following are some of the “red flags” that led to a determination and provided supporting evidence for the allegations of worker's compensation fraud by Samuel McClane:<sup>61</sup>

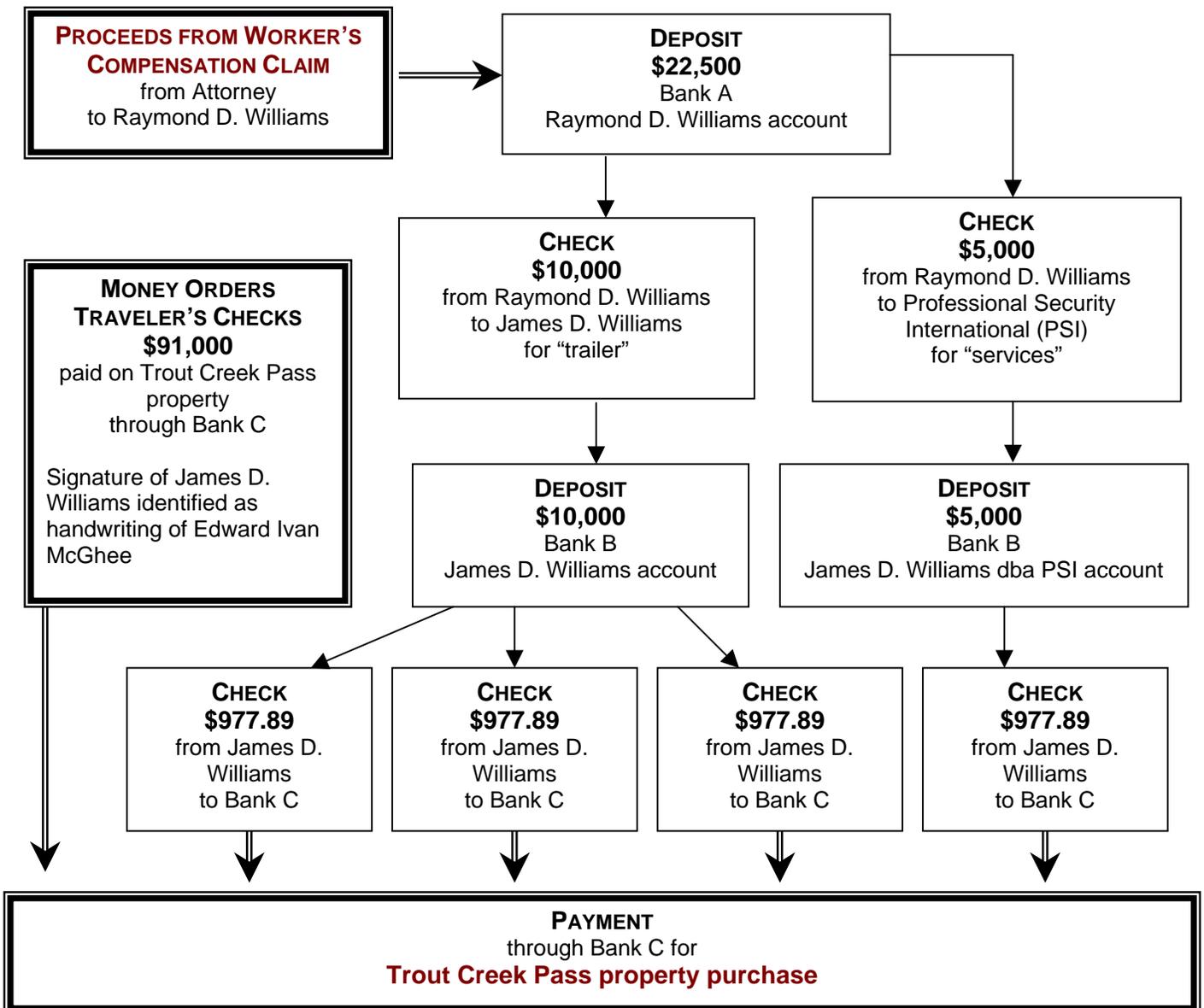
1. The social security number used by McClane was issued by SSA to another individual two years *before* McClane stated that he was born.
2. Signatures of McClane and James Donald Williams on Colorado driver's licenses appeared to be the same.
3. Photographs on Colorado driver's licenses of McClane and James Donald Williams appeared to be of the same individual.
4. An employer of James Donald Williams examined a series of Colorado driver's licenses and identified the photograph on the license of McClane as James Donald Williams.
5. Therefore, McClane and Williams were the same individual.
6. Worker's compensation records showed Johnson (a Fuqra member) filed a claim through Samuel McClane dba McClane's Carpenter and Home Builders (operated by a Fuqra member).
7. Records obtained from the Colorado Department of Revenue revealed that James D. Williams (aka McClane) was president of the business, Professional Security International (PSI). The vice president was listed as James L. Upshur (a Fuqra member) and the supervisor was listed as Rafael Pierre (a Fuqra member).
8. Colorado Department of Labor and Employment found no record of PSI (reporting was required by law).
9. Colorado Department of Revenue found no record of individual income tax returns filed by McClane or Williams.

**Module Four: Cash Flow  
From Fraud to Purchase of Property**

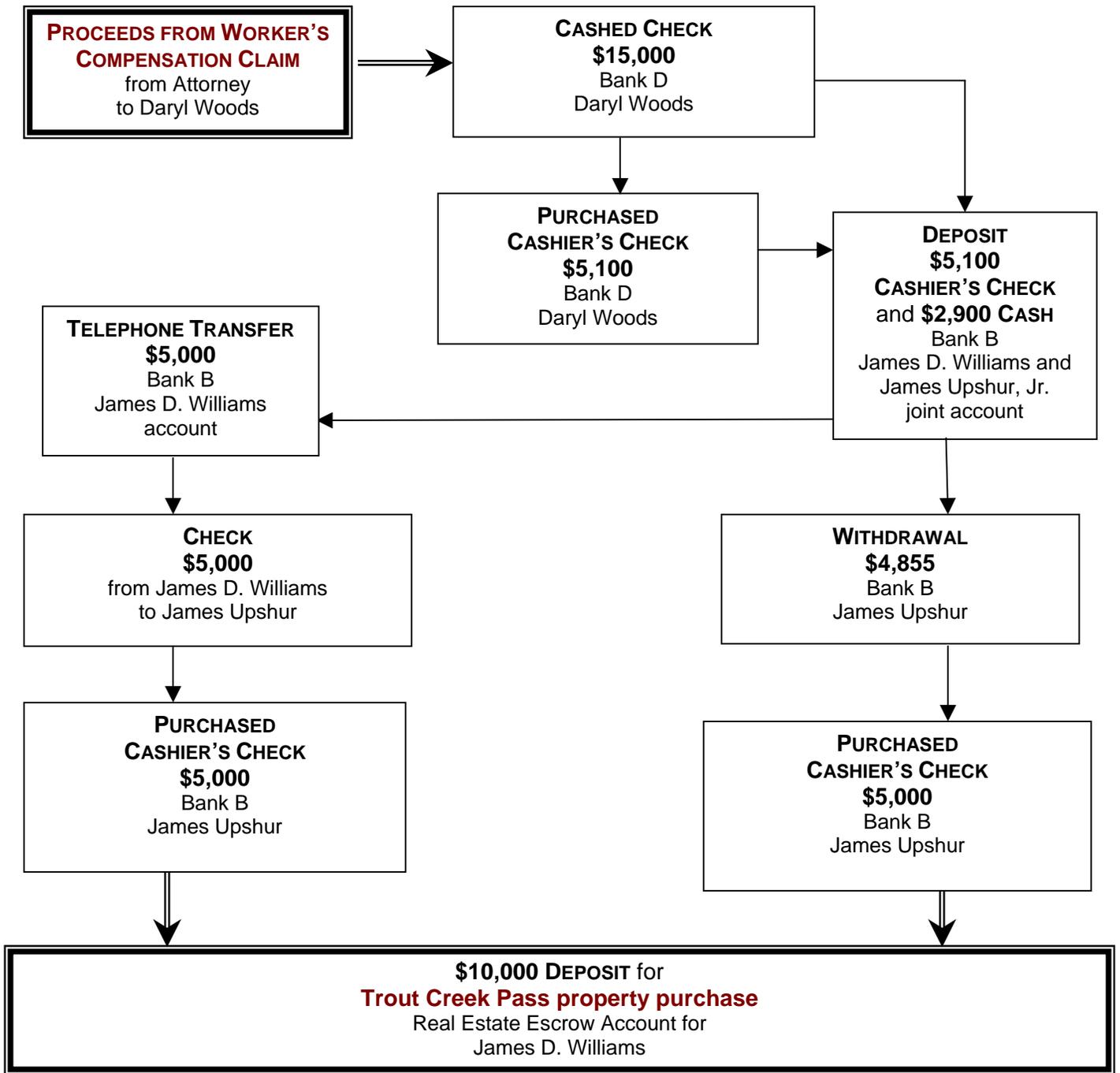
**The Colorado Organized Crime Control Act (COCCA) §18-17-104: Prohibited activities.**

(1) (a) It is unlawful for any person who knowingly has received any proceeds derived, directly or indirectly, from a pattern of racketeering activity or through the collection of an unlawful debt to use or invest, whether directly or indirectly, any part of such proceeds or the proceeds derived from the investment or use thereof in the acquisition of any title to, or any right, interest, or equity in, real property or in the establishment or operation of any enterprise.

**Chart 3  
Proceeds from Worker's Compensation Claims of Raymond D. Williams**



**Chart 4**  
**Proceeds from Worker's Compensation Claims of Daryl Woods**



Note: Information used in Charts 3 and 4 was taken from Colorado Fuqra case documents.

## Module Five: Legal Strategies in the Fuqra Case

One of the first legal challenges of the Colorado Fuqra case involved the legality of the storage locker search in Colorado Springs. Even though the manager of the storage locker facility had indicated that the owners of the locker abandoned the property and the management of the facility was authorized to access the locker (pending collection of past-due rental fees), it turned out that payment for the locker was in arrears only 39 days, raising the legal question of law enforcement's authority to access the locker with the facility manager. The Colorado Attorney General's Office found it necessary to argue "apparent authority" to search and seize property in an investigation, so that the evidence found in the locker could be used in a criminal case. Other challenges in the case included the following:

1. Colorado had no statutes that addressed terrorism specifically.
2. Colorado had no system for regulating the operation of security companies (such as PSI).
3. In Colorado, money laundering was only punishable if those monies were directly tied to the drug trade.
4. Under Colorado law, most felonies are subject to a three year statute of limitation.

However, the statute of limitation under the Colorado Organized Crime Control Act (COCCA) is ten years.

Therefore, the three major laws used in the Fuqra case were (1) racketeering (using COCCA, which is similar to the federal RICO statute), carrying a penalty of 48 years; (2) conspiracy in the first degree, carrying a penalty of 48 years; and (3) theft, addressing forgery in the worker's compensation fraud and stolen rental property<sup>62</sup> (see Tables 9 and 10).

**Table 9**  
**Fuqra Case: Charges under Colorado Organized Crime Control Act (COCCA)**

<b>Count One</b> (see Table 10)	Conducting an enterprise through a pattern of racketeering activity	<ol style="list-style-type: none"> <li>1) false worker’s compensation claims</li> <li>2) failure to file income tax returns</li> <li>3) theft of rental property</li> </ol>
<b>Count Two</b>	Investing proceeds of racketeering activity in real estate	<ol style="list-style-type: none"> <li>1) false worker’s compensation claim payments funneled to real estate escrow account</li> <li>2) money in escrow account used for land payments</li> <li>3) land titled in name of James D. Williams</li> </ol>
<b>Count Three</b>	Conspiracy to violate COCCA	<ol style="list-style-type: none"> <li>1) agreement to engage in criminal enterprise                         <ol style="list-style-type: none"> <li>a) agreement to file false worker’s compensation claims</li> <li>b) agreement not to file tax returns</li> <li>c) agreement to steal rental property</li> </ol> </li> <li>2) agreement to use racketeering proceeds to purchase real estate</li> </ol>
<b>Counts Five, Ten, and Thirteen</b>	Theft	<ol style="list-style-type: none"> <li>1) forgery</li> <li>2) theft of rental property</li> </ol>

Source: Colorado Fuqra case documents.

**Table 10**  
**Fuqra Case: Patterns of Racketeering**

<b>False worker’s compensation claims</b>	<ol style="list-style-type: none"> <li>1) Upshur/Williams claims</li> <li>2) Johnson/Green claims</li> <li>3) Woods/Pierre claims</li> <li>4) Williams/McClane claims</li> </ol>
<b>Failure to file tax returns</b>	<ol style="list-style-type: none"> <li>1) Edward I. McGhee</li> <li>2) James L. Upshur</li> <li>3) Chris Childs</li> <li>4) James D. Williams</li> </ol>
<b>Theft of rental property</b>	<ol style="list-style-type: none"> <li>1) Center Rental theft</li> <li>2) Wagner Rental theft</li> <li>3) Action Rental thefts</li> <li>4) AAA Rental thefts</li> </ol>

Source: Colorado Fuqra case documents.

## **FUQRA CASE STUDY: REFLECTIONS**

Researchers from NW3C conducted interviews of key investigators and prosecutors in the Colorado Fuqra case in June 2004. The following are excerpts from those interviews, which provide information on the lessons learned by each of the key participants, with a reflective perspective that includes their experiences in law enforcement and prosecution. Module Six includes four parts: Communication, Cooperation, and Coordination; Investigation Techniques; Challenges of Terrorism-related White-collar Crime Cases; Federal- vs. State-level Investigation and Prosecution; and Successes and Comments. Each of these parts addresses a set of issues or key area of concern as expressed by interviewees.

### **Module Six: Lessons Learned and Best Practices**

#### **Part A: Communication, Cooperation, and Coordination**

The predominant theme throughout the interviews was the importance of communication, cooperation, and coordination – not only among members of one agency but also among members of different agencies. (See Tables 11 and 12 for a list of agencies and groups that played a role in the Colorado Fuqra cases.) Without a system that can accommodate communication, cooperation, and coordination – and individuals who are willing and able to exercise these behaviors on a regular basis – interviewees argued that effective and significant criminal deterrence and prevention is not possible. Although “the three C’s” have long been a cornerstone of disaster management strategies and public service policies, anecdotal information indicates that public agencies, and the members of those agencies, have not yet achieved a level of communication, cooperation, and coordination that is satisfactory.

**Table 11  
Public and Private Groups Involved in the Colorado Fuqra Investigation: Colorado**

<b>Location</b>	<b>Agency or Group</b>
<b>State and Local - Colorado</b>	Colorado Department of Labor and Employment
	Colorado Office of the Attorney General
	Colorado Bureau of Investigation
	Colorado Attorney General's Office
	Colorado Department of Motor Vehicles
	Colorado Department of Revenue
	Colorado Secretary of State
	Colorado Department of Human Services
	Colorado Highway Patrol
	Colorado Division of Minerals and Geology, Mine Inspection
	Arapahoe County Sheriff's Office
	Chaffee County Sheriff's Office
	Chaffee County Assessor's Office
	Colorado Springs Police Department
	County Clerk offices in Colorado
	Denver Fire Department
	Denver Police Department
	El Paso County District Attorney's Office
	El Paso County Department of Human Services
	El Paso County Sheriff's Office
	Englewood Fire Department
	Englewood Police Department
	Fremont County Sheriff's Office
	Golden Police Department, SWAT
	Jefferson County Sheriff's Office, SWAT
	Lakewood Police Department
Park County Sheriff's Office	
Woodland Park Police Department	
<b>Other Groups - Colorado</b>	Colorado Hospital and Health Sciences Center
	Colorado College, Department of Anthropology
	Power companies in Colorado
	Telephone service providers in Colorado
	Real estate companies in Colorado
	Rental equipment companies in Colorado
	Construction companies and contractors in Colorado
	Banks in Colorado
	Money order providers in Colorado
Hospitals and doctor's offices in Colorado	

Source: Colorado Department of Labor and Employment and Fuqra case documents.

**Table 12  
Public and Private Groups Involved in the Colorado Fuqra Investigation: Other**

<b>Location</b>	<b>Agency or Group</b>
<b>Arizona</b>	Holbrook Police Department
	Tucson Police Department
	Arizona Department of Motor Vehicles
<b>California</b>	Los Angeles Police Department
<b>Delaware</b>	Delaware Department of Labor
<b>Florida</b>	Florida Department of Labor and Employment
<b>Kansas</b>	Overland Park Police Department
<b>Louisiana</b>	Louisiana Department of Health and Hospitals
<b>Maryland</b>	Maryland State Police
	Maryland Department of Labor, Licensing and Regulation
<b>Michigan</b>	Detroit Police Department
<b>New York</b>	New York City Police Department
<b>North Carolina</b>	North Carolina State Bureau of Investigation
<b>Oregon</b>	Portland Police Department
<b>Pennsylvania</b>	Philadelphia Fire Department
	Pennsylvania Department of the Auditor General
	Pennsylvania State Police
	Lycoming County District Attorney's Office
<b>Rhode Island</b>	Rhode Island Department of Labor and Training
<b>Texas</b>	Houston Police Department
<b>Virginia</b>	Virginia State Police
<b>Washington</b>	Seattle Police Department
	Tacoma Police Department
	Washington Department of Labor and Industries
	Pierce County Sheriff's Office
<b>Federal – U.S.</b>	Federal Bureau of Investigation (FBI)
	U.S. Postal Inspection Service
	U.S. Department of State
	U.S. Attorney's Office
	U.S. Department of Defense
	U.S. Customs and Border Protection
	U.S. Department of Citizenship and Immigration Services
	U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
	U.S. Internal Revenue Service (IRS)
	U.S. Department of Health and Human Services
	U.S. Army
	U.S. Air Force
	U.S. National Archives and Records Administration
	Central Intelligence Agency (CIA)
Financial Crimes Enforcement Network (FinCEN)	
<b>Other Groups – U.S.</b>	National Insurance Crime Bureau (NICB)
	Smithsonian Institution
<b>Outside U.S.</b>	Interpol
	Metropolitan Toronto Police Department
	Royal Canadian Mounted Police

Source: Colorado Department of Labor and Employment and Fuqra case documents.

Anti- and counter-terrorism policies have addressed concerns about communication, cooperation and coordination; however, a considerable amount of effort is required of individuals within public service agencies to assure that these behaviors are practiced on a continuing basis, while also remaining attentive to issues of privacy and national security. The following remarks address specific concerns, as well as approaches for improving information sharing and effective practices in law enforcement agencies.

1. Key comments from Colorado investigators and prosecutors:
  - a. It's "all about" relationships. Cooperation is developed through individual relationships. Without strong relationships nothing is done.
  - b. Personal relationships yield information much better than official channels. This communication is on the informal level, but it is the only way communication seems to work.
2. Relationships among different organizations:
  - a. A good level of communication exists with agents who establish and maintain good working relationships with other agents.
  - b. It is helpful – during informal relationship building – for each member of an agency to say “here’s how we operate” so each person has a good understanding of the different restrictions, culture, and characteristics of other agencies.
  - c. One investigator stated, “Don’t come to my office when you need something,” meaning that investigators (particularly those from other agencies) are less likely to get information or other support by “showing up” or calling to ask for information without first having established a relationship.

- d. It is important for economic crime, or white-collar crime, divisions to be established at local and state levels to prepare officers for identifying and pursuing terrorism-related cases, which usually involve WCC.
- e. White-collar crime divisions of law enforcement are often the “dumping ground” for officers who are close to retirement or “problem” officers. However, working WCC cases requires specific skills and interests that these individuals may not have.
- f. Familiarity with other agencies and contacts with individuals in other organizations make it easier to get information and assistance when it is needed.
- g. Joint Terrorism Task Forces (JTTFs), which are established in most major U.S. cities and include members from local, state, and federal law enforcement, can be good mechanisms for building relationships for better communication.
- h. JTTFs tend to concentrate on the issues federal agencies think are important; however, meetings and other activities do open some channels and bring state and local views to the attention of federal agents. They also help investigators get a sense of what is going on in other areas of the country and other agencies.
- i. At the local level, police and prosecutors tend to have more difficulty building relationships than state-level officers and prosecutors.
- j. The inherent distrust of federal agents by state and local law enforcement has diminished somewhat, but investigators in various agencies still do not always share information in a timely and reasonable fashion.
- k. The lack of communication by the federal agencies with state and local law enforcement, and between federal agencies, seems to be unnecessary and could work a lot better. Obviously some information can not be provided in some instances;

however, an effort should be made to disclose pertinent information in a timely and reasonable fashion.

- l. During development of the Fuqra cases, FBI agents were reluctant or unwilling to communicate information about federal-level Fuqra investigations (or even acknowledge the existence of the cases) to those outside of the FBI. This failure to communicate, in general, does not encourage information sharing (by others), according to one investigator. Even in 2003 and early 2004, FBI agents would not acknowledge to state law enforcement that the Fuqra group was a concern.
- m. Even in today's post-9/11 environment, cooperation by the FBI with state and local law enforcement is rare, unless a personal relationship has been established between agents and officers. On the formal level, it is nearly impossible for state and local law enforcement to get anything substantive from the FBI unless they are directly involved in the investigation. Informal means of communications are the only means of obtaining useful information.
- n. Communication problems with the FBI seem to be due in large part to the classification of information as "secret" or "top secret," severely limiting disclosure, often unnecessarily. Even individuals with appropriate security clearances, but outside of the FBI, are often denied information. This norm of secrecy has perpetuated the state and local view of the FBI as the "black hole of intelligence information; everything goes in and nothing comes out."<sup>63</sup>
- o. Currently there is a directive on terrorist threats requiring local law enforcement with adequate clearance to receive reports of threats in the area; however, the information provided is insignificant and infrequent.

p. Years ago, FBI agents were stationed in one location for long periods of time (e.g., 20 years) and established informal relationships with state and local police officers by having lunch or drinks with them. Over time, agents and officers learned to trust each other and the exchange of information through informal channels was much more prevalent. Now, FBI agents tend to move around more often and not develop personal relationships outside of the Bureau. State and local officers now regard the FBI agents as “the suits,” and little information is exchanged in informal settings.

3. Relationships between investigators and prosecutors:

- a. The same types of information sharing practices that are needed between agencies are also needed between investigators and prosecutors.
- b. Communication and cooperation should take place early in a case. The earlier cooperation begins, the better. An open dialogue must exist between prosecutor and investigator throughout the development of the case. Investigators and prosecutors should communicate and cooperate “early and often.”
- c. Investigators must teach prosecutors about terrorism (which involves belief-based crimes rather than typical criminal behaviors) so prosecutors understand how terrorists function and think, as well as understanding why the distinction is important.
- d. All too often, investigators and prosecutors do not communicate, and investigators bring case files to a prosecutor without first developing an understanding of what is transpiring and what can be done with the case. Communication throughout the development of a case helps an investigator understand a prosecutor’s perspective and a prosecutor understand an investigator’s perspective. Of course, agency norms

and personal characteristics should be considered when strategies for relationship building are developed.

- e. Communication is particularly important in WCC cases because of the complexities involved.

### **Part B: Investigation Techniques**

Successful anti- and counter-terrorism measures begin with a law enforcement community that is able to recognize possible indicators of terrorist activity and investigate those indicators in such a way that conclusions are credible and evidence is legally admissible for criminal prosecution. It is also important for law enforcement to recognize that “red flags” represent a *possible* need for further investigation but are often *not* evidence of terrorist activities.

According to interviewees, effective investigative techniques may be more a matter of instinct than formula. Instincts about possible terrorist activity, however, can only be developed through the accumulation of knowledge about terrorism and known terrorist groups, along with some degree of experience with criminal activity. The following remarks were provided by investigators who have years of experience working with organized crime and terrorist cases in an effort to convey some of their knowledge and insights.

1. Key comments from Colorado investigators and prosecutors:
  - a. There really are no “red flags”; law enforcement officers just need to be aware enough of characteristics of terrorist groups to recognize a connection when they stumble across something.
  - b. Investigators need to “think outside the box” – beyond usual criminal investigative techniques.

2. Recommendations from Colorado prosecutors and investigators:
  - a. Understand that any place can be a target.
  - b. Understand that terrorists can live anywhere (e.g., suburban middle-class housing – neither impoverished nor extravagant) and that they make an effort to “fit in.”
  - c. Since individuals engaged in terrorist activities often do not have any criminal record, check civil court records for judgments and claims (and possible evidence of fraud).
  - d. Evaluate what you see in its context, for example: a camera and photographs of water treatment plants might be a red flag – the context of the surroundings and circumstances will indicate if they are important.
  - e. In a routine highway patrol stop, be observant and look for things that seem out of place or unusual, such as:
    - i. Training materials or other terrorism-related literature that “look odd”
    - ii. Camouflage jacket
    - iii. Guns, homemade weapons, or elements that could make up a weapon
    - iv. Bumper stickers that indicate beliefs
    - v. Arabic literature
    - vi. Financial instruments that look out of place or odd

**Remember: Care should be taken when looking for “red flags” because other activities (legal and illegal) may be associated with them, rather than terrorist-related activities. Law enforcement should take care not to make assumptions and generalizations.**

- f. Sometimes reports of drunk driving or beating up women are red flags indicating a terrorist member is “living high just before a suicide run.”
- g. Terrorists usually need to raise funds, so “follow the money” even when things appear normal and clear-cut on the surface. Money trails often lead to information about future plans and other important information.

### **Part C: Challenges of Terrorism-related White-collar Crime Cases**

A primary challenge associated with the investigation and prosecution of terrorism-related WCC cases is a need for training, not only in terrorist-related issues, but also in techniques of financial analysis and computer forensics. Since money laundering and financial fraud are often components of terrorism cases, it is important for investigators to understand how to “follow the money” and develop an analysis of the flow of funds that is accurate and admissible in court. Investigators should also be aware of the various agencies and organizations that can provide technical and analytical support in a criminal case, if they do not have sufficient time, resources, or expertise in certain areas. As discussed in the Part A of this module, successful investigations and prosecutions are a product of cooperative efforts by a variety of individuals and agencies. The following remarks were provided by investigators and prosecutors in Colorado concerning training and other the challenges that they faced in the Fuqra cases and similar criminal cases.

1. Need for training:
  - a. There tends to be a lack of awareness, education, and experience in how WCCs are committed and the important role they can play in other criminal activities.
  - b. There are no continuing education requirements for law enforcement officers in Colorado and some other states.

- c. Training for law enforcement is inadequate, especially training in financial and other specializations needed to investigate WCCs. Law enforcement agencies tend to have little interest, time, and/or resources to allow for WCC training.
  - d. There is definitely a lack of funding for agencies at state and local levels.
2. Political pressures:
- a. Perceived prejudices (e.g., profiling) associated with members of minority races or religious groups made pursuing the Fuqra case difficult. In the early stages, the FBI wanted to do the case, but the U.S. Attorney refused to go after the religious group, and newspapers were critical of law enforcement actions citing concerns of discrimination and profiling. According to one investigator interviewed, the “average person” wants to know why law enforcement is investigating people who have “done nothing” and often believe that there is a hidden agenda by police and other agencies.
  - b. Concerns were expressed about “having another Waco incident,” especially since a number of people at the Buena Vista compound were women and children. A state trooper who became concerned about Fuqra presence was told to “back off” by federal law enforcement.
3. Extensive criminal activity and limited resources:
- a. Law enforcement officers tend not to admit they are unable to do their own work in a case, even if they do not have the expertise to do it effectively. They may not, for instance, request assistance from NW3C in analyzing bank statements.
  - b. Currently there are many groups in this country who have concealed their identity and purpose while raising funds through illegal activities, and the level of

activity is likely to overwhelm law enforcement.

**Part D: Federal-level vs. State-level Investigation and Prosecution**

Colorado investigators and prosecutors described the Fuqra case as a huge undertaking, involving a huge volume of documents (yielding 800 case exhibits), and requiring intense, detailed analysis and specialized knowledge in a variety of areas. The case was particularly difficult because of the limited resources that were available. Although it is often thought that terrorism-related cases are best suited for investigation and prosecution at the federal level, advantages of state-level action should also be considered (see Table 13).

**Table 13  
Advantages at Federal and State Levels:  
Investigating and Prosecuting Terrorism-related Cases**

<b>Pro Federal</b>	<b>Pro State</b>
The level of expertise required to investigate and prosecute a terrorism-related case involving white-collar crime is not as well refined on local and state levels.	Federal agents tend not to be as experienced as state agents with violent crime.
Federal agencies have access to greater resources.	The level of activity (i.e., potential terrorism cases) is more than federal agents alone can possibly handle.
Federal agencies are usually better equipped to handle cases with national and international implications than state agencies.	The federal system “is in a log jam”; state prosecutors may be able to get results more quickly.
Federal penalties for weapons and explosives are generally more severe than state penalties.	States often have racketeering statutes with penalties that are equal to or greater than federal RICO statutes.
Federal agents have greater ability to get cooperation and coordination among different jurisdictions than state agents.	Political concerns (including public criticisms) seem to influence the process and outcome of a case more at the federal level than at state and local levels.
State-level judges have more discretion in sentencing, and often first-time offenders of white-collar crimes receive light sentences, or probation.	Federal judges are sometimes hampered by more structured sentencing guidelines; State sentencing can be much more flexible than federal sentencing.

Source: NW3C interviews.

## Part E: Successes and Comments

In interviews conducted with investigators and prosecutors involved in the development and prosecution of the Colorado Fuqra cases, a number of factors were identified as playing a part in the successful outcome of the case. Below is a partial list of remarks made:

1. The director of the Colorado Department of Labor and Employment (CDLE) allowed the key investigator to investigate aspects of the case that were typically considered outside of the jurisdiction or authority of the CDLE. This flexibility allowed the investigator to fully investigate aspects of the crimes that might otherwise have been omitted from the case.
2. Shortly after the CDLE began investigating a number of worker's compensation violations by Fuqra members, the FBI told the Governor of Colorado that they were no longer working the case, as the U.S. Attorney's Office determined that it was not worthwhile to pursue a worker's compensation fraud case in federal court. The governor responded by designating the key CDLE investigator as the chief investigator in the case and provided political support for a thorough investigation, which led to further support and cooperation from a number of agencies and individuals. The chief investigator was also permitted to devote all work efforts to the Fuqra case, with no responsibilities for other CDLE cases.
3. There was a high degree of cooperation among investigators in various state agencies, and each investigator went "above and beyond" to determine the criminal connection in the case. Without these cooperative relationships, the huge undertaking of the Fuqra investigation would not have "gotten off the ground," much less led to a series of successful prosecutions. The relationships that were developed among individuals at

various agencies during the Fuqra case still exist today.

4. Success was achieved by dividing responsibilities among investigators and prosecutors, with assistance from a few paralegals. Team effort was essential to the success of the case, particularly since it included complex and voluminous documentation of financial fraud. This case demonstrates what can be accomplished with a total team effort.
5. The cooperation with the U.S. Postal Inspectors and the U.S. State Department was “wonderful.”
6. It would have been helpful if CDLE investigators had been able to serve search warrants. As is the case in many states, some Colorado investigators who deal with criminal cases have very limited statutory authority; that is, they do not have the same authority as a peace officer. In the Fuqra case, this limitation made it necessary for the CDLE investigator to ask other agencies to serve warrants to obtain bank and other records.
7. It would have been helpful to have additional staff, including additional paralegals and investigators with expertise in financial crime.

## **Part F: Best Practices**

Throughout the course of interviews with law enforcement and prosecutorial personnel tied to the Colorado Fuqra case, a resounding emphasis on communication and cooperation, along with a myriad of successful investigation practices, has been identified. Extrapolation from these case studies has rendered a list of key “do’s and don’ts” that provide valuable insight into what practices have and can best assist in a successful investigation of terrorism and WCC:

## **Communication, Cooperation and Coordination**

### *Do's*

- Communicate through informal, personal relationships with other law enforcement personnel, including varying agencies on the local, state, and federal levels.
- Be respectful of other agencies' operating procedures; foster interagency relations by communicating your agency's restrictions, characteristics and general culture to others.
- Encourage the establishment of economic/white-collar crime divisions at local and state levels.
- Utilize Joint Terrorism Task Forces (JTTFs) when possible; they are good mechanisms for building relationships with members from local, state, and federal law enforcement through interaction.
- Foster open dialog between individuals, including prosecutors, involved in case matters early on and frequently in the investigation.
- Investigators should take responsibility for teaching prosecutors about the nuances of white-collar crime so that cases may be tried effectively.
- Share case information in a timely fashion; do not hold on to information that may be important any longer than is necessary.

### *Don'ts*

- Do not expect individuals from other agencies to give out information freely without first developing an informal relationship.

- Do not promote a “norm of secrecy” within the agency; important information should be freely shared between relevant parties, regardless of affiliation.
- Do not dismiss an individual’s importance in an investigation or inherently distrust them due to affiliation; open communication and cooperation is critical for all individuals at all levels of investigation: local, state, and federal.
- Do not utilize an agency’s economic/white-collar crime division as a “dumping ground” for officers that may be retiring or are troublesome; WCC cases require specific investigative skills and tools that should be utilized only by qualified individuals.
- Do not be hesitant about asking for help from other individuals or agencies that may have more experience in a particular area; it’s important for the investigation that procedures and practices are done properly.

### **Investigative Practices**

#### *Do’s*

- Trust your instincts; experience is a valuable tool in any investigation, especially WCC cases in which crime may not be inherently obvious.
- Think “outside the box,” beyond the usual criminal investigative techniques.
- When investigating individuals, be sure to check civil court records for judgments and claims; these may signal fraud and a possible link to other crimes not easily visible.
- Evaluate everything that you see according to its context; while an item may not immediately draw attention, when looked at in context with surroundings, it may provide a red flag.

- Be aware that terrorists can live anywhere and that any place can be a target; do not dismiss anomalous behaviors simply due to location.
- Be observant throughout routine procedures and look for any items that seem odd or out of place such as camouflage jackets, training materials, weapons, etc.
- Even when cases appear normal and unambiguous, follow any money trails that may present themselves; terrorists often must raise funds, and money trails may lead to more important information.
- When possible, names and aliases in identity theft cases should be cross-referenced with JTTF and Immigration and Naturalization Service; these may provide possible links to terrorist activities.
- Social Security Numbers of suspicion should be checked with the Department of Health and Human Resources; like identity theft cases, erroneous SSNs could provide valuable links.
- Gather all of the information that you can, including documents and interviews; WCCs often require extensive evidence, both physical and intangible, to gain a conviction.

### Don'ts

- Do not search only for red flags; WCC and terrorism cases often involve a myriad of activities that present the impression of normalcy.
- Do not make assumptions and generalizations; many items and actions that can be interpreted as red flags are associated not only with illegal activities but also those that are legal.

## Suggestions

- Increase training in areas pertaining to WCC; there tends to be a lack of education and awareness in not only how WCCs are committed but also in the significant role that they can play in other crimes. Money laundering and financial fraud are often components in terrorism cases, and it is important investigators utilize proper knowledge and techniques when gather this type of evidence so that cases may be properly prosecuted.
- Law enforcement officers could universally benefit by continuing education; WCCs are constantly evolving not only in technique but also in scope, and it is imperative that those involved in the investigations of these crimes be aware.
- Agencies, especially at state and local levels, could benefit from increased funding for WCC specialization; agencies often suffer from lack of interest, time, and/or resources to allow for WCC training.
- Allow those involved a mantle of flexibility, especially the principal investigator; access to key information and important resources can be vital to conducting these types of investigations.
- Divide duties accordingly amongst investigators and prosecutors and allow for prioritization; this can help to insure that an entire team effort is underway.
- Support the investigation and the investigators politically.

## CONCLUSION

The details in this report, including information on federal cases and insights into the Fuqra cases pursued in Colorado, are provided in an effort to contribute to the slowly growing body of knowledge about terrorism and its relationship to WCCs. Perhaps the element that was

identified as most important for the success of anti- and counter-terrorism efforts is the need for cooperation and communication *at the individual level*. Individuals in all agencies, whether local, state, or federal, who develop habits of open communication (to the extent that is possible) are most likely to make significant contributions toward a reduction in terrorist activities. In addition, it is important for agencies to provide support for these behaviors and to invest in training that specifically prepares investigators for analysis of WCC activities, including training in financial analysis, computer and accounting forensics, and insurance investigation.

Investigators and prosecutors who identify WCC activity associated with terrorism should be prepared for resistance from some individuals and some agencies because of the presumption that WCCs are either too complex or too insignificant to pursue. Resistance may also be encountered as a result of public and agency concerns about unwarranted targeting or profiling. However, successful cases that have contributed to the reduction of terrorist activities – such as Colorado’s Fuqra cases – do exist and can provide useful information and case law for successes in future terrorism-related cases.

This study identifies a number of WCCs that are associated with terrorism, including credit card fraud, insurance fraud, identity theft, intellectual property crime, investment fraud, money laundering, immigration fraud, computer crime, and tax evasion. Investigation and prosecution of each of these crimes requires specialized knowledge and a significant investment of time. Colorado’s Fuqra cases, for example, required years of intense investigation, analysis, and legal work (and significant cooperative efforts) to yield successful outcomes. Since specialized knowledge and an abundance of time are often not readily available to investigators and prosecutors at local- and state-levels, it is important for agencies and organizations that are

available to assist with training, analysis, and other support, communicate with agencies that may benefit from this support. Of particular importance is attention to computer-facilitated crimes. Although this type of crime was not part of the Fuqra cases in the 1990s, it is likely to be part of terrorism-related cases in the future, particularly with respect to money laundering and duplication of identification documents and monetary instruments.

Since September 11, 2001, greater attention has been paid – in the literature, legislation, government reports, and practice – to the critical role that WCCs play in terrorist activity. However, the complex nature of WCCs, coupled with the covert nature of many terrorist groups, continues to obstruct efforts to deter the funding of terrorist activities and to counter the efforts of terrorist groups. Recently the 9/11 Commission reported

the U.S. government has not been able to determine the origin of the money used for the 9/11 attacks. Ultimately the question is of little practical significance. Al Qaeda had many avenues of funding. If a particular funding source had dried up, al Qaeda could have easily tapped a different funding source or divert funds from another project to fund an operation that cost \$400,000-\$500,000 over nearly two years.<sup>64</sup>

These remarks highlight the size and scope of the problem governments around the world face in dealing with acts of terror and the limited means they have to stop the flow of money used by terrorist organizations.

On the global level, curtailing terrorist activity may to be achieved through the combined efforts of nations, through legislation that criminalizes the financing of terrorism, modifications to regulations that govern non-profit or charity-based corporations, international cooperation, and a willingness of the international banking community to adhere to reporting rules designed to detect money laundering and suspicious activity. On national and local levels, informed law enforcement and legal communities that engage in on-going communication and cooperation is equally crucial for the success of counter- and anti-terrorism efforts.

- <sup>1</sup> Herbert Edelhertz's definition of white-collar crime is "an illegal act or series of illegal acts committed by nonphysical means and by concealment of guile, to obtain money or property, to avoid the payment or loss of money or property, or to obtain business or personal advantage." See *The Nature, Impact and Prosecution of White-Collar Crime*. Washington, DC: U.S. Government Printing Office, 1970: 3.
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- <sup>5</sup> Childers, J. Gilmore, and Henry J. DePippo, "Statement Before the Senate Judiciary Committee Subcommittee on Technology, Terrorism, and Government Information," February 24, 1998, Available at [www.fas.org/irp/congress/1998\\_hr/s980224c.htm](http://www.fas.org/irp/congress/1998_hr/s980224c.htm).
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- <sup>8</sup> *United States v. Enaam M. Arnaout and Holy Land Foundation for Relief and Development v. John Ashcroft*.
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- <sup>12</sup> Emerson, "Fund Raising Methods."
- <sup>13</sup> Napoleoni, Loretta, *Modern Jihad: Tracing the Dollars Behind the Terror Networks*, Sterling, VA: Pluto Press, 2003.
- <sup>14</sup> *United States v. Holy Land Foundation for Relief and Development*. Available at <http://news.findlaw.com/wp/docs/hlf/ushlf72604ind.pdf>
- <sup>15</sup> Shahar, Yael, "Tracing bin Laden's Money: Easier Said Than Done," The International Policy Institute for Counter-Terrorism, September 21, 2002. Available at <http://www.ict.org.il/articles/articledet.cfm?articleid=387>.
- <sup>16</sup> Emerson, "Fund Raising Methods."
- <sup>17</sup> Ibid.
- <sup>18</sup> U.S. House of Representatives, Subcommittee on Courts, *The Internet and Intellectual Property, Oversight Hearing on International Copyright Piracy: Links to Organized Crime and Terrorism*, March 13, 2003. Available at <http://www.house.gov/judiciary/courts.htm>.
- <sup>19</sup> National White Collar Crime Center (NW3C), "Intellectual Property and White-collar Crime: Report on Issues, Trends and Problems for Future Research," report funded by the National Institute of Justice, May 2004.
- <sup>20</sup> See International AntiCounterfeiting Coalition, Inc. (IACC), "International/global Intellectual Property Theft: Links to Terrorism and Terrorist Organizations" [White Paper], IACC, 2003; and U.S. House of Representatives, *International Copyright Piracy: A Growing Problem with Links to Organized Crime and Terrorism*, Hearing Before the Subcommittee on Courts, The Internet, and Intellectual Property of the Committee on the Judiciary, House of Representatives, Washington, D.C.: U.S. Government Printing Office, March 13, 2003.
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- <sup>24</sup> Financial Action Task Force on Money Laundering Web site at <http://www.fatf-gafi.org>.
- <sup>25</sup> Shahar, "Tracing bin Laden's Money."
- <sup>26</sup> Ibid.
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- <sup>33</sup> Ibid.
- <sup>34</sup> Al Qaeda manual located in Manchester, England. Available at <http://www.usdoj.gov/ag/trainingmanual.htm>.
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- <sup>43</sup> *United States v. Mohamed M. Hussein and Liban M. Hussein*
- <sup>44</sup> Rupert, Jake, "Government Pays Off Victim of Smear," *The Ottawa Citizen* (October 2, 2003).
- <sup>45</sup> Kessler, Robert E., "Flight-School Owner in Custody, No Link to Attacks, But Case Seen as Troubling," *Newsday* (November 19, 2001): A21.
- <sup>46</sup> Smith, et al., "No Big Fish."
- <sup>47</sup> NW3C interviews of Colorado law enforcement and prosecutors, 2004.
- <sup>48</sup> Ibid.
- <sup>49</sup> All of the information in Module One is drawn directly from interviews with Colorado law enforcement and prosecutors.
- <sup>50</sup> Fuqra case documents, June 30, 1985.
- <sup>51</sup> Fuqra case documents, January 15, 1990.
- <sup>52</sup> Fuqra case documents, October 5, 1989.
- <sup>53</sup> Ibid.
- <sup>54</sup> Fuqra case documents, February 16, 1994.
- <sup>55</sup> Fuqra case documents, February 18, 1993.
- <sup>56</sup> NW3C interviews of Colorado law enforcement and prosecutors, 2004.
- <sup>57</sup> Fuqra case documents, October 5, 1989.
- <sup>58</sup> Ibid.
- <sup>59</sup> Colorado Department of Law, "Information Regarding Colorado's Investigation and Prosecution of Members of Jamaat ul Fuqra," n.d.. Available at <http://www.ago.state.co.us/Reports/fuqra.stm>
- <sup>60</sup> Ibid.
- <sup>61</sup> Ibid.
- <sup>62</sup> Fuqra case documents.
- <sup>63</sup> NW3C interviews with Colorado law enforcement and prosecutors, 2004.
- <sup>64</sup> National Commission on Terrorist Attacks upon the United States, *The 9/11 Commission Report: Final Report of the National Commission on Terrorist Attacks upon the United States*, 2004. Available at <http://www.gpoaccess.gov/911>.

## **Appendix A**

### **Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Abassi, Saber Hassan	E.D. Virginia	10/31/2001	11/15/2001	18 USC 1546 (Visa fraud); 18 USC 1001 (False stmts)	N/A	N/A	1/14/02: Released from USBOP custody	N/A
Abdi, Abdillah S.	E.D. Virginia	N/A	4/3/2002	18 USC 371 (Conspiracy to defraud U.S.); 31 USC 5324 (Structuring fin trans to evade rpt requirements)	Guilty	6/13/2002	9/4/03: 10 mo in prison; 12/12/03: resentenced to 37 mo in prison	Incarcerated at Petersburg (VA) FCI; proj release date 10/14/2006
Abdi, Mohamed	E.D. Virginia	9/23/2001	10/23/2001	18 USC 513(a) (Possess. forged security)	Guilty	12/13/2001	1/11/02: 4 mo in jail; 3 yrs supervised probation; 1/18/02: released from USBOP custody	N/A
Abdoulah, Mohadar Mohamed	S.D. California	10/10/2001	11/2/2001	18 USC 1546 (Visa fraud); 18 USC 1001 (False stmts)	Guilty	7/19/2002	6 mo - time served; transf to INS for deportation	Deported to Yemen 5/21/04
Abuali, Hussein	New Jersey	9/19/2001	10/25/2001	18 USC 659(2) (Interstate/foreign shp by carrier); 18 USC 371 (Conspiracy to defraud U.S.)	N/A	N/A	N/A	Incarcerated at Ft. Dix (NJ) FCI; proj release date 11/4/2004
Abuali, Nasser	New Jersey	9/19/2001	10/25/2001	18 USC 659(2) (Interstate/foreign shpt by carrier); 18 USC 371 (Conspiracy to defraud U.S.)	N/A	N/A	6/4/04: released from USBOP custody	N/A
Abu-Zbaida, Maher Yousef Farhan	Montana	9/24/2001	10/24/2001	18 USC 911 (False rep as US citizen); 18 USC 922 (a)(6) (False stmts on purchase of firearm); 18 USC 922(g)(5)(A) (Unlawful firearm transport by illegal alien)	Guilty	1/2/2002	N/A	N/A
Ahmad, Hafiz Khalil	S.D. Florida	N/A	11/13/2001	18 USC 1546 (Visa Fraud); 18 USC 1001 (False stmts); 18 USC 1621 (Perjury)	Not guilty	N/A	12/20/01: Released from USBOP custody	N/A

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Ahmed, Iftikhar	E.D. North Carolina	10/19/2001	1/16/2002	18 USC 1546 (Visa fraud)	Guilty	3/18/2002	6/19/02: Time served; transf to INS for deportation	N/A
Ahmed, Rabi	New Jersey	9/19/2001	10/25/2001	18 USC 659(2) (Interstate or foreign shipment by carrier ); 18 USC 371 (Conspiracy to defraud U.S.)	N/A	N/A	N/A	Incarcerated at Ft. Dix (NJ) FCI; proj release date 11/8/2004
Al Aboudy, Akeel	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs.; unlawful prod. of ID doc)	Guilty	3/26/2002	8/2/02: 3 yrs probation; \$250 fine	Returned to Dearborn, MI?
Alamoudi, Abdurahman M.	E.D. Virginia	Orig compl filed 9/29/2001	Intial indictment 10/24/2001; charges refiled, second indictment 10/23/2003; superceding indictment 3/2004	18 USC 1001(False stmts, writings & schemes); 18 USC 2332(d); 18 USC 3238; 31 CFR 550.208 & 550.209 (Prohib fin trans with Libyan gvt.); 50 USC 1705(b); EO 12543 & 12544; 31 CFR 550.202, 550.203, 550.207, 550.208 & 550.209; 18 USC 3238 (Prohib fin. trans. with Libya-forfeiture); 18 USC 1956(a)(2), 18 USC 3238 (Money laundering-forfeiture); 31 USC 5313; 18 USC 5324; 18 USC 3238 (Money structuring-forfeiture); 18 USC 1544; 18 USC 3238 (Misuse of passport-forfeiture); 18 USC 1425(a) (Unlawful procur naturalization); 26 USC 7206(1) (Mater false income tax returns); 26 USC 7206(2) (Aiding & assisting prep false income tax return); 31 USC 5314 & 5322; 31 CFR 103.24 & 103.27 (Failure to file reports of foreign bank accts.); 26 USC 7212(a) (Corrupt endeavor impede admin Inter Rev laws)	Guilty	7/30/2004	TBD on 10/15/04	Detained pending trial

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Alanoon, Arkan	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	2/11/2002	N/A	Returned to Dearborn, MI?
Al-Atabi, Hatef	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	3/25/2002	7/12/02: 3 yrs probation	Returned to Detroit, MI?
Al-Atabi, Wathek	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	4/10/2002	8/16/02: 3 yrs probation; \$250 fine	Returned to Kansas City, MO?
Alatasi, Zafer Nader	S.D. Florida	9/19/2001	9/20/2001	42 USC 408 (a)(7)(B) (Misuse of SSN)	Not guilty	N/A	6/5/02: Released from USBOP cusotody	N/A
Alazwai, Ali	W.D. Pennsylvania	9/24/2001	10/3/2001	18 USC 371 (Conspiracy to commit offense/fraud); 18 USC 1028 (Fraudulent HAZMAT license)	N/A	7/12/2002	3 yrs probation; \$350 fine	N/A
Al-Baraa, Alawi	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	12/13/2001	3/13/02: 6 mo in prison (to serve concurrent with 2-4 yr state assault sentence)	LKA: state Corrections Institute at Rockview, PA
Albred, Kamel	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	4/16/2002	7/29/02: 3 yrs probation; \$250 fine	Returned to Dallas, TX
Alfatimi, Ali	E.D. New York	10/16/2001		Charges dropped 11/29/01	Charges dropped 11/29/01			N/A
Alfauru, Abdel Rahman Omar Tawfiq	E.D. Virginia	2/8/2002	4/10/2002	18 USC 1028(a)(1), (b)(1)(A)(ii), (c)(3)(A), (f) (Conspiracy to commit ID fraud & unlawful production of ID docs)	N/A	N/A	N/A	N/A
Alghamdi, Muhammed Nasir Bin Hasher	S.D. Florida	10/12/2001	10/25/2001	18 USC 1028 (Fraud re: ID docs & info); 18 USC 1546 (Visa fraud); 21 USC 841(Possess controlled substance)	Not guilty	N/A	N/A	N/A

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Al-Hachami, Sabah	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	3/15/2002	7/3/02: 1 yr probation; \$250 fine	Returned to Detroit, MI
Alibrahimi, Mohammed	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Not guilty	2/15/2002	5/22/02: 5 yrs probation; 100 hrs community service	Living in Pittsburgh, PA metro area
Ali-Haimoud, Farouk	E.D. Michigan	9/27/2001	3/27/2002	18 USC 1546(a) (Fraud/misuse of passport); 18 USC 1028 (a)(6) (Fraud with ID docs. & info); [18 USC 371 (Conspiracy to defraud the U.S.); 18 USC 2339A (Providing material support to terrorists)]	Not guilty	N/A	N/A	Living in Detroit, MI, metro area
Al-Khaledy, Fadhil	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Not guilty	N/A	Probation	Living in Detroit, MI
Al-Maleky, Raad	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	3/28/2002	8/16/02: 3 yrs probation	LKA: Pittsburgh, PA
Al-Marri, Ali Saleh Kahlah	C.D. Illinois (orig complaints filed S.D. New York)	5/1/2003; orig compl filed 1/28/2002, 12/23/2002	5/22/2003	18 USC 1001 (False stmts.); 18 USC 1014 (Credit fraud); 18 USC 1028 (Fraud with an ID doc.); 18 USC 1029(a)(3)(7) (Produces/traffics in counterfeit & unauthor access devices)	All charges dismissed 6/23/2003			6/23/03: declared an enemy combatant and moved to naval brig in Charleston, SC
Almazaal, Samir	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	3/27/2002	8/2/02: 3 years probation; 100 hrs of community service	Living in Detroit, MI
Almutairi, Mubarak	N.D. Indiana	10/5/2001	10/12/2001	18 USC 1344 (Bank fraud)	Guilty	4/17/2002	7/29/2002: 21 mo; to be transf to INS for deportation	Incarcerated
Al-Obaidi, Hussain Ameer-Abid	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	3/13/2002	7/2/02: probation	Living in Detroit, MI

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Alrababah, Eyad M.	E.D. Virginia	11/16/2002	3/6/2002	18 USC 1028 (a)(1), (b)(1)(A)(ii), (c)(3)(A), (f) (Fraud with ID doc; unlawful production of ID doc; conspiracy to commit ID fraud); 18 USC 2 (Aiding & abetting)	Guilty	4/17/2002	5/01: 6 mo in prison; 7/15/02: released from USBOP custody; transferred to INS custody for deportation to Jordan	N/A
Al-Saraf, Kumeit	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	5/29/2002	8/23/02: sentencing hearing	N/A
Al-Shiblawy, Hisham	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod. of ID doc)	Unknown	N/A	4/16/04: released from USBOP custody	N/A
Alshomary, Haider	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	4/16/2002	8/15/02: 1 yr probation	N/A
Al Tamimi, Haider	W.D. Pennsylvania	9/24/2001	10/3/2001	18 USC 371 (Conspiracy to commit offense/fraud); 18 USC 1028 (Fraudulent HAZMAT license)	Guilty	2/1/2002	N/A	N/A
Alubeidy, Ali	W.D. Pennsylvania	9/24/2001	10/4/2001	18 USC 1028(a)(1), (b)(1)(A)(ii) (Fraud with ID docs; unlawful prod of ID doc)	Guilty	1/14/2002	4/11/02: 3 yrs probation	Living in Pittsburgh, PA metro area
Arnaout, Enaam M.	N.D. Illinois	4/29/2002	10/9/2002	18 USC 1962-7480 (Racketeering); 18 USC 2339A (Providing mater. support to terrorists); 18 USC 2 (Aiding & abetting); 18 USC 371 (Conspiracy to defraud U.S.); 18 USC 1956-4700 (Money laund-postal, interst wire, radio); 18 USC 1956-4100 (Money laund-bank embezz); 18 USC 1956-3300 (Money laund-interst comm); 18 USC 1341 (Mail fraud); 18 USC 1343 (Wire fraud)	Guilty	2/10/2003	8/18/03: 136 mo in prison; \$315,000 restitution to the UN Ofc. of the High Commiss for Refugees; supervised release for 3 yrs after release from prison	Incarcerated at Oxford, WI, FCI; proj release date 3/14/2012

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Awan, Khalid Q.	E.D. New York	11/5/2001	12/4/2001	18 USC 1029(a)(2), (c)(1)(A)(i) (Produces/traffics in counterfeit & unauthorized access devices)	N/A	N/A	N/A	Incarcerated in Brooklyn (NY) MDC
Azmath, Mohammed	S.D New York	12/13/2001	1/14/2002	18 USC 1029(b)(2) (Conspiracy to commit credit card fraud)	Guilty	6/6/2002	9/18/02: time served; restituion ordered; transferred to INS for deportation to India	Living in India
Badri, Adel F.	W.D. Missouri	10/22/2001	11/14/2001	18 USC 1344 (Bank fraud); 18 USC 1956 (Money Laund); 18 USC 2314 (Transport stolen money)	Guilty	1/8/2002	3/6/02: time served; volunteered to return to Saudi Arabia	Living in Saudi Arabia
Benmoumen, Elmeliani	W.D. Pennsylvania	9/27/2001	Waived	18 USC 371 (Conspiracy to commit offense/fraud); 18 USC 1028 (Fraudulent HAZMAT license)	Guilty	2/14/2002	N/A	N/A
Biheiri, Soliman S.	E.D. Virginia	N/A	8/7/2003	18 USC 1001 (False stmts); 18 USC 1015(a) (False oath re: naturalization); 18 USC 1425(a) (Unlawful procurement of naturalization); [18 USC 1001 (False stmts); 18 USC 1546 (Visa fraud)]	Not guilty	10/9/2003	1/12/04: 1 yr in prison; 6/10/04: released from USBOP custody; to be deported	Incarcerated pending outcome of second set of criminal charges filed on 5/6/04
Budiman, Agus	E.D Virginia	11/16/2001	2/21/2002	18 USC 1028(a)(1), (b)(1), (A)(ii), (c)(3)(A) (ID doc fraud; unlawful prod of ID doc)	Guilty	3/4/2002	5/10/02: 7 mo in prison (time served); transferred to INS for deportation to Indonesia	Living in Indonesia
Camci, Mustafa	Delaware	10/2/2001	10/23/2001	18 USC 1546 (Visa fraud)	Not guilty	Charges dropped (illegal search)	5/29/02: Released from USBOP custody; to be transferred to INS for deportation	N/A

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Dahmani, Redouane	Arizona	N/A	11/27/2001	18 USC 371 (Conspiracy to defraud U.S.); 18 USC 1001 (False stmts); 18 USC 1546 (Visa fraud); 18 USC 1621 (Perjury); 18 USC 2 (Aiding & abetting)	N/A	N/A	3/30/04: released from USBOP custody	N/A
Damrah, Fawaz Mohammed	N.D. Ohio	N/A	1/13/2004	18 USC 1425 (Unlawful procurement of naturalization)	Not guilty	6/17/2004	9/4/04: sentencing scheduled	Free on bond
El Ouariachi, Houssain	W.D. Pennsylvania	10/15/2001	11/19/2001	18 USC 1001 (False stmts)	Guilty	11/19/2001	11/20/01: Time served; \$100 fine; transferred to INS for deportation	N/A
Elashmouny, Ahmed Abdulla	E.D. New York	10/23/2001	11/1/2001	18 USC 1343 (Wire fraud); 18 USC 1029 (Fraudulent use of credit card number); 18 USC 1001 (False stmts)	Not guilty	N/A	N/A	N/A
Elghazaly, Azmy Abdelraauf	N.D California	10/16/2001	10/24/2001	18 USC 922(g)(5)(A) (Unlawful possess firearm by illegal alien); 8 USC 1253(a)(1)(A) (Failure by alien to depart after order of removal)	Not guilty	N/A	8/23/02: Released from INS custody; faces deportation proceedings	LKA: Bakersfield, CA
Elmaghraby, Ehab	E.D. New York	10/1/2001	10/26/2001	18 USC 1029 (Credit card fraud)	Guilty	N/A	6/27/03: Released from USBOP custody; transferred to INS for deportation to Egypt	Living in Alexandria, Egypt
Fall, Manel	W.D. Pennsylvania	10/9/2001	N/A	18 USC 1028 (Fraud re: ID docs & info); 18 USC 1544 (Misuse of passport)	Guilty	12/27/2001	3 mo - time served; 1/15/02: released from USBOP custody; transf to INS for deportation to Senegal	N/A

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Farid, Abdul	M.D. North Carolina	10/1/2001	10/29/2001	18 USC 1014 (False stmts on credit app)	Not guilty	12/11/01	3/27/02: 6 mo; transferred to INS for deportation to Pakistan	N/A
Ferrari, Robert A.	W.D. Pennsylvania	10/4/2001	10/18/2001	18 USC 1028 (Fraud re: ID docs & info)	Guilty	2/8/2002	10/7/03: 23 mo; 3 yrs probation	Incarcerated in Morgantown, WV, FCI
Galicia, Kenys Aleyda	E.D. Virginia	9/28/2001	10/25/2001	18 USC 1028(a)(1), (b)(1)(A)(ii), (c)(3)(A), (f) (Fraud with ID doc; affecting interstate commerce; conspiracy to commit ID fraud); 18 USC 2 (Aiding & abetting)	Guilty	11/9/2001	1/25/02: 1 yr in prison; 1/21/03: released from USBOP custody	N/A
Hafaiedh, Sami Med Fathi Ben	C.D. California	11/1/2001	11/13/2001	18 USC 1546 (Visa fraud); 18 USC 1001 (False stmts); 42 USC 408 (SSN fraud)	Guilty	11/30/2001	2/11/02: 6 mo; 4/29/02: released from USBOP custody; transferred to INS for deportation	N/A
Hamed, Imad Abdel-Fattah	E.D. Virginia	2/13/2002	2/26/2002	18 USC 1028(a)(1), (b)(1)(A)(ii), (c)(3)(A) (Fraud with ID doc; affecting interstate commerce); 18 USC 2 (Aiding & abetting)	Guilty	3/4/2002	6/14/02: 6 mo home detention	Living in Alexandria, VA
Hannan, Ahmed	E.D. Michigan	N/A	9/27/2001	18 USC 1546(a) (Fraud/misuse of passport); 18 USC 1028(a)(6) (Fraud with ID docs & info); 18 USC 371 (Conspiracy to defraud US); 18 USC 2339A (Providing mater support to terrorists)	Not guilty	6/4/2003	TBD	as of 4/27/04: awaiting sentencing

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Hmimissa, Youssef	E.D. Michigan (also N.D. Illinois, 10/3/2001; N.D. Iowa, 9/28/2001)	9/27/2001	6/24/2003	18 USC 1029 (Credit card fraud); 18 USC 1028(a)(3) (Possess with intent to unlawfully use & transfer ID docs & false ID docs); 18 USC 2 (Aiding & abetting); 18 USC 1543 (Forgery/false use with passport); [18 USC 371 (Conspiracy to defraud U.S.)]	Guilty	4/4/2003	Plead guilty to all prior charges; sentenced to max 46 mo with time served depend on successful testimony in Detroit trial	N/A
Hussain, Arshad	W.D. New York	10/11/2001	10/31/2001	18 USC 1544 (Misuse of passport); 18 USC 1546 (Visa fraud)	Guilty	11/29/2001	Time served; transferred to INS for deportation to Pakistan	N/A
Hussain, Choudhry	E.D. New York	11/5/2001	12/4/2001	18 USC 1029 (Possession of unauthorized access devices)	N/A	N/A	N/A	N/A
Hussein, Liban M.	Mass	N/A	11/14/2001	18 USC 1960 (Operating illegal money transmittal business)	Charges dropped 6/3/2002			Living in Canada
Hussein, Mohamed M.	Mass	N/A	11/14/2001	18 USC 1960 (Operating Illegal money transmittal business)	Not guilty	4/30/2002	7/22/02: 18 mo in prison	Living in Canada
Iqbal, Jamshed	W.D. New York	9/19/2001	9/24/2001	8 USC 1325 (Improper entry by alien)	Guilty	11/1/2001	Time served; transferred to INS for deportation to Pakistan	Jan. 2002: Deported to Pakistan
Iqbal, Javid Muhammad	E.D. New York	11/5/2001	11/30/2001	18 USC 1028 (Fraud re: ID docs & info)	Guilty	N/A	1/3/03: Released from USBOP custody; transferred to INS custody for deportation	Living in Pakistan
Iqbal, Jawaid	W.D. New York; South Carolina	9/19/2001; 10/9/2002	9/24/2001; 10/22/2002	8 USC 1325 (Improper entry by alien)	Guilty	11/20/2001	N/A	N/A

### Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Isse, Abdirahman Sheikh-Ali	E.D. Virginia	N/A	4/3/2002	18 USC 371 (Conspiracy to defraud the U.S.); 31 USC 5324 (Structuring fin trans to evade reporting requirements)	Guilty	6/13/2002	9/11/02: 18 mo in prison	Incarcerated at Butner, NC, FMC; proj release date 6/15/05
Khamis, Sherif	M.D. Florida	9/13/2001	10/3/2001	18 USC 1001 (False stmts)	Guilty	11/9/2001	Time served plus 7 days; 12/26/01: released from USBOP custody; transferred to INS for deportation	N/A
Khatib, Yasir	South Carolina	11/5/2001	2/13/2002	18 USC 1001 (False stmts); 18 USC 1028 (Fraud re: ID docs & info)	Guilty	1/3/2003	Time served; transferred to INS for deportation	N/A
Kilfat, Ahmad	New Jersey	11/13/2001	12/11/2001	18 USC 1343 (Wire fraud)	N/A	N/A	N/A	N/A
Kilfat, Mustafa	New Jersey	11/13/2001	12/11/2001	18 USC 1543 (Passport fraud)	N/A	N/A	N/A	N/A
Kishk, Wael Abdel Rahman	E.D. New York	9/21/2001	10/4/2001	18 USC 1001 (False stmts); 18 USC 1028 (Fraud re: ID docs & info)	Not guilty	1/18/2002	2/15/02: 6 mo; will be transferred to INS for deportation after completing sentence	N/A
Kopke, Roxanne Laura	E.D. Virginia	10/31/2001	11/15/2001	18 USC 1546 (Visa fraud)	N/A	N/A	12/20/01: released from USBOP custody	N/A
Koubriti, Karim	E.D. Michigan	N/A	9/27/2001	18 USC 1546(a) (Fraud & misuse of passport); 18 USC 1028(a)(6) (Fraud with ID docs & info); 18 USC 371 (Conspiracy to defraud U.S.); 18 USC 2339A (Providing mater support to terrorists)	Not guilty	6/3/2003	TBD	Incarcerated at Milan, MI, FCI; projected release date is unknown
Laimeche, Sofiane	Arizona	11/6/2001	11/6/2001	18 USC 1001 (False stmts); 42 USC 408 (Social security fraud)	Not guilty	2/22/2002	5/6/02: 3 yrs probation; 100 hrs community service; \$400 fine	N/A

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Lopez-Flores, Victor Manuel	E.D. Virginia	10/24/2001	11/19/2001	18 USC 1028(a)(1), (b)(1)(A)(ii), (c)(3)(A) (Fraud with ID docs.; unlawful prod of ID doc; affecting interstate commerce); 18 USC 2 (Aiding & abetting); 18 USC 1326(a), (b)(2) Unlawful reentry of deported alien subsequent to aggravated felony conviction)	Guilty	11/19/2001	12/1/02: 27 mo in prison; 4/9/04: released from USBOP custody	N/A
Maddy, Mohammed	E.D. New York	10/3/2001	10/16/2001	18 USC 1543 (Forgery/false use of passport); 18 USC 1001; (False stmts); 8 USC 1325 (Marriage fraud; conspiracy); 18 USC 371 (Conspiracy to defraud U.S.); 8 USC 1324 (Alien smuggling)	N/A	N/A	4/4/02: Released from USBOP custody	N/A
Mahmood, Ansar	N.D. New York	10/10/2001	10/16/2001	8 USC 1324 (Alien smuggling)	Guilty	10/16/2001	No sentence; 1/25/02 transferred to INS for deportation proceedings	N/A
Mahmood, Anser	E.D. New York	10/3/2001	4/2/2002	42 USC 408 (a)(7)(B) (Misuse of SSN)	Guilty	4/2/2002	Time served; transferred to INS for deportation to Pakistan	4/19/02: Deported to Pakistan
Mahmood, Arshad	N.D. New York; S.D. New York	10/2/2001; 12/13/2002	4/11/2002; 12/23/2002	18 USC 1546 (Visa fraud); 18 USC 1001 (False stmts)	N/A	N/A	4/29/03: Released from USBOP custody	N/A
Mahmoud, Amna	E.D. New York	10/1/2001	10/26/2001	18 USC 1029 (credit card fraud)	N/A	N/A	10/4/01: Released from USBOP custody	N/A
Martinez-Flores, Luis A.	E.D. Virginia	10/4/2001	10/25/2001	18 USC 1028(a)(1), (b)(1)(A)(ii), (c)(3)(A) (Fraud with ID docs; unlawful prod of ID doc; affecting interstate commerce); 18 USC 2 (Aiding & abetting)	Guilty	12/6/2001	2/15/02: 21 mo in prison; 6/5/03: released from USBOP custody	N/A

### Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Nahshal, Basam	E.D. New York	10/17/2001		Case closed 11/29/01	Case closed 11/29/01			Living in New York City
Noman, Abdulla A.A.	New Jersey	11/2/2001	5/21/2002	18 USC 201(b)(2) (Public official accepting a bribe)	Guilty	5/21/2002	N/A	N/A
Paracha, Uzair Saifulla	S.D. New York	8/8/2003	10/8/2003	18 USC 2339B (Conspiracy to provide mater support/resources to terrorists); 50 USC 1705(b); 31 CFR 595.204 & 205 (Conspiracy to make or receive funds, goods/services for a designated terrorist); 18 USC 1028(a)(7), (b)(4) (ID doc fraud committed to facilitate act of int'l terrorism)	TBD	TBD	TBD	Incarcerated at New York, NY, MCC; proj release date is unknown
Pervez, Mohammad Aslam	S.D. New York	10/16/2001	2/13/2002	18 USC 1001 (False stmts)	N/A	N/A	N/A	N/A
Rahmani, Kamal	N.D. Indiana	10/11/2001	10/18/2001	8 USC 1305 (Alien failing to report address change)	Guilty	10/22/2001	11/2/01: 1 mo in prison; transferred to INS for deportation	Deported to Morocco
Raissi, Lotfi	Arizona	9/27/2001; 10/9/01	11/27/2001	18 USC 371 (Conspiracy to defraud U.S.); 18 USC 2 (Aiding & abetting); 18 USC 1001 (False stmts); 18 USC 1546 (Fraud/misuse of visa/permit); 18 USC 1621 (Perjury); 28 USC 1746 (Unsworn declarations under penalty of perjury)	British judge refused extradition 4/25/2002			
Raza, Atif	S.D. Alabama	N/A	9/27/2001	18 USC 1029 (Credit card fraud)	Guilty	11/19/2001	2/8/02: Transferred to INS for deportation	Deported to Pakistan

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Rizvi, Arsalan Absar	Colorado	11/7/2001	11/28/2001	18 USC 911(False representations as U.S. citizen); 18 USC 922(g)(5)(A) (Possession of firearm by illegal alien)	Guilty	1/30/2002	2/6/02: time served; 3 yrs probation; 2/7/02: released from USBOP custody & transferred to INS for deportation	N/A
Rouissi, Zuhaier Ben Mohammed	N.D. Ohio	10/11/2001	10/23/2001	8 USC 1325(c) (Marriage fraud to evade immigration laws)	Guilty	3/?/02	4/15/02: 6 mo in prison; time served; transferred to INS for deportation	Deported to Tunisia
Sarama, Nabil	N.D. California	10/16/2001	12/12/2001	18 USC 1546(a) (False stmt in immigration doc); 18 USC 1001 (False stmt)	N/A	N/A	N/A	N/A
Sarwer, Suhail	E.D. Michigan	11/5/2001	12/4/2001	18 USC 1029(a)(2), (c)(1)(A)(i) (Produces/traffics in counterfeit & unauthorized access devices)	N/A	N/A	12/15/03: released from USBOP custody	N/A
Seif, Malek Mohamed	Arizona (orig complaint filed C.D. California)	10/25/2001	2/20/2002	18 USC 1001 (False stmts)	Guilty	2/26/2002	4/22/02: time served; deported to France	Living in France
Siddiqui, Imtiaz Ahmed	M.D. North Carolina	N/A	10/30/2001	18 USC 911 (False rep as U.S. citizen)	Guilty	12/6/2001	2/15/02: 5 mo in prison; time served; 2/22/02: Released to INS custody for deportation	N/A
Sudani, Hussain	W.D. Pennsylvania	9/24/2001	10/3/2001	18 USC 371 (Conspiracy to defraud U.S.); 18 USC 1028 (Fraudulent HAZMAT license)	Guilty	3/11/2002	6/7/02: 3 yrs probation; \$100 fine	N/A
Suleiman-Aldiribi, Khalid	E.D. Virginia	9/12/2001	10/10/2001	18 USC 911 (False representations as U.S. citizen); 18 USC 1546 (Fraud & misuse of visa/permits)	Guilty	11/19/2001	1/4/02: 4 mo in prison; deported to Saudi Arabia	Living in Saudi Arabia

**Federal Criminal Complaints, Indictments, Convictions, and Sentences Associated with Terrorism and White-collar Crime**

Defendant's Name	Filing District	Complaint Date(s)	Indictment Date(s)	Indictment Charge(s)	Plea	Conviction Date	Sentence	Reported Status
Tauseef, Hafiz Mohammad	N.D. New York	10/10/2001	10/17/2001	18 USC 1546 (Visa fraud)	Guilty	N/A	Transferred to INS custody for deportation	Deported to Pakistan
Villalobos, Herbert	E.D. Virginia	9/22/2001	10/17/2001	18 USC 1028(a)(1), (b)(1)(A)(ii), (c)(3)(A) (Fraud with ID doc; affecting interstate commerce); 18 USC 2 (Aiding & abetting)	Guilty	12/4/2001	2/1/02: 4 mo in prison	N/A
Younes, Aisha	N.D. New York	10/10/2001	10/17/2001	18 USC 1546 (Visa fraud)	Guilty	N/A	Transferred to INS custody for deportation	Deported to Pakistan

## Appendix B

### Suspected Fuqra Activities: Training Compounds and Activities, by State

State	City/County	Description	State	City/County	Description
<b>AL</b>	Marion	<b>Training compound</b>	<b>MO</b>	Kansas City	Activity, bombing
<b>AZ</b>	Tempe	Activity, bombing	<b>NJ</b>	Jersey City	Activity
	Tucson	Activity, murder	<b>NY</b>	Binghamton	Activity
<b>CA</b>	Badger	Activity, murder		Buffalo	Activity
	Baladulla	<b>Training compound</b>		Deposit	<b>Training compound</b>
	Barstow	Activity		Hancock	<b>Training compound – U.S. Headquarters</b>
	Fresno	Activity	<b>NC</b>	N/A	Activity
	Los Angeles	Activity, murder	<b>OH</b>	Akron	Activity, bombing, murder
	Oak Hill	<b>Training compound</b>	<b>OK</b>	Talihina	<b>Training compound</b>
	San Diego	Activity, bombing	<b>OR</b>	Portland	Activity, bombing
	<b>CO</b>	Buena Vista	<b>Training compound</b>	<b>PA</b>	Philadelphia
Colorado Springs		Activity	<b>SC</b>	York County	<b>Training compound</b>
Denver		Activity, bombing	<b>TN</b>	Dover	<b>Training compound</b>
Englewood		Activity	<b>TX</b>	N/A	<b>Training compound</b>
<b>DC</b>		Activity		Houston	Activity, bombing
<b>FL</b>	N/A	Activity	<b>VA</b>	Falls Church	<b>Training compound</b>
<b>GA</b>	Augusta	Activity, murder		Red House	<b>Training compound</b>
	Commerce	<b>Training compound</b>		Roanoke	Activity
	Macon	<b>Training compound</b>	<b>WA</b>	Onalaska	<b>Training compound</b>
<b>IL</b>	Rockford	Activity, bombing		Seattle	Activity, bombing, murder
<b>KS</b>	Overland Park	Activity, kidnapping		Tacoma	Activity, murder
	<b>MA</b>	Quincy	Activity, bombing	<b>WV</b>	Bethany
<b>MD</b>	Baltimore	Activity	<b>WI</b>	N/A	Activity
	Hyattsville	<b>Training compound</b>			
<b>MI</b>	Canton	Activity, murder			
	Clinton township	Activity, bombing, murder			
	Coldwater	<b>Training compound</b>			
	Dearborn Heights	Activity			
	Detroit	Activity, bombing, murder			

## Appendix C

### White-collar Crimes Used to Support Terrorist Activities

<b>Crimes</b>	<b>Examples</b>
<b>Identification fraud</b>	Creating and using false birth certificates, social security cards, and driver's licenses
<b>Money laundering</b>	Moving funds through a fictitious company (e.g., PSI and 789 Security), distributing money outside of the country and to accounts within the U.S.
<b>Credit card fraud</b>	Establishing accounts under fictitious names and purchasing merchandise
<b>Bank fraud</b>	Falsifying cashier's checks
<b>Insurance fraud</b>	Filing fraudulent worker's compensation claims and accident reports
<b>Investment fraud</b>	Collecting funds for a fictitious investment
<b>Computer crime</b>	Stealing personal information and creating fraudulent documents
<b>Immigration fraud</b>	Making false statements on immigration forms to secure fraudulent documents, enter the U.S., and secure a job
<b>Intellectual Property Crime</b>	Selling pirated movies with fraudulent packaging
<b>Tax fraud</b>	Failing to report and pay taxes on income
<b>Mail fraud</b>	Collecting money and distributing illegally obtained money through the mail
<b>Wire fraud</b>	Communicating information concerning criminal activity by telephone and e-mail
<b>Stealing rental property</b>	Renting equipment using false identification, reporting to the rental company that it was stolen, and selling it
<b>Stealing information</b>	Using a fictitious security company to gain access to secured property and private information for use in a white-collar crime, bombing, or murder scheme