(Rev. 08-28-2000)

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DECLASSIFIED BY 60324UCBAW/SB/CMW
09-26-2011

FEDERAL BUREAU OF INVESTIGATION

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Precedence: PRIORITY [redacted] **Date:** 07/14/1997

4/8/02

~~CLASSIFIED BY: 60047NLS~~
~~REASON: 1.5 (c)~~
~~DECLASSIFY ON: X 1~~

953453

[redacted]

346,10 through 47

Jackson

To:	Albany		
	Atlanta		
	Baltimore		
	Birmingham		
	Boston		
	Charlotte	**Attn:**	SA [redacted]
	Chicago		
	Cincinnati	**Attn:**	SA [redacted]
	Cleveland	**Attn:**	SA [redacted]
	Columbia		
	Dallas		
	Denver	**Attn:**	SA [redacted]
	Detroit		
	FBIHQ	**Attn:**	SA [redacted] IOS [redacted] SA [redacted]
	Houston	**Attn:**	SA [redacted]
	Indianapolis	**Attn:**	SA [redacted]
	Jackson	**Attn:**	SA [redacted]
	Jacksonville		
	Kansas City	**Attn:**	SA SA [redacted]
	Little Rock		
	Los Angeles	**Attn:**	SA [redacted]
	Memphis		
	Miami		
	Milwaukee	**Attn:**	SA [redacted]

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New Haven

New Orleans

New York Attn: SA [redacted]
SA [redacted]

Newark Attn: SA [redacted]

Norfolk Attn: SA [redacted]

Oklahoma City Attn: SA [redacted] b7C

Omaha

Philadelphia

Phoenix Attn: SA [redacted] b7C

Pittsburgh

Portland

San Antonio

San Diego Attn: SA [redacted]

San Francisco b7C

Seattle

Springfield

St. Louis

Tampa Attn: SA [redacted]
SA [redacted]

WMFO Attn: SA [redacted]
SA [redacted] b7C

Legat London

Legat Ottawa

From: Chicago [redacted] (S) b1
Contact: SA Robert G Wright Jr, (312) 786-[redacted] b7C

Approved By: [redacted] b/RR b7C

Drafted By: Wright Robert G Jr:jaw RGW

Case ID #: 265C-CG-101942 (Pending)

To: All Divisi s From: Chicago
Re: 265C-CG-101942, 07/14/1997

SECRET

b1 **Title:** [redacted] (S)
OO: CHICAGO

Synopsis: Summary of investigation, other Federal agencies' participation, goals and identity of individuals/organizations to be interviewed.

Previous Title: NORTH AMERICAN ISLAMIC TRUST;
[redacted]
b7C
AOT - MONEY LAUNDERING; MAIL FRAUD; WIRE FRAUD;
VICTIM - [redacted]
OO: CHICAGO

b1 [redacted] (S)

Details: [redacted] (S) [redacted] In January, 1995, a naturalized citizen and Chicago-area resident,

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b7C [redacted] b7C [redacted] (S)

[redacted] employed by the Quranic Literacy Institute (QLI), Oak Lawn, Illinois. The QLI is located in a three-flat at the end of a cul-de-sac in a residential area and employs three to four individuals. On or about February 14, 1996, Federal Bureau of Investigation (FBI) and Immigration and Naturalization Service (INS) agents attempted to interview [redacted] Employees refused to answer the door and asked agents, via intercom, to leave a business card and go away.
b7C

In March, 1996, the Chicago Division obtained a copy of [redacted] In an effort to locate other persons who may have had knowledge of [redacted] activities, each person [redacted] was contacted. Twenty-three individuals agreed to be interviewed; thirty-four individuals refused to be interviewed and hired attorneys. Three aliens were placed in deportation proceedings, and another was served a notice of intent to revoke her Legal Permenant Resident (LPR) status.
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Of the interviews conducted, the most significant was that of [redacted] Illinois. During an interview on [redacted]
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Title: (U) [VULGAR BETRAYAL;] ~~(S)~~
OO: CHICAGO

Synopsis: Summary of investigation, other Federal agencies' participation, goals and identity of individuals/organizations to be interviewed.

Previous Title: NORTH AMERICAN ISLAMIC TRUST;
[redacted]
AOT - MONEY LAUNDERING; MAIL FRAUD; WIRE FRAUD;
[redacted]
OO: CHICAGO b6 b7C

Administrative: The title is changed to reflect the code name (U) Vulgar Betrayal assigned to facilitate the handing of captioned matter. (S)

Details: (U) [Operation Vulgar Betrayal was predicated by investigation of international terrorism activity in Chicago.] ~~(S)~~ In January, 1995 [redacted] b6 b7C

[redacted] (X)

[redacted] The QLI is located in a three-flat at the end of a cul-de-sac in a residential area and employs three to four individuals. On or about February 14, 1996, Federal Bureau of Investigation (FBI) and Immigration and Naturalization Service (INS) agents attempted to interview [redacted]

In March, 1996, the Chicago Division [redacted] b6 b7C b7E

Of the interviews conducted, [redacted] During an interview on [redacted] b6 b7C b7D

CG-101942-207

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[redacted] advised that [redacted] North American Islamic Trust (NAIT), assisted [redacted] in obtaining $2,000,000.00 from NAIT for two land development projects in Chicago. Following this interview, a criminal investigation into NAIT was opened.

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[redacted] further advised that in 1991, [redacted] introduced [redacted] to [redacted] QLI, for the purpose of obtaining funding for a third land development project. [redacted] contacted [redacted] who wire [redacted] into [redacted] business account. [redacted] also solicited another $1.5 million obtained from 10 medical doctors in Michigan who agreed to invest in the land development project. The $[redacted] was utilized to purchase property in Woodridge, Illinois.

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A lease/purchase option contract for the [redacted] property was executed between the QLI (leaser) and [redacted] Golden Marble Corporation (lessee) on February 1, 1992, and expired on July 1, 1993. Prior to [redacted] contacted [redacted] and insisted [redacted] be returned to the QLI. [redacted] reason for this request was [redacted] At the time of this request, [redacted] had more than six months remaining on the lease/purchase contract and was unable to repay [redacted] as demanded [redacted] In June, 1994, the QLI received over $1 million for the Woodridge property when the group of 10 investors formed their own corporation, the Woodridge Fountain Corp., and exercised the option to purchase under the contract after the QLI had obtained the property title from [redacted]

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Based upon an analysis of the sequence of events, it appears that [redacted] wire transferred [redacted] was HAMAS money [redacted]

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[redacted] removed over [redacted] from [redacted] accounts and transferred the money into a new account at a different bank. On October 11, 1995 [redacted] with her attorney present, advised writer that she transferred the money because she feared the U.S. Government might attempt to take the money.

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[redacted] advised that [redacted] a criminal investigation into NAIT was opened.

[redacted] b6 b7C b7D

A lease/purchase option contract for the Woodridge property was executed between the QLI (leaser) and [redacted] Golden Marble Corporation (lessee) on February 1, 1992, and expired on July 1, 1993. [redacted] b6 b7C In June, 1994, the QLI received over $1 million for the Woodridge property when the group of 10 investors formed their own corporation, the Woodridge Fountain Corp., and exercised the option to purchase under the contract after the QLI had obtained the property title from [redacted]

Based upon an analysis of the sequence of events, it appears that [redacted] b6 b7C b7D

[redacted] b6 b7C

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On March 21, 1995, the Office of Foreign Assets Control (OFAC), Department of the Treasury, froze three [redacted] bank accounts ($307,645.95) under President Clinton's [redacted]

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In September, 1996, FBI case agents met with AUSA Mark Flessner regarding the money laundering investigation of NAIT and other unknown groups and individuals. The AUSA agreed a Grand Jury should be utilized to further this investigation. Initially 10 Grand Jury subpoenas were issued. [redacted] As of April 15, 1997, approximately 150 Federal Grand Jury subpoenas have been issued to [redacted] in 38 states.

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[redacted] (S)

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In reviewing [redacted] the Chicago Division has identified approximately 45 organizations which appear to be involved in a massive money laundering conspiracy throughout the United States. Several of these organizations are wire transferring millions of dollars overseas. [redacted] In reviewing this (S) organization's financial records, the Chicago Division identified [redacted] as a significant contributor to the organization. (S)

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Due to the volume of financial records associated with these organizations and the number of individuals associated with each organization, the Chicago Division will focus on the organizations in groups of five or six at a time. Although the groupings are subject to change, the following are the current group listings:

On March 21, 1995, [redacted]

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In September, 1996, FBI case agents met with AUSA [redacted] regarding the money laundering investigation of NAIT and other unknown groups and individuals. The AUSA agreed a Grand Jury should be utilized to further this investigation. Initially 10 Grand Jury subpoenas were issued. [redacted] As of April 15, 1997, approximately 150 Federal Grand Jury subpoenas have been issued to [redacted]

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In September, 1996, FBI [redacted] made available to Chicago FBI [redacted]

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(U) [redacted] (S)

(U) [redacted]

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[redacted] Although the groupings are subject to change, the following are the current group listings:

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GROUP 1: NAIT
ISNA
Muslim Arab Youth Association (Indianapolis)
Islamic African Relief Agency
Somalia Relief Fund

GROUP 2: Cultural Society
Muslim American Society
Mercy International
SAAR Foundation
Islamic Circle of North America
BMI

GROUP 3: Mar-Jac Investment
Mar-Jac Processing
Global Relief Foundation
International Institute of Islamic Thought
Islamic Association for Palestine & American Council for Public Affairs

GROUP 4: Holy Land Foundation
Occupational Land Fund
Human Concern International
Crescent Investment
Abrar Investment, Inc.

GROUP 5: Mecca Investment International
Islamic Relief Association
Habib International Corp.
International Relief Association

GROUP 6: Piedmont Feed Mill, Inc.
Piedmont Poultry Processing, Inc.
Bosnia Relief Fund
Tafy Enterprises, Inc.
Taibah International Aid Association

GROUP 7: MEF Marketing, Inc.
Filter Research Corp.
Jamont Properties, Inc.
Golden Arch Travel

GROUP 8: Muslim Arab Youth Associations ~~(S)~~ (U)
Muslim Student Associations ~~(S)~~ (U)

The various criminal violations and the scope and complexity of the subject organizations mandate multi-agency involvement in this investigation. On June 23, 1997, a meeting was held by Assistant Special Agent in Charge (ASAC) [redacted] concerning this investigation. Attendees included Supervisory Special Agent (SSA) [redacted] Case Agent

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Robert G. Wright, Jr., Co-Case Agent [redacted] AUSA Mark Flessner, Internal Revenue Service (IRS) Agent [redacted] and INS Agent [redacted] This meeting was held to define each agency's role in this investigation, available manpower, and the direction of the investigation.

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It was determined that the interviews conducted from Group 1 would include [redacted]

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The Chicago IRS and INS will be the controlling field offices for their agencies during this investigation. INS Agent [redacted] has forwarded an operational plan to the Washington, D.C. office. Agent [redacted] will identify the INS Agents who will be assigned to this investigation so they may be added to the 6E Grand Jury list. In those divisions where there is no INS presence, Chicago INS Agents will assist where feasible.

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IRS Agent [redacted] is working closely with the Chicago Division to [redacted] Agent [redacted] will also identify IRS Agents who will be assigned to assist other divisions with this investigation.

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[redacted], Information Research Specialist (IRS), FBIHQ, is entering [redacted] into a database. [redacted] will analyze the information to [redacted]

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[redacted] are aware of this investigation and have expressed a strong interest in participating. Additionally, Legat London advised that the [redacted] would also like to be involved with this investigation. [redacted] will monitor HAMAS activity in their countries when the interview phase of this investigation starts.

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Information Research Specialist [redacted] Chicago Division, has been tasked with [redacted] relationships between individuals and/or organizations during this investigation. [redacted] has also been tasked with [redacted] is preparing information sheets which will be utilized by the interviewing agents.

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[redacted] and [redacted] Forfeiture Asset Seizure Team (FAST), are assisting in securing the Pete Marwick Accounting Firm for future review of [redacted] the Chicago Division anticipates receiving via Grand Jury Subpoenas. [redacted] and [redacted] are also assisting in [redacted] b3 b6 b7C b7E

Special Agent (SA) [redacted] is coordinating with [redacted] to obtain [redacted] SA [redacted] will also coordinate his efforts with FAST members. b3 b6 b7C

SA [redacted] Co-Case Agent, is handling all Grand Jury Subpoena requests and [redacted] SA [redacted] will be working closely with the Pete Marwick Accounting Firm. b3 b6 b7C

The goals of this investigation include, but are not limited to, identifying organizations/non-profit organizations involved in the money laundering conspiracy and tax fraud; identify businesses created and/or financed by NAIT; and to identify individuals who have contributed large sums of money to organizations in furtherance of the money laundering conspiracy, tax fraud, and INS violations. [redacted] b7E

The following is a list of criminal violations being considered by the FBI, [redacted]

Title 18, U.S. Code	371 Conspiracy
Title 18, U.S. Code	1001 False Statements
Title 18, U.S. Code	1341 Mail Fraud
Title 18, U.S. Code	1343 Fraud by Wire
Title 18, U.S. Code	1344 Bank Fraud
Title 18, U.S. Code	1546 Fraud and misuse of Visas, permits and other documents
Title 18, U.S. Code	1956 Laundering of Monetary Instruments
Title 18, U.S. Code	1957 Engaging in monetary transaction derived from specified unlawful activity
Title 18, U.S. Code	1961 Racketeer Influenced and Corrupt Organizations
Title 26, U.S. Code	7201 Attempt to evade or defeat tax

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To: All Divisi . From: Chicago
Re: 265C-CG-101942, 07/14/1997

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[redacted] Forfeiture Asset Seizure Team (FAST), are assisting in securing [redacted] Accounting Firm for future review of [redacted] the Chicago Division anticipates receiving via Grand Jury Subpoenas. [redacted] re also assisting in identifying potential assets for seizure.

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Special Agent (SA) [redacted] is coordinating with [redacted] to obtain [redacted] SA [redacted] will identify [redacted] SA [redacted] will also coordinate his efforts with FAST members.

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SA [redacted] Co-Case Agent, is handling all Grand Jury Subpoena requests and [redacted] SA [redacted] will be working closely with [redacted] Accounting Firm.

The goals of this investigation include, but are not limited to, identifying organizations/non-profit organizations involved in the money laundering conspiracy and tax fraud; identify businesses created and/or financed by NAIT; and to identify individuals who have contributed large sums of money to organizations in furtherance of the money laundering conspiracy, tax fraud, and INS violations. A major goal for all divisions will be to develop informants who will provide intelligence that will allow the investigation to expand in each division.

The following is a list of [redacted]

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Title 26, U.S. Code	7202 Willful failure to collect or pay over tax
Title 26, U.S. Code	7203 Willful failure to file return, supply information, or pay tax
Title 26, U.S. Code	7205 Fraudulent witholding exemption certificate or failure to supply information
Title 26, U.S. Code	7207 Fraudulent returns statements or other documents

Currently, the Chicago Division anticipates [redacted]

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The following list of individuals who ultimately are to be interviewed [redacted]

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The following is the list of individuals/organizations to be interviewed in the future:

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[redacted]

Currently, the Chicago Division anticipates the interviews of 200 individuals/organizations throughout the U.S. Prior to the start of these interviews, the Chicago Division will assemble [redacted] The Chicago Division, IRS and AUSA's office will [redacted] prior to conducting the interviews.

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The following list of individuals who ultimately are to be interviewed [redacted]

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The following is the list of individuals/organizations to be interviewed in the future:

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LEAD (s):

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Set Lead 1:

ALL DIVISIONS:

Each division with an interview is requested to conduct a background check on each individual to verify current address, employment, vehicle(s), and criminal history. Each division with an organization/corporation is requested to verify current address, obtain Articles of Incorporation and/or non-profit forms filed with the state in which the organization is located and identify all officers of the organization/corporation.

Set Lead 2:

ALBANY

AT ALBANY, NEW YORK

[redacted]

Albany, NY [redacted]

[redacted]

Albany, NY [redacted]

Set Lead 3:

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AT [redacted] NEW YORK

[redacted]

[redacted] NY [redacted]

Set Lead 4:

AT SYRACUSE, NEW YORK

[redacted]

LEAD (s):

Set Lead 1:

ALL DIVISIONS:

Each division with an interview is requested to [redacted]

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Set Lead 2:

ALBANY

AT ALBANY, NEW YORK

[redacted]

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Set Lead 3:

AT NEW HARTFORD, NEW YORK

[redacted]

Set Lead 4:

AT SYRACUSE, NEW YORK

Islamic Society of Central New York
General Fund
825 Comstock Avenue
Syracuse, NY [redacted]

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SAAR Foundation
& Kurdish Relief Fund
555 Grove Street
Herndon, VA [redacted]

Mar Jac Investments
555 Grove Street
Herndon, VA [redacted]

Set Lead 146:

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AT TYSONS CORNER, VIRGINIA

Taibah International Aid Association
8150 Leesburg Pike
Suite 700
Tysons Corner, VA
Telephone (703) 883-8280 [redacted]

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