

ATTACHMENT A

LGM

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

FILED

JUN 16 2006
JUN 16 2006
MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

| | | |
|--------------------------|---|------------------------|
| UNITED STATES OF AMERICA |) | |
| |) | |
| v. |) | No. 04 CR 633 |
| |) | |
| |) | Judge Milton I. Shadur |
| HATEM FARIZ |) | |

PLEA AGREEMENT

This Plea Agreement between the United States Attorney for the Northern District of Illinois, PATRICK J. FITZGERALD, and defendant, HATEM FARIZ, and his attorney, LUIS GALVAN, is made pursuant to Rule 11 of the Federal Rules of Criminal Procedure.

This Plea Agreement is entirely voluntary and represents the entire agreement between the United States Attorney and defendant regarding defendant's criminal liability in case number 04 CR 633.

This Plea Agreement concerns criminal liability only, and nothing herein shall limit or in any way waive or release any administrative or judicial civil claim, demand or cause of action, whatsoever, of the United States or its agencies. Moreover, this Agreement is limited to the United States Attorney's Office for the Northern District of Illinois and cannot bind any other federal, state or local prosecuting, administrative or regulatory authorities except as expressly set forth in this Agreement.

By this Plea Agreement, PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois, and defendant, HATEM FARIZ, and his attorney, LUIS GALVAN, have agreed upon the following:

1. Defendant acknowledges that he has been charged in a ten-count Superseding Indictment in this case with wire fraud (Counts One to Four) and money laundering (Counts Five to Ten).

2. Defendant has read the charges against him contained in the Superseding Indictment, and those charges have been fully explained to him by his attorney.

3. Defendant fully understands the nature and elements of the crimes with which he has been charged.

4. Defendant will enter a voluntary plea of guilty to Counts One and Seven of the Superseding Indictment in this case.

5. Defendant will plead guilty because he is in fact guilty of the charges contained in Counts One and Seven of the Superseding Indictment. In pleading guilty, defendant admits the following facts and that those facts establish his guilt and relevant sentencing facts beyond a reasonable doubt:

Count One

Defendant owned and operated T & T Foods, a neighborhood grocery store located at 2738 W. North Avenue, Chicago, Illinois. The store had only one check out counter. It did not have any grocery carts or baskets and did not have any optical scanners to facilitate the quick check out of food purchases.

On March 9, 1999, defendant submitted to the USDA an application for T & T Foods to become a store eligible to redeem food stamp benefits. On the application, defendant represented, among other things, that he was the on-site manager and the store's annual program eligible food sales estimate was \$149,000. On the same day, a Food Nutrition Service Food Stamp Program

Specialist completed a Pre-Authorization Visit and interviewed defendant. The Program Specialist reviewed with defendant FARIZ many Food Stamp Program regulations, including the regulations prohibiting the exchange of cash for food stamp benefits.

On April 15, 1999, T & T Foods was authorized to accept USDA food stamp benefits. Defendant used a LaSalle Bank account, opened on March 1, 1999, to accept wire transfers associated with Link card transactions.

Between May 1999 and December 2000, T & T Foods redeemed approximately \$1,662,354.01 in USDA electronic food stamp benefits. T & T Foods redeemed such a high amount of food stamp benefits by trading cash for food stamp benefits. Defendant knew that trading cash for benefits was illegal and was prohibited under the program rules.

In order to process the improper cash for benefit transactions, defendant or other individuals working at the store defendant owned and operated, "swiped" the customer's link card through the authorized Link card machine assigned to the defendant and his store, which made a 1-800 number telephone call to Transactive Corp. located in Austin, Texas to authorize the transaction. After the transaction was authorized and accepted, Company A caused a wire transfer in the amount of the sale to be made from Austin, Texas into defendant's bank account at LaSalle Bank located in the Chicago area.

In addition, defendant allowed certain individuals who operated stores that were not authorized as food stamp program vendors, to redeem benefits for cash at their stores by calling T & T Foods to process the transaction. A vendor in an unauthorized store would provide a food stamp program beneficiary's Link card number to T & T Foods. T & T Foods would then process the

transaction through the Link card machine assigned to defendant and T & T Foods, by inputting the transaction information provided by the unauthorized store vendor. If the transaction was approved, then program funds received by T & T Foods account at LaSalle Bank for that transaction would be transferred to the unauthorized vendor.

Defendant withdrew the money received into the LaSalle Bank account for the Link card transactions and used a portion of those funds to purchase additional food stamp benefits for cash. Defendant also made payments from the LaSalle Bank account to certain individuals who operated unauthorized stores, to reimburse them for transactions that defendant permitted to be processed unlawfully through the T & T Foods Link card machine. Each such withdrawal or payment from the the T & T Foods account at LaSalle Bank involved the proceeds of a specified unlawful activity, namely the above-described wire fraud, with the intent to promote the carrying on of that specified unlawful activity, and thus constituted a violation of Title 18, United States Code, Section 1956 (a)(1)(A)(i) as further detailed below in the factual basis respecting Count Seven.

By way of example, the following transactions, each of which resulted in a wire communication between Chicago, Illinois and Austin, Texas, occurred using the T & T Foods Link Card machine:

(a) On January 13, 2000, an undercover agent went into T & T Foods and exchanged \$135.20 in Link card benefits for \$100 in cash with defendant.

(b) On January 25, 2000, an undercover agent went into "Store A," a store not authorized to exchange benefits, and exchanged \$299.98 in Link card benefits for \$210 in cash. The employee in Store A processed the transaction by placing a telephone call to T & T Foods and providing the

information for the transaction so that it could be manually processed using the T & T Foods Link card machine.

(c) On April 4, 2000, a cooperating individual exchanged \$70.85 in Link card benefits for \$35 in cash with an employee at T & T Foods.

(d) On April 11, 2000, a cooperating individual exchanged \$201.33 in Link card benefits for \$100 in cash with an employee at T & T Foods.

Between May 1999 and December 2000 defendant received into his T & T Foods account at LaSalle Bank a total of \$1,662,354.01 in proceeds for Link card benefits redeemed through the Link card machine assigned to defendant and T & T Foods. After deducting defendant's stated estimate of annual program eligible food sales for the period of \$248,333.33 (\$149,000 / 12 months in a year X 20 months), the actual loss resulting from defendant's fraud was approximately \$1,414,020.68.

Count Seven

On or about November 7, 2000, at Chicago, in the Northern District of Illinois, Eastern Division, defendant did knowingly conduct and attempt to conduct a financial transaction affecting interstate commerce, namely the payment of \$4,500 to Individual A by a check drawn on the T & T Foods account at LaSalle Bank, which involved the proceeds of a specified unlawful activity, namely wire fraud in violation of Title 18, United States Code Section 1343, with the intent to promote the carrying on of that specified unlawful activity, and while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction, that

is \$4,500, represented the proceeds of some form of unlawful activity; in violation of Title 18, United States Code, Section 1956 (a)(1)(A)(i).

More specifically, on November 7, 2000, defendant signed a check payable to Individual A in the amount of \$4,500. Individual A operated Store A, which was not authorized to redeem food stamp benefits. However, Individual A and others working at Store A redeemed food stamp benefits in exchange for cash by calling T & T Foods and providing the information for the transaction so it could be manually entered and processed through the T & T Foods Link card machine. After the money from the food stamp redemptions was deposited into defendant's LaSalle Bank account, defendant transferred the money to the individuals who conducted the transactions at ineligible stores by writing checks to them, including the \$4,500 check payable to Individual A dated November 7, 2000.

6. For purposes of applying the advisory guidelines promulgated by the United States Sentencing Commission pursuant to Title 28, United States Code, Section 994, the parties agree on the following points:

(a) This plea agreement is governed by the November 2000 edition of the Guidelines Manual.

Wire Fraud

(b) Pursuant to Guideline 2F1.1(a) the base offense level is 6.

(c) Pursuant to Guideline 2F1.1(b)(1)(L) the base offense level is increased by 11 levels because the amount of actual loss exceeded \$800,000.

(d) Pursuant to Guideline 2F1.1(b)(2) the base offense level is increased by 2 levels because the offense involved more than minimal planning.

Money Laundering

(e) Pursuant to Guideline 2S1.1(a)(1) the base offense level is 23.

Combined Offense Level

(f) Pursuant to Guideline 3D1.2 the offenses are treated as a single group.

(g) Pursuant to Guideline 3D1.3 the offense level from the offenses is 23.

(h) Defendant has clearly demonstrated a recognition and affirmative acceptance of personal responsibility for his criminal conduct. If the government does not receive additional evidence in conflict with this provision, and if the defendant continues to accept responsibility for his actions, within the meaning of Guideline 3E1.1, a two-level reduction in the offense level is appropriate.

(i) Defendant has provided timely complete information concerning his own involvement in the offense, and notified the government timely of his intention to enter a plea of guilty, thereby permitting the government to avoid preparing for trial and permitting the Court to allocate its resources efficiently, within the meaning of Guideline 3E1.1(b); an additional one-point reduction in the offense level is therefore appropriate, provided the Court determines the offense level to be 16 or greater prior to the operation of Guideline 3E1.1(a).

(j) Based on the information known to the government, the defendant presently has 0 criminal history points and is in criminal history category I.

(h) The defendant and his attorney and the government acknowledge that the above calculations are preliminary in nature and based on facts known to the government as of the time of this Agreement. The defendant understands that the Probation Department will conduct its own investigation and that the Court ultimately determines the facts and law relevant to sentencing, and

that the Court's determinations govern the final Sentencing Guidelines calculation. Accordingly, the validity of this Agreement is not contingent upon the probation officer's or the Court's concurrence with the above calculations.

7. Errors in calculations or interpretation of any of the guidelines may be corrected by either party prior to sentencing. The parties may correct these errors or misinterpretations either by stipulation or by a statement to the probation office and/or court setting forth the disagreement as to the correct guidelines and their application. The validity of this Agreement will not be affected by such corrections, and the defendant shall not have a right to withdraw his plea on the basis of such corrections.

8. Defendant understands that, in imposing the sentence, the Court will be guided by the United States Sentencing Guidelines. Defendant understands that the Guidelines are advisory, not mandatory, but that the Court must consider the Guidelines and take them into account in determining a reasonable sentence.

9. Defendant understands that each count to which he will plead guilty carries a maximum penalty of 20 years imprisonment, a maximum fine in the amount of the greater of \$500,000 or twice the value of the property involved in the transaction, any restitution ordered by the Court, and a term of supervised release of at least two but not more than three years.

10. Defendant understands that in accord with federal law, Title 18, United States Code, Section 3013, upon entry of judgment of conviction, the defendant will be assessed \$100 on each count, in addition to any other penalty imposed. Defendant agrees to pay the special assessment of \$200 at the time of sentencing with a check or money order made payable to the Clerk of the U.S. District Court.

11. Defendant understands that by pleading guilty he surrenders certain rights, including the following:

(a) If defendant persisted in a plea of not guilty to the charges against him, he would have the right to a public and speedy trial. The trial could be either a jury trial or a trial by the judge sitting without a jury. Defendant has a right to a jury trial. However, in order that the trial be conducted by the judge sitting without a jury, defendant, the government, and the judge all must agree that the trial be conducted by the judge without a jury.

(b) If the trial is a jury trial, the jury would be composed of twelve laypersons selected at random. Defendant and his attorney would have a say in who the jurors would be by removing prospective jurors for cause where actual bias or other disqualification is shown, or without cause by exercising so-called peremptory challenges. The jury would have consider each charge separately, and agree unanimously before it could return a verdict of either guilty or not guilty on each count. The jury would be instructed that defendant is presumed innocent, and that it could not convict him unless, after hearing all the evidence and considering each count separately, it was persuaded of defendant's guilt beyond a reasonable doubt.

(c) If the trial is held by the judge without a jury, the judge would find the facts and determine, after hearing all the evidence and considering each count separately, whether or not the judge was persuaded of defendant's guilt beyond a reasonable doubt.

(d) At a trial, whether by a jury or a judge, the government would be required to present its witnesses and other evidence against defendant. Defendant would be able to confront those government witnesses and his attorney would be able to cross-examine them. In turn, defendant could present witnesses and other evidence in his own behalf. If the witnesses for

defendant would not appear voluntarily, he could require their attendance through the subpoena power of the court.

(e) At a trial, defendant would have a privilege against self-incrimination so that he could decline to testify, and no inference of guilt could be drawn from his refusal to testify. If defendant desired to do so, he could testify in his own behalf.

12. Defendant understands that by pleading guilty he is waiving all the rights set forth in the prior paragraph. Defendant's attorney has explained those rights to him, and the consequences of his waiver of those rights. Defendant further understands he is waiving all appellate issues that might have been available if he had exercised his right to trial.

13. Defendant understands that the Superseding Indictment and this Plea Agreement are matters of public record and may be disclosed to any party.

14. The defendant is aware that Title 18, United States Code, Section 3742 affords a defendant the right to appeal the sentence imposed. Acknowledging this, the defendant knowingly waives his right to appeal any sentence within the maximum provided in the statute of conviction (or the manner in which the sentence was determined).

15. Defendant understands that the United States Attorney's Office will fully apprise the District Court and the United States Probation Office of the nature, scope and extent of defendant's conduct regarding the charges against him, and related matters, including all matters in aggravation and mitigation relevant to the issue of sentencing.

16. At the time of sentencing, the parties shall recommend a sentence within the applicable guideline range. Neither party shall file a motion for departure. If at the time of

sentencing defendant is subject to any other undischarged term of imprisonment, the parties are free to make any recommendation with regard to this sentence pursuant to Guideline 5G1.3(c).

17. It is understood by the parties that the sentencing judge is neither a party to nor bound by this Agreement and, subject to the limitations of the sentencing guidelines, may impose the maximum penalties as set forth in paragraph 9 above. The defendant further acknowledges that if the court does not accept the sentencing recommendation of the parties, the defendant will have no right to withdraw his guilty plea.

18. Regarding restitution, the parties agree, pursuant to 18 U.S.C. § 3663(a)(3) that defendant shall pay restitution in the amount of \$1,414,020.68 to the United States and that the Court must order defendant to make restitution in this amount, minus any credit for funds repaid prior to sentencing. Defendant agrees to provide complete and truthful information to the Court and the United States Probation Officer regarding all details of his economic circumstances, including all tax returns and related information which may be requested, in order to determine the manner in which and the schedule by which restitution should be paid. Furthermore, defendant understands that he is required to notify the Court and the Attorney General of any material change in his economic circumstances that might affect his ability to pay restitution. Defendant understands that providing false or incomplete information may be prosecuted as a violation of Title 18, United States Code, Section 1001, or as contempt of court.

19. With regard to the forfeiture allegation in the Superseding Indictment the parties agree:

(a) The Superseding Indictment charges that defendant is liable to the United States for \$1,414,020.68 which funds are subject to forfeiture pursuant to 18 U.S.C. § 981(a)(1)(c)

and 28 U.S.C. § 2461 as a result of the violation alleged in Count One of the Superseding Indictment. By entry of a guilty plea to Count One of the Superseding Indictment, defendant understands that the property identified above is subject to forfeiture.

(b) Defendant agrees to the entry of a forfeiture judgment in the amount of \$1,414,020.68 at sentencing. Prior to sentencing, defendant agrees to the entry of a preliminary order of forfeiture relinquishing any right, title or ownership interest he has in the above property.

(c) Defendant understands that the United States shall satisfy this forfeiture judgment with substitute assets pursuant to 21 U.S.C. § 853(p). Any attempt on the part of defendant to transfer, convey, or otherwise conceal property prior to the satisfaction of this judgement shall be deemed to violate this plea agreement. If such conveyances are discovered prior to the imposition of the sentence, defendant understands that there will be no two-level reduction in the base offense level for acceptance of responsibility.

(d) Defendant understands that pursuant to 18 U.S.C. § 3663(a)(3), as agreed above, this Court shall order restitution in the amount of \$1,414,020.68. It is agreed by the parties that any payments made towards the restitution obligation shall be credited to the outstanding forfeiture judgment.

20. Defendant understands that his compliance with each part of this Plea Agreement extends throughout and beyond the period of his sentence, and failure to abide by any term of the Plea Agreement is a violation of the Agreement. He further understands that in the event he violates this Agreement, the government, at its option, may move to vacate the Plea Agreement, rendering it null and void, and thereafter prosecute the defendant not subject to any of the limits set forth in this Agreement, or to resentence the defendant. Defendant understands and agrees that in the event

that this Plea Agreement is breached by the defendant, and the Government elects to void the Plea Agreement and prosecute the defendant, any prosecutions that are not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against the defendant in accordance with this paragraph, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement of such prosecutions.

21. After sentence has been imposed on the counts to which defendant pleads guilty herein, the government will move to dismiss the remaining counts of the Superseding Indictment.

22. Defendant and his attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this Agreement, to cause defendant to plead guilty.


23. Defendant agrees this Plea Agreement shall be filed and become a part of the record in this case.


24. Should the judge refuse to accept the defendant's plea of guilty, this Agreement shall become null and void and neither party will be bound thereto.

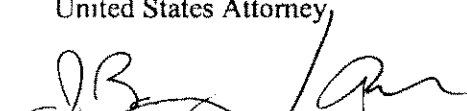
25. Defendant acknowledges that he has read this Agreement and carefully reviewed each


provision with his attorney. Defendant further acknowledges that he understands and voluntarily accepts each and every term and condition of this Agreement.

AGREED THIS DATE: June 8, 2006


PATRICK J. FITZGERALD
United States Attorney


HATEM FARIZ
Defendant


JOSEPH FERGUSON
JAMES E. BARZ
Assistant United States Attorneys


LUIS GALVAN
Attorney for Defendant

ATTACHMENT B

AO 245B (Rev. 05/05) Judgment in a Criminal Case Sheet 1

UNITED STATES DISTRICT COURT

Northern District of Illinois

UNITED STATES OF AMERICA

JUDGMENT IN A CRIMINAL CASE

V.

Hatem Fariz

Case Number: 04 CR 633-1

USM Number: 40941-018

Luis Galvan
Defendant's Attorney

THE DEFENDANT:

pleaded guilty to count(s) one (1) and seven (7)

pleaded nolo contendere to count(s) _____
which was accepted by the court.

was found guilty on count(s) _____
after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

| Title & Section | Nature of Offense | Offense Ended | Count |
|----------------------------|------------------------------------|---------------|-------|
| 18 U.S.C. 1343 | Wire Fraud | 11/7/00 | 1 |
| 18 U.S.C. 1956(a)(1)(A)(I) | Laundering of Monetary Instruments | 11/7/00 | 7 |

The defendant is sentenced as provided in pages 2 through 5 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

The defendant has been found not guilty on count(s) _____

Count(s) all remaining is are dismissed on the motion of the United States.

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

August 18, 2006
Date of Imposition of Judgment

Milton I. Shadur
Signature of Judge

Milton I. Shadur, Senior U.S. District Judge
Name and Title of Judge

August 23, 2006
Date

AO 245B (Rev. 06/05) Judgment in Criminal Case Sheet 2 — Imprisonment

Judgment — Page 2 of 5

DEFENDANT: Hatem Fariz
CASE NUMBER: 04 CR 633-1

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of:

Fifty-One (51) months as to each of counts one (1) and seven (7), to run concurrently with each other and concurrently with the sentence imposed in the Middle District of Florida in case no. 8:03-CR-77-T-30TBM.

The court makes the following recommendations to the Bureau of Prisons:
This Court recommends [REDACTED] as the institution for incarceration.

The defendant is remanded to the custody of the United States Marshal.

The defendant shall surrender to the United States Marshal for this district:

at _____ a.m. p.m. on _____

as notified by the United States Marshal.

The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:

before 2 p.m. on October 3, 2006

as notified by the United States Marshal.

as notified by the Probation or Pretrial Services Office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____

at _____, with a certified copy of this judgment.

UNITED STATES MARSHAL

By _____
DEPUTY UNITED STATES MARSHAL

AO 245B (Rev. 06/05) Judgment in a Criminal Case
Sheet 3 — Supervised Release

Judgment—Page 3 of 5

DEFENDANT: Hatem Fariz
CASE NUMBER: 04 CR 633-1

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of :

Three (3) years as to counts one (1) and seven (7) to run concurrently. The defendant may not open any new lines of credit without approval from the United States Probation office.

The defendant must report to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

The defendant shall not commit another federal, state or local crime.

The defendant shall not unlawfully possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.

- The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. (Check, if applicable.)
- The defendant shall not possess a firearm, ammunition, destructive device, or any other dangerous weapon. (Check, if applicable.)
- The defendant shall cooperate in the collection of DNA as directed by the probation officer. (Check, if applicable.)
- The defendant shall register with the state sex offender registration agency in the state where the defendant resides, works, or is a student, as directed by the probation officer. (Check, if applicable.)
- The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or restitution, it is a condition of supervised release that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

STANDARD CONDITIONS OF SUPERVISION

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court; and
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

DEFENDANT: Hatem Fariz
 CASE NUMBER: 04 CR 633-1

CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

| | | | |
|--------|-------------------|-------------|--------------------|
| | <u>Assessment</u> | <u>Fine</u> | <u>Restitution</u> |
| TOTALS | \$ 200.00 | \$ | \$ 1,414,020.68 |

- The determination of restitution is deferred until _____. An Amended Judgment in a Criminal Case (AO 245C) will be entered after such determination.
- The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

| <u>Name of Payee</u> | <u>Total Loss*</u> | <u>Restitution Ordered</u> | <u>Priority or Percentage</u> |
|--|--------------------|----------------------------|-------------------------------|
| Food and Nutrition Service Financial Management & Accounting Division 3101 Park Center Dr. Room 724, Alexandria, VA 22302 | 1,414,020.68 | 1,414,020.68 | 100 |

| | | |
|--------|---------------|---------------|
| TOTALS | \$ 1414020.68 | \$ 1414020.68 |
|--------|---------------|---------------|

- Restitution amount ordered pursuant to plea agreement \$ _____
- The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).
- The court determined that the defendant does not have the ability to pay interest and it is ordered that:
- the interest requirement is waived for the fine restitution.
- the interest requirement for the fine restitution is modified as follows:

* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT: Hatem Fariz
CASE NUMBER: 04 CR 633

SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties are due as follows:

- A 1 Lump sum payment of \$ 200.00 due immediately, balance due
 - not later than _____, or
 - in accordance C, D, E, or F below; or
- B Payment to begin immediately (may be combined with C, D, or F below); or
- C Payment in equal _____ (e.g., weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after the date of this judgment; or
- D Payment in equal _____ (e.g., weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E Payment during the term of supervised release will commence within _____ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F Special instructions regarding the payment of criminal monetary penalties: _____
Restitution payments are to be made monthly at a rate of 10% of defendant's net income. The cost of incarceration and supervision is waived.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

- The defendant shall pay the cost of prosecution.
- The defendant shall pay the following court cost(s):
- X The defendant shall forfeit the defendant's interest in the following property to the United States:
See attached forfeiture order.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.

ATTACHMENT C

IN THE
UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
) NO. 04 CR 633
 v.)
)
 HATEM FARIZ) JUDGE MILTON I. SHADUR

MOTION TO EXTEND SURRENDER DATE

HATEM FARIZ, by the Federal Defender Program and Luis M. Galvan, respectfully moves to reset his surrender. In support of this motion the defendant states that:

- 1.) Mr. Fariz is due to surrender for service of his sentence on October 3, 2006.
- 2.) Mr. Fariz would like to stay out of custody until he completes the Ramadan holidays.
- 3.) Ramadan is a religious feast in the Muslim calendar that lasts 30 days. It is marked by a special diet, prayer, fasting and family gatherings.
- 4.) The Bureau of Prisons will not accommodate the Muslim traditions in quite the same way as they are celebrated on the outside.
- 5.) The celebration will end on the last week of October. Mr. Fariz would like to surrender on the first week of November to his designate institution.

Respectfully submitted,

FEDERAL DEFENDER PROGRAM
Terence F. MacCarthy
Executive Director

By: s/Luis M. Galvan
Luis M. Galvan

FEDERAL DEFENDER PROGRAM
55 E. Monroe Street
Chicago, IL 60603
312/621-8352

CERTIFICATE OF SERVICE

The undersigned, Luis M. Galvan , an attorney with the Federal Defender Program hereby certifies that in accordance with FED.R.CIV.P5, LR5.5, and the General Order on Electronic Case Filing (ECF), the following document:

MOTION TO EXTEND SURRENDER DATE

was served pursuant to the district court's ECF system as to ECF filings, if any, and were sent by first-class mail/hand delivery on September 27, 2006, to counsel/parties that are non-ECF filers.

By: s/Luis M. Galvan
LUIS M. GALVAN
FEDERAL DEFENDER PROGRAM
55 E. Monroe St., Suite 2800
Chicago, Illinois 60603
312/621-8352

ATTACHMENT D

United States District Court, Northern District of Illinois

| | | | |
|---|---------------------|---|-----------|
| Name of Assigned Judge or Magistrate Judge | Milton I. Shadur | Sitting Judge if Other than Assigned Judge | |
| CASE NUMBER | 04 CR 633 | DATE | 9/29/2006 |
| CASE TITLE | USA vs. Hatem Fariz | | |

DOCKET ENTRY TEXT

Motion hearing held. Defendant's motion to extend surrender date (63-1) is granted to and including October 10, 2006.

Docketing to mail notices.

| | |
|-----------------------------------|----|
| Courtroom Deputy Initials: | SN |
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ATTACHMENT E

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FAX NO.

P. 01

Abdurrahman Sykes - GuidelinesRamadan (8-1-06).tif

Page 1



U.S. Department of Justice

Federal Bureau of Prisons

Washington, DC 20534

August 1, 2006

MEMORANDUM FOR CHIEF EXECUTIVE OFFICERS

FROM:

John K. Corey
John M. Vanyur, Assistant Director
Correctional Programs Division

SUBJECT:

Guidelines for Observance of Ramadan, 2006

The month of Ramadan begins after the sighting of the new moon. However, the actual fasting time begins at dawn on the first morning after the sighting of the new moon, and each successive morning throughout the month. Detailed program guidelines for the observance of Ramadan appear in the Religious Beliefs and Practices Technical Reference Manual (T5360) and on the Chaplaincy Services Intranet web site.

The first possible sighting has been astronomically projected to be during the night of September 23-24, 2006. The Bureau will stand with the decision of the Islamic Shura Council of North America with regard to the North American sighting of the new moon. Inmates who believe it is necessary to begin their fast earlier because of their own understanding of astronomical information may do so, using the standard operating procedures for private fasts. Meals will not be provided. A definitive date for North America will be provided to all chaplains on Friday, September 22, 2006.

We anticipate the fast will begin on Sunday morning, September 24, 2006. This is a month of obligatory fast and prayer for followers of Islam world-wide. Islamic and Nation of Islam religious leaders adjure their members to participate in the fast during the month of Ramadan as prescribed for all believers of Islam. Authorization for participation of inmates of other

OCT-06-2006 FRI 01:58 AM

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P. 02

Abdurrahman Sykes - GuidelinesRamadan (8-1-06).tif

Page 2

faiths should be determined on a case-by-case basis taking into account the pastoral and practical implications of extending the fast to inmates of other faiths. Just as some Christians and Jews participate in only special ceremonial feasts, it is reasonable to expect that some inmates who are not active in other Islamic religious observances may choose to strengthen their faith through observance of prayer and fasting during Ramadan.

Participating inmates should consume their scheduled evening meal on September 23rd but should be provided a bagged breakfast for the morning of September 24th. Actual Western hemisphere moon sightings may occur a day later, but never earlier. The fast will last 29 or 30 days, but no longer than 30 days.

The month of Ramadan is a holy month, characterized by communal prayer as well as fasting. It is also customary for devout Muslims to read the 30 divisions of the Qu'ran during the month of Ramadan. Please provide the support necessary to ensure a rewarding religious experience for the participants.

One of the customary prayer observances is the Night of Determination, which commemorates the first revelations of the Holy Qu'ran. Arrangements should be made to accommodate a special nighttime prayer or study observance (taleem) on one of the designated nights if such an observance is requested by participating inmates. Time, location, and duration of the Night of Determination observance should be determined locally, within security and safety parameters of each institution.

The Gregorian Calendar dates for upcoming relevant Islamic observances follow:

| | |
|--|--|
| Approximate date for beginning of Ramadan: | September 23, 2006 |
| First day of fasting: | September 24, 2006 |
| Night of Determination: | October 13, 2006 or October 15, 2006 or October 17, 2006 or October 19, 2006 or October 21, 2006 |
| Eid-ul-Fit'r: | October 24, 2006 |
| Eid-ul-Adha: | December 31, 2006 |

If the moonsighting does not occur until September 24th all other dates are moved forward one day.

Chaplains and Food Service Administrators should work together to provide the most efficient and effective program for inmates.

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FAX NO.

P. 03

Abdurrahman Sykes - GuidelinesRamadan (8-1-06).tif

Page 3

The congregate prayer requirement, daylight savings time, and reliance on the lunar calendar necessitates accommodating special evening meal times for the breaking of the fast. Meals should be served and eaten in the inmate dining room.

We recommend use of one mealtime procedure for the participating groups. According to the Food Services Manual, participants in the Common Fare Religious Diet Program who participate in Ramadan, should be provided their lunch and supper meals. Others should be provided foods from the lunch meal as well as supper (see Program Statement 4700.05, Chapter 4). Portions equivalent to two meals, should be served if it is not feasible to provide foods from the lunch menu after dusk. Those electing to eat mainline foods will select suitable foods from the line.

No special dietary accommodation other than Common Fare will be made. Inmates should not be authorized to prepare any type of special cultural or ritual foods because of the fast. The nature of the fast does not require it, nor should Food Service be expected to provide foods not prescribed for the fast. It is customary to break the fast each evening by eating dates, or some other high fiber fruit. Since this is part of the ritual, a reasonable supply of dates may be purchased by Religious Services. Dates may also be sold in the commissary for those requesting more than the quantity provided.

In deference to the religious teachings of the Honorable Minister Farrakhan, Nation of Islam believers should be given the option of abstaining from land animals during the fast. This can be done by participation in the no-flesh option served as mainline fare. For those who participate in Common Fare, this will require substituting non-meat entrees on the days on which meat and fowl are usually served. This may be a fish or dairy meal substitute. Procedures for all fasts should be included in the Religious Services Institution Supplement to Program Statement 5360.09, *Religious Beliefs and Practices*.

Ordinarily, one of the Eid feasts is the customary time for the Islamic ceremonial meal. Guidelines for observance of ceremonial meals are clearly laid out in Program Statement 5360.09, *Religious Beliefs and Practices* and in the TRM (T 5360).

I trust this information is helpful in fostering a consistent Bureau-wide observance of the Ramadan Fast. If we can be of assistance to your staff in the planning of an appropriate observance, please feel free to contact your Regional Chaplain or the Religious Services Branch, Central Office, at 202-514-9740.