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CLEVELAND OF OHIO

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
WESTERN DIVISION

UNITED STATES OF AMERICA,	)	INDICTMENT
Plaintiff,	)	JUDGE
v.	)	3:12CR 262
TAREK ELKAFRAWI, TAREK EID OMAR AUTUMN LEE TANGAS, KELLY ELKAFRAWI, JOSE LEON-GONZALEZ, aka JOSE LEON, aka JOSE VARGAS, aka JUAN VARGAS, aka EDWIN MARTEL, CARLOS GAMBOA, KHALED YOUSEF, JAMIL MOHAMMED AWWAD, RAMIZ AWWAD, KHALIL ABOUDAKKA, MAHMOUD ALI, MOHAMED HASSAN, DONNA J. HARRIOTT, LUCKY WILLIAMS, SARA RINEBOLT, CESAR AVILA, MARK ANTHONY TURNER, and YONI MERIDA,	)	CASE NO.__________________ Title 8, United States Code, Section 1324(a)(1)(A)(iii) and (a)(1)(A)(v)(I); Title 18, United States Code, Sections 4, 371, 844(h), 844(i), 1001(a)(2), 1028(a)(7), (b)(1)(A)(1), and (f), 1028A(a)(1), 1341, 1347, 1349, and 1956 [redacted] JUDGE KATZ
Defendants.	)	

The Grand Jury charges that:

GENERAL ALLEGATIONS

INTRODUCTION

At all times material to Counts 1-15 of this Indictment:

1. DineEquity was a publically traded corporation headquartered in Glendale, California, that owned and operated as a franchisor, among other entities, the International House of Pancakes, LLC (hereinafter "IHOP Corporate") franchise. Individual stores operated under the brand name "International House of Pancakes" (hereinafter "IHOP").

2. The IHOP franchise consists of approximately 1,522 domestic and international restaurants that feature various breakfast items for sale in its franchisee restaurants.

3. As set forth in the DineEquity Franchise Disclosure document provided to all IHOP franchisees, and relevant to the times and dates material to the charges contained herein, franchisees leased individual IHOP stores from IHOP Corporate. IHOP Corporate charged franchisees two separate fees. The first fee was an equipment and land lease for the store. The second fee was for royalties and advertising that was approximately eight percent (8%) of the franchisee IHOP's weekly net sales. Both of these fees were collected weekly. The stores paid the fees by electronic funds transfer in interstate commerce.

4. As required by the franchise agreement, all IHOP stores were required to maintain a weekly sales tally by using one of two Point of Sale systems. SABLE was a system used by a minority of stores; in 2010, IHOP Corporate ordered it to be phased out and replaced with the MICROS Point of Sale system (hereinafter "MICROS"). The sales figures compiled by both systems were remotely accessed by IHOP Corporate weekly via the Internet.

5. MICROS is a computer operating system that operated from a central server in each store and several Point of Sale computer terminals that were connected to the server via cable or wireless technology; the Point of Sale terminals usually did not have Internet access, but the main server was connected to the Internet, and in fact, communicated with IHOP Corporate remotely via the Internet.

6. Among other functions, MICROS was used by waitstaff to enter orders, track orders, and produce customer checks. The terminals could process credit card payments, record cash or check transactions, and record voided or discounted transactions. Likewise, MICROS contained software that logged employee work hours, and could be used by management to create detailed sales reports showing various sales statistics. Of note, MICROS was a proprietary software that contained several levels of access controlled by passwords and authorizations, thus, IHOP Corporate had a different level of access to the MICROS system than a waiter did. Likewise, entities with certain privileges could access the system remotely, as IHOP Corporate did weekly to download net sales figures.

7. In addition to monitoring the net sales by IHOP franchisees through accessing the MICROS system weekly, IHOP Corporate created two levels of corporate contact at a more local and regional level. Although at various times during the relevant time period their titles changed, the Franchise Business Consultant (hereinafter "FBC") was the first point of contact a franchisee maintained with IHOP Corporate. The FBC in turn reported to a Regional Director (hereinafter "RD").

8. Within the IHOP Corporate structure, the FBC and RD had oversight and reporting duties for each IHOP in their region, and functioned as the representatives of IHOP Corporate

and its interests. Additionally, FBC and RD personnel reported to IHOP Corporate on topics that affected a franchisee's standing within the corporation, including a franchisee's ability to receive relief funds or advertising funds from IHOP Corporate or preferred treatment based on periodic reviews and audits of the franchisee's business.

9. As such, IHOP Corporate restricted the nature and extent of the business relationships FBCs or RDs had with franchisees. For instance, an FBC or RD was forbidden to engage in personal business transactions with a franchisee and likewise could not personally profit from the operation or sale of a franchise.

10. Prior to December 18, 2003, TAREK ELKAFRAWI owned and operated two IHOP franchises; one was located at 601 North Burkhardt Road, Evansville, Indiana, (hereinafter "Evansville"), the other was located in Decatur, Illinois. At that time, AUTUMN LEE TANGAS worked for IHOP Corporate in the Decatur, Illinois region. TAREK ELKAFRAWI maintained a social friendship with her in addition to their business relationship.

11. On or about August 19, 2003, TAREK ELKAFRAWI and a person known to the Grand Jury purchased the IHOP located at 4045 Talmadge Road, Toledo, Ohio (hereinafter "Talmadge"). On or about December 9, 2003, TAREK ELKAFRAWI, AUTUMN LEE TANGAS, L. R. (not charged in this indictment) and another person known to the Grand Jury purchased the IHOP franchise located at 6535 Airport Highway, Holland, Ohio (hereinafter "Airport Highway"). On or about December 18, 2003, TAREK ELKAFRAWI purchased the IHOP franchise located at 7777 Township Road 236, Findlay, Ohio (hereinafter "Findlay"). In order to aid in running the franchises, TAREK ELKAFRAWI, who was still residing primarily in Evansville, Indiana, made M.K., (not charged in this indictment), also known as M.K. and M.K.,

the district manager for the franchises, and hired K.M. (not charged in this indictment) to serve as area manager.

12. Between on or about December 29, 2004, and on or about December 20, 2006, TAREK ELKAFRAWI, M.K. and K.M. purchased, together and with others both known and unknown to the Grand Jury, the following IHOP franchises in and around the Toledo, Ohio, area: 6920 West Central Avenue, Toledo, Ohio (hereinafter "Central"); 10151 Fremont Pike, Perrysburg, Ohio, (hereinafter "Perrysburg"); and 3289 Elida Road, Lima, Ohio, (hereinafter "Lima").

13. On or about November 7, 2007, TAREK ELKAFRAWI sold his interest in the Decatur, Illinois, IHOP. Thus, for the relevant time period covered in this Indictment, TAREK ELKAFRAWI, M.K., K.M., AUTUMN LEE TANGAS, and others known to the Grand Jury, owned, in whole or in part, operated together, and benefitted financially from, the following IHOP franchises: Evansville, Talmadge, Airport Highway, Findlay, Central, Perrysburg, and Lima.

14. Starting from the time TAREK ELKAFRAWI operated only the Evansville and Decatur IHOPs, through the present, TAREK ELKAFRAWI, M.K., K.M., and AUTUMN LEE TANGAS, through their operation, control and oversight of the franchises, used various frauds, schemes, and criminal activities to fraudulently manipulate sales figures, salaries, and payroll, and losses in an attempt to evade taxes, avoid paying royalties and other financial obligations, and to unjustly and illegally divert money from the IHOP franchises to themselves.

15. Through the manipulation of the MICROS system, the hiring and harboring of illegal aliens, the aggravated theft and use of identification documents, and the unauthorized remittance

of checks, TAREK ELKAFRAWI conspired together with M.K., and with others both known and unknown to the Grand Jury, to harbor aliens and commit identity theft in furtherance of, and in support of, mail and wire fraud schemes as detailed below.

The Grand Jury charges:

COUNT 1

(Money Laundering, Title 18, U.S.C., Section 1956(h))

16. The information contained in the General Allegations paragraphs 1-15 above is incorporated by reference herein.

17. From on or about August 19, 2003, to the date of this indictment, in the Northern District of Ohio, Western Division, and elsewhere, the Defendants, TAREK ELKAFRAWI, TAREK EID OMAR, KELLY ELKAFRAWI, and AUTUMN LEE TANGAS, did knowingly and intentionally combine, conspire, and agree with each other and with other persons both known and unknown to the Grand Jury to commit offenses against the United States, in violation of Title 18, United States Code, Section 1956(h), to wit:

(a) to knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce, which involved the proceeds of a specified unlawful activity, that is Alien Harboring, a violation of Title 8, United States Code § 1324, with the intent to promote the carrying on of specified unlawful activity, that is Mail Fraud and Wire Fraud, violations of Title 18, United States Code, §§ 1341 and 1343, respectively, and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i); and

(b) to knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce, which involved the proceeds of a specified unlawful activity, that is Mail Fraud, pursuant to 18 U.S.C. §1341, with the intent to engage in conduct constituting a violation of 26 U.S.C. § 7201, to wit, evasion of payment of taxes, and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(A)(ii); and

(c) to knowingly conduct and attempt to conduct financial transactions affecting interstate commerce and foreign commerce, which transactions involved the proceeds of a specified unlawful activity, that is Mail Fraud, pursuant to 18 U.S.C. §1341, knowing that the transactions were designed in whole or in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity, and that while conducting and attempting to conduct such financial transactions knew that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i); and

(d) to transport, transmit, and transfer, and attempt to transport, transmit, and transfer a monetary instrument or funds involving the proceeds of a specified unlawful activity, that is Wire Fraud, pursuant to 18 U.S.C. §1343, from a place in the United States to or through a place outside the United States, knowing that the funds involved in the transportation, transmission, and transfer represented the proceeds of some form of unlawful activity and knowing that such transportation, transmission, and transfer was designed in whole or in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of said specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(2)(B)(i).

MANNER AND MEANS OF THE CONSPIRACY

18. The manner and means used to accomplish the objectives of the conspiracy included, among others, the following:

Knowing Employment of Illegal Aliens

19. From approximately December 18, 2003 to the date of this indictment, the Defendants, TAREK ELKAFRAWI, TAREK EID OMAR, KELLY ELKAFRAWI, and AUTUMN LEE TANGAS, employed over 200 illegal aliens to work at the seven identified IHOP restaurants. At the direction of TAREK ELKAFRAWI and others known to the Grand Jury, most of these aliens used fraudulent or stolen identifications while working at the seven IHOP restaurants.

20. In order to locate and recruit these illegal aliens, TAREK ELKAFRAWI and M.K. employed several individuals known to the Grand Jury including, but not limited to, CARLOS GAMBOA, JOSE LEON-GONZALEZ, aka Jose Leon, aka Jose Vargas, aka Juan Vargas, aka Edwin Martel, F.V-P, and S.L. (not charged in this indictment), to recruit illegal aliens to work at IHOP and to arrange for their arrival at one of the seven identified IHOP restaurants.

21. When an illegal alien arrived as an employee, the manager of the IHOP, at the direction of TAREK ELKAFRAWI, M.K., or K.M., would enter the alien into the MICROS system using either a fraudulent identification or a name already in the system.

22. If the illegal alien had false paperwork or documentation, the manager would accept it without verifying its legitimacy; conversely, if the illegal alien did not have documentation, TAREK ELKAFRAWI, M.K., or K.M. would arrange for CARLOS GAMBOA, JOSE LEON-

GONZALEZ, F.V-P, or others known to the Grand Jury, to obtain fraudulent documentation for the illegal alien.

23. Additionally, to further the scheme to harbor and conceal the identity of the illegal aliens, TAREK ELKAFRAWI and M.K. would individually, and personally, direct managers and others known to the Grand Jury to cash the payroll checks of illegal aliens.

24. TAREK ELKAFRAWI and M.K. also would cash payroll checks of aliens against their personal bank accounts in order to help conceal the presence of illegal aliens. Likewise, TAREK ELKAFRAWI authorized managers to cash payroll checks at the restaurants for illegal alien employees.

25. It was common practice for TAREK ELKAFRAWI, M.K., K.M., and TAREK EID OMAR to assign multiple identities to employees for the purpose of employees avoiding taxes or receiving government benefits, as well as to avoid paying employees overtime wages.

26. As a result of hiring and harboring illegal aliens, TAREK ELKAFRAWI and M.K. were able to manipulate the wages of employees reported to the Internal Revenue Service for purposes of underreporting their payroll tax liability.

27. Further, by employing and harboring illegal aliens, TAREK ELKAFRAWI and M.K. manipulated Form 94` reports to the Bureau of Workers Compensation for the State of Ohio, (hereinafter "BWC"), thus drastically reducing the franchises' bi-annual payments to the state agency.

28. Further, by employing and harboring illegal aliens, TAREK ELKAFRAWI and M.K. were able to underpay, manipulate, and minimize the amount of money they actually paid to the illegal aliens knowing the aliens would not complain or report them to law enforcement.

Understating Income

29. The schemes described in Paragraphs 19 through 28 further allowed TAREK ELKAFRAWI, M.K., K.M., and TAREK EID OMAR to create an environment in which the managers were expected to manipulate the Point of Sale systems to reduce the weekly net sales figures.

30. By artificially deflating the net sales figures, TAREK ELKAFRAWI and co-conspirators defrauded IHOP Corporate by paying a smaller amount of rent and royalties to IHOP Corporate than was actually owed; furthermore, the franchises qualified for rebates and relief assistance payments from IHOP Corporate for which they otherwise would not have been eligible.

31. As a result of the underreporting of income and manipulation of wages resulting from the hiring and harboring of illegal aliens, TAREK ELKAFRAWI, and M.K., as owners and operators of the seven identified IHOP restaurants, aided and abetted by K.M. and AUTUMN LEE TANGAS, generated over $1.2 million in unreported income.

32. To conceal the existence of unreported income and to promote the continuance of the scheme facilitated by the alien harboring, TAREK ELKAFRAWI and M.K. engaged in a continuing course of wire fraud by electronically transferring assets and funds to credit cards in the names of the IHOP franchises, to a shell corporation, that is the Terry Elk Group, to other commercial investments, to bank accounts opened in the names of false, fraudulent and stolen identities, to foreign and domestic properties, and to foreign bank accounts.

Collusion with the FBC

33. In order to conceal the nature of the wire fraud, TAREK ELKAFRAWI, M.K., and

K.M. enlisted AUTUMN LEE TANGAS, the FBC for the region, to minimize the likelihood that IHOP Corporate would question the weekly net sales figures underreported by the seven identified IHOP restaurants.

34. Specifically, in December, 2003, TAREK ELKAFRAWI entered into an agreement with AUTUMN LEE TANGAS in which AUTUMN LEE TANGAS' friend, L.R., (not charged in this indictment), would receive health benefits and paychecks in return for AUTUMN LEE TANGAS making an undocumented investment in the Findlay IHOP.

35. Prior to the December 18, 2003, purchase of the Findlay IHOP by TAREK ELKAFRAWI, AUTUMN LEE TANGAS had informed TAREK ELKAFRAWI that IHOP Corporate needed to find a suitable purchaser for the Findlay IHOP. AUTUMN LEE TANGAS knew that TAREK ELKAFRAWI did not have the financial ability to purchase the franchise at that time, but that she, herself, did. However, AUTUMN LEE TANGAS knew that, because of her position as FBC, she was precluded by IHOP Corporate from investing in any franchise.

36. In return for providing TAREK ELKAFRAWI $50,000 to purchase the Findlay IHOP, AUTUMN LEE TANGAS' friend, L.R., was listed as minority owner of the Airport Highway IHOP and received weekly paychecks and health benefits from that corporation, despite the fact that she never worked as an employee there.

37. On or about December 6, 2004, AUTUMN LEE TANGAS deposited a $5,000 check drawn on the Airport Highway IHOP account (and signed by TAREK ELKAFRAWI) into her bank account as a partial return on her sub rosa investment in the Findlay IHOP.

38. On or about April 23, 2005, AUTUMN LEE TANGAS deposited a $40,000 cashier's check from TAREK ELKAFRAWI's personal bank, Old National Bank in Evansville, Indiana,

into her bank account as a partial return on her investment in the Findlay IHOP.

39. AUTUMN LEE TANGAS failed to inform IHOP Corporate of her financial relationship with either L.R. or TAREK ELKAFRAWI.

40. On or about June 8, 2005, AUTUMN LEE TANGAS deposited a $20,000 check drawn on the Airport Highway IHOP account (and signed by TAREK ELKAFRAWI) into her bank account as a final return on her investment in the Findlay IHOP. Since that investment, AUTUMN LEE TANGAS has continued to serve as FBC for the restaurants owned and operated by TAREK ELKAFRAWI and others known to the Grand Jury. During that time, those restaurants were never audited, nor were their sales losses or financial performances questioned.

41. IHOP Corporate also was not notified of a fire at the Findlay IHOP in 2008 that resulted in approximately $1.36 million in damage claims by TAREK ELKAFRAWI and the closure of the location for three months. Such information is the type of material information IHOP Corporate expects FBCs to collect and provide in reports to headquarters.

42. On multiple occasions known to the Grand Jury, AUTUMN LEE TANGAS informed managers of the Toledo-area IHOPs that she knew that a number of illegal aliens worked for the IHOPs owned and operated by TAREK ELKAFRAWI, and made statements to persons known to the Grand Jury that "everyone would be in trouble" if that fact became known.

43. Part of the incomplete and erroneous information provided by AUTUMN LEE TANGAS to IHOP Corporate included her filing yearly reports recommending that IHOP Corporate subsidize the Central Avenue IHOP by providing a weekly credit of approximately $2,300. This credit, referred to as a relief payment, was supposed to be used to lessen the burden of paying weekly rent and royalty payments for an underperforming restaurant. Originally

intended by IHOP Corporate to be a temporary, short-term, payment used in extraordinary circumstances, through the attestations and support of AUTUMN LEE TANGAS, the Central IHOP received credits for over five years. As a result, TAREK ELKAFRAWI personally realized over $500,000 in revenue that otherwise would have been retained by IHOP Corporate.

44. Additionally, the annual reports supporting on-going relief payments enabled TAREK ELKAFRAWI and M.K. to justify declining sales which, in actuality, were a direct result of Point of Sale system manipulations and other frauds, rather than a market condition affecting the franchise.

45. Protected from IHOP Corporate scrutiny, TAREK ELKAFRAWI, M.K., and K.M. directed and controlled several ongoing wire fraud schemes involving the finances of their IHOP franchises. These wire fraud schemes fall into the following categories: Point of Sale system manipulations of the gross and net sales and fraudulent reporting of assets and liabilities to skew the performance of certain restaurants, thereby qualifying them for IHOP Corporate benefits; false reporting to BWC; and payroll manipulations to enable improper health and welfare benefits.

Point of Sales Manipulation

46. In addition to the above schemes, from approximately 2004 to the date of this indictment, TAREK ELKAFRAWI, M.K. and TAREK EID OMAR personally directed managers to manipulate the Point of Sale systems in order to remove cash from the stores as unreported income.

47. TAREK ELKAFRAWI and M.K. directed the Point of Sales system remotely through the use of software that gave them full access and control of the Point of Sales system

from their homes. Since approximately 2010-2011, TAREK ELKAFRAWI and M.K. have used software called "Team Viewer." This software was installed on the home computers of TAREK ELKAFRAWI and M.K. in 2010 and 2011, respectively, shortly after the latest MICROS system was installed on all IHOP computers.

48. One of the schemes to defraud was to manually reset the internal clock and calendar of the MICROS system. For instance, on a Monday the MICROS system would be set two days ahead; this would essentially pause the system from downloading and compiling the sales figures. Thus, although on that Wednesday the MICROS system would recognize the sales recorded for Monday, Tuesday, and Wednesday and create aggregate statistics for those three days, the fact that the system was paused for those days allowed managers to manipulate or under-report all of the cash transactions, because cash transactions were recognized as "open" tickets for those three days.

49. The benefit of having an "open" ticket was significant. As long as a ticket was "open", a sale was not considered complete; that ticket could then be manipulated or even deleted completely. Thus, when the MICROS system clocks were reset, any "open" tickets or cash transactions could be voided in MICROS and the cash received not recorded.

50. In addition to manipulating the internal settings of MICROS, M.K. and TAREK ELKAFRAWI devised a scheme whereby the MICROS system would simply be turned off, either by M.K. or a manager, and product sales rung up manually.

51. Like the clock-setting scheme, when MICROS was off-line, tickets became unreportable, so cash transactions were not recorded by the system and monies could be received and deposited without any paper trail. Such transactions were not taxed and the sales were not

recorded at the IHOP Corporate level, so money that would otherwise have triggered the payment of taxes or franchise fees was kept by TAREK ELKAFRAWI as unreported income.

52. TAREK ELKAFRAWI, M.K. and TAREK EID OMAR also manipulated the reporting of sales through the use of coupons. When a customer paid in cash, the store manager was directed to use a store coupon to reduce the ticket or void the sale completely. Therefore, the difference between the reduction or void was not reflected in the final sale total and could be taken by management as unreported income. Accordingly, TAREK ELKAFRAWI, M.K. and TAREK EID OMAR directed their managers to use cash sales transactions to realize unreported income.

53. TAREK ELKAFRAWI and TAREK EID OMAR manipulated the SABLE system in the Evansville restaurant much more brazenly than in the Toledo-area restaurants because of certain exploitable characteristics of the SABLE system.

54. Manipulations also affected employees' salaries. Starting in 2004 and continuing through the present, TAREK ELKAFRAWI, M.K. and TAREK EID OMAR directed managers to automatically deduct 30 minutes from almost every employee's time card daily in the Point of Sale systems using the "B-50" program's ability to edit entries.

Manipulating Profit and Loss Statements

55. The goal of these schemes was to divert money from the restaurants' actual gross income into the personal accounts of TAREK ELKAFRAWI and M.K. as unreported and untaxed income. As part of the scheme to launder money and evade federal, state and local taxes, TAREK ELKAFRAWI, M.K., K.M. and TAREK EID OMAR also directed accountants

and bookkeepers to manipulate the profit and loss statements (hereinafter "P&Ls") and balance sheets for their various corporations.

56. A P&L is a physical or electronic document detailing how a corporation's gross income is transformed into the net income. It displays the reported gross income for a specific period of time and the costs and expenses charged against this income. The purpose is to show interested parties whether the corporation lost or made money. The accountants created the P&L statements using data provided by TAREK ELKAFRAWI and M.K., and relied on those P&Ls to file corporate taxes.

57. That data was culled from various sources. M.K. helped create the P&L spreadsheets by providing the documents to the managers, and then received the completed weekly spreadsheets via email. Upon receiving the P&L spreadsheets, the restaurant managers added in reported total sales, labor costs for the staff, invoices for food and supplies, food discounts and manager voids. However, the managers' salaries and the restaurants' rent expenses were entered in the spreadsheet by M.K. and could not be altered by other employees. Included in the spreadsheet portion created by M.K. were some budgetary lines containing debits for categories that simply did not exist as business expenses. The numbers provided by M.K. were inflated. For example, the Lima IHOP P&L listed a gross total of approximately $1,500 per week for managers' salaries. However, the number that M.K. entered into the P&L for "manager's salary" was $2,100 per week. Likewise, the amount paid in rent was consistently inflated in excess of actual rent payments for the IHOP restaurants. The spreadsheets were then submitted to the accountants who created the P&L, TAREK ELKAFRAWI reviewed the final P&L and made revisions to further hide his efforts to divert profits.

58. By knowingly entering inaccurate information into the P&Ls, TAREK ELKAFRAWI, M.K., K.M., and the store managers acting at their direction, in effect, manipulated the tax burden levied on their corporation by federal, state and local governments.

59. Furthermore, as a result of the P&L manipulation, the net profits were artificially deflated to minimize the amount of royalties and rent paid to IHOP Corporate.

Defrauding Workers' Compensation

60. Beginning in approximately 2003, TAREK ELKAFRAWI, M.K. and K.M. set up various schemes to defraud BWC, and lower the amount they had to pay into the Workers' Compensation system. BWC payments help cover the cost of injuries to employees who are hurt on the job and functions as a form of insurance for a company. The percentage of wages paid by the employer are related to the type of business a company does, the number of employees, the number of claims in prior reporting periods, and other factors, to arrive at a semi-annual figure owed by a company.

61. From 2004 to the present, TAREK ELKAFRAWI and M.K., manipulated some of the factors used by BWC to determine an employer's premiums for its employees. For instance, since managers' premiums are calculated at a higher rate because their salaries are greater than other employees, TAREK ELKAFRAWI, M.K., and K.M. devised a scheme to lower manager reporting to zero (0); likewise, a cook's premium would be calculated at a higher rate because they work in more dangerous situations than waitresses. TAREK ELKAFRAWI, M.K., and K.M. developed ways to manipulate the reporting of employees' average weekly salaries. Also, although overtime and tips are calculated by BWC, TAREK ELKAFRAWI, M.K. and K.M.

devised a scheme to avoid including those two factors in the final equation to fraudulently understate premiums owed to BWC.

62. During 2004, M.K. and K.M. submitted the semi-annual reports in person at the Toledo office of BWC. The payments were made via check, which triggered an electronic funds transfer from IHOP bank accounts to BWC accounts. In 2005, BWC switched to an electronic filing system.

63. M.K. directed K.M. to use the average of the lowest weekly payroll to calculate the semi-annual wage figure, despite the fact that BWC regulations required an average of all weekly wage figures for the reporting period. By submitting only an average of the lowest weeks, TAREK ELKAFRAWI, M.K. and K.M. deflated the wage figure.

64. To further depress the numbers, M.K. told K.M. to omit the salaries of managers, and tips, and then deduct more from the total. Generally, this manipulation decreased the final wage figure by an additional twenty percent (20%).

65. From 2004 to the date of this indictment, TAREK ELKAFRAWI was made aware of the payment figure, regardless of who filed the form, and directed each payment to be lower than the previous one.

66. Despite TAREK ELKAFRAWI's seemingly arbitrary calculus, this reporting figure could be audited by BWC. The department required all businesses to file a Form 941 which listed employees, wages, and taxes paid every 90 days for the purpose of paying federal taxes.

67. The Form 941 was created for BWC using Profit and Loss sheets, MICROS, and payroll records, and was generally consistent with those documents.

68. During an audit, BWC could request the Form 941 and compare those numbers with the numbers provided to BWC.

69. Between 2004 and 2009, K.M. received notices of BWC's intention to audit various Toledo IHOP locations. Each time a notice was received, K.M., TAREK ELKAFRAWI and M.K. simply ignored it. Three of the audits were never performed by BWC.

70. BWC did audit the Findlay IHOP in 2007 for a two-year period. Originally, it was determined that the restaurant owed over $55,000 in unpaid BWC premiums for that time period.

71. In order to avoid paying these premiums, K.M. amended the restaurant's worksheet, deleting managers' names from the list of employees and fraudulently listing the managers as officers of the corporation that owned Findlay and therefore were exempt from paying workers' compensation premiums. However, the Articles of Incorporation were not changed to list these managers as corporate officers.

72. By making this change, at the direction of TAREK ELKAFRAWI, K.M. reportedly reduced the amount of premiums owed BWC to approximately $35,000. When AUTUMN LEE TANGAS learned of this scheme, rather than reporting it to IHOP Corporate either the crime or the addition of new officers, as required by corporate policy, she told K.M., "You just saved TAREK's a–."

73. In 2007, in response to the audit, TAREK ELKAFRAWI, M.K. and K.M. created the Terry Elk Group; all managers were transferred to that company and put on its payroll. The Terry Elk Group was created by K.M. at the direction of TAREK ELKAFRAWI to further minimize payments to BWC.

74. Although each of the seven identified IHOP restaurants transferred money to the Terry Elk Group to pay salaries for managers, the Terry Elk Group never paid BWC taxes.

75. TAREK ELKAFRAWI and M.K. were officers of the Terry Elk Group, and TAREK ELKAFRAWI and AUTUMN LEE TANGAS both told K.M. that this was a great solution to avoid paying BWC.

76. The falsification of records and the creation of the Terry Elk Group resulted in an underpayment of approximately $250,000 to BWC.

Document Fraud

77. TAREK ELKAFRAWI, M.K. and TAREK EID OMAR further manipulated the accounts of the IHOP restaurants in order to launder money through false payouts and fraudulently reported transactions.

78. TAREK ELKAFRAWI, M.K. and TAREK EID OMAR used a system of "payouts," in the form of paper receipts deposited in the cash registers, to reflect further unreported cash withdrawals. While these receipts were ostensibly for occasional items such as landscaping charges, extra food ingredients, or supplies, in reality most payouts were not for services rendered, but were merely cash withdrawals. TAREK ELKAFRAWI, M.K. and TAREK EID OMAR directed managers to create payout slips to cover cash withdrawals and use the payout slips to justify the withdrawals as business expenses to the accountants.

Insurance Fraud

79. In 2008, the Findlay IHOP burned as a result of arson. The fire was intentionally started by JOSE LEON-GONZALEZ and individuals unknown to the Grand Jury at the direction

and order of TAREK ELKAFRAWI and M.K., to facilitate insurance fraud schemes by TAREK ELKAFRAWI.

80. TAREK ELKAFRAWI submitted approximately $1.36 million in fraudulent insurance claims for fire damage to the restaurant. The receipts submitted to the insurance company reflected overcharges, charges for work never done, work done at artificially inflated prices, and for fraudulent payroll claims and lost income. Additionally, TAREK ELKAFRAWI created wholly fictitious invoices and diverted those payments to his personal use.

Rebate Fraud

81. TAREK ELKAFRAWI and M.K. used a variety of additional accounting manipulations to affect the franchises' balance sheets. For example, TAREK ELKAFRAWI often personally received rebate checks from food and beverage vendors reflecting the large amounts of money spent with their companies. These checks were mailed directly to TAREK ELKAFRAWI's homes in Toledo and Evansville rather than delivered to the intended restaurant. The amounts were substantial; Tropicana's annual rebate was approximately $12,000; Coca-Cola's annual rebate was approximately $7,500; U.S. Food's annual rebate was approximately $80,000; and Pepsi's annual rebate was approximately $55,000. From 2004 to the date of this indictment, the total amount of rebate payments received by TAREK ELKAFRAWI exceeded $1,100,000.

82. Before 2005, TAREK ELKAFRAWI simply used this money for personal expenses. However, after 2005, TAREK ELKAFRAWI occasionally reinvested the rebate money into the franchises as a "loan from officer."

83. Under this scheme, TAREK ELKAFRAWI was essentially claiming the corporations' money for himself and "loaning" it back to the business while not reporting the rebate money as personal income. This generated an additional unwarranted liability for the corporation receiving the "loan," while TAREK ELKAFRAWI would take a personal loss on his taxes for the unpaid "loan". Thus, the overall tax liability for the company, and for TAREK ELKAFRAWI, was fraudulently lowered.

Other Schemes to Defraud

84. The balance sheet was also affected by claiming remodeling costs as a liability instead of an asset. IHOP Corporate mandated that each restaurant be remodeled every five years. Per IHOP Corporate policy, this costs a franchise approximately $70,000. Under standard accounting practices, this remodel should be considered an appreciation. However, TAREK ELKAFRAWI regularly directed the accountants to claim this expense as repair and maintenance, considered a liability.

85. In September, 2010, Management Services, the accountants used by TAREK ELKAFRAWI, questioned a $40,000 remodeling of the Evansville restaurant completed in 2007. TAREK ELKAFRAWI lied to the accountants that the $40,000 was a personal loan from a business partner. Management Services then issued checks totaling $40,000 to the business partner; TAREK ELKAFRAWI took these checks for his own purposes.

86. TAREK ELKAFRAWI also used the restaurants to obtain loans that he would otherwise not be able to secure. TAREK ELKAFRAWI applied for loans using well-performing IHOP restaurants as collateral for the loans, then used those loans to pay for improvements on his other IHOP restaurants.

87. The improper benefit received arose from the fact that each restaurant is an independent corporation. Knowing that certain IHOP restaurants, such as Findlay, would be unable to secure a loan, TAREK ELKAFRAWI would apply for a loan using a corporation for a healthy restaurant, like Lima. Once he had secured that loan, he would use the money on the unqualified restaurant.

88. Thus, the healthy restaurant would carry a loss in the form of an outstanding loan on its books, lowering its tax liabilities, while the other restaurant enjoyed the use of the loan without having to report the transfer of funds as profit.

89. TAREK ELKAFRAWI further used schemes to transfer money obtained from IHOP Corporate, intended to benefit one restaurant, to the use of another restaurant, or directly to himself.

90. For instance, advertising and marketing revenue would be used by TAREK ELKAFRAWI and M.K. in a manner similar to the rebate checks. In 2007, TAREK ELKAFRAWI submitted a fraudulent invoice reflecting the purchase of an advertising sign for Central IHOP for $13,500 when, in fact, he only spent $3,500 on the sign. He received a check from IHOP Corporate for $13,500 and pocketed the difference. TAREK ELKAFRAWI thereafter reported the remaining $10,000 as a "loan from officer" and not taxable income.

91. TAREK ELKAFRAWI and M.K. also used the Central IHOP's advertising budget, provided by IHOP Corporate, to pay for all of the northwest Ohio IHOPs' marketing. They would inflate Central's invoice with the invoices for the five other restaurants and then send that aggregate invoice to IHOP Corporate.

Medicare/Welfare/Tax Fraud

92. TAREK ELKAFRAWI, M.K. and TAREK EID OMAR, together and separately, devised schemes to personally collect medical and welfare benefits for which they did not qualify, and sanctioned employees to do so, as well.

93. Using an alternate identity, M.K. split his salary between two paychecks, creating a lower reportable income for each identity. Using these dual identities, M.K. has, to date, claimed approximately $140,000 in Medicaid payments, and $35,000 in food stamps and welfare benefits from the State of Ohio.

94. To further these schemes, TAREK ELKAFRAWI and M.K. created a false property management company through which M.K. paid "rent" to TAREK ELKAFRAWI in order to show less income. Both TAREK ELKAFRAWI and M.K., created and submitted false payroll checks and financial documents to support the fraudulent claims.

95. TAREK ELKAFRAWI and M.K. also sanctioned and encouraged employees to file fraudulent claims. KHALED YOUSEF, TAREK EID OMAR, RAMIZ AWWAD, and JAMIL MOHAMMED AWWAD were told by TAREK ELKAFRAWI and M.K. how to minimize their payroll earnings through the use of multiple identities in order to claim benefits. TAREK ELKAFRAWI told TAREK EID OMAR to either start fraudulently claiming welfare or "quit having children."

96. These manipulations to income, revenue and payroll were reflected in erroneous and fraudulent tax statements to the Internal Revenue Service. TAREK ELKAFRAWI directed accountants to file his personal and corporate tax returns based on this fraudulent information in an attempt to minimize and obscure his true income and tax liabilities.

Money Laundering Schemes

97. In order to hide and conceal the source of the proceeds of the wire fraud schemes, TAREK ELKAFRAWI, KELLY ELKAFRAWI, M.K. and TAREK EID OMAR engaged in real estate transactions.

98. TAREK ELKAFRAWI loaned TAREK EID OMAR and previous Evansville IHOP managers, Y.S. and A.A., approximately $50,000 to purchase a gas station in Evansville, Indiana, using funds derived solely from TAREK ELKAFRAWI's IHOP franchises.

99. To conceal the source and nature of the funds used to purchase the gas station, located at 600 North Burkhardt Road, Evansville, Indiana, TAREK ELKAFRAWI transferred approximately $50,000 to TAREK EID OMAR, Y. S. and A.A., which they used to purchase the gas station.

100. Using laundered assets from the IHOP restaurants, TAREK ELKAFRAWI and KELLY ELKAFRAWI purchased homes at 10400 Tecumseh Drive, Newburgh, Indiana, and 14745 Prairie Lake Drive, Toledo, Ohio.

101. Likewise, M.K. purchased the following properties using funds from bank accounts in his various names: 2510 Live Oak Road, Sylvania, Ohio; 4027 Meadowgreen Drive, Sylvania, Ohio; 7129 Sandy Springs Road, Maumee, Ohio; and 4837 Springbrook Drive, Toledo, Ohio. The funds were proceeds of the fraudulent schemes.

102. Finally, from 2004 to the date of this indictment, TAREK ELKAFRAWI sent proceeds of fraudulent IHOP transactions overseas by carrying them on his person, using bank accounts owned and controlled by TAREK EID OMAR and others known to the Grand Jury, and using Western Union accounts operated by TAREK EID OMAR and S.M. (not charged in this

indictment). Those funds have been used, in part, to purchase real estate and to make investments in Egypt.

All in violation of Title 18, United States Code, Section 1956(h).

COUNT 2

(Conspiracy to Harbor Aliens, Title 8, U.S.C., Sections 1324(a)(1)(A)(iii) and 1324(a)(1)(A)(v)(I))

The Grand Jury further charges that:

103. Paragraphs 1-16 and 18-102 are re-alleged and hereby incorporated by reference as if fully set forth herein:

104. From at least as early as January 2004, the exact date to the Grand Jury unknown, through at least December 31, 2011, in the Northern District of Ohio, Western Division, and elsewhere, the Defendants TAREK ELKAFRAWI, KELLY ELKAFRAWI, AUTUMN LEE TANGAS, M.K., JOSE LEON-GONZALEZ, aka Jose Leon, aka Jose Vargas, aka Juan Vargas, aka Edwin Martel, TAREK EID OMAR, CARLOS GAMBOA, KHALED YOUSEF, RAMIZ AWWAD aka "Ray", JAMIL MOHAMMAD AWWAD, KHALIL ABOUDAKKA, MAHMOUD ALI, MOHAMED HASSAN, DONNA J. HARRIOTT, LUCKY WILLIAMS and CESAR AVILA, did knowingly and intentionally combine, conspire and confederate with each other and with others known and unknown to the Grand Jury, to conceal, harbor, and shield from detection one or more aliens, namely, F.J.V-P.; JOSE LEON-GONZALEZ, aka Jose Leon, aka Jose Vargas, aka Juan Vargas, aka Edwin Martel; M.T-C.; C. V. V-A., S. L.; CESAR AVILA, CARLOS GAMBOA; E. M.; A. M.; A. G.; F. G.; J. LNU; J. LNU, and approximately two hundred other aliens known to the Grand Jury, in several buildings, including but not limited to the Perrysburg,

Findlay, Lima, Airport Highway, Central, Talmadge and Evansville IHOPs, as well as 801 Hiltop, and 4020 Royer Road, in Toledo, Ohio, knowing and in reckless disregard of the fact that the alien(s) had come to, entered and remained in the United States in violation of law.

A) It was part of the conspiracy that the managers of IHOP restaurants would hire undocumented aliens to work at the IHOPs after clearing the hires with M.K. or TAREK ELKAFRAWI.

B) It was further part of the conspiracy that undocumented aliens would be paid in cash until they obtained fraudulent immigration and work documents.

C) It was further part of the conspiracy that co-conspirators sometimes would assist the aliens in finding lodging, and in cashing checks at the IHOP or banking institutions.

D) It was further part of the conspiracy that undocumented aliens often would be paid using a fake name, or "check" name.

E) It was further part of the conspiracy that the undocumented aliens sometimes would be transported to other IHOP restaurant locations to work.

F) It was further part of the conspiracy that co-conspirators sometimes would assign to the undocumented aliens the social security numbers and personal identifiers of former employees to shield the illegal workers from discovery.

All in violation of Title 8, United States Code, Sections 1324(a)(1)(A)(iii) and 1324(a)(1)(A)(v)(I).

COUNTS 3 -7

(Mail Fraud, Title 18, U.S.C., Section 1341)

The Grand Jury further charges that:

105. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

106. From on or about August 19, 2003, to the date of this Indictment, in the Northern District of Ohio, Western Division, and elsewhere, TAREK ELKAFRAWI, AUTUMN LEE TANGAS, and M.K., (not charged in this Indictment), devised and intended to devise a scheme and artifice to defraud IHOP Corporate, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

107. It was part of the scheme that TAREK ELKAFRAWI, through the use of the MICROS system, knew that sales were obtained by IHOP Corporate on a weekly basis through an automatic remote uploading of data. TAREK ELKAFRAWI knew that IHOP Corporate used the weekly net sales figures to determine the weekly royalty and rent amount owed by each franchise; likewise, he knew that IHOP Corporate did not examine the weekly deductions from gross sales that resulted in the net sales figures.

108. In fact, prior to 2004, TAREK ELKAFRAWI received regular IHOP Corporate reviews of the operating expenses and balance sheets that showed the costs deducted from gross sales reflected in net sales. After AUTUMN LEE TANGAS became FBC in 2004, such thorough

reviews ceased entirely. TAREK ELKAFRAWI, thereafter, devised various schemes to manipulate the MICROS system in order to create lower-than actual weekly net sales.

109. One such scheme was to simply turn the MICROS system off so sales were not recorded.

110. Additionally, TAREK ELKAFRAWI instructed his IHOP managers to void sales entirely or to give significant discounts to tickets after the ticket had been paid for by the customer and closed.

111. Other costs charged against gross sales included "unit promotions," "contests," "maintenance," and "payouts" for which no documentation was provided. In fact, these were cash distributions to TAREK ELKAFRAWI and other employees representing unreported income.

112. TAREK ELKAFRAWI also would deposit rebate checks from vendors into the Central IHOP account, however, he would direct his accountants to reflect the deposit as a "loan from officer" rather than as income from a rebate. This fraudulent representation created an additional debt on the balance sheet of Central IHOP, thus giving the appearance that the restaurant was encumbered with debt and operating expenses and not profitable.

113. As a result of these schemes, TAREK ELKAFRAWI created the appearance through his weekly sales figures that the Central IHOP store was severely underperforming.

114. Since 2007, TAREK ELKAFRAWI, with the help of AUTUMN LEE TANGAS, applied for rent and royalty relief payments from IHOP Corporate. Based on the fraudulent weekly net sales reports, and the annual recommendation of AUTUMN LEE TANGAS, TAREK ELKAFRAWI received approximately $2,300 a week in rent as well as royalty relief from IHOP Corporate to which he otherwise was not entitled.

116. These relief payments were memorialized in annual contracts amending the franchise agreement for each year to reflect the new relief payment agreement. These contracts were mailed from IHOP Corporate headquarters in Glendale, California, to Toledo, Ohio, after the FBC and RD memos were submitted and approved.

117. On or about each of the dates set forth below, in the Northern District of Ohio, Western Division, and elsewhere, for the purpose of executing and attempting to execute the above described scheme and artifice to defraud, Defendants TAREK ELKAFRAWI and AUTUMN LEE TANGAS knowingly caused to be placed into any post office or authorized depository for mail matter any matter or thing to be sent and delivered by the U.S. Postal Service and caused to be deposited any matter to be sent or delivered by private and commercial interstate carrier, the following matter from Glendale, California, to Toledo, Ohio, each mailing constituting a separate count:

COUNT 3

DATE	SENDER	MAIL MATTER
September 24, 2007	IHOP Corporate	mailing of Amended Relief Contract

COUNT 4

June 5, 2008	IHOP Corporate	mailing of Amended Relief Contract

COUNT 5

August 17, 2009	IHOP Corporate	mailing of Amended Relief Contract

COUNT 6

May 25, 2010	IHOP Corporate	mailing of Amended Relief Contract

COUNT 7

May 16, 2011	IHOP Corporate	mailing of Amended Relief Contract

All in violation of Title 18, United States Code, Section 1341.

COUNT 8

(Health Care Fraud, Title 18, U.S.C. Sections 1347 and 2)

The Grand Jury further charges that:

118. The allegations contained in 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein:

119. Using the methods described in Paragraphs 60-78, TAREK ELKAFRAWI, and others known to the Grand Jury, submitted fraudulent reports to BWC resulting in BWC undercharging the Airport Highway IHOP.

120. From on or about June 4, 2004, to the date of this Indictment, in the Northern District of Ohio, Western Division, and elsewhere, TAREK ELKAFRAWI, and others known to the Grand Jury, having devised and intending to devise a scheme and artifice to defraud the Ohio Bureau of Workers Compensation (BWC), a health care benefit program as defined in Title 18, United States Code, Section 24(b), of money, by means of materially false representations and promises, that was and is in connection with the payment for health care benefits, items, and services, did knowingly and willfully execute the aforesaid scheme.

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNT 9

(Health Care Fraud, Title 18, U.S.C. Sections 1347 and 2)

The Grand Jury further charges that:

121. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

122. Using the methods described in Paragraphs 60-78, TAREK ELKAFRAWI, and others known to the Grand Jury, submitted fraudulent reports to Bureau of Workers Compensation (BWC) resulting in BWC undercharging the Talmadge IHOP.

123. From on or about June 4, 2004, to the date of this Indictment, in the Northern District of Ohio, Western Division, and elsewhere, TAREK ELKAFRAWI, and others known to the Grand Jury, having devised and intending to devise a scheme and artifice to defraud the Ohio BWC, a health care benefit program as defined in Title 18, United States Code, Section 24(b), of money, by means of materially false representations and promises, that was and is in connection with the payment for health care benefits, items, and services, did knowingly and willfully execute the aforesaid scheme.

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNT 10

(Health Care Fraud, Title 18, U.S.C. Sections 1347 and 2)

The Grand Jury further charges that:

124. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

125. Using the methods described in Paragraphs 60-78, TAREK ELKAFRAWI, and others known to the Grand Jury, submitted fraudulent reports to BWC resulting in BWC undercharging the Lima IHOP.

126. From on or about August 31, 2007, through the date of this Indictment, in the Northern District of Ohio, Western Division, and elsewhere, TAREK ELKAFRAWI, and others known to the Grand Jury, having devised and intending to devise a scheme and artifice to defraud the Ohio Bureau of Workers Compensation (BWC), a health care benefit program as defined in Title 18, United States Code, Section 24(b), of money, by means of materially false representations and promises, that was and is in connection with the payment for health care benefits, items, and services, did knowingly and willfully execute the aforesaid scheme.

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNT 11

(Health Care Fraud, Title 18, U.S.C. Sections 1347 and 2)

The Grand Jury further charges that:

127. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

128. Using the methods described in Paragraphs 60-78, TAREK ELKAFRAWI, and others known to the Grand Jury, submitted fraudulent reports to BWC resulting in BWC undercharging the Findlay IHOP.

129. From on or about May 10, 2004, through the date of this Indictment, in the Northern District of Ohio, Western Division, and elsewhere, TAREK ELKAFRAWI, and others known to the Grand Jury, having devised and intending to devise a scheme and artifice to defraud the Ohio Bureau of Workers Compensation (BWC), a health care benefit program as defined in Title 18,

United States Code, Section 24(b), of money, by means of materially false representations and promises, that was and is in connection with the payment for health care benefits, items, and services, did knowingly and willfully execute the aforesaid scheme.

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNT 12

(Health Care Fraud, Title 18, U.S.C. Sections 1347 and 2)

The Grand Jury further charges that:

130. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

131. Using the methods described in Paragraphs 60-78, TAREK ELKAFRAWI, and others known to the Grand Jury, submitted fraudulent reports to BWC resulting in BWC undercharging the Central IHOP.

132. From on or about February 28, 2005, through the date of this Indictment, in the Northern District of Ohio, Western Division, and elsewhere, TAREK ELKAFRAWI, and others known to the Grand Jury, having devised and intending to devise a scheme and artifice to defraud the Ohio Bureau of Workers Compensation (BWC), a health care benefit program as defined in Title 18, United States Code, Section 24(b), of money, by means of materially false representations and promises, that was and is in connection with the payment for health care benefits, items, and services, did knowingly and willfully execute the aforesaid scheme.

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNT 13

(Health Care Fraud, Title 18, U.S.C. Sections 1347 and 2)

The Grand Jury further charges that:

133. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

134. Using the methods described in Paragraphs 60-78, TAREK ELKAFRAWI, and others known to the Grand Jury, submitted fraudulent reports to BWC resulting in BWC undercharging the Perrysburg IHOP.

135. From on or about August 30, 2005, through the date of this Indictment, in the Northern District of Ohio, Western Division, and elsewhere, TAREK ELKAFRAWI, and others known to the Grand Jury, having devised and intending to devise a scheme and artifice to defraud the Ohio Bureau of Workers Compensation (BWC), a health care benefit program as defined in Title 18, United States Code, Section 24(b), of money, by means of materially false representations and promises, that was and is in connection with the payment for health care benefits, items, and services, did knowingly and willfully execute the aforesaid scheme.

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNTS 14-17

(Mail Fraud, Title 18, U.S.C., Section 1341)

The Grand Jury further charges that:

136. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

137. From on or about January 30, 2011, through on or about April 10, 2011, in the Northern District of Ohio, Western Division, and elsewhere, Defendants, TAREK ELKAFRAWI

and TAREK EID OMAR, devised and intended to devise a scheme and artifice to defraud and to obtain money from IHOP Corporate, by means of materially false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme and artifice that:

138. Using the methods described in Paragraphs 46-54 and 77-78, TAREK ELKAFRAWI and TAREK EID OMAR manipulated the SABLE Point of Sale system to fraudulently report debits and charges in order to hide the removal of cash directly from the Evansville IHOP. TAREK EID OMAR, at the direction of TAREK ELKAFRAWI, would then produce a fraudulent P&L report and mail it, using the United States Postal Service, to provide that report to Management Services in Wichita Falls, Texas.

139. On or about each of the dates set forth below, in the Northern District of Ohio, Western Division, and elsewhere, for the purpose of executing and attempting to execute the above described scheme and artifice to defraud, TAREK ELKAFRAWI and TAREK EID OMAR knowingly caused to be placed into any post office or authorized depository for mail matter any matter or thing to be sent and delivered by the U.S. Postal Services and caused to be deposited any matter to be sent or delivered by private and commercial interstate carrier, the following matter from Toledo, Ohio and Evansville, Indiana, to Wichita Falls, Texas, each mailing constituting a separate count:

COUNT 14

DATE	SENDER	MAIL MATTER
January 30, 2011	TAREK EID OMAR	P&L report

COUNT 15

February 14, 2011	TAREK EID OMAR	P&L report

COUNT 16

March 28, 2011	TAREK EID OMAR	P&L report

COUNT 17

April 10, 2011	TAREK EID OMAR	P&L report

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT 18

(Use of Fire to Commit a Felony, Title 18, U.S.C., Sections 844(h) and 2)

The Grand Jury further charges that:

140. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

141. On or about August 10 and 11, 2008, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and JOSE LEON-GONZALEZ, knowingly used fire to commit Mail Fraud, a felony prosecutable in a court of the United States.

In violation of Title 18, United States Code, Sections 844(h) and 2.

COUNT 19

(Malicious Use of Fire, Title 18, U.S.C., Sections 844(i) and 2)

The Grand Jury further charges that:

142. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

143. On or about August 10 and 11, 2008, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and JOSE LEON-GONZALEZ, maliciously damaged, by means of fire and explosive materials, a building located at 7777 County Road 136, Findlay, Ohio, used in interstate commerce.

In violation of Title 18, United States Code, Sections 844(i) and 2.

COUNTS 20-28

(Mail Fraud, Title 18, U.S.C., Section 1341)

The Grand Jury further charges that:

144. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

145. From approximately the month of July 2008, the exact date unknown to the Grand Jury, through on or about October 27, 2009, in the Northern District of Ohio, Western Division, and elsewhere, TAREK ELKAFRAWI, devised and intended to devise a scheme and artifice to defraud Farmers Insurance Group, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

146. It was part of the scheme and artifice to defraud that TAREK ELKAFRAWI would submit fraudulent invoices to Farmers Insurance Group under Policy Number 602926772 for work that was not performed, or performed at a lower invoice.

147. It was a further part of the scheme and artifice that TAREK ELKAFRAWI submitted claims for payroll costs that were completely illusory because the requested claims were for periods the restaurant was closed and had no employees.

148. It was a further part of the scheme and artifice that all checks were sent directly to TAREK ELKAFRAWI at the Terry Elk Group, not the Findlay IHOP.

149. On or about each of the dates set forth below, in the Northern District of Ohio, Western Division, and elsewhere, for the purpose of executing and attempting to execute the above described scheme and artifice to defraud, TAREK ELKAFRAWI, knowingly caused to be placed into any post office or authorized depository for mail matter any matter or thing to be sent and delivered by the U.S. Postal Service and caused to be deposited any matter to be sent or delivered by private and commercial interstate carrier, the following matter from the state of Illinois to Toledo, Ohio, each mailing constituting a separate count:

COUNT 20

DATE	SENDER	MAIL MATTER
October 17, 2008	Farmers Insurance	$55,947.51 check to Terry Elk Group

COUNT 21

October 22, 2008	Farmers Insurance	$455,813.67 check to Terry Elk Group

COUNT 22

January 26, 2009	Farmers Insurance	$244,443.02 check to Terry Elk Group

COUNT 23

October 21, 2009	Farmers Insurance	$22,623.84 check to Terry Elk Group

COUNT 24

September 22, 2008	Farmers Insurance	$25,000.00 check to Terry Elk Group;

COUNT 25

January 26, 2009	Farmers Insurance	$156,847.95 check to Terry Elk Group

COUNT 26

October 21, 2009	Farmers Insurance	$42,852.05 check to Terry Elk Group

COUNT 27

February 17, 2009	Farmers Insurance	$208,672.00 check to Terry Elk Group

COUNT 28

October 27, 2009	Farmers Insurance	$152,264.00 check to Terry Elk Group

All in violation of Title 18, United States Code, Section 1341.

COUNT 29

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

150. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

151. On or about October 9, 2007, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI, did knowingly use, without lawful authority, a means of identification of another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1), and 2.

COUNT 30

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

152. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

153. On or about May 19, 2008, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI, did knowingly use, without lawful authority, a means of identification of another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 31

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

154. The allegations contained in paragraphs 1-16- and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

155. On or about July 13, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI, did knowingly use, without lawful authority, a means of identification of another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 32

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

156. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

157. On or about May 31, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI, did knowingly use, without lawful authority, a means of identification of

another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 33

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

158. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

159. On or about October 2, 2008, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI, did knowingly use, without lawful authority, a means of identification of another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 34

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

160. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

161. On or about January 27, 2008, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI, did knowingly use, without lawful authority, a means of identification of another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 35

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

162. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

163. On or about March 7, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and KHALED YOUSEF, did knowingly use, without lawful authority, a means of identification of another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 36

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

164. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

165. On or about March 15, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and KHALED YOUSEF, did knowingly use, without lawful authority, a means of identification of another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 37

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

166. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

167. On or about July 27, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and RAMIZ AWWAD, did knowingly use, without lawful authority, a means of identification of another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 38

(Aggravated Identity Theft, Title 18, U.S.C., Section 1028A and 2)

The Grand Jury further charges that:

168. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

169. On or about July 13, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and JAMIL MOHAMMED AWWAD, did knowingly use, without lawful authority, a means of identification of another person during and in relation to the commission of Wire Fraud, a violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 39

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

170. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

171. On or about December 13, 2010, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and DONNA J. HARRIOTT, did knowingly use, in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 40

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

172. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

173. On or about May 4, 2010, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and SARA RINEBOLT, did knowingly use, in or affecting interstate or

foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 41

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

174. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

175. On or about December 29, 2010, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and LUCKY WILLIAMS, did knowingly use, in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 42

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

176. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

177. On or about May 17, 2010, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and JAMIL MOHAMMED AWWAD, did knowingly use in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 43

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

178. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

179. On or about May 1, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and CARLOS GAMBOA, did knowingly use, in or affecting interstate or

foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 44

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

180. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

181. On or about May 1, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and CESAR AVILA, did knowingly use, in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 45

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

182. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

183. On or about June 1, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and MARK ANTHONY TURNER, did knowingly use, in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 46

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

184. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

185. On or about June 1, 2009, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and KHALED YOUSEF, did knowingly use, in or affecting interstate or

foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 47

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

186. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

187. On or about November 7, 2010, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and TAREK EID OMAR, did knowingly use, in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 48

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

188. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

189. On or about November 21, 2010, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and YONI MERIDA, did knowingly use, in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 49

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

190. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

191. On or about June 17, 2010, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and KHALIL ABOUDAKKA, did knowingly use, in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 50

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

192. The allegations contained in paragraphs 1-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

193. On or about June 17, 2010, in the Northern District of Ohio, Western Division, the Defendants, TAREK ELKAFRAWI and MAHMOUD ALI, did knowingly use, in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be

an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 51

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

194. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

195. On or about November 10, 2010, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and MOHAMED HASSAN, did knowingly use in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 52

(Identity Theft, Title 18, U.S.C., Sections 1028 and 2)

The Grand Jury further charges that:

196. The allegations contained in paragraphs 1-16 and 18-102 of this Indictment are re-alleged and hereby incorporated by reference as if fully set forth herein.

197. On or about February 22, 2010, in the Northern District of Ohio, Western Division, TAREK ELKAFRAWI and RAMIZ AWWAD, did knowingly use, in or affecting interstate or foreign commerce, without lawful authority, a means of identification of another person, to wit, a social security number and date of birth, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes Wire Fraud, a violation of 18 U.S.C. §1343, and the offense involved the use of an authentication feature that is or appears to be an identification document or authentication feature issued by or under the authority of the United States.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(A)(1), and (f), and 2.

COUNT 53

(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

198. On or about September 20, 2011 in the Northern District of Ohio, Western Division, KHALED YOUSEF, did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at his residence in Toledo, Ohio,

KHALED YOUSEF did tell Andrew Gafford, a Special Agent with the Federal Bureau of Investigation, and Task Force Officer Louie Espinosa, who were investigating fraud and immigration matters, that: a) he was unaware that undocumented aliens were ever hired at IHOP; and, b) he had no information regarding employees being paid using false names, when, as he then and there well knew, IHOP was hiring illegal aliens, IHOP employees would often be paid with checks in other people's names, and he, himself, had been paid with checks in the names of "Naimeh Sadaqa" and "Amneh Mohammed."

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 54

(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

199. On or about September 20, 2011 in the Northern District of Ohio, Western Division, the Defendant, KHALIL ABOUDAKKA, did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at the Talmadge IHOP in Toledo, Ohio, KHALIL ABOUDAKKA, did tell Andrew Gafford with the Federal Bureau of Investigation, and Task Force Officer Louie Espinosa, investigating wire fraud and criminal immigration matters, that: a) he was unaware that undocumented aliens were ever hired at IHOP; and, b) he had no information regarding employees being paid using false names; and, c) he knew of no illegal activity going on at any IHOP, when, as he then and there well knew, IHOP was hiring illegal aliens, IHOP employees would often be paid with checks in other people's names.

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 55

(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

200. On or about September 20, 2011 in the Northern District of Ohio, Western Division, the Defendant, MAHMOUD ALI, did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at the Airport Highway IHOP in Holland, Ohio, MAHMOUD ALI did tell Shannon Coats, a Special Agent with the Federal Bureau of Investigation, and Ryan Korner, a Supervisory Special Agent with the Internal Revenue Service, investigating wire fraud and criminal immigration matters, that: a) he was unaware that undocumented aliens were ever hired at IHOP; and, b) he had no information regarding employees being paid using false names, when, as he then and there well knew, IHOP was hiring illegal aliens, IHOP employees would often be paid with checks in other people's names.

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 56

(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

201. On or about September 20, 2011, in the Northern District of Ohio, Western Division, the Defendant, SARA RINEBOLT, did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at IHOP, 7777 County Line Road, Findlay, Ohio, SARA RINEBOLT did tell Matt Meyer, Special Agent with the Federal Bureau of

Investigation, and Task Force Officer Dan VanVorhis, who were investigating fraud and immigration matters, that a) she was unaware that undocumented aliens were ever hired at IHOP; and, b) she had no information regarding employees being paid using false names, when, as she then and there well knew, she, herself, had employed undocumented aliens and had allowed employees to use multiple payroll names.

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 57
(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

202. On or about September 20, 2011, in the Northern District of Ohio, Western Division, DONNA J. HARRIOTT, did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at IHOP, 3289 Elida Road, Lima, Ohio, DONNA J. HARRIOTT did tell Brian E. Russ and Jonathan Jones, Special Agents with the Federal Bureau of Investigation who were investigating fraud and immigration matters, that she had no specific knowledge that illegal aliens were being employed at the IHOP restaurants in northwest Ohio when, as she then and there well knew, she, herself, had employed undocumented aliens and had discussed their illegal status with others.

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 58

(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

203. On or about November 29, 2011 in the Northern District of Ohio, Western Division, MARK ANTHONY TURNER, aka "Dollar," did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at the IHOP 4045 Talmadge Road, Toledo, Ohio, MARK ANTHONY TURNER did tell Task Force Officer Louie Espinosa, and Special Agent Andrew Gafford, of the Federal Bureau of Investigation, who were investigating fraud and immigration matters, that he had no knowledge that illegal aliens were working at IHOP, when, as he then and there well knew, Jose Vargas was an illegal alien and other undocumented aliens worked at the IHOP.

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 59

(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

204. On or about September 26, 2011, in the Northern District of Ohio, Western Division, AUTUMN LEE TANGAS, aka "Lee," did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at her residence on Live Oak Road in Sylvania, Ohio, AUTUMN LEE TANGAS did tell Phillip Dieble and Daniel Sheldon, Special Agents with the Federal Bureau of Investigation, who were investigating fraud

and immigration matters, that: a) she had infrequent non-business meetings with TAREK ELKAFRAWI over the course of a year; b) she had no knowledge that undocumented (illegal) aliens ever were working at ELKAFRAWI's IHOP restaurants, and, c) she had never heard of any payroll scams, including employees being paid with checks made out in another's name, when, as she then and there well knew, AUTUMN LEE TANGAS had a close and frequent non-business relationship with TAREK ELKAFRAWI, she was aware that undocumented aliens were working at TAREK ELKAFRAWI's IHOP restaurants, and she had been made aware that employees at the IHOPs were often paid with checks in other people's names.

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 60

(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

205. On or about January 6, 2012, in the Northern District of Ohio, Western Division, MOHAMED HASSAN, did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at his residence on Shaftsbury Drive in Toledo, Ohio, MOHAMED HASSAN did tell Phillip Dieble and Richard Capak, Special Agents with the Federal Bureau of Investigation, who were investigating fraud and immigration matters, that he had always worked and received compensation under his true name, when, as he then and there well knew, MOHAMED HASSAN often received IHOP paychecks in other people's names.

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 61

(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

206. On or about November 29, 2011, in the Northern District of Ohio, Western Division, RAMIZ AWWAD, aka "Ray," did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at his residence in Toledo, Ohio, RAMIZ AWWAD, aka "Ray," did tell Phillip Dieble and Richard Capak, Special Agents with the Federal Bureau of Investigation, who were investigating fraud and immigration matters, that: a) he had never conducted illegitimate voids and pay-outs on the MICROS system, with the exception of paying the crew chief; b) prior to September 20, 2011, he was only aware of one undocumented alien employee working for ELKAFRAWI; c) he had never managed or hired any employee he knew to be undocumented; and d) he had never cashed any checks at IHOP for anyone using a second payroll name; when, as he then and there well knew, RAMIZ AWWAD, aka "Ray," had, on a frequent basis, conducted illegitimate voids and payouts, he was aware that undocumented aliens were working at TAREK ELKAFRAWI's IHOPs, he had knowingly hired and managed undocumented aliens at the IHOP, and employees at the IHOPs were often paid checks in other people's names and he had allowed those checks to be cashed at IHOP.

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 62

(False Statements, Title 18, U.S.C., Section 1001)

The Grand Jury further charges that:

207. On or about November 17, 2011, in the Northern District of Ohio, Western Division, JAMIL MOHAMMED AWWAD, did knowingly and willfully make a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of a department or agency of the United States, in that during an interview at his residence in Toledo, Ohio, JAMIL MOHAMMED AWWAD, did tell Phillip Dieble and Richard Capak, Special Agents with the Federal Bureau of Investigation, who were investigating fraud and immigration matters, that while working for Elkafrawi and M.K. at the Perrysburg IHOP, he had never cashed any payroll checks of his employees when, as he then and there well knew, he had allowed employees of IHOP to cash payroll checks at the Perrysburg IHOP.

In violation of Title 18, United States Code, Section 1001(a)(2).

COUNT 63

(Misprision of a Felony, Title 18, U.S.C., Section 4)

The Grand Jury further charges that:

208. From in or about 2004, the exact date unknown, to at least September 26, 2011, in the Northern District of Ohio, Western Division, AUTUMN LEE TANGAS, having knowledge of the actual commission of a felony cognizable by a court of the United States, to wit, Alien Harboring, a violation of Title 8, United States Code, Section 1324, did conceal the same and did not as soon as possible make known the same to some judge or other person in civil or military authority under the United States.

In violation of Title18, United States Code, Section 4.

COUNT 64

(Conspiracy to Commit Health Care Fraud, Title 18 Sections, U.S.C., 1347 and 1349)

The Grand Jury further charges that:

209. The allegations contained in paragraphs 93-96 in this Indictment are incorporated by reference herein.

210. From on or about December 1, 2004, through at least in or about September 2011, in the Northern District of Ohio, Western Division, and elsewhere, TAREK EID OMAR, KHALED YOUSEF, JAMIL MOHAMMED AWWAD, RAMIZ AWWAD, and TAREK ELKAFRAWI, did willfully and knowingly combine, conspire, confederate and agree with one another to execute and attempt to execute a scheme and artifice to defraud and for obtaining money and medical services from Medicare, a government funded health care benefit program as defined in Title 18, United States Code, Section 24(b), by means of materially false and fraudulent pretense, representations and promises, that is, by underreporting their actual income and receiving payroll checks in multiple names so as to understate their income and obtain eligibility for Medicare benefits for themselves and for their families, in connection with the delivery of services, and payment for health care benefits, items and services, to which they were not entitled.

In violation of Title 18, United States Code, Sections 1347 and 1349.

FORFEITURE

The Grand Jury further charges:

211. The allegations of Counts 1 through 62 are hereby realleged and incorporated herein by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code,

Section 982. As a result of the foregoing offenses, the defendants TAREK ELKAFRAWI, TAREK EID OMAR, AUTUMN LEE TANGAS, KELLY ELKAFRAWI, JOSE LEON-GONZALEZ, aka JOSE LEON, aka JOSE VARGAS, aka JUAN VARGAS, aka EDWIN MARTEL, CARLOS GAMBOA, KHALED YOUSEF, JAMIL MOHAMMED AWWAD, RAMIZ AWWAD, KHALIL ABOUDAKKA, MAHMOUD ALI, MOHAMED HASSAN, DONNA J. HARRIOTT, LUCKY WILLIAMS, SARA RINEBOLT, CESAR AVILA, MARK ANTHONY TURNER, and YONI MERIDA, shall forfeit to the United States any and all property constituting or derived from proceeds they obtained directly or indirectly as a result of said violations, and any and all property, real or personal, involved in such offenses and any property traceable to such property, including, but not limited to:

a. $23,017.62 in U.S. Currency seized from Huntington National Bank Account Number 01479779291, in the name of Terry Elk Group LLC, seized on September 20, 2011;

b. $14,018.00 in U.S. Currency from Tarek Eid Omar on September 20, 2011;

c. IHOP Franchise located at 3289 Elida Road, Lima, Ohio, owned by TE&KM, Inc.;

d. IHOP Franchise located at 7777 County Road 236, Findlay, Ohio, owned by TERRY ELK Inc.;

e. IHOP Franchise located at 10151 Fremont Pike, Perrysburg, Ohio, owned by TK&R, Inc.;

f. IHOP Franchise located at 6535 Airport Highway, Holland, Ohio, owned by TIL HOP, Inc.;

g. IHOP Franchise located at 6920 W. Central Avenue, Toledo, Ohio, owned by TK&K, Inc.;

h. IHOP Franchise located at 4045 Talmadge Road, Toledo, Ohio, owned by TK&N, Inc.;

i. IHOP Franchise located at 601 N. Burkhardt Road, Evansville, Indiana owned by 5404 Inc.;

j. All contents of Fifth Third Bank Account Number 7342568743 in the name of TK&N located at 7536 West Central Avenue, Toledo, Ohio;

k. All contents of Fifth Third Bank Account Number 7342568677 in the name of TILHOP Corp. located at 7536 West Central Avenue, Toledo, Ohio;

l. All contents of Fifth Third Bank Account Number 7342568685 in the name of TK&K located at 7536 West Central Avenue, Toledo, Ohio;

m. All contents of Fifth Third Bank Account Number 7342568693 in the name of TERRY ELK Inc. located at 7536 West Central Avenue, Toledo, Ohio;

n. All contents of Fifth Third Bank Account Number 7342568701 in the name of TE&KM located at 7536 West Central Avenue, Toledo, Ohio;

o. All contents of Fifth Third Bank Account Number 7342568727 in the name of TK&R located at 7536 West Central Avenue, Toledo, Ohio;

p. All contents Old National Bank Account Number 106048757in the name of IHOP 5404 Inc. located at One Main Street, Evansville, Indiana;

q. All contents Old National Bank Account Number 114776551 (checking) in the name of Tarek and Kelly Elkafrawi located at One Main Street, Evansville, Indiana;

r. All contents Old National Bank Account Number 1007363283 (savings) in the name of Tarek and Kelly Elkafrawi located at One Main Street, Evansville, Indiana;

s. All contents Old National Bank Account Number 111913531(checking) in the name of Tarek Eid Omar located at One Main Street, Evansville, Indiana;

t. All contents Old National Bank Account Number 1007636243 (savings) in the name of Tarek Eid Omar located at One Main Street, Evansville, Indiana;

u. All contents of Key Bank Account Number 353522075681, in the name of Tarek and Kelly Elkafrawi located at 7350 West Central Avenue, Toledo, Ohio;

v. 2006 Grey Ford Fusion, VIN: 3FAFP071X6R163015, titled to Tarek Elkafrawi Til Hop Inc.;

w. 2012 GMC Terrain, VIN: 2GKFLVE5XC6204114, titled to Kelly Ann Elkafrawi;

x. 2008 Lincoln Towncar, VIN: 2LNHM82W98X646248, titled to Tarek Fawzie Elkafrawi;

y. 2005 Lincoln Navigator, VIN: 5LMFU2854LJ03401, titled to TK AND N INC IHOP;

z. 2007 Lincoln MKX, VIN: 2LMDU68C47BJ37023, titled to Tarek Eid Omar;

aa. 2001 BMW BX5, VIN: WBAFB33561LH07195, titled to Tarek Eid Omar; and,

bb. Real Property located at 10400 Tecumseh Drive, Newburgh, Indiana, titled to Tarek Elkafrawi (Permanent Parcel No. 87-12-29-407-063.000-019).

Substitute Assets: In the event that any property subject to forfeiture pursuant to Title 18, United States Code, Section 982, as a result of any act or omission of the defendants:

1. cannot be located upon exercise of due diligence;
2. has been transferred or sold to, or deposited with a third party;
3. has been placed beyond the jurisdiction of this Court;
4. has been substantially diminished in value; or,
5. has been commingled with other property which cannot be divided without difficulty,

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18 United States Code, Section 982(b)(1), to seek forfeiture of any other property of the defendants, up to an amount equivalent to the value of the property forfeitable under Section 982.

A TRUE BILL.

Original Document - Signatures on file with the Clerk of Courts, pursuant to the E-Government Act of 2002.