



# NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY  
WESTERN DISTRICT OF MISSOURI

**BRADLEY J. SCHLOZMAN**

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**FOR IMMEDIATE RELEASE**

## **SOMALI NATIVE SENTENCED FOR \$1.3 MILLION ILLEGAL MONEY TRANSFERS**

**KANSAS CITY, Mo.** – Bradley J. Schlozman, United States Attorney for the Western District of Missouri, announced that a Kansas City, Mo., man was sentenced in federal court today for operating an unlicensed money transfer business which sent more than \$1.3 million overseas, primarily to Somalia.

**Serar Ahmed Abdullahi**, 43, of Kansas City, a naturalized citizen who emigrated from Somalia in 1993, was sentenced by U.S. District Judge Gary A. Fenner this afternoon to three years and five months in federal prison without parole.

“We take this criminal conduct very seriously as a matter of national security,” Schlozman said. “Somalia is widely considered to be a safe haven and training ground for terrorists, who have taken advantage of the nation’s extraordinarily dangerous and unstable climate to set up their own infrastructure. This security concern compels the United States government to bring a halt to any unlicensed, unregulated and unmonitored cash transfers into Somalia.”

The federal indictment contains no allegations about either the source of the illegally transmitted cash or its destination.

“This defendant, like other hawalladars, as they are called, had no personal knowledge of what happens to the money on the receiving end of the transfer,” Schlozman said. “Because Somalia’s relationship to the United States is severely strained by the dominant presence of the Islamic fundamentalists who control large parts of Somalia, and in the absence of a stable government, we have no means to determine whether any of the transactions ultimately ended up in the hands of terrorists. For obvious reasons, that makes the defendant’s illicit money transfers a direct and considerable threat to our national security interests.”

On Aug. 24, 2006, **Abdullahi** pleaded guilty to operating an unlicensed money transmitting business. **Abdullahi**, a taxicab driver, admitted that he collected more than \$1.6 million from the Somalian community in the Kansas City area, then transferred that money to another money transmitter in Minnesota as well as a bank account in Switzerland. Those funds were ultimately sent to various recipients in Somalia and elsewhere.

“Money transmitting businesses are required by federal law to register with the Secretary of Treasury of the United States,” James D Vickery, Special Agent in Charge of IRS-Criminal Investigation, said. “Our tax system treats these offenses seriously and the IRS has a responsibility to aggressively investigate and

pursue prosecution of individuals who intentionally violate the nation's tax and structuring laws.”

Between Jan. 5, 2000, and Jan. 14, 2003, **Abdullahi** deposited approximately \$1.6 million in various bank accounts, primarily in cash deposits structured in a manner to avoid detection of the deposits and transfers. During this same time period, **Abdullahi** transferred approximately \$1.3 million to locations outside the state of Missouri, including a bank account in Geneva, Switzerland, in the name of B.P. Shah and the bank account of Jubba Financial Services, Inc., (later renamed Kaah Express, F.S., Inc.) in Minneapolis, Minn.

**Abdullahi** was required under federal law to register with the U.S. Department of Treasury in order to operate a money transmitting business, Schlozman said, but did not register. Instead, **Abdullahi** concealed his operation of a money transmitting business by failing to report the operation of the business on federal income tax returns, failing to report the operation of the business in applications for food stamp assistance to the Missouri Department of Social Services, and initially denying to federal law enforcement officials that he was operating a money transmitting business.

This case was prosecuted by Assistant U.S. Attorney Nathan F. Garrett. It was investigated by the Federal Bureau of Investigation, IRS-Criminal Investigation and the Missouri Department of Social Services.

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This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

[www.usdoj.gov/usao/mow/index.html](http://www.usdoj.gov/usao/mow/index.html)