

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
)
 v.) No. _____
)
 SIAMAK SAFAVI FARD,) Violations: Title 18, United States
 SUNIL KAUSHAL, and) Code, Section 1343.
 NOEL PARMAR)
) UNDER SEAL
)
)

COUNT ONE

The SPECIAL FEBRUARY 2008-1 GRAND JURY charges:

1. At times material to this indictment:
 - a. Defendant SIAMAK SAFAVI FARD (“FARD”) owned and operated several businesses in Illinois, including MS Financial, SBE Incorporated, Business Center of Chicago, ASKG, and 1947 West Chicago Avenue Corporation, through which he purchased and sold real estate.
 - b. Defendant SUNIL KAUSHAL (“KAUSHAL”) was employed by Nationwide Financial Mortgage as a licensed loan originator, officer and processor and prepared and submitted loan applications and supporting documentation to lenders.
 - c. Defendant NOEL PARMAR (“PARMAR”) was employed by FARD at MS Financial as a loan officer and processor.
 - d. Ohio Savings Bank, Continental Community Bank and Trust, and Ocwen Federal Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, made mortgage loans.
 - e. National City Mortgage Corp., American Home Mortgage, Mortgage Select,

Countrywide Home Loans, Aurora Loan Services Inc., New Century Mortgage, d/b/a Commonwealth Mortgage Co. and Chase Manhattan Mortgage made mortgage loans.

2. Beginning no later than on or about April 2001, and continuing at least through in or about January 2005, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

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SUNIL KAUSHAL, and
NOEL PARMAR

defendants herein, together with others known and unknown to the grand jury, devised, intended to devise, and participated in a scheme to defraud and to obtain money and property from mortgage lenders, by means of material false representations, pretenses and promises, which scheme affected financial institutions, and is described below.

3. It was part of the scheme that from no later than on or about April 2001, and continuing at least through in or about January 2005, defendants fraudulently obtained mortgage loans, including loans secured by 2713 Norma Court, Glenview, IL.; 2962 North Oakley, Chicago; 728 North Ada, Chicago; 3057 W. 55th Street, Chicago; and 1947 West Chicago Ave., Chicago, (“the FARD Residences”) from which the defendants obtained more than \$4.2 million in fraudulent mortgage loan proceeds from mortgage lenders for themselves and others.

4. It was further part of the scheme that defendants FARD, KAUSHAL and PARMAR and others, purchased and caused to be purchased the FARD Residences individually or through nominees, including defendant PARMAR, and at least five other individuals recruited by defendants FARD and PARMAR to serve as nominal owners.

5. It was further part of the scheme that defendants FARD and PARMAR recruited the

nominees with false promises, including that the credit ratings of the nominees would increase by serving as the nominal owners of the FARD Residences; that FARD would be responsible for all down payments and ongoing mortgage payments on the FARD Residences and that the nominees would have no out-of-pocket expenses; that the FARD Residences would be rehabbed and resold at a profit; that the nominees would be removed from the titles of the FARD Residences after they were resold for profit; and that FARD and PARMAR would pay the nominees a commission or fee for serving as the nominal owner of the FARD Residences if they agreed to act as nominees.

6. It was further part of the scheme that defendants FARD and PARMAR referred the applications of the nominees to mortgage loan brokers and loan officers, including Nationwide Financial Mortgage and defendant KAUSHAL and others, to knowingly prepare fraudulent loan applications and supporting documentation on behalf of the nominees.

7. It was further part of the scheme that defendants FARD, KAUSHAL, PARMAR, and others prepared and caused to be prepared fraudulent mortgage loan applications on behalf of the nominees buying the FARD Residences which contained a variety of false statements regarding the nominees' employment, income, assets, liabilities, citizenship status, intention to occupy the premises as a primary residence, and the source of down payments, well-knowing that the statements in these loan applications were false and were material to the lenders' decisions to approve the loans.

8. It was further part of the scheme that defendants FARD and KAUSHAL created and caused to be created documentation to support the fraudulent loan applications, including false verifications of employment ("VOEs"), false pay stubs, false tax returns, false IRS W-2 forms, false leases in support of false rental income, false Tax Certification letters from alleged tax preparers regarding the alleged preparation of nominee tax returns, false bank account statements, false

verifications of deposits (“ VODs”), false verification of existing mortgages (“VOMs”), false appraisals, and forged powers of attorney, well-knowing that the statements in these documents were false and were material to the lenders’ decisions to approve the loans.

9. It was further part of the scheme that defendants FARD, KAUSHAL, PARMAR, and others submitted and caused to be submitted to lenders fraudulent loan applications and supporting documentation, well-knowing the false statements in these documents were material to the lenders’ decisions to approve the loans.

10. It was further part of the scheme that defendant FARD and PARMAR paid nominees, including defendant PARMAR and others, using the proceeds from the real estate transactions.

11. It was further part of the scheme that defendant FARD provided and caused to be provided down payments and funds used by the nominees for the real estate deals which falsely represented the nominees as the source of the funds, when, in fact, the nominees had not contributed any funds to the purchase of the FARD Residences.

12. It was further part of the scheme that defendants FARD, PARMAR and others acting on their behalf, attended and caused the nominee owners to attend the real estate closings for the FARD Residences, and further caused the nominees to sign all pertinent closing documents at said closings to enable the distribution of mortgage loan proceeds from the lenders.

13. It was further part of the scheme that defendants FARD, KAUSHAL, PARMAR, and others received the proceeds of mortgage loans that lenders issued to nominees on or near the date of the real estate closings for the FARD Residences’ sales and refinancing, and used the loan proceeds to enrich themselves and to buy, sell and rehab additional residences.

14. It was further part of the scheme that defendant FARD controlled the FARD

Residences, and he, as well as his associates, friends and relatives resided in the FARD Residences, often without making mortgage payments as required by the lenders, thus causing the loans held in the names of the nominees to go into default and foreclosure.

15. It was further a part of the scheme that defendants FARD, KAUSHAL, PARMAR, and others fraudulently caused lenders to approve and fund mortgage loans to nominees in an amount totaling at least approximately \$4.2 million and incurred losses in the amount of at least approximately \$1.1 million on the mortgage loans.

16. It was further part of the scheme that defendants FARD, KAUSHAL, PARMAR, and others, concealed, misrepresented, and hid, and caused to be concealed, misrepresented, and hidden, the existence of the scheme, the purposes of the scheme, and the acts done in furtherance of the scheme.

17. On or about March 23, 2004, in the Northern District of Illinois, Eastern Division, and elsewhere,

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SUNIL KAUSHAL, and
NOEL PARMAR

defendants herein, for the purpose of executing the above-described scheme, and attempting to do so, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, the wire transfer of funds in the amount of approximately \$455,395 from National City Bank in Cleveland, Ohio, to TCF Bank in Willowbrook, Illinois, which funds represented the proceeds of a mortgage loan issued to defendant PARMAR for the purchase of 2713 Norma Court, Glenview, Illinois;

In violation of Title 18, United States Code, Section 1343.

COUNT TWO

The SPECIAL FEBRUARY 2008-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 16 of Count One of this indictment are hereby realleged and incorporated by reference as if fully restated herein.
2. On or about May 12, 2004, in the Northern District of Illinois, Eastern Division, and elsewhere,

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NOEL PARMAR

defendants herein, for the purpose of executing the above-described scheme, and attempting to do so, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, the wire transfer of funds in the amount of approximately \$650,087 from UBS AG in New York, NY, to TCF Bank in Willowbrook, Illinois, which funds represented the proceeds of a mortgage loan issued to Nominee A for the purchase of 2962 North Oakley, Chicago, Illinois;

In violation of Title 18, United States Code, Section 1343.

COUNT THREE

The SPECIAL FEBRUARY 2008-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 16 of Count One of this indictment are hereby realleged and incorporated by reference as if fully restated herein.
2. On or about May 12, 2004, in the Northern District of Illinois, Eastern Division, and elsewhere,

SIAMAK SAFAVI FARD and
NOEL PARMAR

defendants herein, for the purpose of executing the above-described scheme, and attempting to do so, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, the wire transfer of funds in the amount of approximately \$47,810, from Deutsche Bank Trust Company Americas in New York, NY, to TCF Bank in Willowbrook, Illinois, which funds represented the proceeds of a mortgage loan issued to Nominee A for the purchase of 2962 North Oakley, Chicago, Illinois;

In violation of Title 18, United States Code, Section 1343.

FORFEITURE ALLEGATION ONE

The SPECIAL FEBRUARY 2008-1 GRAND JURY further alleges:

1. The allegations in Counts One through Three of this indictment are hereby realleged and incorporated herein by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. As a result of their violations of Title 18, United States Code, Section 1343 as alleged in Counts One through Three,

SIAMAK SAFAVI FARD and
SUNIL KAUSHAL

defendants herein, shall forfeit to the United States, pursuant to Title 18, United States Code, Sections and 981(a)(1)(C), any and all right, title, and interest they may have in any property constituting, and derived from, proceeds they obtained, directly and indirectly, as the result of such violations.

3. The interests of the defendants subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(c) as incorporated by Title 28, United States Code, Section 2461(c), include funds in the amount of approximately \$1,142,000.

4. If any of the forfeitable property described above, as a result of any act or omission by the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without

difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C).

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY