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EASTERN DISTRICT OF CALIFORNIA
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7 IN THE UNITED STATES DISTRICT COURT
8 EASTERN DISTRICT OF CALIFORNIA
9

10 UNITED STATES OF AMERICA,
11 Plaintiff,
12 v.
13 RALPH HACKETT,
14 Defendant.

Case No. 1:21-cr-00188-DAD-BAM
VIOLATION: 18 U.S.C. § 1341 and 2 – Aiding and Abetting Mail Fraud Relating to 2013 Crop Year

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16 INFORMATION

17 COUNT ONE: [18 U.S.C. § 1341 and 2 – Aiding and Abetting Mail Fraud Relating to 2013 Crop Year]

18 The United States Attorney charges:

19 RALPH HACKETT,

20 defendant herein, as follows:

21 I. INTRODUCTION

- 22 1. At all times relevant to this Information:
23 2. Defendant RALPH HACKETT was a member and manager at BROKER 1, which is a
24 fruit broker with operations in the State and Eastern District of California and elsewhere.
25 3. JATINDERJEET SIHOTA was a representative of and involved with a farming
26 operation in Fresno and Tulare Counties, in the State and Eastern District of California, that also
27 involved her family members and others and operated under various names, including but not limited to
28

1. B.S., B.K., B.S.F., and SSS International (referred to, collectively, as the "FARMING OPERATION").

2 4. The FARMING OPERATION produced table grapes, plums, and other crops, and many
3 of those crops were sold through BROKER 1 to third-party buyers.

4 5. SIHOTA was a primary point of contact for her immediate family members with
5 BROKER 1 for the FARMING OPERATION.

6 6. The FARMING OPERATION obtained federally-backed crop insurance policies from
7 INSURANCE COMPANY 1, which has operations in the State and Eastern District of California and
8 elsewhere, in the names of B.S. and others, covering table grapes, plums, and other crops produced by
9 the FARMING OPERATION. The policies were issued through the Federal Crop Insurance Program,
10 which is administered through the Federal Crop Insurance Corporation.

11 **II. BACKGROUND ON THE FEDERAL CROP INSURANCE PROGRAM**

12 7. The United States Department of Agriculture, Risk Management Agency administers the
13 Federal Crop Insurance Program through the government-owned Federal Crop Insurance Corporation
14 ("FCIC"). The FCIC provides and underwrites crop insurance policies for hundreds of types of crops to
15 farmers throughout the United States. The insurance policies are crop-specific and are purchased from
16 and serviced by private insurance companies known as approved insurance providers, such as
17 INSURANCE COMPANY 1, for each crop year. For FCIC purposes, the crop year is generally
18 considered to be the year in which a crop is predominately harvested, with coverage ending upon
19 completion of the harvest. For example, crops planted in the fall of one year and harvested in the spring
20 of the following year are deemed to be harvested in that following year.

21 8. The FCIC pays the administrative and operating costs that the private insurance
22 companies incur while selling and servicing the crop insurance policies, subsidizes the farmers'
23 premiums, and reimburses the private insurance companies for insurance payments made to the farmers
24 for losses caused by covered, naturally occurring events such as heat waves, droughts, and floods.

25 9. An insured farmer is required to disclose his or her historical crop production numbers to
26 obtain the crop insurance policy. The historical crop production numbers must include crop acres that
27 are being insured, as well as crop acres that are not being insured. This information is used to determine
28 the farmer's expected crop production numbers for the crop year, which is called the approved yield.

1 The farmer then selects a percentage of the approved yield he or she wants to insure against damage or
2 loss for that crop year. The approved yield multiplied by the percentage of coverage and acreage is the
3 farmer's guarantee under the insurance policy. If an insurable event occurs during that crop year, the
4 farmer must disclose his or her actual crop production numbers for the year, which includes both insured
5 and uninsured crops, to the insurance company. The insurance company then compares the farmer's
6 guarantee to the farmer's actual crop production numbers for the crop year to determine the farmer's
7 loss and the amount of the insurance payment that he or she is owed. The insurance company typically
8 makes the insurance payment to the farmer by mailing him or her a check.

9 10. Insurance payments made under the Federal Crop Insurance Program are ultimately
10 funded either in whole or in part by federal government funds through the FCIC.

11 11. If an insured farmer, or anyone assisting the farmer, misrepresents a material fact relating
12 to the farmer's crop insurance policy or claim, the policy is retroactively denied in its entirety and the
13 farmer must reimburse insurance payments made under the policy for the crop year of concern.

14 **III. SCHEME AND ARTIFICE TO DEFRAUD**

15 12. Beginning no later than in or about November 2012, and continuing through until at least
16 September 2016, in the State and Eastern District of California and elsewhere, SIHOTA and others
17 knowingly devised, intended to devise, participated in, and executed a material scheme and artifice to
18 defraud the FCIC and INSURANCE COMPANY 1, and to obtain money and property from the FCIC
19 and INSURANCE COMPANY 1, by means of materially false and fraudulent pretenses,
20 representations, and promises.

21 **IV. MANNER AND MEANS OF THE SCHEME AND ARTIFICE TO DEFRAUD**

22 13. SIHOTA carried out the scheme and artifice to defraud, aided and abetted by defendant
23 HACKETT, by the following manner and means, among others:

24 14. SIHOTA caused fraudulent crop insurance claims to be submitted to INSURANCE
25 COMPANY 1, on the insurance policies issued for table grapes and other crops produced by the
26 FARMING OPERATION and sold through BROKER 1, for purported crop losses that did not actually
27 occur.

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1 15. In responding to INSURANCE COMPANY 1's requests for the supporting records for
2 the fraudulent insurance claims, SIHOTA and defendant HACKETT knowingly caused the records for
3 the table grapes and other crops produced by the FARMING OPERATION and sold through BROKER
4 1 to be altered to misrepresent crop quantities and other information concerning the crops. The altered
5 records understated the FARMING OPERATION's crop production numbers so that the numbers
6 appeared to be below the insurance guarantee and therefore established sufficient crop losses for
7 insurance payments. SIHOTA then caused the altered records to be submitted to INSURANCE
8 COMPANY 1 in support of the fraudulent insurance claims.

9 16. SIHOTA and defendant HACKETT subsequently caused INSURANCE COMPANY 1 to
10 contact employees at BROKER 1, who defendant HACKETT supervised, to confirm the accuracy and
11 completeness of the altered records that had been submitted to support the fraudulent insurance claims.
12 INSURANCE COMPANY 1 contacted these employees who, at the direction of defendant HACKETT,
13 made materially fraudulent misrepresentations to INSURANCE COMPANY 1 that the altered records
14 were accurate and complete. These misrepresentations caused the fraudulent insurance claims to be
15 approved and paid by the FCIC and INSURANCE COMPANY 1. The FCIC and INSURANCE
16 COMPANY 1 would not have paid the insurance claims and would have denied the claims had they
17 known about the fraud.

18 17. Relative to the crop year 2013, SIHOTA and defendant HACKETT caused INSURANCE
19 COMPANY 1 to make over \$100,000 in fraudulent insurance payments on behalf of the FCIC to the
20 FARMING OPERATION for purported table grape losses in crop year 2013 that did not occur.
21 INSURANCE COMPANY 1 made the payments to the FARMING OPERATION by Check Numbers
22 ending -6882 and -1270 payable to B.S., that were mailed to Fresno, California, on or around February
23 11, 2014, and February 20, 2014, respectively.

24 18. In carrying out the scheme and artifice to defraud, SIHOTA acted, at all relevant times,
25 with the intent to defraud. In aiding and abetting the scheme and artifice to defraud, Defendant
26 HACKETT also acted, at all relevant times, with the intent to defraud.

27 19. Defendant HACKETT intended for his assistance to facilitate SIHOTA's scheme and
28 artifice to defraud, he gave his assistance to SIHOTA before the crime was complete, and his assistance

1 facilitated the crime.

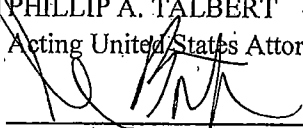
2 20. For crop years 2012 through 2015, defendant HACKETT's aiding and abetting of
3 SIHOTA's scheme and artifice to defraud caused INSURANCE COMPANY 1 to make more than
4 \$550,000 in fraudulent insurance payments on behalf of the FCIC by checks payable to B.S. and others
5 for the FARMING OPERATION. INSURANCE COMPANY 1 sent the checks through the United
6 States mail to the FARMING OPERATION in Fresno, California, in the State and Eastern District of
7 California.

8 21. Accordingly, on or about the dates listed below, within the State and Eastern District of
9 California and elsewhere, and for delivery into the State and Eastern District of California, SIHOTA, for
10 the purpose of executing the scheme and artifice to defraud and attempting to do so, and defendant
11 HACKETT, for the purpose of aiding and abetting the scheme and artifice to defraud, as set forth above,
12 with the intent to defraud, knowingly caused the mail matter described below to be placed in a post
13 office or an authorized depository for mail matter, to be sent and delivered by the United States Postal
14 Service, and knowingly caused to be delivered by mail according to the direction thereon, including but
15 not limited to:

COUNT	DATE	MATTER MAILED AND DESTINATION
ONE	02/11/14	Check for payment from INSURANCE COMPANY 1, with Check Number ending -6882, Claim Number ending -5055, and Policy Number ending -3084, payable to B.S. for the FARMING OPERATION, sent to Fresno, California, through the United States mail.

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

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