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NORTH POTOMAC MORTGAGE BROKER ADMITS TO DEFRAUDING INVESTORS OF OVER $400,000

Promised to Pay Back Loans from Individual Investors With Substantial Returns in a Short Amount of Time, But Instead Used the Money for Personal Gain

Greenbelt, Maryland – Sultana Siddiqui, aka "Sultana Ahmad," age 56, of North Potomac, Maryland, pleaded guilty today to conspiring to commit wire and mail fraud arising from an investment fraud scheme. Siddiqui has agreed to the entry of an order to forfeit and pay restitution of at least $405,000, the minimum amount of actual loss resulting from the scheme.

The guilty plea was announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Special Agent in Charge Kevin Perkins of the Federal Bureau of Investigation, Baltimore Field Office; Deputy Inspector General for Investigations Rene Febles of the Federal Housing Finance Agency Office of Inspector General; and Montgomery County State's Attorney John McCarthy.

According to her plea, Siddiqui was a mortgage broker who falsely represented to individual victims that co-conspirator Alexander Matthews was an investor or developer who could secure substantial returns on the victims' investments in a short time period. Siddiqui solicited investments from each of the victims, vouched for Matthews's trustworthiness and business acumen, and received money from the victims. She deposited most of the money from the victims into her personal bank account. Then she and/or Matthews would provide each victim with a post-dated check in the amount of the victim's investment plus the promised return. None of the post-dated checks were negotiable on the promised return date. After the victims discovered that the post-dated checks were not negotiable, Siddiqui and/or Matthews sent lulling payments and/or email communications to the victims.

For example, in 2008, a real estate agent and her husband agreed to invest $300,000, which they would draw on their home equity line of credit, to renovate a home in Clifton, Virginia, which would then be leased by the FBI. Siddiqui, however, deposited the money in her personal bank account, and no lease agreement existed with the FBI. Siddiqui and Matthews used the money for their own benefit, other than providing a small number of lulling payments to the victims.

In November 2010, at Siddiqui's urging another victim agreed to invest $50,000 with Matthews and give Siddiqui a $5,000 personal loan. In return, Siddiqui gave the victim a promissory note for the investment signed by Matthews, and two post-dated checks: one for

$6,000 from a bank account held by Siddiqui; and one for $60,000 from an account held by Matthews. When the victim attempted to cash the checks, a bank official told her they were not negotiable. Siddiqui sent several lulling emails to the victim, claiming that she would be repaid, but the victim has not received any payment.

Siddiqui and Matthews defrauded the victims of approximately $355,000.

Siddiqui admitted to defrauding another individual of $50,000 in a transaction in 2014.

Siddiqui faces a maximum sentence of 20 years in prison. U.S. District Judge Theodore D. Chuang scheduled her sentencing for July 25, 2016, at 2:30 p.m.

Alexander Matthews, age 50, of Dunn Loring, Virginia, pleaded guilty in 2011 in federal court in the Eastern District of Virginia to his participation in the conspiracy and was sentenced to 10 years in prison.

The Maryland Mortgage Fraud Task Force was established to unify the agencies that regulate and investigate mortgage fraud and promote the early detection, identification, prevention and prosecution of mortgage fraud schemes. This case, as well as other cases brought by members of the Task Force, demonstrates the commitment of law enforcement agencies to protect consumers from fraud and promote the integrity of the credit markets. Information about mortgage fraud prosecutions is available http://www.justice.gov/usao-md/financial-fraud-and-identity-theft.

Today's announcement is part of the efforts undertaken in connection with the President's Financial Fraud Enforcement Task Force. The task force was established to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. With more than 20 federal agencies, 94 U.S. attorneys' offices, and state and local partners, it's the broadest coalition of law enforcement, investigatory and regulatory agencies ever assembled to combat fraud. Since its formation, the task force has made great strides in facilitating increased investigation and prosecution of financial crimes; enhancing coordination and cooperation among federal, state and local authorities; addressing discrimination in the lending and financial markets; and conducting outreach to the public, victims, financial institutions and other organizations. Since fiscal year 2009, the Justice Department has filed over 18,000 financial fraud cases against more than 25,000 defendants. For more information on the task force, please visit www.StopFraud.gov.

United States Attorney Rod J. Rosenstein commended the FBI, Federal Housing Finance Agency Office of Inspector General, and Montgomery County State's Attorney's Office for their work in the investigation and thanked Assistant U.S. Attorney Ray D. McKenzie, who is prosecuting the case.