

Approved: 
Edward A. Imperatore/Noah Solowiejczyk
Assistant United States Attorneys

Before: THE HONORABLE RONALD L. ELLIS
United States Magistrate Judge
Southern District of New York

16 MAG 8153

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SEALED COMPLAINT

UNITED STATES OF AMERICA :
 :
 - v. - :
 :
 UMAIR HAMID, :
 a/k/a "Shah Khan," :
 a/k/a "the Shah," :
 :
 Defendant. :

Violations of 18 U.S.C. §§
1028A(a)(1), 1028A(c)(5),
1343, 1349, and 2
COUNTY OF OFFENSE:
NEW YORK

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SOUTHERN DISTRICT OF NEW YORK, ss.:

MICHAEL LOFORTE, being duly sworn, deposes and says that he is an Inspector with the United States Postal Inspection Service ("USPIS"), and charges as follows:

COUNT ONE
(Conspiracy to Commit Wire Fraud)

1. From at least in or about 2006, up to and including in or about December 2016, in the Southern District of New York and elsewhere, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with others to commit wire fraud, in violation of Section 1343 of Title 18, United States Code.

2. It was a part and an object of the conspiracy that UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate

and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, HAMID participated in a scheme to make false and fraudulent misrepresentations by telephone and e-mail, among other means and methods, in order to fraudulently induce victims to pay up-front fees, including by interstate wire transfer, for purported enrollment in fake educational institutions, in violation of Title 18, United States Code, Section 1343.

3. It was a further part and object of the conspiracy that UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, HAMID participated in a scheme to defraud companies and employers in the United States and elsewhere by causing to be created and disseminated to such entities, through the use of the interstate wires, fraudulent diplomas, transcripts, and other purported educational documents, in violation of Title 18, United States Code, Section 1343.

(Title 18, United States Code, Section 1349.)

COUNT TWO
(Wire Fraud)

4. From at least in or about 2006, up to and including in or about December 2016, in the Southern District of New York and elsewhere, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and attempting to do so, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, HAMID participated in a scheme to make false and fraudulent misrepresentations by telephone and e-mail, among other means and methods, in order to fraudulently induce victims to pay up-

front fees, including by interstate wire transfer, for purported enrollment in fake educational institutions.

(Title 18, United States Code, Sections 1349, 1343, and 2.)

COUNT THREE
(Wire Fraud)

5. From at least in or about 2006, up to and including in or about December 2016, in the Southern District of New York and elsewhere, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and attempting to do so, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, HAMID participated in a scheme to defraud companies and employers in the United States and elsewhere by causing to be created and disseminated to such entities, through the use of the interstate wires, fraudulent diplomas, transcripts, and other purported educational documents.

(Title 18, United States Code, Sections 1349, 1343, and 2.)

COUNT FOUR
(Aggravated Identity Theft)

6. From at least in or about 2006, up to and including in or about December 2016, in the Southern District of New York and elsewhere, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, knowingly did transfer, possess, and use, without lawful authority, a means of identification of another person, during and in relation to a felony violation enumerated in Title 18, United States Code, Section 1028A(c), to wit, without authorization, HAMID used, and aided and abetted the use of, the names and signatures of federal officials and

employees during and in relation to the felony violations charged in Counts One through Three of this Complaint.

(Title 18, United States Code, Sections 1028A(a)(1), 1028A(c)(5), and 2.)

The bases for my knowledge and the foregoing charges are, in part, as follows:

7. I am an Inspector with the USPIS and I have been personally involved in the investigation of this matter. I have been an Inspector with the USPIS for approximately 3 years, and have participated in previous investigations involving consumer fraud matters. This affidavit is based upon my own observations, conversations with witnesses, conversations with other law enforcement agents, including agents from the Federal Bureau of Investigation ("FBI"), which has jointly investigated this matter, and my examination of reports and records prepared by others. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

Overview of the Scheme

8. As set forth more fully below, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, and others known and unknown operated a massive education "diploma mill" through a Pakistani company "Axact" that has held itself out as one of the world's leading IT providers. Working on behalf of Axact, HAMID and others made misrepresentations to individuals across the world, including throughout the United States and in the Southern District of New York, in order to dupe these individuals into enrolling in supposed high schools, colleges, and other educational institutions, including purported schools known as Almeda University ("Almeda"), Paramount California University ("PCU"), Coronado Pacific University, and Belford High School ("Belford"), among others. Consumers paid upfront fees to HAMID and his co-conspirators, believing that in return they would be enrolled in real educational courses and, eventually, receive legitimate degrees. Instead, after paying the upfront fees, consumers did not receive any legitimate instruction and were provided fake and worthless diplomas.

9. Furthermore, with respect to certain individuals who understood that the diplomas being offered by Axact were fake, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, and his co-conspirators knowingly enabled these consumers to mislead prospective employers by selling them fake diplomas that they then utilized to seek and, at times, obtain employment under false pretenses.

10. In addition, Axact, through UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, and his co-conspirators, falsely "accredited" purported colleges and other educational institutions by arranging to have diplomas from these phony educational institutions affixed with fake stamps supposedly bearing the seal and signature of the U.S. Secretary of State, as well as various states and state agencies and federal and state officials.

11. From my review of a news article, dated on or about May 17, 2015, I have learned in part that authorities in Pakistan shut down Axact in early May 2015 and arrested certain individuals believed to be involved in operating Axact.

12. As a result of the fraud described herein, from in or about 2006 through in or about May 2015 when Pakistani authorities shut down Axact and arrested certain individuals believed to be involved in operating this fraud, Axact collected at least approximately \$140 million through U.S.-based bank accounts from tens of thousands of individuals around the world, including victims in the Southern District of New York.

Axact's Pakistani Operation

13. From my review of a summary of an interview of a former employee of Axact ("Employee-1") conducted in or about July 2015 by an FBI agent participating in this investigation, I have learned the following, in substance and in part:

a. Employee-1 began working for Axact in Pakistan in or about 2014. Among other responsibilities, Employee-1 was assigned to Axact's diploma department, where Employee-1 reviewed telephone calls with consumers who were seeking to purchase a high school or college degree from Axact.

b. Axact promoted and claimed to have an affiliation with approximately 350 fictitious high schools and universities, which Axact advertised online to consumers as genuine schools. Axact employed numerous sales agents and

quality assurance auditors. During certain time periods since 2014, Axact received approximately 5,000 phone calls per day from individuals seeking to purchase Axact products or enroll in educational institutions supposedly affiliated with Axact. At least some of those consumers appeared to believe that they were calling phone numbers associated with the respective schools. In each instance, Axact trained its employees not to identify their ethnicity or location. If pressed by the consumer, the sales agent was instructed by Axact to claim falsely that the sales agent was based in the United States. The majority of Axact's schools were falsely advertised as based in the United States, but typically no physical address was given. When consumers asked where the schools were located, sales representatives were instructed to give fictitious addresses.

c. Axact employed a team of software engineers, who were tasked with ensuring that Axact schools appeared in the top results for searches for online schools and universities on internet search engines such as Google.

d. Despite holding itself out as one of the world's leading IT companies, a significant portion of Axact's profits were generated from accreditation and certification of fraudulent diplomas. Once a consumer paid for a school certificate or diploma that falsely reflected a completed course of study, Axact sales agents were trained to use sales techniques to convince the consumer that the consumer should also purchase additional "accreditation" or "certifications" for such certificates or diplomas in order to make them appear more legitimate. Since about 2007, certain diplomas produced by Axact and sold to its customers contained forged seals and stamps reflecting the imprimatur of U.S.-based authorities that were, in truth and in fact, not produced by U.S.-based authorities.

e. Paramount California University (PCU) was Axact's most profitable entity. It was the only entity that maintained a ".edu" extension to its website. Axact charged a registration fee of approximately \$10,000 to "enroll" in PCU.

Overview of HAMID's Participation in the Scheme

14. Based on my review of, among other things, bank records, electronic communications, recorded telephone conversations, flight records, and my debriefings of a

cooperating witness (the "CW"),¹ I have learned the following, in substance and in part, about the role that UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, had in the Axact "diploma mill" scheme:

a. In or about 2013, the CW was involved in managing and operating online companies that falsely held themselves out to consumers over the Internet as educational institutions. One of these "schools" was Almeda. In exchange for up-front fees from consumers, Almeda provided fake diplomas without providing any educational curriculum or services.

b. Over time, Almeda faced increased competition from other websites, including websites operated by Axact, that also sold and distributed fake diplomas to consumers. As part of this competition, the CW's company, Almeda, and Axact attacked each other in negative advertisements posted on the Internet.

c. Beginning in or about late 2013, the CW was in telephonic contact with HAMID, who identified himself to the CW as "the Shah" and "Shah Khan."² During these communications, HAMID indicated, in substance and in part, that he was in the online degree business. Subsequently, HAMID provided the CW with a contact email address (the "Shah Account") and the CW and HAMID began to communicate via email as well. During their email and telephonic communications, HAMID proposed to the CW, in substance and in part, that Almeda and HAMID's online degree businesses should stop posting negative advertisements about each other on the Internet.

d. In or about 2014, the CW and HAMID agreed, in substance and in part, to enter into a business partnership. Together, they negotiated the CW's sale of Almeda to HAMID for a price of approximately \$1 million. HAMID agreed to pay the CW approximately \$30,000 per month until the \$1 million amount was fully paid.

¹ The CW is cooperating with law enforcement in the hope of receiving a cooperation agreement with the Government and leniency at sentencing. The CW has proven reliable, and the CW's information has been corroborated by, among other things, documentary evidence and recordings.

² As is described in further detail below, the investigation has revealed that the individual who identified himself to the CW as "the Shah" and "Shah Khan" is in fact UMAIR HAMID, the defendant.

e. After HAMID agreed to purchase Almeda, the CW granted HAMID access to online databases used to operate Almeda's website and payment processors, through which Almeda collected consumer funds. HAMID caused to be made continuous payments for approximately 24 to 25 months of approximately \$30,000 per month to the CW. As the payments to the CW continued, the CW gradually ceded control of Almeda's daily operations to HAMID.

f. As HAMID obtained control of the daily operations of Almeda, Almeda's website made various false and fraudulent representations to consumers in order to sell fake diplomas. In particular, Almeda's website (1) falsely represented that consumers who "enrolled" with Almeda by paying tuition fees would receive online instruction and coursework, (2) sold bogus academic "accreditations" in exchange for additional fees, (3) falsely represented that Almeda had been certified or accredited by various educational organizations, and (4) falsely represented that Almeda's degrees were valid and accepted by employers, including in the United States.

g. In addition to his involvement with Almeda, the CW also managed and operated a website purportedly run by "Past Christian University" or "PCU". PCU, which used the domain "PCU.edu", was another entity that sold fake diplomas on the Internet, without any educational curriculum or instruction, for up-front fees. In or about 2014, in email communications using the Shah Account and telephone conversations with the CW, HAMID expressed interest in purchasing the PCU.edu domain from the CW. As HAMID explained, PCU's ".edu" domain name was particularly valuable because it falsely suggested to consumers that PCU was a real school that was accredited by the U.S. Department of Education. In or about 2014, HAMID ultimately purchased the PCU.edu domain from the CW. Once HAMID had completed the purchase, the name of the entity controlling PCU.edu changed from "Past Christian University" to "Paramount California University." Thereafter, HAMID caused the PCU.edu domain to make false and fraudulent representations to consumers over the Internet that they would be enrolled in an educational program and receive academic instruction. In truth and in fact, there was no educational program, and PCU.edu was used in order to collect up-front fees, in return for providing fake diplomas and transcripts.

h. From in or about 2014 through in or about 2015, HAMID directed the CW to perform various tasks in

furtherance of the operations of Almeda, PCU, and other fake schools. At HAMID's direction, the CW (1) opened bank accounts in the United States in the names of shell entities, effectively controlled by HAMID, which received funds transferred by consumers in exchange for fake diplomas, (2) transferred funds from those bank accounts to bank accounts associated with other entities located elsewhere in the United States, the United Arab Emirates, and Canada, at the direction of HAMID, and (3) opened and operated an account with Paypal, the online payment service provider, to collect and distribute consumer funds obtained in connection with their fraudulent scheme.

i. In or about May 2015, Axact was shut down by Pakistani law enforcement, and certain individuals associated with Axact were prosecuted in Pakistan. Nevertheless, after May 2015, HAMID pressured the CW to release proceeds of the scheme to HAMID.

Victim Complaints

15. I have reviewed numerous complaints from consumers who were solicited by representatives of Axact, which were submitted to various state Better Business Bureaus and regulators. Based on my review of those complaints and related affidavits, I have learned, in substance and in part, that consumers were solicited by telephone and over the Internet to pay fees to enroll in purported Axact-affiliated educational institutions and that Axact representatives misled consumers and prospective students into paying tuition for fake diplomas and/or enabled consumers to mislead prospective employers by selling them diplomas for bogus schools.

16. For example, in or about January 2015, a consumer submitted a written complaint stating, in substance and in part: "Unfortunately several years ago I 'bought' into Almeda's scheme and obtained a BA from them. At the time they said they were accredited and to date, their website still says they are accredited. I never thought anymore about this. Then several years later I received an email from Almeda. In calling them, I was told that in order to validate my degree and make it accredited . . . I would have to pay them \$2500 . . . They then said they suspended or cancelled my degree at which time I demanded a full refund. . . They continued to refuse m[y] request for a mailing address and refused to refund my money."

17. Based on my participation in an interview of a consumer ("Consumer-1") who purchased a degree from one of the

online schools that Axact claimed to operate, I have learned, in substance and in part, the following:

a. In or about 2006, Consumer-1 was interested in participating in an online high school diploma program at night because Consumer-1 worked during the day. After conducting an Internet search, Consumer-1 found a website for an online school called "Belford,"³ which appeared to Consumer-1 to be a real school.

b. Consumer-1 was interested in obtaining a high school diploma because a high school diploma was necessary to attend the colleges that Consumer-1 was interested in attending. Purported representatives of Belford made representations to Consumer-1 that Belford was accredited, that the colleges Consumer-1 was interested in attending would accept a high school degree from Belford, and that Consumer-1's tuition fee would be used to enroll Consumer-1 in Belford coursework.

c. Consumer-1's mother spoke to a representative of Belford by phone, and this Belford representative informed Consumer-1's mother that Belford was accredited and that colleges would accept a diploma from Belford.

d. In order to enroll in Belford, Consumer-1 took an online test to determine if Consumer-1 was eligible to attend the school. Consumer-1's mother submitted the completed exam along with a \$300 up-front payment on Consumer-1's behalf to Belford.

e. Approximately two to three weeks after taking the exam, Consumer-1 received a package from Belford containing various documents, including a diploma. Consumer-1 was never enrolled in any Belford classes or courses.

f. Consumer-1 indicated that Consumer-1 believed that Consumer-1 had earned a high school diploma after receiving the package from Belford, and that Consumer-1 and Consumer-1's family went out to dinner to celebrate Consumer-1's graduation from high school.

³ Based on participation in this investigation, including my debriefings of the CW, I have learned that Belford is one of the many fictitious online schools advertised by Axact.

g. A college official later informed Consumer-1 that Consumer-1's diploma came from a school on this official's list of fake diploma providers.

h. Consumer-1 never received a refund on the \$300 up-front fee from Belford or any other Axact entity.

18. From my review of records provided by Paypal, I have learned that the following three Paypal transaction accounts, among others, were used to process consumer fees for Almeda and PCU, among other Axact schools, and consumer requests for refunds, known as "chargeback" requests, for those purported schools: (1) a Paypal account subscribed to Almeda Educational Services, Inc., in the name of the CW, with primary email account billing@almedaeducationalservices.com; (2) a Paypal account subscribed to Almeda Educational Services, Inc.; and (3) a Paypal account subscribed to Paramount California University LLC, with the primary email address paypal@pcu.edu (collectively, the "Paypal Accounts"). For example, I have learned that consumers submitted the following "chargeback" requests, among others, through the Paypal Accounts:

a. On or about December 15, 2014, a consumer stated in a chargeback request through Paypal, in substance and in part: "I have been advised that I can have an enhancement for my professional career by getting a professional evaluation based on my career experience from Kings Lake University.⁴ They advised me that they can help in getting an online degree in Occupational Health & Safety and this degree will be legalized from the Saudi Ministry of Foreign Affairs and from the USA Apostile and that will cost me 500\$ because I have been nominated from the Arab Accreditation Council for a Scholarship. So I paid the 500\$ and then I received another call from the University requesting 5000\$ for the Legalization fees! I refused to pay it as this is a FRAUD."

b. On or about December 18, 2014, a consumer stated in a chargeback request through Paypal, in substance and in part: "I paid for what I was told at the time was a bachelors degree based on my educational credits and long working experience. I was also told it was recognized in the US and Canada and that the university was in the USA and was a certified online education center. I was shown an article from

⁴ Based on participation in this investigation, I have learned that Kings Lake University is one of the many fictitious online schools for which Axact sold illegitimate diplomas.

a site online that add to this 'verification.' I paid for this and in return I received the following: A very Fake Bachelors Degree that ca[me] from Dubai that my name spelt wrong everywhere. An illegal and faked transcript of courses I never took with fake marks that ranged from A+ to C-. I also received to [sic] fake awards. I have check with the US and Canadian on-line education accreditors and have been told that the only accreditation these folks have are ones they made up[.] They are not legitimate as they said they were and I did not receive any authorize[d] documents or ones that could even have been though to be real (the quality was primitive at best). . . . I have p[a]ckaged the stuff up and am sending it back to Dubai!"

c. On or about November 28, 2014, a consumer stated in a chargeback request through Paypal, in substance and in part: "they are fake university not [accredited] and they charge by fake links"

d. On or about December 18, 2014, a consumer stated in a chargeback request through Paypal, in substance and in part: "This is part of the PCU online university fees. They claimed in the phone call that the university is accredit[ed] so I paid this amount. However when I checked about the unviersity [sic] I found out that it is not accredit[ed] and it is a diploma mill."

HAMID's E-Mails in Furtherance of the Scheme

19. From my review of emails sent to or from the Shah Account, I have learned that UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, used the Shah Account to, among other things, operate the Almeda and PCU websites, make misrepresentations to consumers to collect up-front fees in exchange for fake diplomas, and disburse millions of dollars in consumer proceeds from this fraud. For example, HAMID, using the Shah Account, exchanged the following emails with the CW's email account (the "CW Account") among others, relating to Almeda, PCU, and/or other Axact-related entities:

a. On or about November 15, 2014, the Shah Account sent an email to the CW Account, entitled "RE: Merchant Accounts," which included the proposed email address "processing@almedaeducaitonalservices.com," and stated, in sum and substance, and in part: "This can be used for technical, receipts, charge backs, everything. For the bank, I am incorporating a company named Magnum Educational Services. A new DBA will be formed with the name 'Almeda Educational

Services.' Then we are to open a bank account for this DBA. I hope this works and merchant settles the funds to this new bank account. Thanks, Shah."

b. On or about November 28, 2014, prior to the time the CW began cooperating with law enforcement, the CW sent an email to the Shah Account, stating in substance and in part: "Shah, I got a call Wednesday from Merchante-Solutions. Apparently they have a problem with the Alameda credit card payments. Even though we've had that account for 11 years, the account began to dwindle. Since we had not used it in a while, they were going to close it. Now they see international transactions so they are thinking there is fraud. I assured them that there is no fraud."

c. On or about December 1, 2014, the Shah Account sent an email to the CW Account, bearing the subject "RE: Issue with Alameda Merchante-Solutions," stating in substance and in part: "As for the average transaction it will be \$750, yes there will be high dollar amounts like \$4000 at times. These are for customer[s] which get combined orders like Degree Program and different certifications . . . However average will be like \$750."

d. On or about December 18, 2014, the Shah Account sent an email to the CW Account, bearing the subject "PayPal Refund," and stating in substance and in part: "I do not have access to your other PayPal account We need to issue complete refund on the following transaction charged on Alameda Educational Services - Paypal." The email from the Shah Account contained, among other things, the name of the consumer who registered the Paypal chargeback request, the consumer's email address and billing address, the date of the chargeback request, and the purchase price. Based upon my comparison of that information with information provided by Paypal, I believe that the Paypal chargeback request to which the email refers is the same Paypal chargeback request described in paragraph 18(a) above.

e. On or about December 20, 2014, prior to the time the CW began cooperating with law enforcement, the CW sent an email to the Shah Account stating in substance and in part: "There is approximately \$85,000 in the Alameda Wells Fargo Account. According to our previous discussions, this account needed to remain with a very low balance because this account would be subject to scrutiny from any potential lawsuit. Therefore, we need to move the money out as soon as possible."

f. On or about December 22, 2014, prior to the time the CW began cooperating with law enforcement, the CW forwarded to the Shah Account the text of a Paypal chargeback request for an enrollment fee for the University of Atlanta.⁵

g. On or about December 27, 2014, prior to the time the CW began cooperating with law enforcement, the CW sent an email to the Shah Account, bearing the subject "PCU PayPal," and stating in substance and in part: "Hi Shah, I got a call from PayPal for PCU. They want to confirm my address and Social Security number so they can release the money. The only problem is that they know me as Richard Smith . . . Unfortunately, my Social Security number is not associated with Richard Smith."

h. On or about April 17, 2015, the Shah Account sent an email to the CW Account, bearing the subject "Almeda Degree," and stating in substance and in part: "you told me once to ship a degree to the husband of your former employee. You can charge him the price and let me know that address where to ship. I can have the degree shipped out with transcript. Shah."

i. On or about April 23, 2015, the Shah Account sent an email to the CW Account, bearing the subject "RE: Coronado Pacific University," and stating in substance and in part: "Please find attached the samples . . . you can select. I can not make the fake signatures on these docs as these need to have Dean and registrar signatures which probably we will make the signs later on . . . I hope you get what I mean. Check the attached samples of Degree and Transcripts." Attached to the email is a document that appears to be a diploma for a school called "Coronado Pacific University," which states that its recipient had been awarded a degree "magna cum laude." From my review of the U.S. Department of Education website, I have learned that there is no school known as "Coronado Pacific University" registered with the Department of Education.

j. On or about April 29, 2015, the Shah Account sent an email to the CW Account, bearing the subject "RE: Certificates," and stating in substance and in part: "they are all ready. Actually my team also included the fake signatures on them for Dean and President. I told them that is not our

⁵ Based on my debriefings of the CW, I have learned that HAMID was involved in the operations of the University of Atlanta.

Uni, this is pure legal stuff :) So now removing the signs from the degrees and transcripts. Will send you shortly[.] Shah."

k. On or about May 24, 2015, the Shah Account sent an email to the CW Account, stating in sum and substance, and in part (and in apparent reference to the closure of Axact by Pakistani law enforcement): "Everything will be reinstated within a few days. Please do not close any accounts, you just don't leave the funds in account and keep them saved somewhere. We haven't done anything wrong and they themselves know they can not prove anything against us. So let them do whatever they need and everything will be fine shortly. All orders will be fulfilled. Don't worry about the wires coming in. We will have the orders shipped."

HAMID's and the CW's Recorded Telephone Conversations
and Email Correspondence

20. After the CW began cooperating with law enforcement, at the direction of law enforcement the CW participated in numerous consensually recorded telephone calls with UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, and continued to exchange emails with the Shah Account. From my review of the recordings of those telephone calls, my review of emails exchanged between the CW Account and the Shah Account, and my conversations with the CW, I have learned the following, in substance and in part:

a. On or about September 19, 2016, at the direction of law enforcement, the CW placed a consensually recorded phone call to HAMID. During the call, the following took place, in substance and in part:

i. HAMID and the CW discussed that Pakistani authorities had prosecuted individuals for operating Axact, which had disrupted HAMID's and the CW's business activities. They further discussed resuming their business venture of selling online diplomas.

ii. The CW informed HAMID that the website domain "PCU.edu" remained operational and available for future use. Moreover, the CW further advised HAMID that the website domain for Almeda had expired, but could be renewed if desired. HAMID asked the CW to provide HAMID information about the website domains so that HAMID could decide which domains to renew in order to continue selling diplomas to consumers.

iii. HAMID further stated that HAMID would be involved in incorporating new companies to continue the online education business, and that HAMID wanted the CW to transfer the PCU.edu domain to HAMID expeditiously so that HAMID could get back into business.

iv. HAMID further inquired about the status of a payment processor account that had received funds from consumers who had previously purchased diplomas. The CW informed HAMID that the funds were frozen by the payment processor, which had received numerous complaints from consumers who stated that they had been duped into buying fake diplomas.

b. On or about October 13, 2016, at the direction of law enforcement, the CW placed a consensually recorded phone call to HAMID. During the call, HAMID stated, among other things, that he was not ready to "get out of the college degree business."

c. Throughout 2016, at the direction of law enforcement, the CW exchanged emails with HAMID at the Shah Account. In emails from the Shah Account to the CW Account, HAMID repeatedly pressured the CW to release consumer funds to HAMID that had previously been generated by the fraudulent online diploma scheme. Using the Shah Account, HAMID further instructed the CW to take steps in order to assist HAMID in reestablishing the online diploma business, including to edit Wikipedia pages relating to entities associated with Axact, and directed the CW to contact Paypal in an effort to cause Paypal to release consumer funds that Paypal had frozen.

Identification of HAMID as "the Shah"

21. In or about September 2016, during a consensually recorded telephone conversation between the CW and UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, HAMID informed the CW for the first time that his real first name was "Umair."

22. On or about October 6, 2016, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, using the Shah Account, sent an email to the CW Account stating in substance and in part, that HAMID had an important meeting in Cincinnati and Las Vegas that he was planning to attend. HAMID and the CW discussed the possibility of meeting at a future date to: (1) facilitate the transfer of consumer funds that had been previously generated by their fraud from accounts the CW

controlled to HAMID; and (2) discuss, in person, how they could resume their business partnership.

23. On or about October 13, 2016, at the direction of law enforcement, the CW had a consensually recorded telephone call with UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant. During this call, HAMID informed the CW, in substance and in part, that HAMID had recently traveled to the United States and provided specific details about his trip to the CW. In particular, HAMID stated that he had traveled from Pakistan to Dubai to John F. Kennedy Airport in New York. HAMID further stated that he then traveled to Cincinnati, Ohio, with a connection through Washington, D.C. HAMID further stated that he had then traveled to Las Vegas, Nevada, where he stayed for one night at the Bellagio Resort and Casino (the "Bellagio"). HAMID told the CW that he returned to Dubai from Los Angeles.

24. Based on my review of records provided by United States Customs and Border Protection ("CBP"), as well as law enforcement databases, I have learned, in substance and in part, the following:

a. On or about September 28, 2016, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, boarded a flight from Dubai to John F. Kennedy Airport ("JFK") using a Pakistani passport bearing the name "Umair Hamid" with a particular birthdate (the "HAMID Birthdate").

b. On or about September 28, 2016, HAMID flew from JFK to Washington, D.C. to Cincinnati, Ohio.

c. On or about October 6, 2016, HAMID flew from Los Angeles International Airport to the United Arab Emirates.

25. In or about October 2016, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, in email correspondence and telephonic communications with the CW, requested that the CW send to HAMID funds with which consumers had paid for bogus diplomas before Axact was shut down, which amounted to approximately \$700,000. The CW informed HAMID, in substance and in part, that in order to transfer these funds to HAMID, the CW would need a copy of HAMID's true identification papers. In response, on or about October 26, 2016, HAMID - using the Shah Account - sent an email to the CW Account attaching a driver's license from Pakistan bearing (i) the name "Umair Hamid," (ii) a photograph, and (iii) the HAMID Birthdate (the "Pakistani Driver's License").

26. Based on my review of a previous visa application submitted to the United States Department of State by UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, I have learned, in substance and in part, the following:

a. On or about October 25, 2014, the United States issued a temporary business and tourism visa to "Umair Hamid" with the HAMID Birthdate (the "HAMID Visa").

b. In the application to obtain the HAMID Visa, HAMID listed "Axact, Pvt Ltd." as his present employer and provided an address for Axact in Karachi, Pakistan.

c. In the application to obtain the HAMID Visa, HAMID stated that his title at Axact was "Assistant Vice President International Relations" and described his duties as "business operations: business development/partnership, VOIP Communications, E-Commerce Payment Services and International Procurement."

d. Based on my review of (i) the photograph that HAMID included in his application to obtain the HAMID Visa and (ii) the photograph on HAMID's Pakistani Driver's License, it appears that the person depicted in those photographs is the same person.

27. Based on my review of records provided by the Bellagio in Las Vegas, Nevada, I have learned, among other things, the following:

a. "Umair Hamid" stayed at the Bellagio on the evening of October 5, 2016, and checked out on October 6, 2016. The individual booking the room under the name "Umair Hamid" provided a contact telephone number ending in the numbers 9210 (the "9210 Phone").

28. Based on my review of text message communications provided by the CW, I have learned, among other things, that on or about October 6, 2016, the CW received a text message from UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, using the 9210 Phone, stating, in substance and in part, "Hi [the CW], I just emailed u . . . Please stay safe and keep me posted via email . . . I m here for a day . . . But we can meet as I emailed . . . Let me know and please take good care of your family. My wishes." Based upon my review of subscriber records

for the 9210 Phone, I have learned that the 9210 Phone is subscribed in the name of "UMAIR HAMID."

29. Based on my review of a Facebook page for the account of "Omair Hamid," (the "Hamid Facebook Account") I have learned, in substance and in part, that the Hamid Facebook Account contains photos of an individual who appears to be the same individual depicted in the HAMID Visa and the Pakistani Driver's License. Furthermore, the HAMID Facebook Account contains a photograph in which HAMID is standing at a podium bearing the name and logo of Axact.

30. Based on my review of information provided by an officer with CBP, I have learned, in substance and in part, that on or about December 13, 2016, UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, arrived in the United States on a flight from Dubai. HAMID informed the CBP, in substance and in part, that he is employed by "Axact Pvt Ltd."

HAMID Resumes the Fake Diploma Scheme

31. On or about October 18, 2016, at the direction of law enforcement, the CW conducted a consensually recorded phone call with UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah." During the call, HAMID stated, in substance and in part, that HAMID had recently incorporated an entity called "Globemia" and that HAMID had opened a bank account for Globemia at Huntington Bank while travelling in the United States.

32. Based on my review of records provided by Huntington Bank, I have learned, in substance and in part, the following:

a. An individual named "UMAIR HADID" [sic] opened a bank account in the name of "Globemia Inc," on or about October 4, 2016, at a Huntington Bank branch located in Cincinnati, Ohio (the "Huntington Bank Account"). The signatory reflected on a business signature card form for the Huntington Bank Account is "Umair Hamid."

b. Surveillance footage provided by the Huntington Bank branch in Cincinnati, Ohio shows an individual opening the Huntington Bank Account who appears to be the same individual depicted in the HAMID Visa, the Pakistani Driver's License, and the HAMID Facebook Account.

33. Based on my discussions with other law enforcement agents taking part in this investigation, I have

learned that an individual providing voluntary assistance to this investigation ("Individual-1")⁶ participated in the following email and telephonic communications, in substance and in part:

a. In or about 2015, Individual-1 placed requests to purchase diplomas on various online diploma websites, including websites operated by Axact.

b. On or about November 4, 2016, Individual-1 received a telephone call from an individual identifying himself as "William Wilson" ("Wilson") who claimed to be a representative of "Manhattan Bay University." Wilson indicated that Individual-1 had previously submitted an application for an MBA degree and asked if Individual-1 was still interested in obtaining the degree. Individual-1 responded that Individual-1 was still interested.

c. Wilson asked Individual-1 to provide information about Individual-1's prior education and work experience. Individual-1 stated, in substance and in part, that Individual-1 had worked for approximately 50 years in the accounting/auditing field and had an associate's degree in accounting.

d. After Individual-1 described Individual-1's education and work experience, Wilson informed Individual-1 that Individual-1 qualified for an MBA and that Wilson would submit an application once Individual-1 provided a resume. Wilson further stated, in substance and in part, that Manhattan Bay University is accredited by various organizations.

e. Wilson further stated, in substance and in part, that for \$1,100, Wilson would provide Individual-1 with an MBA degree "package," consisting of a diploma and two transcripts. Wilson told Individual-1 that Individual-1 could pay by either credit card or wire transfer. Individual-1 indicated that Individual-1 wished to pay by wire transfer, and Wilson provided account information for the Huntington Bank Account, which, as described above was opened by UMAIR HAMID, a/k/a "the Shah," a/k/a "Shah Khan," the defendant, on or about October 4, 2016 in Cincinnati, Ohio.

34. Following the telephone conversation between Individual-1 and the individual purportedly known as "William

⁶ Individual-1 was formerly employed by the FBI and previously participated in investigations of online diploma schemes.

Wilson," on or about November 4, 2016, Individual-1 received an email from wwilson@manhattanbayuniversity.com, which stated, among other things, the following:

a. "Wilson" requested that Individual-1 provide an updated resume.

b. Manhattan Bay University helps "students realize their academic and professional goals" and the executive degree program "is an opportunity to the students who are working as adults . . . to achieve their higher qualifications through our executive degree program in which they can achieve their degree on the basis of their work and life experience, and enter the leading job market of today and enhance their career prospects."

c. The "process of Executive degree program" is "simple and easy" because "our specialized evaluation committee simply convert your life experience into college credit hours and award you with the degree."

d. The email indicated that Individual-1 would receive an "official sealed degree," two "official sealed transcripts," and one "official verification letter."

e. Manhattan Bay University had "garnered a number of accreditations and memberships from esteemed higher education recognition bodies."

35. From my review of the U.S. Department of Education website, I have learned that there is no school known as "Manhattan Bay University" registered with or accredited by the U.S. Department of Education.

WHEREFORE, I respectfully request that an arrest warrant be issued for UMAIR HAMID, a/k/a "Shah Khan," a/k/a "the Shah," the defendant, and that HAMID be arrested and imprisoned or bailed, as the case may be.



Michael Loforte
Inspector
Postal Inspection Service

Sworn to before me this
20th day of December, 2016



THE HONORABLE RONALD L. ELLIS
UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK