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New Indictment Adds Bank Fraud and Financial Aid Fraud Charges Against Two Orange County Men Charged with Conspiring to Provide Material Support to ISIL

Two Orange County men who were indicted in June 2015 for conspiracy to provide material support to the Islamic State of Iraq and the Levant (ISIL) have been indicted for additional charges involving bank fraud and financial aid fraud.

Nader Elhuzayel, 25, and Muhanad Badawi, 24, both of Anaheim, California, were named in a superseding indictment returned today by a federal grand jury in Santa Ana. Elhuzayel is charged in the indictment with 25 counts of bank fraud, and Badawi is charged with one count of federal financial aid fraud.

According to the first superseding indictment, during April and May of this year, Elhuzayel obtained cash through a scheme to defraud three different banks, by depositing stolen checks into his personal checking accounts and then withdrawing cash at Orange County branch offices and ATMs. Co-defendant Badawi is charged with using his federal financial aid to purchase a plane ticket for Elhuzayel to travel to Turkey.

The first superseding indictment reiterates the previous charges against Elhuzayel and Badawi. Both men were charged in count one with conspiring to provide material support to ISIL, in count two Elhuzayel was charged with attempting to provide material support to ISIL, and in count three Badawi was charged with aiding and abetting an attempt to provide material support to ISIL. The time of the alleged fraud and the time of the terrorist activity coincide. In June, both men entered pleas of not guilty to all charges, and they have been held in federal custody without bond since that time.

Both men were arrested on May 21, 2015, when Elhuzayel attempted to board a plane at Los Angeles International Airport to travel to Turkey to join ISIL. The affidavit in support of the criminal complaint, filed on May 22, outlined a scheme in which Badawi and Elhuzayel used

social media to discuss ISIL and terrorist attacks, expressed a desire to die as martyrs, and made arrangements for Elhuzayel to leave the United States to join ISIL. In recorded conversations, Badawi and Elhuzayel “discussed how it would be a blessing to fight for the cause of Allah, and to die in the battlefield,” and they referred to ISIL as “we,” according to the complaint affidavit.

If convicted on the charges in the first superseding indictment, Elhuzayel faces a statutory maximum sentence of 30 years imprisonment on each bank fraud count, Badawi faces a statutory maximum sentence of 5 years imprisonment on the financial aid fraud count, and both men each face a statutory maximum sentence of 15 years in prison on each count of providing material support to ISIL.

Trial is scheduled for June 7, 2016, before the Honorable David O. Carter, United States District Judge, at the United States Courthouse in Santa Ana, California.

The investigation in this case was conducted by the FBI’s Joint Terrorism Task Force in Orange County, which includes the following agencies: the Anaheim Police Department, the California Highway Patrol, the Orange County Sheriff’s Department, the Orange County Intelligence Assessment Center, U.S. Immigration and Customs Enforcement’s Homeland Security Investigations, the United States Secret Service, IRS – Criminal Investigation, the City of Orange Police Department, the Irvine Police Department, and the Buena Park Police Department.

An indictment contains allegations that a defendant has committed a crime. Every defendant is presumed to be innocent until and unless proven guilty in court.

<http://www.justice.gov/usao-cdca/pr/new-indictment-adds-bank-fraud-and-financial-aid-fraud-charges-against-two-orange>