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**CHICAGO AND WASHINGTON, D.C., AREA MEN AMONG THREE INDICTED IN
RACKETEERING CONSPIRACY IN U.S. TO FINANCE HAMAS TERROR ABROAD**

Fugitive Hamas Official in Syria Among Those Charged

CHICAGO – Three men associated with the foreign terrorist organization Hamas were indicted by a federal grand jury in Chicago for allegedly participating in a 15-year racketeering conspiracy in the United States and abroad to illegally finance terrorist activities in Israel, the West Bank and the Gaza Strip, including providing money for the purchase of weapons, the Justice Department announced. All three defendants allegedly used bank accounts in the United States to launder millions of dollars for disbursement to support Hamas, which has publicly claimed credit for engaging in suicide bombings that resulted in the deaths of Israeli military personnel and civilians, as well as American and other foreign nationals in Israel and the West Bank.

The indictment was unsealed following the arrests last night of **Muhammad Hamid Khalil Salah**, of suburban Chicago, and **Abdelhaleem Hasan Abdelraziq Ashqar**, of suburban Washington, D.C., while an arrest warrant was issued for the third defendant, **Mousa Mohammed Abu Marzook**, a former U.S. resident who currently resides in Damascus, Syria, and is considered to be a fugitive from justice.

All three were charged with racketeering conspiracy for allegedly joining with 20 identified co-conspirators – some named and some unnamed – and others since at least 1988 in illegally conducting the affairs of Hamas. The indictment, which for the first time identifies Hamas as a criminal enterprise, alleges that the affairs of the enterprise were committed through multiple acts of conspiracy to commit and solicitation of first degree murder, conspiracy to kill, kidnap, maim or injure persons in a foreign country, money laundering and attempt and conspiracy to do so, obstruction of justice, providing material support or resources to designated foreign terrorist organizations, hostage taking, forgery or false use of a passport, structuring financial transactions and travel in aid of racketeering.

According to the indictment, between 1989 and 1993, Salah traveled throughout the United States and to London, Israel and the West Bank and the Gaza Strip on behalf of Hamas, meeting with its leaders and members, recruiting and training new members in the United States, and disbursing money from the United States to directly support the activities of Hamas. In January 1993, Salah was arrested while in Israel to assist Hamas, and was incarcerated until November 1997. After being released from an Israeli jail, Salah directed and financed the travel of a Chicago-based associate to scout potential terrorist targets in Israel. Ashqar allegedly opened various bank accounts in Mississippi which he utilized as a clearinghouse for Hamas funds from Abu Marzook as well as other Hamas members and organizations in the United States and abroad. He also maintained records and files for Hamas in the U.S., attended a Hamas meeting in Philadelphia in 1993, and allegedly obstructed justice by engaging in contempt of grand juries in New York in 1998 and Chicago in 2003. Marzook allegedly maintained and shared numerous bank accounts in the United States that received substantial deposits from overseas and then transferred the funds among other

domestic accounts before the money was ultimately disbursed to accounts and individuals abroad for use to further Hamas activities.

The terrorist acts for which Hamas has repeatedly and publicly claimed credit were executed to undermine the Israeli-Palestinian peace process and to create an Islamic Palestinian state by eliminating the State of Israel through violent jihad carried out by Hamas's so-called military wing, known as Izz Al-din Al-Qassam Brigades, or simply the Al-Qassam Brigades. Among the attacks cited in the indictment for which Hamas took public credit were an April 1994 car bombing of a public bus in Afula, Israel, killing eight Israelis; an October 1994 suicide bombing on a public bus in Tel Aviv that killed 13 Israelis and a Dutch national; a February 1996 suicide bombing on a public bus in Jerusalem that killed 24 Israelis and two Americans; a March 1996 suicide bombing on a public bus in Jerusalem that killed eight Israelis, an Ethiopian, and seven Romanians; a May 1996 drive-by shooting at students waiting at a public bus stop in Beit El in the West Bank in which American student David Boim was killed; and two suicide bombings in July 1997 in a market in Jerusalem that killed 16 Israelis. The defendants were charged with providing money and personnel to Hamas at a time when Hamas was engaging in those terrorist attacks but they were not charged with direct participation in the violence. The indictment acknowledges that Hamas has undertaken social welfare activities but has also engaged in numerous terrorist attacks aimed at Israeli military personnel, police officers and civilians.

In addition, Salah was charged with one count each of providing material support and resources to a foreign terrorist organization and obstruction of justice. Ashqar was charged with one count each of obstruction of justice and contempt of court, both of which were contained in an earlier version of the indictment against him alone. The five-count superseding indictment also seeks

forfeiture of approximately \$2.7 million, all funds in four bank accounts and Salah's residence in Bridgeview, Ill.

Salah, 51, of Bridgeview, also known as Muhammad Abd Al-'Hamid Salah," and "Abu Ahmad," was arrested last night. He was expected to appear today before U.S. Magistrate Judge Arlander Keys in U.S. District Court in Chicago. Ashqar, 46, of Alexandria, Va., also known as "Abu Hasan," "Abu Ali Hasan," and "Samir," was arrested last night. He was expected to appear today before a Magistrate Judge in Federal Court in Alexandria. Marzook, 53, is also known as "Abu Omar," "Tareq," and "Abu Rizq," and formerly resided in Louisiana and northern Virginia.

"Today, terrorists have lost yet another source of financing and support for their bombs and bloodshed," said Attorney General John Ashcroft. "Our record on terrorist financing is clear: We will hunt down the suppliers of terrorist blood money. We will shut down these sources, and we will ensure that both terrorists and their financiers meet the full justice of the United States of America."

Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, said: "We cannot allow this country to be used as a base for funding and recruiting terrorists who engage in violence against civilians, whether here or abroad. The three men indicted today for their decade-long role in supporting Hamas's terrorist activities operated on our soil to fund and otherwise support violence in the Middle East, including violence against civilians."

"The Federal Bureau of Investigation thanks the Muslim and Arab-American communities for their cooperation and assistance in the continuing fight against terrorism," said FBI Director Robert S. Mueller. "We remind everyone that these communities are an important part of the American culture and should never be judged by the illegal activities of a few."

The indictment identifies each defendant as follows:

Abu Marzook – formerly chief and now deputy chief of the Hamas Political Bureau, which functions as the highest-ranking leadership body in the Hamas organization, setting policies and guidelines regarding Hamas’s activities, including directing and coordinating terrorist acts by Hamas and the Al-Qassam Brigades. From 1988 until February 1993, while living in the United States, Marzook coordinated and financed the activities of Hamas within the United States and elsewhere, first from Louisiana and then from Northern Virginia. During that period, he traveled throughout the United States to meet with other American-based Hamas members, as well as foreign-based Hamas members traveling to the United States for organizational purposes. Abu Marzook additionally maintained constant phone contact with Hamas membership and leadership in the United States and abroad. During this time, he also maintained and shared numerous bank accounts through which substantial sums of money were transferred from bank accounts located outside the United States to other accounts within the United States, including bank accounts controlled by or associated with Salah, for ultimate disbursement to accounts and individuals outside the United States for use in furtherance of Hamas; and

Salah – a member of Hamas. Between 1989 and January 1993, Salah traveled throughout the United States and to London, Israel and the Occupied Territories of the West Bank and the Gaza Strip on behalf of Hamas, meeting with Hamas representatives as well as leaders and members of the Al-Qassam Brigades, recruiting and training new members of Hamas in the United States, and disbursing money from the United States to directly support Hamas members and activities of Hamas and the Al-Qassam Brigades. In January 1995, Salah admitted to an Israeli court his commission of crimes related to his association with Hamas. Nonetheless, Salah carried on his membership in Hamas and, after he returned to the United States, continued his activities in support of Hamas, including directing and financing travel to Israel and the West Bank in October 1999 of a Chicago-based associate;

Ashqar – initially entered the United States as a graduate student at the University of Mississippi in Oxford, Miss. From 1989, Ashqar functioned as a conduit of money for Hamas members both in the United States and abroad. In this role, he opened various bank accounts in and around Oxford, Miss., which he utilized as a clearinghouse for Hamas funds from Abu Marzook as well as other Hamas members and organizations in the United States and abroad. Ashqar furthered these financial activities both through the use of his personal bank accounts as well as through his establishment of the Al-Aqsa Educational Fund, Inc. Ashqar also served as a communications conduit for Hamas both through his participation in and linking of telephone calls between various Hamas members in the United States and abroad, as well as his storing and disseminating numerous Hamas-related documents that concerned both the public activities of Hamas as well as the internal operation of Hamas. In this role, Ashqar had contact with numerous co-conspirators.

The alleged high-ranking Hamas leaders named in the indictment as co-conspirators are: Khalid Mish'al, Abdel Aziz Al-Rantisi (deceased), Imad Al-Alami, Mohammed Qassem Sawalha, Adel Ahmed Awadallah (deceased), Salah Al-Arouri, Sheik Jamil Hamami, Hassan Salameh, Yihye Ayash, and Ismael Selim Elbarasse.

According to the racketeering conspiracy count, in August 1992, Salah met and conferred with Abu Marzook and Sawalha regarding the need to revitalize Hamas terrorist operations in the West Bank. During the meeting, Sawalha, who had been in charge of Hamas terrorist operations within the West Bank, identified specific Hamas members who could be used to revitalize Hamas's terrorist activities, including Awadallah and Al-Arouri.

In September 1992, Salah traveled from Chicago to the West Bank, where he met with Awadallah. During several meetings, Salah and Awadallah discussed both Hamas terrorist activities and political activities in the West Bank and the Gaza Strip, including whether Hamas should murder a Palestinian leader regarded as a leading proponent of peace with Israel. Salah also met with Al-Arouri, a Hamas member headquartered at Hebron University in the West Bank, who informed Salah that Hamas needed money to purchase weapons to carry out terrorist activities. Salah agreed to provide Al-Arouri money for the purchase of weapons and other military supplies and, later, provided Al-Arouri at least approximately \$50,000 for these purposes. Salah allegedly provided the money to Al-Arouri by writing 10 checks, each for \$5,000, from one of his Chicago bank accounts and cashing them in Israel in September 1992.

Also in September 1992, Salah met with Hamas leader Abu Saeb, who was involved in Hamas terrorist operations in the Gaza Strip. Abu Saeb informed Salah that he had approximately 53 Hamas recruits who were prepared to carry out terrorist attacks, but that funding was needed to

assist them, and that Hamas was having problems with individuals collaborating and providing information about Hamas activities to Israeli authorities, adding that certain collaborators needed to be killed. Salah agreed to and did pass on the information provided by Abu Saeb and his request for money to Abu Marzook and others, the indictment alleges.

After Salah returned to Chicago from the Middle East in September 1992, he received a \$50,000 check from the bank account of Abu Marzook as repayment for funds that Salah provided to Hamas members in the West Bank and the Gaza Strip.

Between Sept. 18, 1992, and Dec. 13, 1992, Hamas members publicly claimed credit for eight different terrorist actions that resulted in the deaths of numerous Israeli civilians and military personnel, including the Dec. 13, 1992 kidnaping of Israeli soldier Nissam Toledano, whom members of the Al-Qassam Brigades offered to release in exchange for jailed Hamas founder and leader Sheik Ahmed Yassin. When Sheik Yassin was not released, Hamas members publicly claimed they killed Toledano, whose body was found on Dec. 15, 1992, on the Jerusalem-Jericho highway.

From at least 1989 through January 1993, Abu Marzook and Ashqar, together with Elbarasse and other unnamed co-conspirators, allegedly used various accounts at banks in such places as Cleveland, Milwaukee, New York, Louisiana, Mississippi and Virginia, to transfer amounts ranging from tens to hundreds of thousands of dollars at a time into the United States from various sources abroad, including Saudi Arabia and Switzerland, and then between banks in the United States before transferring funds out of the country to Israel and Switzerland. For example, in February 1991, Abu Marzook's associate, Co-conspirator I, received a transfer of \$480,000 from a bank in Saudi Arabia to his Virginia-based account, and then wired approximately \$99,000 to an account in Cleveland

