



THE UNITED STATES ATTORNEY'S OFFICE

DISTRICT *of* MARYLAND

U.S. Attorneys » District of Maryland » News

Department of Justice

U.S. Attorney's Office

District of Maryland

SHARE

FOR IMMEDIATE RELEASE

Wednesday, January 3, 2018

Baltimore Business Owner Sentenced to 27 Months in Prison for Food Stamp Fraud

FOR IMMEDIATE RELEASE
MORSE

www.justice.gov/usao/md
4885

Contact ELIZABETH

at (410) 209-

Baltimore, Maryland – On January 2, 2018, U.S. District Judge Richard D. Bennett sentenced Kassem Mohammad Hafeed, age 53, of Baltimore, Maryland to 27 months in prison, followed by three years of supervised release, for food stamp and wire fraud. Judge Bennett also ordered Hafeed to pay restitution in the amount of \$1,532,642.

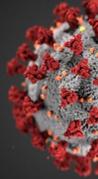
The sentence was announced by Acting United States Attorney for the District of Maryland Stephen M. Schenning; Special Agent in Charge Gordon B. Johnson of the Federal Bureau of Investigation, Baltimore Field Office; and Special Agent in Charge Bethanne M. Dinkins of the U.S. Department of Agriculture's (USDA) Office of Inspector General.

According to Hafeed's plea agreement and findings made during the sentencing hearing, in October 2010, Hafeed incorporated his business, Yemen Grocery and was licensed to participate in the Supplemental Nutrition Assistance Program (SNAP) as an authorized retailer. In order to participate in SNAP as an authorized retailer, businesses must certify that they understood and agreed that "trade[ing] cash for Supplemental Nutrition Assistance Program benefits "is a "violation" of



REPORT COVID-19 CRIME

Contact the National Center for Disaster Fraud Hotline:
866-720-5721 or
Justice.gov/DisasterComplaintForm



Community Outreach

LEARN MORE

REENTRY resource guide



SNAP regulations. In order to receive SNAP reimbursements, authorized retailers were required to establish a single authorized bank account, approved by FNS, into which SNAP benefits from legitimate transactions would be deposited.

Between October 2010 and August 2016, Hafeed redeemed SNAP benefits in exchange for cash in violation of the program rules and regulations. Hafeed fraudulently redeemed the full amount of the SNAP benefits charged on the Electronic Benefit Transfer (EBT) cards and deposited the money into his bank accounts. Typically, Hafeed paid the individual who had presented the EBT card approximately half of the value of the amount he/she had debited in cash.

As a result of these unlawful cash transactions, Hafeed received between \$1.5 million and \$3.5 million in SNAP deposits for food sales that never actually occurred or were substantially inflated.

Acting United States Attorney Stephen M. Schenning praised the FBI and USDA's Office of Inspector General for their work in the investigation. Mr. Schenning thanked Assistant U.S. Attorney Sean Delaney who prosecuted the case.

Component(s):
USAO - Maryland

Updated January 3, 2018



Help us combat the proliferation of sexual exploitation crimes against children.

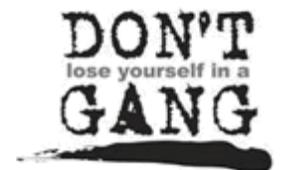
[LEARN MORE](#)



STOPFRAUD.GOV

Protect yourself from fraud, and report suspected cases of financial fraud to local law enforcement.

[LEARN MORE](#)



Talk to your kids about gangs and how to avoid them.

[LEARN MORE](#)



HOME ABOUT NEWS U.S. ATTORNEY PRIORITIES PROGRAMS EMPLOYMENT CONTACT US

[Our Mission](#)
[Our History](#)
[Our Office](#)
[Geographic Divisions](#)
[Organizational Chart](#)
[Directions](#)

[Affirmative Civil Enforcement](#)
[Anti-Terrorism Advisory Council](#)
[Asset Forfeiture](#)
[Elder Justice Task Force](#)
[Gangs](#)
[Human Trafficking](#)
[Maryland Exile](#)
[Project Safe Childhood](#)

[Community Outreach](#)
[Law Enforcement Coordination](#)
[Project Safe Neighborhoods](#)
[Victim Witness Assistance](#)

[Assistant U.S. Attorney](#)
[Special Assistant U.S. Attorney](#)
[Support Staff](#)
[Law Clerk Opportunities](#)
[Student Opportunities](#)

U.S. DEPARTMENT OF JUSTICE

[Accessibility](#) [Justice.gov](#)
[FOIA](#) [USA.gov](#)
[Privacy Policy](#)
[Legal Policies & Disclaimers](#)