



U.S. Citizenship and Immigration Services

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11 Arrested, Indicted in Multi-State Operation Targeting Visa and Mail Fraud

DES MOINES, Iowa — Federal agents arrested 11 individuals in 6 states Wednesday as part of an investigation into suspected visa and mail fraud. Matthew G. Whitaker, United States Attorney for the Southern District of Iowa, announced the operation, which was carried out by federal, state and local law enforcement agencies in Iowa, California, Massachusetts, Texas, Pennsylvania, Kentucky, and New Jersey.

VISION SYSTEMS GROUP, INC., a New Jersey Domestic Profit Corporation, with a branch office in Coon Rapids, Iowa, was also indicted in a ten count federal indictment that included one count of conspiracy, eight counts of mail fraud, and one count of 'Notice of Forfeiture' in the amount of \$7,400,000.

"Today's multi-state enforcement action is the result of an extensive, ongoing investigation into suspected H1B visa fraud, mail fraud, and conspiracy," said U.S. Attorney Whitaker. "Dubbed Operation Pacific Vision, this investigation is the result of outstanding cooperation and collaboration among law enforcement agencies at all levels of government."

The investigation is being conducted by U.S. Immigration and Customs Enforcement (ICE) in collaboration with U.S. Citizenship and Immigration Services - Fraud Detection and National Security Division (FDNS); U.S. Department of Labor - Office of Inspector General; U.S. Postal Inspection Service (USPIS); U.S. Department of State; Social Security Administration - Office of The Inspector General, and is supported by the U.S. Attorney's Office for the Southern District of Iowa.

"This case highlights the Department of Homeland Security's commitment to identifying and dismantling visa fraud schemes," said Homeland Security Acting Assistant Secretary for ICE John P.

Torres. "Ensuring the integrity of our nation's legal immigration system is a top priority for ICE."

"This is a prime example of how the Department of Homeland Security identifies fraud," said Michael Aytes, U.S. Citizenship and Immigration Services (USCIS) Acting Deputy Director. "Our adjudication officers can spot inconsistencies during the application process that ultimately lead to the successful outcome we're seeing today. Visa fraud undermines the integrity of the immigration system and I'm proud that our officers have helped to ensure that the American people and our customers can continue to depend on a reliable system."

Federal authorities, with assistance from state and local law enforcement, served search warrants at addresses in Urbandale and Clive, Iowa; in Santa Clara, Rancho Cucamonga and Arcadia, Calif.; and in South Plainfield, N.J.

This investigation involves companies that sponsor primarily H-1B non-immigrants, or temporary workers in specialty occupations that require particular expertise. The companies that are the subject of this investigation have asserted that the foreign workers have been brought to the U.S. to fill existing vacancies. However, the companies allegedly have not always had jobs available for these workers, thereby placing them in non-pay status after they arrive in the United States. In some cases, the foreign workers have allegedly been placed in jobs and locations not previously certified by the Department of Labor, displacing qualified American workers and violating prevailing wage laws. The companies and foreign workers have allegedly submitted false statements and documents in support of their visa petitions. The false statements and documents were mailed or wired to state and federal agencies in support of the visa applications. The companies are suspected of visa fraud, mail fraud, wire fraud, money laundering and conspiracy.

"The foreign labor certification programs are designed to permit U.S. employers to hire foreign workers to fill jobs essential to American businesses," said Daniel R. Petrole, Deputy Inspector General, United States Department of Labor. "Our agency remains resolute in its commitment with its law enforcement partners to investigate fraud committed against these Department of Labor programs."

U.S. businesses use the H-1B program to employ foreign workers in specialty occupations that require theoretical or technical expertise in specialized fields, such as scientists, engineers, or computer programmers. As part of the H-1B program, the Department of Homeland Security (DHS) and the Department of Labor (DOL) require U.S. employers to meet specific labor conditions to ensure

that American workers are not adversely impacted, while the DOL's Wage and Hour Division safeguards the treatment and compensation of H-1B workers. Congress sets a numerical cap for the admission of skilled workers into the U.S. The current H-1B cap is set at 65,000 per fiscal year. H-1B aliens can work in the United States for three years, with an option for an additional three years (for a maximum of six years).

Those arrested Wednesday by ICE agents include:

1. Shiva NEELI, Arrested in Boston, MA

Count 1: Conspiracy

Counts 2-3 Mail Fraud

2. Ramakrishna MAGULURI, Arrested in Atlanta, GA

Count 1: Conspiracy

Count 2: Mail Fraud

3. Villiappan SUBBIAH, Arrested in Dallas, TX

Count 1: Conspiracy

Counts 2 - 3: Mail Fraud

4. Suresh POLA, Arrested in Pennsylvania (SAC PHI)

Count 1: Conspiracy

Count 2: Mail Fraud

5. Vishnu REDDY, Arrested in Los Angeles, CA

Count 1: Conspiracy

Counts 2 - 6: Mail Fraud

Counts 13 - 16: Wire Fraud

6. Chockalingam PALANIAPPAN, Arrested in San Jose, CA

Count 1: Conspiracy

Counts 2 - 6: Mail Fraud

Counts 13 - 16: Wire Fraud

7. Vijay MYNENI, Arrested in San Jose, CA

Count 1: Conspiracy

Counts 2 - 4: Mail Fraud

8. Venkata GUDURU, Arrested in New Jersey

Count 1: Conspiracy

Count 2: Mail Fraud

9. Praveen ANDAPALLY, Arrested in New Jersey

Count 1: Conspiracy

Counts 2 - 7: Mail Fraud

Counts 8 - 10: Wire Fraud

Counts 11 - 12: False Statement in Immigration Matter

10. Amit JUSTA, Arrested in New Jersey

Count 1: Conspiracy

Count 2: Mail Fraud

11. Karambir YADAV, Arrested in Louisville, KY

Count 1: Conspiracy

Counts 2 - 4: Mail Fraud

The Department of Homeland Security has a multifaceted approach to detecting and investigating immigration and benefit fraud. ICE's Document and Benefit Fraud Task Forces were created in March 2006 to target and dismantle criminal organizations that threaten national security and public safety and close vulnerabilities in the immigration process. U.S. Citizenship and Immigrations Services created the Fraud Detection and National Security Division (FDNS) to enhance the integrity of the immigration systems and to identify persons who pose a threat to national security or public safety. Cooperation between FDNS and ICE has helped to increase the incidence of enforcement actions. More information on these initiatives is available at www.ice.gov and www.uscis.gov.

The following agencies investigated or assisted in this case: U.S. Attorney's Office, Southern District of Iowa; U.S. Immigration and Customs Enforcement; U.S. Citizenship and Immigration Services - Fraud Detection and National Security Division; U.S. Department of Labor - Office of Inspector General; U.S. Postal Inspection Service; U.S. Department of State, Kentucky Consular Center (a field office of the Bureau of Consular Affairs); U.S. Marshals Service; Social Security Administration - Office of Inspector General; Internal Revenue Service - Criminal Investigations; Des Moines Police Department; West Des Moines Police Department; Iowa Department of Transportation - Motor Vehicle Enforcement Office.

The maximum sentences for the above charges are:

- Conspiracy: 5 Years in Prison and a \$250,000 fine
- Mail Fraud: 20 Years in Prison and a \$250,000 fine
- Wire Fraud 20 Years in Prison and a \$250,000 fine
- False Statement in Immigration Matter: 10 Years in Prison and a \$250,000 fine

As with any criminal case, a charge is merely an accusation; a defendant is presumed innocent until and unless proven guilty.

Because this investigation is in its early stages, it would be inappropriate to provide further details on the case at this time. As this is an open federal investigation, until further notice, the media is asked to direct any inquiries on Operation Pacific Vision to the U.S. Attorney's Office, Southern District of Iowa's Public Information Officer, Mike Bladel at (515) 473-9342. No other agency is authorized to respond to questions on this matter.

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