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Federal Jury in Dallas Convicts Holy Land Foundation and Its Leaders for Providing Material Support to Hamas Terrorist Organization

DALLAS — Following approximately six weeks of testimony and seven days of deliberation, a federal jury in Dallas returned guilty verdicts this afternoon convicting the Holy Land Foundation of Relief and Development (HLF) and five of its leaders on charges of providing material support to Hamas, a designated foreign terrorist organization, announced U.S. Attorney Richard B. Roper of the Northern District of Texas, and Patrick Rowan, Assistant Attorney General for National Security.

“Money is the lifeblood of terrorism. The jury’s decision demonstrates that U.S. citizens will not tolerate those who provide financial support to terrorist organizations,” said U.S. Attorney Roper.

“Today's verdicts are important milestones in America's efforts against financiers of terrorism. For many years, the Holy Land Foundation used the guise of charity to raise and funnel millions of dollars to the infrastructure of the Hamas terror organization. This prosecution demonstrates our resolve to ensure that humanitarian relief efforts are not used as a mechanism to disguise and enable support for terrorist groups,” said Patrick Rowan, Assistant Attorney General for National Security.

HLF was incorporated by Shukri Abu Baker, Mohammad El-Mezain, and Ghassan Elashi. Mufid Abdulqader and Abdulrahman Odeh worked as fund raisers. Together, with others, they provided material support to the Hamas movement. From its inception, HLF was linked to radical groups promoting jihad. Before it was designed as a Specially Designated Terrorist by the Treasury Department and shut down in December 2001, it was the largest U.S. Muslim charity. It was based in Richardson, Texas, a Dallas suburb. The “material support statute,” as it is commonly referred to, was enacted in 1996 as part of the Antiterrorism and Effective Death Penalty Act. That statute recognizes that money is fungible, and that money in the hands of a terrorist organization — even if for so called charitable purposes — supports that organization’s overall terrorist objectives.

The jury convicted all defendants on the conspiracy charges — conspiracy to provide material support and resources to a foreign terrorist organization; conspiracy to provide funds, goods and services to a specially designated terrorist; and conspiracy to commit money laundering. In addition, Abu Baker and Elashi were convicted of conspiring to impede and impair the IRS.

HLF, Abu Baker and Elashi were also convicted on all of the substantive charges of providing material support and resources to a foreign terrorist organization, providing funds, goods and services to a specially designated terrorist and money laundering. Abu Baker was convicted on one count of filing a false tax return and Elashi was convicted on two counts of filing a false tax return.

The government presented evidence at trial that, as the U.S. began to scrutinize individuals and entities in the U.S. who were raising funds for terrorist groups in the mid-1990s, the HLF intentionally hid its financial support for Hamas behind the guise of charitable donations. HLF and these five defendants provided approximately $12.4 million in support to Hamas and its goal of creating an Islamic Palestinian state by eliminating the State of Israel through violent jihad.

The government’s case included testimony that in the early 1990's, Hamas’ parent organization, the Muslim Brotherhood, planned to establish a network of organizations in the U.S. to spread a militant Islamist message and raise money for Hamas. The government’s case also included testimony about Hamas material found in zakat committees. The defendants sent HLF-raised funds to Hamas- controlled zakat committees and charitable societies in the West Bank and Gaza. Zakat is an Arabic word meaning the religious obligation to give alms.

HLF became the chief fundraising arm for the Palestine Committee in the U.S. created by the Muslim Brotherhood to support Hamas. According to a wiretap of a 1993 Palestine Committee meeting in Philadelphia, former HLF President and CEO Shukri Abu Baker, spoke about playing down Hamas ties in order to keep raising money in the U.S. Another wiretapped phone call included Abdulrahman Odeh, HLF's New Jersey representative, referring to a suicide bombing as "a beautiful operation."

The government also presented evidence that several HLF defendants have family members who are Hamas leaders, including Hamas's political chief, Mousa Abu Marzook, who is married to a cousin of Ghassan Elashi, HLF's former Chairman of the Board. Ghassan Elashi, who also served as the vice-president of marketing for Infocom Corporation, is currently serving an 80-month sentence following his conviction on several charges related to export violations. Mohammed El-Mezain was HLF's Director of Endowments and Mufid Abdulqater was HLF's projects and grants director. Two named defendants, Akram Mishal and Haitham Maghawri are fugitives.

The defendants provided financial support to the families of Hamas martyrs, detainees, and activists knowing and intending that such assistance would support the Hamas terrorist organization. Since 1995, when it first became illegal to provide financial support to Hamas, HLF provided approximately $12.4 million in funding to Hamas through various Hamas-affiliated committees and organizations located in Palestinian-controlled areas and elsewhere.

During trial, the government also presented evidence that HLF was so concerned about investigators uncovering the group's intentions that they kept a manual entitled "The Foundations Policies and Procedures." HLF followed various security procedures outlined in the manual to include, hiring a security company to search the HLF for listening devices, ordering defendant Haitham Maghawri, (a fugitive) to take training on advanced methods in detecting wiretaps, shredding documents after board meetings, and maintaining incriminating documents in off-site locations.

All defendants were detained pending sentencing; a sentencing date is forthcoming. All defendants face substantial prison sentences.

Robert E. Casey, Jr., Special Agent in Charge, Dallas FBI, expressed appreciation for the U.S. Department of Justice, the U.S. Attorney's Office for the Northern District of Texas, the team of FBI Agents and staff, along with the Agents and staff of the Internal Revenue Service, Army Criminal Investigations Division, Dallas Police Department and Richardson Police Department for their efforts in this investigation.

Mr. Casey said, "These men and women followed the evidence in this case even as it led them across the globe. Their personal sacrifices and dedication to preserve the security of the U.S. and ensure justice should be admired by citizens everywhere. The FBI will continue to keep the country safe by actively investigating all forms of terrorist threats, whether that threat manifests itself in the planning or execution of a violent terrorist act or other crimes that provide support to terrorist organizations."

"Terrorist networks need money to be effective," said Special Agent in Charge, Michael P. Lahey, Dallas Field Office. "IRS Criminal Investigation will not allow exempt organizations to be misused for raising money that is ultimately used for terrorism financing."

The case was investigated by the Joint Terrorism Task Force, involving agents from federal, state, and local agencies including: FBI, Internal Revenue Service, U.S. Immigration and Customs Enforcement (ICE), Department of State, U.S. Secret Service, U.S. Army Criminal Investigation Division, the Texas Department of Public Safety, and the Dallas, Plano, Garland and Richardson, Texas, Police Departments.

The case was prosecuted by First Assistant U.S. Attorney James T. Jacks of the Northern District of Texas; Barry Jonas, Trial Attorney for the Department of Justice Counter-terrorism Section; and Elizabeth J. Shapiro, Deputy Director, Federal Programs Branch, Department of Justice, serving as a Special Assistant U.S. Attorney.

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