



THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

Northern District of California

FOR IMMEDIATE RELEASE

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East Bay Man Charged With Alleged Multi-Million Dollar Payroll Protection Program Fraud

SAN FRANCISCO – Attila Colar a/k/a Dahood Sharieff Bey, a/k/a Sharieff Dahood Bey, a/k/a Dawud Sharieff Bey Ahed, a/k/a Dawud Azadene, a/k/a Attila Collan, has been charged in a federal criminal complaint with bank fraud in connection with an alleged scheme to obtain illegally more than \$22 million dollars in loans through the U.S. government's Payroll Protection Program (PPP), announced U.S. Attorney David L. Anderson; FBI Special Agent in Charge John L. Bennett; Federal Reserve System Office of Inspector General for the Board of Governors and the Bureau of Consumer Financial Protection (FRB/CFPB-OIG) Western Region Special Agent in Charge Scott Redington; and Small Business Administration Office of the Inspector General (SBA-OIG) Western Region Special Agent in Charge Weston King. Colar made his initial federal court appearance earlier today before U.S. Magistrate Judge Kandis A. Westmore.

According to the criminal complaint, Colar, 48, of Richmond, submitted three applications between April and June of 2020, on behalf of Hercules-based non-profit All Hands on Deck, Inc. All Hand on Deck is a non-profit that purports to provide housing "to men getting out of prison, food bank services, life and work skills, trainings, resiliency treatment services, prenatal life skills, and a variety of necessary know hows to survive in today's society." Colar received over \$1.1 million from one of those loans. The complaint separately alleges that six more applications were submitted in that same time period on behalf of two other entities linked to Colar—The Family Investment Group, Inc. and Oversight Security, Inc. The criminal complaint describes how the loan applications are rife with false information, misleading statements, and glaring omissions.

"The Payroll Protection Program is supposed to support everyday Americans suffering economic distress," said U.S. Attorney Anderson. "The complaint describes the methodical preparation of fraudulent loan applications to deprive the program of \$22 million that is sorely needed by the public to endure this national crisis."

"The COVID-19 pandemic has caused economic suffering for so many families and small businesses. It's particularly abhorrent when criminals take advantage of this situation for their own greed," said FBI Special Agent in Charge John F. Bennett. "Based on the FBI's investigation, Mr. Colar appears to have illegally used the Paycheck Protection Program to attempt to fraudulently line his own pockets. The FBI is quickly and

carefully investigating all claims of PPP fraud to ensure that American businesses aren't further victimized during this challenging time."

"We are fully committed to bringing to justice wrongdoers who exploit and defraud financial institutions and the government's response to the COVID-19 pandemic," said Special Agent in Charge Redington.

"Fraudsters are tireless and brazen in their fraudulent efforts to steal from taxpayers for their selfish ends," said Special Agent in Charge King. "OIG and its law enforcement partners will relentlessly pursue fraudsters and bring them to justice. I want to thank the U.S. Attorney's Office and our law enforcement partners for their dedication and pursuit of justice."

The PPP is administered by the U.S. Small Business Administration as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act is a federal law enacted in March of 2020 to provide emergency financial assistance to the millions of Americans who are suffering the economic effects caused by the COVID-19 pandemic. PPP loan proceeds must be used by the business on certain permissible expenses—payroll costs, interest on mortgages, rent, and utilities. The PPP allows the interest and principal on the PPP loan to be entirely forgiven if the business spends the loan proceeds on these expense items within a designated period of time and uses at least 60% of the PPP loan proceeds on payroll expenses. Loans made through the PPP are 100% guaranteed by the SBA.

The complaint alleges Colar prepared numerous loans for submission through the PPP. One such application, submitted in June 2020, requested \$2 million from a bank in Salt Lake City, Utah. That loan was ultimately funded in the amount of \$1,113,112. The complaint alleges the application contained false information including bogus employee names, false payroll records, and fraudulent tax documents. For example, the application was supported by IRS Forms 941 that purported to establish All Hands on Deck employed 45 people in the third quarter of 2019 and 81 people in both the fourth quarter of 2019 and the first quarter of 2020. Nevertheless, the names of the purported employees not only included one of Colar's aliases, it also included two contractors and several current and former residents of All Hands on Deck, none of whom could support the information in the IRS forms. In addition, the application contained direct questions pertaining to the background of the principal sponsor; in response Colar allegedly failed to admit he had a criminal record.

Including the successful \$2 million loan application submitted on behalf of All Hands on Deck in June, the complaint alleges Colar prepared several other loan applications, the following of which, were actually submitted to banks:

Date Submitted	Applying Entity	Amount requested
April 2020	All Hands on Deck	\$2,422,615
May 2020	All Hands on Deck	\$1,618,200
June 2020	All Hands on Deck	\$2,000,000
June 2020	The Family Investment Group	\$3,310,241.05

Date Submitted	Applying Entity	Amount requested
June 2020	The Family Investment Group	\$3,310,000.00
June 2020	Oversight Security, Inc.	\$2,893,149.79
June 2020	Oversight Security, Inc.	\$2,893,149.79
June 2020	Oversight Security, Inc.	\$1,896,063
June 2020	Oversight Security, Inc.	\$2,893,147

In sum, Colar is charged with bank fraud, in violation of 18 U.S.C. § 1344. The charge in the complaint is merely an allegation and the defendant is presumed innocent unless proven guilty in a court of law. Colar faces a maximum penalty of 30 years in prison and a million dollar fine, if convicted.

Magistrate Judge Westmore ordered Colar released on a \$100,000 bond. Colar's next federal court appearance is scheduled for October 27, 2020, for further proceedings.

The prosecution is being handled by the Special Prosecutions Section of the U.S. Attorney's Office for the Northern District of California. The prosecution is the result of an investigation by the FBI, FRB/CFPB-OIG, and SBA-OIG.

Component(s):

USAO - California, Northern

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