

Guilty Plea by Syed Ghulam Nabi Fai under FARA

January 2012

On December 7, 2011, Syed Ghulam Nabi Fai pled guilty in the U.S. District Court in the Eastern District of Virginia to conspiracy and tax violations in connection with a scheme to conceal from the United States government the fact that, for over 20 years, Pakistan had funded his efforts to influence U.S. policy towards Kashmir. Fai's guilty plea arises from a criminal complaint, filed against him in July 2011, which charged him and another individual with conspiring to act as an agent of a foreign principal without registering, in violation of the Foreign Agents Registration Act (FARA) and to falsify, conceal and cover up material facts they had a duty to disclose to the government.

Under FARA-which is enforced by the FARA Registration Unit of the Counterespionage Section of the National Security Division of the Department of Justice-persons acting as agents of foreign principals must register as such and must make periodic public disclosures regarding their relationship with, activities on behalf of, and receipts and disbursements in connection with a foreign principal.

Fai was the director of the Kashmiri American Council (KAC), a Washington, DC, nonprofit holding itself out as an organization run by Kashmiris and financed by Americans for the purpose of raising awareness about the Kashmiri fight for self-determination. According to the Department of Justice Office of Public Affairs, in his guilty plea Fai "admitted that, from 1990 until about July 18, 2011, he conspired with others to obtain money from officials employed by the government of Pakistan . . . for the operation of KAC in the United States, and that he did so outside the knowledge of the U.S. government and without attracting the attention of law enforcement and regulatory authorities." Fai also admitted that, during this same

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period, "he corruptly endeavored to obstruct the due administration of the internal revenue laws by arranging for the transfer of at least \$3.5 million to the KAC from employees of the government of Pakistan" and its Inter-Services Intelligence Directorate.

Fai faces a sentence of imprisonment of up to five years on the conspiracy count and of up to three years on the tax count. As part of his plea, Fai also agreed to forfeit his interest in \$142,851.32 seized by the government in this matter in July.