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United States District Court
Southern District of New York

United States of America ex rel.
TZAC, Inc.,

Plaintiff-Relator,

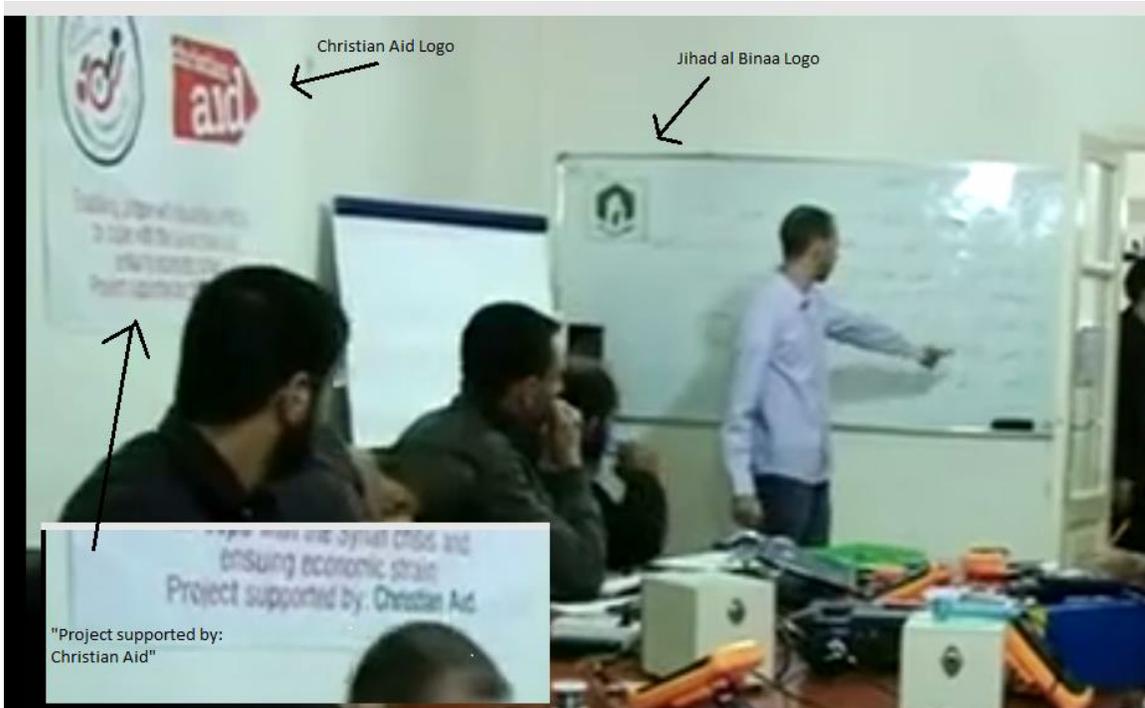
- against -

Christian Aid,

Defendant.

Index No.:

COMPLAINT



Plaintiff-Relator, complaining of the Defendant by its attorney, David Abrams, Attorney at Law, respectfully sets forth and alleges as follows:

I. Nature of the Case

1. This is a false claims act claim. The Qui Tam Plaintiff and Relator, TZAC, Inc. ("The Zionist Advocacy Center" or "Relator"), alleges that the Defendant obtained USAID funding by means of fraudulent certifications that it does not support terrorism.

II. Parties

2. The Defendant Christian Aid is a British non-governmental organization based in London. Although it is located overseas, it regularly transacts business in the United States and in the Southern District of New York. For example, Christian Aid describes itself as a "key member" of the "ACT Alliance," an organization in which various Christian NGO's collaborate and share funding and expertise. The Act Alliance maintains offices at 777 United Nations Plaza, New York NY 10017.

3. Christian Aid is virulently anti-Israel. For example, its web page contains a call to boycott certain Israeli goods but has no calls to boycott any goods from any other nation. There is no call to boycott Iranian oil despite Iran's hanging of homosexuals; torturing of political opposition; or stoning of adulterers. There is no call to boycott Chinese made consumer goods despite China's long-standing occupation of Tibet and its intolerance of political dissent or religious freedom. Only the world's one and only Jewish state is targeted.

4. Relator TZAC, Inc. ("The Zionist Advocacy Center" or "Relator" or "Plaintiff") is a New York corporation with its principle place of business in the State of New York, County of New York. The Zionist Advocacy Center advocates on behalf of Israel.

III. Compliance With Requirements of Suit

5. This matter has been or will be filed under seal pursuant to 31 U.S.C. Section 3730(b); at or about the same time, a copy of the Complaint, Sealing Order, and Relator's disclosure of evidence were or will be served on the Department of Justice and the United States Attorney for the Southern District of New York.

6. Relator will not serve the Complaint or any other papers in this matter until and unless it becomes unsealed. Thus, if the Complaint is served on the Defendant, it means that the matter has been duly unsealed.

IV. Jurisdiction and Venue

7. This Court has jurisdiction pursuant to 31 U.S.C. Section 3732(a) which provides that this type of action may be brought in any district where the Defendant resides or transacts business. In this case, Christian Aid regularly transacts business in the Southern District of New York. More specifically, Christian Aid is a self-described "key member" of, and regularly participates in the governance of the Act Alliance which maintains one of its main offices in New York. In addition, Christian Aid caused to be created an American not-for-profit called "Inspiration" which is duly registered with the New York State Attorney General to solicit funds in New York; has an executive director, a Mr. Pieper, who is based in New York; and which is primarily aimed at raising funds in America and supporting Christian Aid.

V. A Brief Statement of the Fraudulent Scheme

8. Christian Aid has received substantial USAID funding in recent years. In order to be eligible for funding, Christian Aid had to execute certifications indicating that it has not provided material support or resources to terrorist persons or entities in the last 10 years. ("Anti-Terrorism Certifications" or "ATC's") As set forth below, these certifications were false when made.

VI. The Specific Fraudulent Statements of the Defendant

9. In order to obtain USAID dollars, Christian Aid had to execute ATC's in connection with grants AID615A1700002 and AIDOFDAG1700049 in May and March of 2017 respectively.

10. Among other things, the ATC form contained certifications as to support of terrorism. The terrorism certification states as follows:

The Recipient to the best of its current knowledge, did not provide within the previous ten years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts

The document in turn defines "material support or resources" as follows:

currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses false documentation or Identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials."

11. As set forth in more detail below, Christian Aid has provided material support or resources to Jihad al Binaa, a subsidiary of Hezbollah and a designated foreign terrorist organization.

12. More specifically, in late 2015, Christian Aid sponsored vocational training activities in Lebanon for mentally disabled Syrian refugees. The actual training was put on by Jihad-al-Binaa, an NGO controlled by Hezbollah and has been a Specially Designated Global Terrorist Organization since 2010.

13. Thus, Christian Aid was providing funds to Hezbollah, either directly or indirectly. In addition to providing funds, Christian Aid was enabling Hezbollah, a bloodthirsty, anti-Semitic, vicious terrorist organization, to pretend to the world that it is actually a beneficent charitable organization.

14. Moreover, even a minimum of a diligence would have disclosed this relationship. Thus, at the time Christian Aid executed the ATC's, it either knew that it had provided material support to terrorist organizations (and was thus ineligible for USAID funding) or acted with reckless disregard to the same.

VII. (Count I) Violation of the False Claims Act

15. The False Claims Act imposes liability on a person or entity who " knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim" 31 U.S.C. Section 3729(a)(1)(B)

16. The Courts have held that this can include false statements regarding eligibility to participate in a program. See *United States ex rel. Kirk v. Schindler Elevator Corp.*, 601 F.3d 94, 116 (2d Cir. 2010), rev'd on other grounds, 131 S.Ct. 1885 (2011) ("[C]laims may be false even though the services are provided as claimed if, for example, the claimant is ineligible to participate in the program.")

17. Thus, Christian Aid's certifications regarding support of terrorism violated the False Claims Act because they were false and required for eligibility for USAID dollars.

VIII. Relief Sought

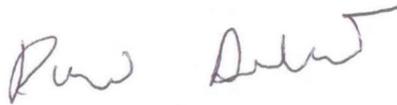
18. On behalf of the government, Relator is seeking judgment for the triple damages and civil penalties set forth in 31 U.S.C. Section 3729.

19.. According to the government spending web site, Christian Aid has received approximately \$4,545,512 in USAID grant funds over the last 2 years. These funds would have been received as a result of fraudulent certifications including those referred to above.

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20. Accordingly, Relator seeks judgment in the amount of \$13,636,536 against Christian Aid and in favor of the United States, together with costs, interest, civil penalties, an appropriate qui tam award, and such other and further relief as the Court deems just.

Respectfully submitted,



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