NONPRECEDENTIAL DISPOSITION
To be cited only in accordance with FED. R. APP. P. 32.1

United States Court of Appeals

For the Seventh Circuit
Chicago, Illinois 60604

Argued July 7, 2026
Decided July 17, 2026

Before

MICHAEL B. BRENNAN, *Chief Judge*

MICHAEL Y. SCUDDER, *Circuit Judge*

THOMAS L. KIRSCH II, *Circuit Judge*

Nos. 24-1166, 24-1167, & 24-1284

UNITED STATES OF AMERICA,
Plaintiff-Appellee,

v.

AZIZ HASSAN BEY, also known as CHAUNCEY HOOKS, and MINISTER ZAKAR ALI, also known as ANTHONY ALLEN,
Defendants-Appellants.

Appeals from the United States District Court for the Eastern District of Wisconsin.

Nos. 22-CR-169-1-JPS & 22-CR-169-3-JPS

J. P. Stadtmueller,
Judge.

O R D E R

Minister Zakar Ali, Aziz Hassan Bey, and two codefendants represented themselves at trial and were convicted of multiple offenses arising from a conspiracy to commit fraud.[1] The district court sentenced Ali to 140 months' imprisonment and Bey to 106 months' imprisonment and imposed about $2.3 million in restitution jointly and severally with their codefendants. Bey, who is representing himself on appeal, challenges the calculation of his advisory guidelines range at sentencing. Ali, who is represented by counsel on appeal, challenges certain pretrial discovery-related rulings, the sufficiency of the evidence at trial, and aspects of his sentencing. We affirm.

Background

In 2022, a federal grand jury indicted Ali, Bey, and two codefendants on various fraud-related offenses. Ali and Bey faced charges of conspiring to commit wire fraud by submitting false Paycheck Protection Program and Economic Injury Disaster Loan applications, 18 U.S.C. § 1349; committing wire fraud against the Small Business Association as part of a scheme to submit false loans applications, *id.* §§ 2, 1343; engaging in wire fraud as part of a scheme to defraud state agencies by submitting false claims for unemployment insurance (UI), *id.* §§ 2, 1343; and perpetrating mail fraud as part of a scheme to defraud the Wisconsin Department of Motor Vehicles and private lenders by submitting false information to remove liens from vehicles, *id.* §§ 2(a), 1341. Bey faced the additional charge of engaging in unlawful transactions using money derived from the conspiracy. *Id.* §§ 2(a), 1957.

At the five-day trial, all four defendants decided to represent themselves. The government called 17 witnesses, and the defendants, as was their right, called none. The jury found the defendants guilty on all counts.

In preparation for sentencing, a probation officer prepared a presentence investigation report (PSR) for each of the defendants. Bey's PSR recommended a guidelines range of 135 to 168 months' imprisonment (based on a total offense level of 32 and criminal history category II), and Ali's recommended a guidelines range of 188 to 235 months' imprisonment (based on a total offense level of 31 and criminal history category of VI). Each PSR increased the defendant's offense level by 20 based on a determination that the intended loss from the conspiracy exceeded $9.5 million—$9,904,640 for the COVID-relief scheme, $601,341 for the UI fraud, and $484,571.21 for the vehicle-title fraud. *See* U.S.S.G. § 2B1.1(b)(1)(K).[2] The PSRs also increased each

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[1] One of the codefendants, Letez Osiris Bey, did not file a notice of appeal. We severed the appeal of the other codefendant, Divine-Seven El, after his attorney moved to withdraw.

[2] Unless otherwise noted, all citations to the Sentencing Guidelines refer to the 2023 edition, the version used to calculate the advisory guidelines ranges in these cases.

defendant's offense level by two because he misrepresented that he was acting on behalf of a religious, political, or government organization—namely the Consulate of al Moroc. *See* U.S.S.G. § 2B1.1(b)(9)(A).

The PSRs also recommended ordering each defendant to repay $2,290,993.21 in restitution jointly and severally with their codefendants.

The district court held separate sentencing hearings for each defendant. Over Bey's and Ali's objections, the court imposed the recommended restitution amount, adopted the PSRs' findings, and sentenced each defendant below the Guidelines. Bey received a sentence of 106 months and Ali 140 months.

At sentencing Bey and Ali each argued that, in applying U.S.S.G. § 2B1.1(b)(1) and computing the loss amount, the court should adopt the Third Circuit's rule of considering actual loss instead of intended loss. *See United States v. Banks*, 55 F.4th 246, 257 (3d Cir. 2022). The court acknowledged the Third Circuit's use of actual loss in cases involving U.S.S.G. § 2B1.1(b)(1) but observed that our court instead applies intended loss, in line with the Sentencing Commission's commentary.

Bey also argued that the evidence did not support an actual or intended loss of more than $9.5 million, but the district court concluded that "obviously, any reasonable person, including my colleagues on the Seventh Circuit Court of Appeals, can readily draw from the evidence that was presented to the jury that the loss intended here was well over $9 million even though it wasn't realized." Neither Bey nor Ali raised at his hearing an argument about the Consulate of al Moroc, and the district court did not comment on it.[3]

Analysis

A. Loss Calculation Under U.S.S.G. § 2B1.1(b)(1)

Bey argues that the district court overstated the loss amount and thus assigned him an excessively high offense level.[4] The district court adopted the PSR's total loss

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[3] In his presentencing objections, Bey challenged the PSR's finding, for purposes of U.S.S.G. § 2B1.1(b)(9)(A), that the Consulate of al Moroc, a registered corporation in Wisconsin, was impersonating a government agency.

[4] Bey and Ali abandon their argument that the district court should have considered the actual loss rather than intended loss. Since their sentencing, this court has held that district courts should calculate the offense level using "the greater of the actual loss or intended loss." *United States v. Ponle*, 110 F.4th 958, 963 (7th Cir. 2024) (quoting U.S.S.G. § 2B1.1 cmt. n.3(A)). The most recent version of the Sentencing

amount of nearly $11 million, which resulted in a 20-level increase to his offense level. *See* U.S.S.G. § 2B1.1(b)(1)(K). But Bey contends that the record supported a loss of less than $1.5 million, which would result in an increase of just 14 levels, *see* U.S.S.G. § 2B1.1(b)(1)(H). We review a district court's factual findings as to loss amount for clear error. *United States v. Griffin*, 76 F.4th 724, 745 (7th Cir. 2023).

Loss calculations for sentencing purposes proceed under a burden-shifting framework. The government bears the initial burden of establishing the loss amount by a preponderance of the evidence. *Cf. Griffin*, 76 F.4th at 750 (recognizing the same point in the context of setting a restitution amount). But that burden can be satisfied if—as here—the court relies on a well-supported, reliable PSR. *Id.* The defendant, in turn, bears the burden of showing that the PSR is inaccurate. *Id.* If he can cast "real doubt" on the PSR's reliability, the burden shifts back to the government to demonstrate the accuracy of the report. *Id.*

Bey did not present evidence that cast doubt on the PSR's reliability. Before sentencing, he objected to the PSR's loss amount because it did not match the evidence of the actual loss amount presented to the grand jury. Bey cites the grand-jury testimony of an FBI agent who stated that Bey and his codefendants caused $874,229 in actual loss—a much lower figure than the PSR's intended loss estimate in excess of $10 million. But the district court properly relied on the loss amount in the PSR, which totaled the intended losses from the fraudulent COVID-relief applications ($9,904,640), UI scheme ($601,341), and vehicle liens ($484,571.21). The agent's testimony, although less comprehensive than the PSR, did not contradict any of the district court's findings.

Ali generally asserts that the PSR overstated his intended loss amount because he could not have foreseen the loss caused by his codefendants. *See United States v. Salem*, 597 F.3d 877, 886 (7th Cir. 2010). But as we discuss below, the evidence at trial corroborated Ali's personal involvement in the conspiracy, so this argument lacks merit.

B. Misrepresenting Government Role Under U.S.S.G. § 2B1.1(b)(9)(A)

Bey also briefly challenges the district court's decision to increase his offense level by two for representing that he was a diplomat for the Consulate of al Moroc.

Guidelines moved this definition from the application note into the text. U.S.S.G. § 2B1.1(b)(1)(A) (2025).

See U.S.S.G. § 2B1.1(b)(9)(A).[5] He argues that the district court ignored his pre-sentencing written objection to the PSR's application of this provision of the Guidelines. Bey preserved this issue by raising it in the district court before sentencing, so we review it de novo. *United States v. Cohen*, 159 F.4th 1121, 1125 (7th Cir. 2025).

But the district court did not err by adopting the PSR's recommendation to apply the two-level increase. Section 2B1.1(b)(9)(A) applies to any defendant who purports to act on behalf of a government agency but intends to benefit personally. *United States v. Sunmola*, 887 F.3d 830, 838 (7th Cir. 2018). As part of the scheme, Bey purported to be an agent of the Consulate of al Moroc, and the Consulate's corporate records list "Diplomat Aziz Hassan Bey" as the corporation's registered agent. True, the Consulate of al Moroc is not actually a foreign government agency. But the application notes to § 2B1.1 provide an example of a "defendant who solicited contributions for a non-existent famine relief organization," U.S.S.G. § 2B1.1 cmt. n.8(B)(i), and we see no reason to distinguish a non-existent charity from a non-existent government agency.

C. Substantive Reasonableness of Sentence

Ali argues that his sentence is substantively unreasonable based on his background ("53-year-old non-violent offender with three dependents, high school education, and no substantial criminal history post-2017"), role in the scheme ("a marginal participant, with most fraudulent activity initiated by others"), and rehabilitation ("remorse and a desire to avoid future wrongdoing"). Because this alleged error occurred during sentencing itself, we review it de novo. *See United States v. Martin*, 122 F.4th 286, 289 (7th Cir. 2024).

Ali fails to show that his sentence was substantively unreasonable. His 140-month, below-guidelines sentence is presumptively reasonable. *United States v. Guzman-Ramirez*, 949 F.3d 1034, 1039 (7th Cir. 2020). Because Ali "neither acknowledges the presumption nor makes any argument to overcome it," the challenge on appeal is "undeveloped and frivolous." *United States v. Butler*, 58 F.4th 364, 368–69 (7th Cir. 2023).

At oral argument, Ali's counsel cast this argument as a procedural challenge to the district court's failure to consider Ali's mitigating arguments. At sentencing, district courts must discuss a defendant's mitigating arguments and make an individualized assessment of the sentencing factors under 18 U.S.C. § 3553(a). *United States v. Washington*, 178 F.4th 360, 363–64 (7th Cir. 2026). But Ali did not raise any mitigating

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[5] Ali adopts Bey's argument and asserts that the record lacked evidence that Ali made any such representation. But Ali carried "diplomatic credentials" for the consulate and used those credentials when selling a vehicle as part of the scheme.

arguments at sentencing, even after the court invited him to comment on what would be an appropriate sentence. And all of Ali's mitigating arguments on appeal—his criminal history, family situation, and statements of remorse—were included in the PSR and considered by the court.

D. Forfeited Challenges

Ali also challenges the court's handling of discovery, the sufficiency of the evidence for the conspiracy charge, the restitution amount, and the district court's decision not to apply a minor-rule reduction. But likely as a result of his decision to represent himself at trial, Ali forfeited these arguments by not raising them in the district court. He failed to preserve his sufficiency challenge because he did not move for a judgment of acquittal at the close of evidence or through a post-trial motion under Rule 29 of the Federal Rules of Criminal Procedure. *See United States v. Wright*, 85 F.4th 851, 860 (7th Cir. 2023). And he forfeited any challenge to the restitution amount or application of the Sentencing Guidelines by failing to object prior to or at sentencing. *See United States v. Grusd*, 164 F.4th 635, 639 (7th Cir. 2026) (restitution amount); *Cohen*, 159 F.4th at 1125 (guidelines range). We therefore review these challenges for plain error, "which permits us to grant relief only if a party establishes (1) an error; (2) that was plain; (3) that affected substantial rights; and (4) that seriously affected 'the fairness, integrity or public reputation of judicial proceedings.'" *Grusd*, 164 F.4th at 639 (quoting *United States v. Page*, 123 F.4th 851, 846 (7th Cir. 2024) (en banc)).

Ali has not shown plain error in any of these challenges. First, he argues that the district court should have investigated the government's failure to disclose certain documents. But the government told the district court before the trial that it had delivered the relevant documents to the defendants, and none of the defendants disputed that or objected. So the district court had no reason to hold a hearing on the issue.

Second, ample evidence at trial supported Ali's conviction for the conspiracy. Indeed, Ali faces a "nearly insurmountable hurdle," *Griffin*, 76 F.4th at 742 (quoting *United States v. Vizcarra-Millan*, 15 F.4th 473, 506 (7th Cir. 2021)), because we give "[g]reat deference" to the jury's verdict, *United States v. Hofschulz*, 105 F.4th 923, 931 (7th Cir. 2024). And here, the jury's verdict was supported by voluminous evidence of Ali's engagement in the conspiracy. For example, evidence showed that Ali's codefendants used his phone number on some of the fraudulent COVID-relief applications, that he carried diplomatic credentials for the Consulate of al Moroc, that he submitted several fraudulent COVID-relief applications with his name and contact information, and that he maintained contact with his codefendants around the time of the vehicle-lien fraud. *See Griffin*, 76 F.4th at 742–44 (discussing evidence against defendants in fraud conspiracy).

Ali further argues that because he could not have been convicted of the conspiracy, he also could not have been convicted of the remaining counts. But this misunderstands the law: A jury may acquit on conspiracy and convict on substantive offenses. *See, e.g.*, *United States v. Gan*, 54 F.4th 467 (7th Cir. 2022). And regardless, the evidence, as we have explained, was more than sufficient to support Ali's conspiracy conviction.

Third, the district court did not err by relying on the itemized restitution amounts set forth in the PSR. "To reverse on plain-error review would require us to say that the judge should have raised and resolved these complex and fact-intensive questions unprompted." *Harris*, 102 F.4th at 852. Ali raises nuanced arguments about the district court's failure to undertake a careful accounting of each transaction in the scheme, but this hardly describes a clear or obvious error. And the complex, fact-intensive analysis of attributing losses to individual defendants would certainly be subject to reasonable dispute.

Lastly, Ali asserts in cursory fashion that the district court erred by failing to apply a minor-role reduction to his offense level under U.S.S.G. § 3B1.2. He says, for instance, that "he was not the mastermind" of the scheme and made "far fewer" transactions than his codefendants. But, as discussed above, evidence at trial demonstrated Ali's significant involvement in the scheme, so there was no plain error.

AFFIRMED