



**Eric Gonzalez**  
District Attorney

**DISTRICT ATTORNEY**

**KINGS COUNTY**

350 Jay Street  
Brooklyn, NY 11201  
(718) 250-2000

[www.BROOKLYNDA.ORG](http://www.BROOKLYNDA.ORG)

Press Office  
(718) 250-2300

FOR IMMEDIATE RELEASE

Thursday, September 5, 2024

**Father and Son Brooklyn Contractors Indicted for Grand Larceny for Allegedly Defrauding Over \$1 Million from Paycheck Protection Program**

**Defendants Allegedly Lied on Loan Applications · Used Funds toward Purchasing Homes in New Jersey and a Luxury BMW Sports Sedan**

Brooklyn District Attorney Eric Gonzalez, together with U.S. Small Business Administration General Counsel Therese Meers and Special Agent-in-Charge Jonathan Mellone, Northeast Region, U.S. Department of Labor, Office of Inspector General, today announced that two Brooklyn contractors have been indicted for grand larceny for allegedly defrauding more than \$1 million from the Paycheck Protection Program during the Covid-19 pandemic. As part of the alleged scheme, the defendants submitted fraudulent tax returns that grossly inflated the company's revenues to obtain the funds and then allegedly used those funds – which were restricted to paying employees and other legitimate business expenses – toward purchasing two homes in New Jersey, as well as a luxury BMW sports sedan.

District Attorney Gonzalez said, “These defendants allegedly engaged in a shameless scheme to steal more than \$1 million from the Paycheck Protection Program and line their own pockets with critical funds intended to help struggling small business owners during the Covid-19 pandemic. We will now seek to hold them accountable. I want to thank the Small Business Association for its assistance in pursuing justice in this case.”

General Counsel Meers said, “The action in this matter is the product of enhanced efforts by federal agencies such as the Small Business Administration working with the Kings County District Attorney's Office, SBA's Office of Inspector General, other law enforcement agencies, and Mary Cvangros, Senior Litigation Counsel from the SBA's Office of General Counsel.”

Special Agent-in-Charge Mellone said, “An important part of the mission of the U.S. Department of Labor, Office of Inspector General is to investigate allegations of fraud involving pandemic-related unemployment insurance programs. We will continue to work with our law enforcement partners to investigate these types of allegations.”

The District Attorney identified the defendants as Nurus Safa, 65, and Maida Safa, 34, of Voorhies, New Jersey. They were arraigned today before Brooklyn Supreme Court Justice Dena Douglas on a 19-count indictment in which they are charged with first- and second-degree grand larceny,

second-degree criminal possession of a forged instrument, and first-degree falsifying business records. They were released without bail and ordered to return to court on October 30, 2024.

The District Attorney said that, according to the investigation, Nurus Safa is the owner of Rahil Contracting Inc., a small construction company that operates out of Kensington, Brooklyn. Maidul Safa, his son, is listed as a Project Executive for the company.

After the onset of the COVID-19 epidemic, the US Small Business Administration (SBA) implemented the Payment Protection Program (PPP). SBA insured PPP loans that were issued by banks. The loans were designed for small businesses to keep workers on payroll. In order to obtain a PPP loan, the employer was required to certify that the funds would be used for payroll or other specified expenses needed to keep their work force employed during the COVID-19 crisis.

Nurus Safa applied for a PPP loan through an SBA-backed lender on behalf of Rahil, allegedly falsely certifying in his application that the funds “will be used only for business related purposes,” more specifically attesting that “the funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments and utility payments.” He allegedly also submitted fraudulent quarterly tax returns for Rahil, which grossly inflated its revenues and contained the forged signature of a licensed tax preparer.

Furthermore, according to the investigation, the defendants obtained two PPP loans that totaled approximately \$1,084,477.50. Shortly after the funds became available, they quickly used the money for personal purchases, including luxury items. The defendants are alleged to have spent a total of \$393,670 toward the purchase of two five-bedroom homes, one in Voorhies, New Jersey and the other in Pine Hill, New Jersey and spent another \$71,000 as a down payment on a 2021 BMW M5 sports sedan.

Furthermore, according to the investigation, much of the balance of the PPP funds was transferred to personal accounts held by either Nurus Safa or Maidul Safa. An analysis of financial records shows no indication that any of the PPP funds were used for regular payments to employees.

The District Attorney thanked Senior Financial Investigator Faye Johnson and Intelligence Analyst Veranika Basak, both of the Investigations Division, and KCDA Detective Investigators for their assistance

The case is being prosecuted by Senior Assistant District Attorney Sergey Marts, of the District Attorney’s Frauds Bureau, and Assistant District Attorney Andrew Kohler, Special Counsel to the Investigations Division, under the supervision of Assistant District Attorney Gregory Pavlides, Chief of the Frauds Bureau, and the overall supervision of Assistant District Attorney Michel Spanakos, Deputy Chief of Investigations, and Assistant District Attorney Patricia McNeill, Chief of Investigations.

#

An indictment is an accusatory instrument and not proof of a defendant’s guilt.