

Democrat-backing fintech executive arrested for allegedly defrauding investors out of \$145 million

By

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The Democrat-backing multimillionaire founder of a “climate-friendly banking” startup — whose celebrity investors included Leonardo DiCaprio, Orlando Bloom and Drake — was arrested by federal authorities this week for allegedly conspiring to defraud investors. Joseph Neal Sanberg, a 45-year-old Orange County, Calif. resident who billed himself as an “anti-poverty advocate,” was taken into custody on Monday after he was alleged to have cheated two investor funds out of \$145 million, according to federal prosecutors. Sanberg’s arrest came after his alleged co-conspirator, Ibrahim Ameen AlHusseini, 51, of Venice, pleaded guilty to wire fraud after copping to receiving around \$12.3 million in payments from the fraudulent scheme, prosecutors said.



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Getty Images for Emergency Supply Donor Group

Sanberg co-founded Aspiration, a financial services company promoting sustainable and ethical banking practices. Among the backers of Aspiration are Hollywood stars Leonardo DiCaprio, Orlando Bloom, Cindy Crawford, the rapper Drake and Robert Downey Jr.

A spokesperson for DiCaprio declined to comment. The Post has reached out to Bloom, Crawford, Drake and Downey.

Sanberg, whose records list addresses in California, New York and Greenwich, Conn., was an early investor in Blue Apron, a meal delivery service.

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According to the [Open Secrets website](#), Sanberg has contributed thousands of dollars to various Democrat-aligned causes over the years.

Sanberg has given money to candidates such as former President Barack Obama, former Vice President Kamala Harris, Sen. Kirsten Gillibrand (D-NY), Sen. Jeff Merkley (D-Ore.), former Sen. Sherrod Brown (D-Ohio) and others.

Sanberg also founded CalEITC4Me, a program aimed at helping low-income families in California claim earned income tax credits.



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Prior to these legal issues, Sanberg was active in political and social advocacy, particularly focusing on anti-poverty initiatives and efforts to raise the minimum wage in California to \$18 an hour.

He had also been mentioned as a potential political candidate, considering runs for offices such as the US Senate and even the presidency, though he did not formally enter these races.

AlHusseini has also been a prolific donor to Democrat causes — contributing money to various candidates such as former Secretary of State Hillary Clinton as well as Moveon.org, End Citizens United and the Democratic Party of Wisconsin.

An attorney for AlHusseini declined to comment. The Post was unable to reach a representative for Sanberg.

The criminal case against Sanberg centers on the same \$145 million transaction that led to the October arrest of AlHusseini.

According to prosecutors, investors agreed to lend Sanberg money based on collateral in the form of Aspiration shares.

AlHusseini had committed to purchasing those shares if Sanberg defaulted. However, Sanberg never repaid the loan and AlHusseini declined to buy the shares as promised, it was alleged.

The investors had relied on financial statements indicating AlHusseini had sufficient funds to cover the purchase, but the FBI stated in AlHusseini's complaint that those bank records were fraudulent.

Authorities included a comparison of 24 allegedly fabricated statements alongside genuine ones in the case documents.

In his plea agreement, AlHusseini admitted the financial statements were falsified and claimed Sanberg had orchestrated the scheme.

"At Sanberg's direction, defendant made untrue statements," prosecutors stated in the filing.

"Defendant and Sanberg knew that the falsified statements inflated the value of the assets in defendant's accounts by tens of millions of dollars."

Authorities allege AlHusseini received \$12 million for backing the loan, with portions of that sum wired to Saudi Arabia, according to the FBI's complaint.

Revelations about the questionable transactions emerged during a civil lawsuit in which lenders sued both Sanberg and AlHusseini in New York state court.

The court ultimately ruled against them, issuing a \$78 million judgment against AlHusseini and a \$209 million judgment against Sanberg.



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NBAE via Getty Images

AlHusseini was arrested at an airport on Oct. 7 and held in custody as a flight risk after allegedly transferring \$300 million to Saudi Arabia to avoid the judgment.

He was later released on bail in December, secured by prominent liberal figures such as CodePink founder Jodie Evans.

CodePink is a far-left antiwar group that has made headlines in recent months for protesting the Israel-Hamas war.

On Jan. 10, a New York judge found AlHusseini in contempt for spending money on luxury items and political donations instead of settling his debt.

The Daily Wire reported that charges against AlHusseini were dismissed on January 21.

His attorney, John Lambert, stated that AlHusseini's "record has been dismissed pursuant to court order and all records related thereto have been destroyed."

However, prosecutor McNally clarified that the dismissal was part of a broader cooperation agreement, stating, "The complaint against AlHusseini was dismissed to facilitate his cooperation in the prosecution of others, including Sanberg."

He added that AlHusseini had "pleaded guilty today to an information charging him with wire fraud for falsifying documents and information to assist Sanberg."

Documents unsealed Monday indicate that AlHusseini was under FBI supervision as of Feb. 25.

He was also authorized by the government to contact Aspiration executives, including Sanberg and board chair Nate Redmond, according to federal prosecutors.

"Our prosecutors and law enforcement partners have worked methodically to secure a guilty plea from one of the main offenders in this case and have now charged another member of the conspiracy," Acting United States Attorney Joseph McNally said.

"We will continue to ensure that markets and businesses receive an honest and level playing field in which to operate."



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AFP via Getty Images

While the latest charges against Sanberg revolve around the \$145 million loan, his cooperation suggests potential further legal actions.

His financial services company, Aspiration, has drawn scrutiny for its business practices, with some comparing it to the now-collapsed FTX.

Aspiration marketed “carbon credits” to corporations, offering a way to offset emissions.

However, skepticism has emerged over the legitimacy of such transactions, as hype and ideological appeal may have influenced customers’ decisions.

Like FTX, Aspiration spent heavily on advertising, including a sponsorship deal with the LA Clippers.

At the height of progressive enthusiasm in 2021, the company aimed to go public at a \$2 billion valuation. There are indications it may have manipulated financial figures to support that valuation.

A Bloomberg investigation in July found evidence that Sanberg had attempted to inflate the company's worth through questionable financial maneuvers.

Millions in reported income came from an LLC once registered to Sanberg, according to the report.

Another deal suggested a nonprofit planned to pay Aspiration ten times its annual revenue, while a separate transaction involved a Colombian model making monthly payments of \$50,000 to Aspiration, only to receive an identical sum from a Sanberg-affiliated entity.

Bloomberg also reported that Aspiration's auditor severed ties with the company.

Aspiration's attempt to go public through a SPAC collapsed in 2023, but not before raising \$300 million from investors, including former Microsoft CEO Steve Ballmer.

Reports indicate that federal agencies have been investigating Aspiration's business dealings.



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AFP via Getty Images

In January, Bloomberg reported that the Department of Justice and the Commodity Futures Trading Commission were probing whether Aspiration misled customers about the validity of its carbon offsets.

ProPublica previously revealed that the company exaggerated its customer base, claiming “5 million passionate members” when only 500,000 accounts were active.

Aspiration also allegedly charged customers a dollar per tree planted to combat climate change, despite the cost being just a few cents.

Andrei Cherny, Sanberg’s co-founder who was ousted from Aspiration in 2021, has remained silent.

Cherny, a former advisor to Bill Clinton and Al Gore, later pursued political office. In December, he sued Aspiration for unpaid compensation but withdrew the lawsuit weeks later.

Aspiration has not commented on the allegations, including questions regarding the current status of board chair Nate Redmond.

If convicted, Sanberg faces up to 20 years in prison, as does AlHusseini.

The case is being investigated by the FBI and the United States Postal Inspection Service.