

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
v. : Criminal No.: 13-
YOUNG-WOO JI : Title 18, United States Code,
Sections 287, 1028A(a)(1),
1349, and 2

I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment and any challenge based on venue, the United States Attorney for the District of New Jersey charges:

COUNT ONE
**(Conspiracy to Commit Wire Fraud Affecting
Financial Institutions and Bank Fraud)**

Introduction

1. At all times relevant to this Information:
 - a. Defendant YOUNG-WOO JI was a resident of Bayside, New York. On or about February 25, 2008, defendant YOUNG-WOO JI traveled from Bergen County, New Jersey to Illinois and, using a social security card beginning with the prefix "586" and belonging to an individual with the initials "F.C." (hereinafter the "F.C. Identity") and other fraudulent documents, unlawfully obtained and caused to be produced an Illinois driver's license in the name of F.C.

b. A criminal enterprise operated in Bergen County, New Jersey and elsewhere that engaged in identity theft and financial fraud (hereinafter the "Criminal Enterprise").

c. Co-Conspirator S.H.P. was the leader of the Criminal Enterprise.

d. Financial institutions provided members of the public with banking and financial services, including establishing check and savings accounts and issuing credit and debit cards, lines of credit and loans, and various companies and retail stores issued card cards to customers (hereinafter collectively the "Corporate Victims").

e. Each bank referred to in this Information was a "financial institution," as that term is defined in Title 18, United States Code, Section 20.

Overview of the Criminal Enterprise

Fraudulently Obtaining, Selling, and Producing Genuine and Counterfeit Identity Documents

2. Co-Conspirator S.H.P. advertised in local Korean newspapers in Bergen County, New Jersey and elsewhere, representing that he could obtain driver's licenses, credit cards, and money for others.

3. In exchange for cash, the Criminal Enterprise fraudulently obtained and sold social security cards to customers (hereinafter "Customer" or "Customers"). These social security cards began with the prefix "586," which prefix the United States

government typically used on social security cards issued to individuals, usually from China, who worked in American territories. The Criminal Enterprise and its Customers used the "586" social security cards, bearing the names of individuals of Chinese ethnicity, together with counterfeit Chinese passports and other fictitious documents, either to obtain genuine but fraudulently issued identity documents, such as identity cards and driver's licenses, or to produce counterfeit driver's licenses (hereinafter collectively the "Fraudulent Identity" or "Fraudulent Identities").

The Fraudulent Credit Build Up Phase

4. Because the Fraudulent Identities had no corresponding credit histories or credit scores, the Criminal Enterprise engaged in the fraudulent "build up" of the credit scores and the creation of bogus credit histories for these identities. This credit "build up" was accomplished by various co-conspirators of the Criminal Enterprise, referred to as "Build Up Teams." These Build Up Teams, including defendant YOUNG-WOO JI, knowing the Fraudulent Identities would be used to commit financial fraud, attached the Fraudulently Identities (e.g., Chinese names, "586" social security numbers, and dates of birth) to the Build Up Teams personal credit card accounts, or the credit card accounts of others, such as family members and friends. By attaching the Fraudulent Identities to these credit

card accounts, the Build Up Teams fraudulently established credit histories and obtained perfect or near perfect credit scores for the Fraudulent Identities. As part of this build up process, the Build Up Teams made false representations to companies issuing credit cards, such as providing false addresses for the Fraudulent Identities. The Corporate Victims relied on these credit histories and scores when deciding whether or not to issue credit cards, loans, or other forms of credit to prospective applicants and to ensure the bona fides of the applicants.

5. The Criminal Enterprise charged Customers a fee of between approximately \$5,000 and \$7,000 for each Fraudulent Identity and corresponding credit build up, and the Criminal Enterprise paid cash to the Build Up Teams for each Fraudulent Identity attached to a credit card account.

Credit Card Bust-Out ("Kkang") and Bank Fraud ("Check Jobs")

6. After providing the Customer with a Fraudulent Identity with a perfect or near perfect credit score, the Criminal Enterprise directed, coached, and assisted the Customers to use the Fraudulent Identities to open bank accounts (hereinafter the "Fraudulent Bank Accounts") and to apply for credit cards, loans, and other forms of financing for the purpose of committing fraud.

Credit Card Bust Out ("Kkang")

7. To obtain cash, the Criminal Enterprise charged or "swiped" the fraudulently obtained credit cards through credit card terminals possessed by wholly fictitious shell companies or other merchants (hereinafter "Collusive Merchants"). After the funds from these charges were electronically wired into bank accounts controlled by the Collusive Merchants, the cash was withdrawn and shared among the various co-conspirators, including the Customers. In other instances, members of the Criminal Enterprise, together with the Customers, used the fraudulently obtained credit cards to purchase high-end merchandise and to obtain gift cards. After making these credit card charges, the Criminal Enterprise used the Fraudulent Bank Accounts to make payments toward these credit card charges. These payments, however, were sham payments made with insufficient funds. After the Corporate Victims received these payments but before discovering the fraudulent nature of the payments, the Corporate Victims credited the credit card accounts, thereby allowing members of the Criminal Enterprise to make additional charges on these fraudulently obtained credit cards. In addition to "busting out" fraudulently obtained credit cards, the Criminal Enterprise also "busted out" lawfully issued credit cards belonging to Customers. In furtherance of this fraud, Customers provided their lawfully issued credit cards to the Criminal

Enterprise. The Criminal Enterprise then charged these credit cards through credit card terminals at Collusive Merchants or used the credit cards to make purchase at retail stores. The Criminal Enterprise then shared the money with the Customers. Members of the Criminal Enterprise referred to the practice of credit card "bust out" as "kkang."

Bank Fraud ("Check-Kiting")

8. The Criminal Enterprise also profited through bank fraud. Members of the Criminal Enterprise wrote hundreds of worthless checks drawn on Fraudulent Bank Accounts. These worthless checks were then negotiated at banks and mailed and given to other co-conspirators. These co-conspirators, who were often in others states with different time zones, deposited these worthless checks into other Fraudulent Bank Accounts. Thereafter, members of the Criminal Enterprise located in Bergen County, New Jersey and elsewhere, withdrew, and attempted to withdraw, money from these accounts before the banks determined that the checks were fraudulent.

The Conspiracy

9. From in or about mid-2008 through on or about September 15, 2010, in Bergen County, in the District of New Jersey, and elsewhere, defendant

YOUNG-WOO JI

knowingly and intentionally conspired and agreed with S.H.P. and others to:

a. devise a scheme and artifice to defraud the Corporate Victims, and to obtain money and property, by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and artifice to defraud, to transmit and cause to be transmitted, by means of wire communication in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, affecting financial institutions, contrary to Title 18, United States Code, Section 1343; and

b. execute a scheme and artifice to defraud financial institutions, and to obtain money, funds, and assets owned by and under the custody and control thereof, by means of false and fraudulent pretenses, representations, and promises, contrary to Title 18, United States Code, Section 1344.

Object of the Conspiracy

10. The object of the conspiracy was for defendant YOUNG-WOO JI and his co-conspirators to enrich themselves by fraudulently obtaining in excess of \$400,000 from the Corporate Victims to which they were not entitled.

Manner and Means of the Conspiracy

11. It was part of the conspiracy that Co-Conspirator S.H.P. obtained and sold the Fraudulent Identities to Customers for a fee of between approximately \$5,000 and \$7,000, which fee included the corresponding credit build up.

12. It was further part of the conspiracy that defendant YOUNG-WOO JI, using the F.C. Identity, established a merchant bank account at a financial institution in the name of "ZZ Entertainment Corp.," a wholly fictitious entity (hereinafter the "ZZ Entertainment Corp. Merchant Account"). After establishing this merchant account, defendant YOUNG-WOO JI obtained a credit card machine to make and process credit card transactions.

13. It was further part of the conspiracy that Co-Conspirator S.H.P. and other members of the Criminal Enterprise in Bergen County, New Jersey provided the fraudulently obtained credit cards and credit card numbers to defendant YOUNG-WOO JI.

14. It was further part of the conspiracy that defendant YOUNG-WOO JI charged these fraudulently obtained credit cards through the ZZ Entertainment Corp. Merchant Account.

15. It was further part of the conspiracy that, after the funds from these fraudulent credit card transactions were electronically wired and deposited into the ZZ Entertainment Corp. Merchant Account, defendant YOUNG-WOO JI withdrew cash from these accounts and shared the proceeds with his co-conspirators, including Co-Conspirator S.H.P. in Bergen County, New Jersey.

16. It was further part of the conspiracy that defendant YOUNG-WOO JI attached, as authorized users, the names, "586" social security numbers, and other means of identification belonging to the Fraudulent Identities, to credit card accounts establish using the F.C. Identity.

17. It was further part of the conspiracy that Co-Conspirator S.H.P. paid cash to defendant YOUNG-WOO JI for fraudulently building credit scores and credit histories for the Fraudulent Identities.

18. It was further part of the conspiracy that defendant YOUNG-WOO JI, using telephones and other forms of wire communications in interstate and foreign commerce, added the Fraudulent Identities, as authorized users, to the credit card accounts established in the name of F.C.

19. It was further part of the conspiracy that after defendant YOUNG-WOO JI had established credit scores and credit histories for the Fraudulent Identities through the credit build up process, members of the Criminal Enterprise, and their Customers, used the Fraudulent Identities to establish the Fraudulent Bank Accounts and to fraudulently obtain credit cards in Bergen County, New Jersey and elsewhere.

20. It was further part of the conspiracy that members of the Criminal Enterprise, and their Customers, used the fraudulently obtained credit cards and the Fraudulent Bank Accounts to commit fraud.

All in violation of Title 18, United States Code, Section 1349.

COUNT TWO
(Aggravated Identity Theft)

1. The allegations set forth in Paragraphs 1 through 9 and Paragraphs 10 through 20 of Count One of this Information are hereby realleged as if fully set forth herein.

The Charge

2. From in or about mid-2008 through on or about September 15, 2010, in Bergen County, in the District of New Jersey, and elsewhere, defendant

YOUNG-WOO JI

knowingly transferred, possessed, and used, without lawful authority, the means of identification of other persons, including F.C., during and in relation to violations of federal law, namely, the unlawful production of identification documents (18 U.S.C. § 1028), credit card fraud (18 U.S.C. § 1029), wire fraud (18 U.S.C. § 1343), and bank fraud (18 U.S.C. § 1344).

In violation of Title 18, United States Code, Section 1028A(a)(1) and Title 18, United States Code, Section 2.

COUNT THREE
(False Claims-Federal Income Tax Refund Scheme)

1. The allegations set forth in Paragraph 1a and 1b of this Information are hereby realleged as if fully set forth herein.

2. Beginning in or around 2009, defendant YOUNG-WOO JI electronically filed, and caused to be filed, fraudulent Forms 1040 with the Internal Revenue Service, bearing the names and "586" social security numbers belonging to the Fraudulent Identities, together with fictitious Forms W-2, claiming tax refunds. After filing, and causing these claims to be filed, the Internal Revenue Service issued tax refunds, totaling approximately \$314,000, which refunds defendant YOUNG-WOO JI received and to which he was not entitled. The following chart sets forth some of fraudulent claims filed, and caused to be filed, by defendant YOUNG-WOO JI:

Approximate Date of Tax Return	Fraudulent Identity Used	Refund Claimed	Refund Issued
3/2/2010	Z.F. 586-xx-xxxx	\$1,904.00	\$1,904.00
3/26/2010	C.Y.M. 586-xx-xxxx	\$3,303.00	\$3,303.00
4/8/2010	P.F. 586	\$2,996.00	\$2,996.00
4/10/2010	S.Z. 586-xx-xxxx	\$3,224.00	\$3,224.00

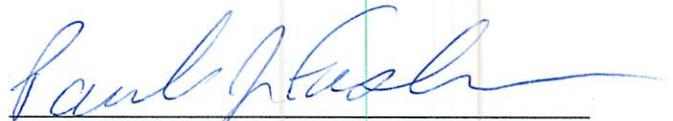
The Charge

3. In or about early 2010, in the Eastern District of New York, and elsewhere, defendant

YOUNG-WOO JI

made and presented to a person and officer of the United States, and a department and agency thereof, claims upon and against the Internal Revenue Service, a department and agency of the United States, as described in Paragraph 2 above of Count Four of this Information, knowing such claims to be false, fictitious, and fraudulent.

All in violation of Title 18, United States Code, Section 287 and Title 18, United States Code, Section 2.



PAUL J. FISHMAN
United States Attorney

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UNITED STATES OF AMERICA

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YOUNG-WOO JI

INFORMATION FOR

Title 18, United States Code, Sections 287, 1028A(a)(1), 1349, and 2

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