

# United States District Court

FOR THE  
NORTHERN DISTRICT OF CALIFORNIA

VENUE: Oakland

SEALED BY ORDER  
OF THE COURT

UNITED STATES OF AMERICA,

v.

MIN JIN ZHAO,  
a/k/a Michael Zhao,  
a/k/a Michael West,

CR 19 222

JD

FILED

MAY 09 2019

SUSAN Y. SOONG  
CLERK, U.S. DISTRICT COURT  
NORTH DISTRICT OF CALIFORNIA  
OAKLAND OFFICE

DEFENDANT.

INDICTMENT

18 U.S.C. § 1343 – Wire Fraud;  
18 U.S.C. § 1341 – Mail Fraud;  
18 U.S.C. § 1957 – Engaging in Monetary Transactions in Property Derived  
from Specified Unlawful Activity;  
18 U.S.C. § 2 – Aiding and Abetting;  
18 U.S.C. §§ 981(a)(1)(C) and 982; 28 U.S.C. § 2461(c) – Criminal Forfeiture

A true bill.

Helga Gwaser

Foreman

Helga Gwaser

Filed in open court this 9 day of MAY 2019

Clerk

Bail, \$

NO BAIL WARRANT

Kandis Westmore 5/9/19  
Kandis A. Westmore

Document No.

District Court  
Criminal Case Processing

SEALED BY ORDER  
OF THE COURT

1 DAVID L. ANDERSON (CABN 149604)  
2 United States Attorney

FILED

MAY 09 2019

SUSAN Y. SOONG  
CLERK, U.S. DISTRICT COURT  
NORTH DISTRICT OF CALIFORNIA  
OAKLAND OFFICE

3  
4  
5  
6  
7  
8 UNITED STATES DISTRICT COURT  
9 NORTHERN DISTRICT OF CALIFORNIA

10 OAKLAND DIVISION

11 UNITED STATES OF AMERICA,

12 Plaintiff,

13 v.

14 MIN JIN ZHAO,  
15 a/k/a Michael Zhao,  
16 a/k/a Michael West,

17 Defendant.

NO.

CR 19 222-JD

VIOLATIONS: 18 U.S.C. § 1343 – Wire Fraud; 18  
U.S.C. § 1341 – Mail Fraud; 18 U.S.C. § 1957 –  
Engaging in Monetary Transactions in Property  
Derived from Specified Unlawful Activity; 18 U.S.C.  
§ 2 – Aiding and Abetting; 18 U.S.C. §§ 981(a)(1)(C)  
and 982; 28 U.S.C. § 2461(c) – Criminal Forfeiture

OAKLAND VENUE

[UNDER SEAL]

18  
19 INDICTMENT

20 The Grand Jury charges:

21 Introductory Allegations

22 At all times relevant to this Indictment, unless otherwise indicated, and with all dates being  
23 approximate and all date ranges both approximate and inclusive:

- 24 1. From at least 2011 to 2016, MIN JIN ZHAO (ZHAO) resided in California.  
25 2. From at least 2011 to 2016, ZHAO was a California real estate salesperson that worked in  
26 and around the San Francisco Bay Area.  
27 3. From 2014 to 2016, ZHAO acted as a real estate salesperson for prospective homebuyers  
28 and investors in and around the San Francisco Bay Area.

INDICTMENT

Document No.

District Court  
Criminal Case Processing



4. Portfolio Consulting, Inc. (Portfolio), was a corporation formed in California in 2013.

5. From 2014 through 2015, Portfolio maintained at least two bank accounts at Bank of America: checking account x7200 and checking account x7190.

6. ZHAO had access to, and control over, Portfolio's Bank of America checking accounts x7200 and x7190.

### The Scheme

7. Beginning on a date unknown to the grand jury, but no later than September 2014, and continuing through a date unknown to the grand jury, but to at least February 2016, ZHAO knowingly, and with the intent to defraud, devised, intended to devise, participated in, and carried out a scheme and artifice to defraud as to a material matter, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises.

## Manner and Means

It was part of the scheme that:

8. From 2014 through 2015, ZHAO misrepresented to prospective homebuyers and investors (the Victims) that Portfolio offered a loan program that enabled the Victims to procure financing to purchase real property in and around the San Francisco Bay Area, including financing that enabled the Victims to make all-cash offers on real property.

9. ZHAO told the Victims that, as part of Portfolio's loan program, they had to wire, transfer, or deposit 10% to 20% of the sale price of the real property they sought to purchase into Portfolio's Bank of America account x7200.

10. ZHAO then misrepresented to the Victims that Portfolio would provide the remaining portion of the sale price of the real property.

11. After the Victims deposited the funds into Portfolio's Bank of America account x7200, the funds were either spent or transferred to Portfolio's Bank of America account x7190.

12. The Victim funds transferred to Portfolio's Bank of America account x7190 were used for purchases unrelated to the purchase of real property for the Victims.

13. ZHAO misrepresented to one or more Victims that a seller of real property had accepted the Victim's offer to purchase real property.

1 14. After the Victims asked ZHAO to return the funds they deposited into Portfolio's x7200  
2 account, ZHAO caused letters and cancelation of contract forms to be sent to Victims that led the  
3 Victims to believe ZHAO and Portfolio would refund the amount of funds they wired, transferred, or  
4 deposited into Portfolio's x7200 checking account. The letters and cancelation of contract forms ZHAO  
5 caused to be sent to the Victims lulled the Victims into believing their money would be refunded.

6 15. ZHAO failed to fully return the funds of the Victims whose initials are Y.L, J.X., C.D.,  
7 G.L., and E.O, and instead ZHAO used the funds for his benefit and the benefit of businesses he  
8 controlled.

9 COUNTS ONE THROUGH THREE: (18 U.S.C. §§ 1343, 2 – Wire Fraud and Aiding and Abetting)

10 16. Paragraphs 1 through 15 are incorporated and realleged as if fully set forth here.

11 17. On or about each of the dates set forth below, in the Northern District of California and  
12 elsewhere, the defendant,

13 MIN JIN ZHAO,  
14 a/k/a Michael Zhao,  
a/k/a Michael West,

15 for the purpose of executing the scheme described above, knowingly caused to be transmitted by means  
16 of wire transmission in interstate commerce the writings, signs, signals, and sounds described below for  
17 each count, each transmission constituting a separate count:

| COUNT | DATE      | DESCRIPTION   |
|-------|-----------|---|
| 1     | 6/26/2015 | \$48,985 belonging to Victims Y.L. and J.X., wired from an account at Industrial and Commercial Bank of China in China to Portfolio's Bank of America checking account x7200 in California.   |
| 2     | 7/15/2015 | \$49,985 belonging to Victims Y.L. and J.X., wired from an account at Industrial and Commercial Bank of China in China to Portfolio's Bank of America checking account x7200 in California.   |
| 3     | 9/23/2014 | \$32,000 Citibank N.A. cashier's check in Victim C.D.'s name deposited into Portfolio's Bank of America checking account x7200 in California. As part of this transfer of funds, an interstate wire was sent from California to one or more states. |

25  
26 Each in violation of Title 18, United States Code, Sections 1343 and 2.

27 //

28 //



1 COUNTS FOUR AND FIVE: (18 U.S.C. §§ 1341, 2 – Mail Fraud and Aiding and Abetting)

2 18. Paragraphs 1 through 15 are incorporated and realleged as if fully set forth here.

3 19. Beginning on a date unknown to the grand jury, but no later than September 2014, and  
4 continuing through a date unknown to the grand jury, but to at least February 2016, the defendant

5 MIN JIN ZHAO,  
6 a/k/a Michael Zhao,  
a/k/a Michael West,

7 did knowingly and with the intent to defraud, devise, intend to devise, participate in, and carry out a  
8 scheme and artifice to defraud as to a material matter, and to obtain money and property by means of  
9 materially false and fraudulent pretenses, representations, and promises.

10 20. On or about the dates set forth below, in the Northern District of California and  
11 elsewhere, for the purpose of executing or attempting to execute the scheme and artifice to defraud  
12 described above, and attempting to do so, ZHAO knowingly caused the mails to be used to carry out an  
13 essential part of the scheme, and did knowingly place or caused to be placed in an authorized depository  
14 for mail, to be sent and delivered by the U.S. Postal Service, the mailings identified below, each mailing  
15 constituting a separate count:

| COUNT | DATE      | DESCRIPTION  |
|-------|-----------|--|
| 4     | 2/23/2016 | Portfolio's Cancellation of Contract Form Mailed to Victim E.O. in California.   |
| 5     | 8/25/2015 | Portfolio Letter mailed to Victim G.L. in California. The Portfolio letter is regarding "Cancellation of Trust Account." |

20 Each in violation of Title 18, United States Code, Sections 1341 and 2.

21 COUNT SIX: (18 U.S.C. §§ 1957 and 2 – Engaging in Monetary Transactions in Property  
22 Derived from Specified Unlawful Activity Money Laundering and Aiding and  
23 Abetting)

24 21. Paragraphs 1 through 17 are incorporated and realleged as if fully set forth here.

25 22. On or about July 21, 2015, in the Northern District of California, and elsewhere, the  
26 defendant,

27 MIN JIN ZHAO,  
28 a/k/a Michael Zhao,  
a/k/a Michael West,

1 did knowingly engage and attempt to engage in a monetary transaction by and through a financial  
2 institution, affecting interstate and foreign commerce, in criminally derived property of a value greater  
3 than \$10,000, specifically, the wire transfer of \$210,541 originating in the Northern District of  
4 California from Portfolio's Bank of America Account x7190 and traveling through to Stewart Title's  
5 Union Bank account x6421, such funds and property having been derived from the specified unlawful  
6 activity of wire fraud, namely as part of a scheme to defraud Y.L. and J.X., and in which an interstate  
7 wire was used to further the scheme, in violation of 18 U.S.C. § 1343.

8 In violation of Title 18, United States Code, Sections 1957 and 2.

9 FORFEITURE ALLEGATION: (18 U.S.C. §§ 981(a)(1)(C); 28 U.S.C. § 2461(c))

10 23. The allegations contained in Counts One through Six of this Indictment are realleged and  
11 by this reference fully incorporated herein for the purpose of alleging forfeiture pursuant to the  
12 provisions of Title 18, United States Code, Sections 981(a)(1)(C), and Title 28, United States Code,  
13 Section 2461(c).

14 24. Upon conviction of any of the offenses alleged in Counts One through Five of this  
15 Indictment, the defendant,

16 MIN JIN ZHAO,  
17 a/k/a Michael Zhao,  
18 a/k/a Michael West,

19 shall, pursuant to Title 18, United States Code, Sections 981(a)(1)(C), and Title 28, United States Code,  
20 Section 2461(c), forfeit to the United States any property, real or personal, which constitutes or is  
21 derived from proceeds traceable to said violations, including but not limited to a forfeiture money  
22 judgment.

23 25. Upon conviction of any of the offenses alleged in Count Six of this Indictment, the  
24 defendant,

25 MIN JIN ZHAO,  
26 a/k/a Michael Zhao,  
27 a/k/a Michael West,  
28



1 shall, pursuant to Title 18, United States Code, Section 982(a), forfeit to the United States any property,  
2 real or personal, involved in such offense, or any property traceable to such property, including but not  
3 limited to a forfeiture money judgment.

4 26. If, as a result of any act or omission of the defendant, any of said property

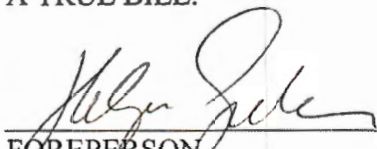
- 5 a) cannot be located upon the exercise of due diligence;
- 6 b) has been transferred or sold to or deposited with, a third person;
- 7 c) has been placed beyond the jurisdiction of the Court;
- 8 d) has been substantially diminished in value; or
- 9 e) has been commingled with other property which cannot be divided  
10 without difficulty;

11 the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21,  
12 United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

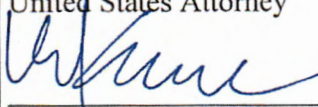
13 All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), and 982(1), Title 28, United  
14 States Code, Section 2461(c), and Rule 32.2 of the Federal Rules of Criminal Procedure.

15  
16 DATED: 5/9/18

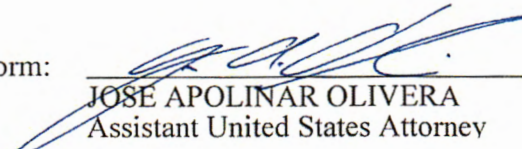
A TRUE BILL.

17  
18   
19 FOREPERSON  
Oakland

20 DAVID L. ANDERSON  
United States Attorney

21   
22 MICHELLE J. KANE  
23 Deputy Chief, Oakland Branch

24  
25 Approved as to form:

26   
JOSE APOLINAR OLIVERA  
Assistant United States Attorney

# DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT  
☐ SUPERSEDING

## OFFENSE CHARGED

18 U.S.C. § 1343 - Wire Fraud; 18 U.S.C. § 1341 - Mail Fraud;  
 18 U.S.C. § 1957 - Engaging in Monetary Transactions in  
 Property Derived from Specified Unlawful Activity; 18 U.S.C.  
 § 2 - Aiding and Abetting; 18 U.S.C. §§ 981(a)(1)(C) and 982;  
 28 U.S.C. § 2461(c) - Criminal Forfeiture

☐ Petty  
☐ Minor  
☐ Misdemeanor  
☒ Felony

PENALTY: Please see attached.

SEALED BY ORDER  
 OF THE COURT

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

OAKLAND DIVISION

MAY 09 2019

DEFENDANT - U.S.

SUSAN Y. SOONG  
 CLERK, U.S. DISTRICT COURT  
 NORTH DISTRICT OF CALIFORNIA  
 OAKLAND OFFICE

MIN JIN ZHAO

DISTRICT COURT NUMBER

CR 19 222

JP

## DEFENDANT

### IS NOT IN CUSTODY

Has not been arrested, pending outcome this proceeding.

1) ☒ If not detained give date any prior  
 summons was served on above charges

2) ☐ Is a Fugitive

3) ☐ Is on Bail or Release from (show District)

### IS IN CUSTODY

4) ☐ On this charge

5) ☐ On another conviction

☐ Federal ☐ State

6) ☐ Awaiting trial on other charges

If answer to (6) is "Yes", show name of institution

Has detainer ☐ Yes  
 been filed? ☐ No

If "Yes"  
 give date  
 filed

DATE OF  
 ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED  
 TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted

## PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

IRS

☐ person is awaiting trial in another Federal or State Court,  
 give name of court

☐ this person/proceeding is transferred from another district  
 per (circle one) FRCrp 20, 21, or 40. Show District

☐ this is a reprosecution of  
 charges previously dismissed  
 which were dismissed on motion  
 of:

☐ U.S. ATTORNEY ☐ DEFENSE

SHOW  
 DOCKET NO.

☐ this prosecution relates to a  
 pending case involving this same  
 defendant

MAGISTRATE  
 CASE NO.

☐ prior proceedings or appearance(s)  
 before U.S. Magistrate regarding this  
 defendant were recorded under

Name and Office of Person

Furnishing Information on this form David L. Anderson

☒ U.S. Attorney ☐ Other U.S. Agency

Name of Assistant U.S.

Attorney (if assigned) Jose Olivera, AUSA

## ADDITIONAL INFORMATION OR COMMENTS

### PROCESS:

☐ SUMMONS ☐ NO PROCESS\* ☒ WARRANT

Bail Amount: No Bail

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

\* Where defendant previously apprehended on complaint, no new summons or  
 warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge Document No.

Comments:

District Court  
 Criminal Case Processing



## PENALTY SHEET

### 18 USC § 1343

- 20 years in prison;
- \$250,000 fine;
- 3 years supervised release;
- \$100 special assessment per count;
- Restitution;
- Potential Deportation; and
- Forfeiture.

### 18 USC § 1341

- 20 years in prison;
- \$250,000 fine;
- 3 years supervised release;
- \$100 special assessment per count;
- Restitution;
- Potential Deportation; and
- Forfeiture.

### 18 USC § 1957

- 10 years in prison;
- \$250,000 fine;
- 3 years supervised release;
- \$100 special assessment;
- Restitution;
- Potential Deportation; and
- Forfeiture.

1 DAVID L. ANDERSON (CABN 149604)  
United States Attorney

2 HALLIE HOFFMAN (CABN 210020)  
3 Chief, Criminal Division

4 JOSE APOLINAR OLIVERA (CABN 279741)  
Assistant United States Attorney

5 1301 Clay Street, Suite 340S  
6 Oakland, California 94612  
7 Telephone: (510) 637-3924  
8 FAX: (510) 637-3724  
Email: jose.olivera@usdoj.gov

9 Attorneys for the United States

**FILED**

MAY 09 2019 *aj*

SUSAN Y. SOONG  
CLERK, U.S. DISTRICT COURT  
NORTH DISTRICT OF CALIFORNIA  
OAKLAND OFFICE

10 UNITED STATES DISTRICT COURT  
11 NORTHERN DISTRICT OF CALIFORNIA

12 OAKLAND DIVISION

13 UNITED STATES OF AMERICA,

14 Plaintiff,

15 v.

16 MIN JIN ZHAO,  
17 (a/k/a Michael Zhao),  
(a/k/a Michael West),

18 Defendant,  
19  
20  
21

CASE NO.

SEALING APPLICATION AND SEALING  
ORDER

UNDER SEAL

**CR 19 227JD**

22  
23 The United States requests that the Indictment, Penalty Sheet and Arrest Warrant in the above-  
24 captioned case filed with the Court on May 9, 2019, be filed under seal until further order of the Court,  
25 with the exception that the Clerk's office may provide a copy of the Indictment, Penalty Sheet and  
26 Arrest Warrant to the U.S. Attorney's Office and agents of the IRS, and if the government determines  
27 that these materials are subject to its discovery obligations in connection with criminal proceedings, they  
28

SEALING APPLICATION AND SEALING ORDER



1 may be produced to defense counsel.

2 The sealing application is requested to facilitate the arrest of the defendant because the  
3 government is continuing its investigation and the disclosure of the defendant's identity or the charges  
4 and nature of the investigation could thwart the investigation and/or incentivize the defendant to flee.

5 It is further requested that nothing in the Court's Order shall prevent the United States Attorney's  
6 Office from obtaining copies of any of these documents under seal or sharing the documents with the  
7 investigating agency, the IRS, or any other law enforcement agency designated by the United States  
8 Attorney's Office.

9 WHEREFORE, the United States respectfully request that the Court issue an Order granting this  
10 Application.

11 DATED: May 8, 2019

Respectfully submitted,

12 DAVID L. ANDERSON  
13 United States Attorney

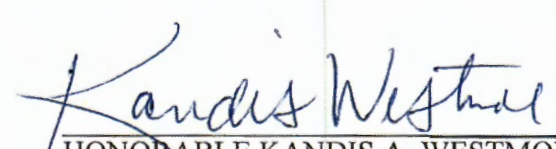
14   
15 JOSE A. OLIVERA  
16 Assistant United States Attorney

17 **ORDER**

18 On the government's application, and for good cause shown, it is HEREBY ORDERED THAT the  
19 Indictment, Penalty Sheet and Arrest Warrant filed with the Court on May 9, 2019, shall be filed under  
20 seal until further order of the court with the exception that the Clerk's office may provide a copy of the  
21 Indictment, Penalty Sheet and Arrest Warrant to the U.S. Attorney's Office and agents of the IRS, and if  
22 the government determines that these materials are subject to its discovery obligations in connection  
23 with criminal proceedings, the government may produce these documents to defense counsel.

24 IT IS SO ORDERED.

25  
26 DATED: May 9, 2019

27   
28 HONORABLE KANDIS A. WESTMORE  
U.S. Magistrate Judge