

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon. Cathy L. Waldor
:
v. : Mag. No. 21-9288
TONG LOR, : Filed Under Seal
a/k/a "Mandy Carr" : **CRIMINAL COMPLAINT**

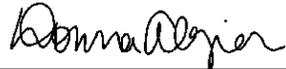
I, Donna M. Algieri, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

I further state that I am a Postal Inspector for the United States Postal Inspection Service, and that this complaint is based on the following facts:

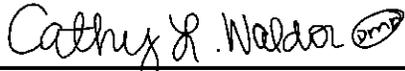
SEE ATTACHMENT B

Continued on the attached page and made a part hereof:



Donna M. Algieri
Postal Inspector
United States Postal Inspection
Service

Postal Inspector Donna Algieri attested to this Affidavit by telephone pursuant to F.R.C.P. 4.1(B)(2)(A) on this 14TH day of May, 2021.



HONORABLE CATHY L. WALDOR
UNITED STATES MAGISTRATE JUDGE

Signed by PI Donna Algieri at Judge Waldor's direction pursuant to F.R.C.P. 4.1(b)(6)(C).

ATTACHMENT A

Counts One and Two
(Mail Fraud)

From in and around January 2020 through in and around May 2021, in the District of New Jersey, and elsewhere, defendant

TONG LOR
a/k/a “Mandy Carr”

knowingly and intentionally devised and intended to devise a scheme and artifice to defraud, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, and to sell, dispose of, loan, exchange, alter, give away, distribute, supply, and furnish and procure for unlawful use any counterfeit and spurious coin, obligation, security, and other article, and anything represented to be and intimated and held out to be such counterfeit and spurious article, and for the purpose of executing such scheme and artifice and attempting so to do, caused to be delivered by mail any matter and thing for the purposes of executing and attempting to execute a scheme to defraud, specifically those matters referenced in the table below, each constituting a separate count of this Complaint.

Count	Item Mailed	Approximate Date of Mailing	Return Address on Mailing	State Mailed To	Carrier
1	Counterfeit Catalina Coupons	January 24, 2020	T.L., PO Box 1450, Riverbank, CA 95367-1450	New Jersey	USPS
2	Counterfeit Catalina Coupons	January 2021	T.L., PO Box 1450, Riverbank, CA 95367-1450	New Jersey	USPS

In violation of Title 18, United States Code, Section 1341.

ATTACHMENT B

I, Donna M. Algieri, am a Postal Inspector with the United States Postal Inspection Service (“USPIS”). I have knowledge about the facts set forth below from my involvement in the investigation, my review of reports, documents, pictures, videos, witness interviews, and discussions with other law enforcement officials. Because this affidavit is submitted for the limited purpose of establishing probable cause, I have not set forth each and every fact that I know concerning this investigation. All statements described herein are relayed in substance and in part. In addition, where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged.

Overview

1. From in and around January 2020 through in and around May 2021, TONG LOR was involved in a large-scale operation to produce and sell fraudulent, counterfeit coupons using the USPS mail system. In furtherance of the scheme, LOR printed coupons with fake bar codes and then mailed these counterfeit coupons to purchasers in New Jersey and elsewhere for use at participating retail stores for discounts on household items such as diapers, laundry detergent, and toiletries.

Background

Catalina Coupons

2. A Catalina Coupon (“CC”) is a full-color, rectangular paper coupon that is created and distributed by manufacturers of products (e.g., household items like diapers and laundry detergent), or from small, dedicated Catalina printers, which used special Catalina ink, located near the registers in the checkout area of participating retail stores.

3. Real CCs are printed on Catalina paper that is only available to product manufacturers or participating retailers and is issued with a set discounted value and redeemed by the retailer when a consumer makes a purchase of a product covered by the coupon. Each CC has a scannable bar code that contains information regarding, among other data, the value of the discount, manufacturer and product specifications, and the coupon expiration date.

4. Typically, once redeemed by the purchasers, the CCs are sent to a clearinghouse, which scans the CCs’ codes, and determines whether they are legitimate or counterfeit by examining the data contained in the CC’s code. For counterfeit CCs, the participating retailers incur the initial loss (the value of discount applied at the time of purchase). Ultimately, the loss to the retailers for the redemption of counterfeit CCs is either born solely by the retailers or absorbed by or shared with the manufacturers.

Individuals and Entities

5. At all times relevant to this Complaint, unless otherwise indicated:
 - a. Defendant Tong Lor (“LOR”), a/k/a “Mandy Carr,” resided in Riverbank and Modesto, California.
 - b. Company 1 was the company that produced and sold the Catalina paper used in the creation of the CCs by the manufacturers or participating retailers.
 - c. Company 2 was a company used by the participating retailers’ clearinghouse(s) to determine the legitimacy of the CCs and the losses incurred from the redemption of counterfeit CCs.
 - d. Retailer 1 was a national pharmacy chain that sold household items and participated in the redemption of CCs.
 - e. Retailer 2 was a national grocery chain that sold household items and participated in the redemption of CCs.
 - f. Retailer 3 was a regional grocery chain that sold household items and participated in the redemption of CCs.
 - g. Mandy’s Treasure Box (“MTB”) was a name used in association with an invitation-only Internet group that was accessible via the Internet site, Telegram Messenger, Inc. (“Telegram”), a cloud-based, mobile and desktop instant communications service. The site’s user application allowed invitees to access the group and an order form containing MTB’s name and a list of numerous CCs to be used at, among other locations, Retailer 1, Retailer 2, and Retailer 3 stores (collectively, the “Retailers”). The order forms had associated prices and volume designations for each CC. Once accessed, the group invitees could electronically select counterfeit CCs to purchase via the order form and then submit the form through the Telegram user application. In and around August 2020, MTB terminated its affiliation with Telegram.
 - h. Mandys Knitting Club (“MKC”) was a name used in association with an invitation-only group that was accessible via Telegram. MKC began in and around the end of August 2020, when MTB terminated its association with Telegram. Identical to MTB, the group offered invitees access to an order form containing MKC’s name and a list of numerous CCs to be used at, among other locations, the Retailers’ stores. The order form had associated prices and volume designations for each CC, which was used to purchase the CCs from MTB and MKC. In and around March 2021, MKC terminated its affiliation with Telegram.
 - i. Mandy’s Treasure Chest (“MTC”) was a name used in association with an invitation-only group that was accessible via Telegram. MTC

began in and around March 2021, when MKC terminated its association with Telegram. Identical to MTB and MKC, the group offered invitees access to an order form containing MTC's name and a list of numerous CCs to be used at, among other locations, the Retailers' stores. The order form had associated prices and volume designations for each CC, which was used to purchase the CCs.

j. PayPal was an Internet platform used by consumers to set up an account to send and receive money. The transactions were linked to the account using an email address that acts as the conduit for the transaction. MTB, MKC, and MTC permitted the group invitees to use PayPal to pay for the purchase of counterfeit CCs.

k. eBay was an international Internet auction site that allows users to sell and purchase items online.

l. USPS Click-N-Ship Service was a service that allows USPS customers to create pre-paid USPS shipping labels that are applied to packages by the consumer and then dropped off by the consumer at a USPS facility for shipment domestically.

Scheme to Defraud

6. From in and around January 2020 through in and around May 2021, LOR produced and sold fraudulent, counterfeit CCs and then mailed them to purchasers for use at retail stores, including the Retailers, resulting in at least \$700,000 of losses.

7. As part of the scheme to defraud, LOR sold the counterfeit CCs via the MTB, MKC, and MTC order forms. As referenced above, purchasers who were invited into the MTB-, MKC-, and MTC-related groups were provided with access to an order form containing a list of numerous counterfeit CCs that had associated prices and volume designations. Purchasers would electronically select the counterfeit CCs they wanted and submit the form through the Telegram user application. To further the scheme to defraud, LOR then falsely coded and printed the counterfeit CCs and mailed them to the purchasers almost exclusively using a USPS Click-N-Ship account opened in and around December 2017 and registered to LOR (the "Click-N-Ship Account"). USPS records show that from in and around December 2017 through present over 13,000 parcels have been mailed using this Click-N-Ship Account.

8. During the course of the investigation of LOR's fraudulent scheme, USPIS has seized approximately 12 parcels containing counterfeit CCs that were shipped by LOR from California to New Jersey. Each shipment contained the return address of "TL, P.O. Box 1450, Riverbank, CA 95367-1450" (the "LOR Riverbank P.O. Box"), which USPS records show is associated with a USPS post office box rented by LOR, and listed to LOR's former residence, 2300 Colony

Manor Drive, Riverbank, CA 95367. The account lists a contact email of maitonglor@gmail.com.

9. Of the 12 parcels seized, 2 were seized in January and March 2020. One of the initial seizures was as follows:

a. On or about January 24, 2020, USPIS seized a USPS parcel mailed from a Riverbank, California USPS facility to a recipient in Haledon, New Jersey. The return address on this parcel was the LOR Riverbank P.O. Box. The shipment contained counterfeit CCs, as confirmed by Company 2. Specifically, the parcel contained 140 counterfeit CCs for use at Retailer 1 and Retailer 2 stores.

10. The additional 10 seizures were made by USPIS pursuant to undercover purchases that occurred in June, July (2 purchases), August, September, October, November, and December of 2020, and January and May 2021. The first 3 undercover purchases were made via the Telegram website using the MTB order form. The next 6 undercover purchases were made via the MKC order form. And, the last undercover purchase in May 2021, was made via the MTC order form. In total, over 400 counterfeit coupons were purchased by the USPIS undercover during this period of time.

11. All CCs purchased by the USPIS undercover were shipped from in and around either Modesto or Riverbank, California, to New Jersey via USPS. Each shipment used the Click-N-Ship Account registered to LOR, and contained counterfeit CCs, as confirmed by Company 2. The counterfeit CCs were intended for use at the Retailers' stores. All ten shipments listed the return address as the LOR Riverbank P.O. Box.

12. The USPIS undercover communicated with the email address mandysgroupie@gmail.com in order to gain invitations to the Telegram groups associated with MTB and MKC, and to make and confirm the undercover purchases. Subscriber records for this email address show that it is registered to a "Mandy Carr," with a contact email address of amandacar485@gmail.com.

13. Based on information obtained by the investigation, "Mandy Carr" is an alias for LOR. For example:

a. USPS records identified another USPS account in LOR's name that lists return addresses as the LOR Riverbank P.O. Box, and "Amanda Carr, 2300 Colony Manor Drive, Riverbank, CA 95367." The account's contact email is mandysgroupie@gmail.com, and the account's username is listed as "amandacar485."

b. Payments for the counterfeit CCs purchased by the USPIS undercover were made through PayPal, as instructed on the order forms via the

email address unclébennysshop@gmail.com. Subscriber records for this email address shows that it is listed to LOR.

14. To facilitate the fraudulent scheme, LOR purchased Catalina printers, Catalina paper, Catalina ink, and USPS shipping material. For example:

a. PayPal records show two accounts associated with the email addresses amandacar485@gmail.com and mandysgroupie@gmail.com. From on or about May 3, 2018 to on or about November 22, 2019, PayPal account records for these two accounts show payments from the accounts to eBay for the purchase of 29 Catalina printers. As of April 8, 2020, the shipping address for the two accounts was listed as “Tong Lor, 3004 Knightsbridge Ct., Modesto, CA 95355” (the “LOR Modesto Address”).

b. From at least in and around November 2019 to present, USPS records show that LOR has been receiving bulk shipments of USPS shipping supplies, including USPS Priority Mail Flat Rate envelopes, USPS Priority Mail Small Flat Rate envelopes, and USPS Priority Mail Express Flat Rate envelopes at the LOR Modesto Address.

c. On or about June 29, 2020, USPSIS seized a parcel intended to be sent from New Jersey to the LOR Riverbank P.O. Box. The parcel was found to contain 4 rolls of blank Catalina paper. Company 1 confirmed that the Catalina paper was not obtained legitimately, as the paper is only provided to authorized manufacturers or participating retailers, and not to individuals for personal or commercial use.

d. From on or about January 4, 2021 through on or about January 12, 2021, emails sent via the email address mandysgroupie@gmail.com, obtained pursuant to a court-authorized search warrant, show that three purchases were made from eBay for Catalina Ink.

15. Video surveillance from inside a USPS facility in Riverbank, California, shows LOR on multiple dates entering the postal facility carrying numerous Flat Rate envelopes. LOR is then shown exiting the facility without the packages. USPS records show that on these dates, LOR’s Click-N-Ship Account was used to mail parcels at the times LOR was observed in the facility. USPS records also show that the shipments reflected in LOR’s Click-N-Ship Account listed the return address as the LOR Riverbank P.O. Box. For example:

a. On or about June 30, 2020, video surveillance for the USPS facility in Riverbank, California, shows LOR entering the facility at approximately 11:27:31a.m. (PDT), carrying numerous USPS Flat Rate envelopes. At approximately 11:29:45a.m. (PDT), LOR is observed departing the post office empty handed. USPS records for LOR’s Click-N-Ship Account show that on June 30, 2020, at approximately 11:28a.m.(PDT), the account was used to mail 5 Flat

Rate parcels to various recipients located in Texas, Michigan, South Carolina, and Florida.

b. Information obtained from a court-authorized search warrant, shows that the email address mandysgroupie@gmail.com, sent emails containing the tracking numbers for these shipments to the recipients. These tracking numbers directly correspond to the tracking numbers contained on parcels mailed out using LOR's Click-N-Ship Account on this date.

c. Similarly, USPS surveillance footage has captured LOR mailing counterfeit CCs to the undercover, including in connection with USPIS's undercover purchase in or around January 2021.

16. According to Company 1 and Company 2, the counterfeit CCs seized in the 12 shipments discussed above contained fake bar codes. Company 1 and Company 2 confirmed that the almost all of fake codes were used and redeemed on other counterfeit CCs that were used elsewhere and not seized by USPIS. According to Company 2, the loss value to the manufacturers and participating retailers, including the Retailers, associated with the use of the fake codes found on the seized counterfeit CCs, was in excess of \$700,000.