

UNITED STATES DISTRICT COURT
THE WESTERN DISTRICT OF VIRGINIA
ROANOKE DIVISION

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	Court No. 7:20CV00321
)	
v.)	
)	
APPROXIMATELY \$205,242.23 IN)	
PAYPAL, INC. ACCOUNT NO.)	
XXXXXXXXXXXXXXXXXX2882,)	
APROXIMATELY \$128,868.73 IN)	
PAYPAL, INC. ACCOUNT NO.)	
XXXXXXXXXXXXXXXXXX1839,)	
APPROXIMATELY \$194,982.40 IN)	
PAYPAL INC. ACCOUNT NO.)	
XXXXXXXXXXXXXXXXXX2700, AND)	
APPROXIMATELY \$13,923.97 IN)	
PAYPAL INC. ACCOUNT NO.)	
XXXXXXXXXXXXXXXXXX57714,)	
)	
Defendants.)	

VERIFIED COMPLAINT FOR FORFEITURE *IN REM*

Now comes the plaintiff, United States of America, by and through its attorney, Krista Consiglio Frith, Assistant United States Attorney, and brings this Complaint and alleges as follows in accordance with Supplemental Rule G(2) of the Federal Rules of Civil Procedure:

NATURE OF THE ACTION

1. This is a civil action *in rem* brought to forfeit and condemn certain personal property assets to the use and benefit of the United States, pursuant to 18 U.S.C. §§ 981(a)(1)(A) and/or (D), for violations of 18 U.S.C. §§ 1956(a)(1)(B)(i) and 1957 and 18 U.S.C. §§ 1341 and 1343.

THE DEFENDANTS *IN REM*

2. The defendant property consists of the following property:

(a) Approximately \$205,242.23, presently located in PayPal Inc. Account No. XXXXXXXXXXXXXXXXXXXX52882;

(b) Approximately \$128,868.73, presently located in PayPal Inc. Account No. XXXXXXXXXXXXXXXXXXXX1839.

(c) Approximately \$194,982.40, presently located in PayPal Inc. Account No. XXXXXXXXXXXXXXXXXXXX2700.

(d) Approximately \$13,923.97, presently located in PayPal Inc. Account No. XXXXXXXXXXXXXXXXXXXX7714.

JURISDICTION AND VENUE

3. This Court has jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355(a).

4. This Court has *in rem* jurisdiction over the defendant property under 28 U.S.C. § 1355(b).

5. Venue is proper in this district pursuant to 28 U.S.C. §1355(b)(1) because acts giving rise to this forfeiture occurred in this district.

6. Upon the filing of this Complaint, the plaintiff requests that the Court issue a Warrant of Arrest and Seizure *in rem* pursuant to Supplemental Rule G(3)(b)(ii), which the plaintiff will execute upon the property pursuant to 28 U.S.C. § 1355(d) and Supplemental Rule G(3)(c).

BASIS FOR FORFEITURE

7. The defendant property is subject to forfeiture pursuant to 18 U.S.C. § 981(a)(1)(A), as the property was involved in a transaction or attempted transaction in violation of 18 U.S.C. §§ 1956(a)(1)(B)(i) and 1957; and/or pursuant to 18 U.S.C. § 981(a)(1)(D), as property that represents or is traceable to the gross receipts obtained, directly or indirectly, from a violation of 18 U.S.C. §§ 1341 and/or 1343.

FACTS

8. The Defendant Property was obtained from a fraudulent scheme, wherein individuals in China purported to sell face masks and N-95 respirators to individuals in the United States, including the Western District of Virginia, at inflated prices. The purchasers sent the sellers money through PayPal, but the purchasers never received any masks.

9. Three websites were set up to sell N-95 respirators and other protective facemasks: mygoodmask.com, greatmask.com, and safetysmask.com (“Fraudulent Websites”).

10. The Fraudulent Websites were set up in February and March 2020.

11. In February and March 2020, the cases of COVID-19 in the United States began to rise and demand for N-95 respirators and other protective facemasks increased.

12. The Fraudulent Websites are registered to Fengling Xu, with an address in Jacksonville, Florida, and the telephone number 626-515-6558.

13. Fengling Xu does not live at the address in Jacksonville, Florida.

14. The address in Jacksonville, Florida, belongs to individuals who have no association with Fengling Xu or the Fraudulent Websites.

15. The telephone number associated with the Fraudulent Websites’ registration is a Voice Over Internet Protocol number with no name associated with it.

16. The Fraudulent Websites provided false contact information for the sellers.

17. The Fraudulent Websites contained a “contact us” page listing a Winchester, Virginia, address and the following telephone number: 540-450-4525.

18. The Winchester, Virginia, address belongs to individuals who have no association with Fengling Xu or the Fraudulent Websites.

19. Payments for the masks ordered on the Fraudulent Websites went through PayPal.

20. PayPal Account No. XXXXXXXXXXXXXXXXXXXX2882 (Account No. 1) was opened on February 9, 2020, by Yan Fei Wang and was associated with two phone numbers with the country code for China: +86 18559322586 and +86 17100953855.

21. The Internet Protocol (IP) address used to setup PayPal Account No. 1 resolves to China.

22. Payments for masks purchased through the Fraudulent Websites went to PayPal Account No. 1.

23. The PayPal payments to PayPal Account No. 1 appeared on buyers' credit card statements as FMONLINESHO.

24. None of the individuals who sent money to PayPal Account No. 1 received the masks they ordered from the Fraudulent Websites.

25. On April 20, 2020, PayPal closed Account No. 1 and froze the money in the account.

26. As of June 4, 2020, PayPal Account No. 1 contained \$205,242.23 in proceeds obtained from the purported sale of masks from the Fraudulent Websites.

27. PayPal Account No. XXXXXXXXXXXXXXXXXXXX1839 (Account No. 2) was opened on February 2, 2020, by Fui Chi and was associated with two phone numbers with the country code for China: +86 16525836224 and +86 17100951703.

28. The IP address used to setup PayPal Account No. 2 resolves to China.

29. Payments for masks purchased through the Fraudulent Websites went to PayPal Account No. 2.

30. The PayPal payments to PayPal Account No. 2 appeared on buyers' credit card statements as FMONLINESHO.

31. None of the individuals who sent money to PayPal Account No. 2 received the masks they ordered from the Fraudulent Websites.

32. On March 29, 2020, PayPal closed Account No. 2 and froze the money in the account.

33. As of June 4, 2020, PayPal Account No. 2 contained \$128,868.73 in proceeds obtained from the purported sale of masks from the Fraudulent Websites.

34. PayPal Account No. XXXXXXXXXXXXXXXXXXXX82700 (Account No. 3) was opened on January 1, 2020, by Meng Xuan Wang and was associated with two telephone numbers with the country code for China: +86 18659488635 and +86 13062290174.

35. The IP address used to setup PayPal Account No. 3 resolves to China.

36. Payments from masks purchased through the Fraudulent Websites went to PayPal Account No. 3.

37. The PayPal payments to PayPal Account No. 3 appeared on buyers' credit card statements as BESTONLINES.

38. None of the individuals who sent money to PayPal Account No. 3 received the masks they ordered from the Fraudulent Websites.

39. On April 22, 2020, PayPal closed Account No. 3 and froze the money in the account.

40. As of June 4, 2020, PayPal Account No. 3 contained \$194,982.40 in proceeds obtained from the purported sale of masks from the Fraudulent Websites.

41. PayPal Account No. XXXXXXXXXXXXXXXXXXXX7714 (Account No. 4) was opened on February 10, 2020, by Yin Wen Jun and was associated with two telephone numbers with the country code for China: +86 17100950088 and +86 17100956858.

42. The IP address used to setup PayPal Account No. 4 resolves to China.

43. Payments for masks purchased through the Fraudulent Websites went to PayPal Account No. 4.

44. The PayPal payments to PayPal Account No. 4 appeared on buyers' credit card statements as FMBESTONLIN.

45. None of the individuals who sent money to PayPal Account No. 4 received the masks they ordered from the Fraudulent Websites.

46. On April 21, 2020, PayPal closed Account No. 4 and froze the money in the account.

47. As of June 4, 2020, PayPal Account No. 4 contained \$13,923.97 in proceeds obtained from the purported sale of masks from the Fraudulent Websites.

48. These facts and additional facts supporting this Complaint are stated in the attached Declaration of Special Agent Theresa C. Hudson, Federal Bureau of Investigation, and are incorporated by reference herein.

WHEREFORE, the United States of America respectfully requests that the Clerk of Court issue a Warrant of Arrest *in rem* pursuant to Supplemental Rule G(3)(b); that due notice be given to all parties to appear and show cause why the forfeiture should not be decreed; that judgment be entered declaring the defendant property to be condemned and forfeited to the United States of America for disposition according to law; and that the United States of America be granted such other and further relief as this Court may deem just and proper, together with the costs and disbursements of this action.

THOMAS T. CULLEN
United States Attorney

s/Krista Consiglio Frith
Krista Consiglio Frith
Virginia State Bar No. 89088

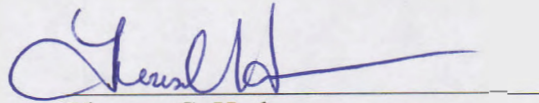
Michael A. Baudinet
Virginia State Bar No. 83633
Assistant United States Attorneys
310 First Street, S.W., Room 906
Roanoke, VA 24011
Phone: 540-857-2250
Fax: (540)857-2614
krista.frith@usdoj.gov
michael.baudinet@usdoj.gov

VERIFICATION

I am a Special Agent of the Federal Bureau of Investigation, and one of the agents assigned the responsibility for the above-captioned matter. I have read the contents of the foregoing Complaint for Forfeiture, and the statements contained therein are true to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 9th day of June, 2020.



Theresa C. Hudson
Special Agent, Federal Bureau of Investigation