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UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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UNITED STATES OF AMERICA : CRIMINAL COMPLAINT

v. :

YOON-SANG KIM , : Mag No. 10-4166 (CCC)  
a/k/a "Haixia Qiu," and  
"Yunjung Choi"

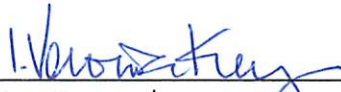
I, the undersigned complainant, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

SEE ATTACHMENT A

I further state that I am a Special Agent, and that this complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.

  
\_\_\_\_\_  
I. Veronica Kung, Special Agent  
Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,  
September 15, 2010, at Newark, New Jersey

HONORABLE CLAIRE C. CECCHI  
UNITED STATES MAGISTRATE JUDGE

  
\_\_\_\_\_  
Signature of Judicial Officer

ATTACHMENT A

**Count One (Knowingly Possessing, with the Intent to Use Unlawfully, Five or More Identification or False Identification Documents)**

On or about August 17, 2010, in Bergen County, in the District of New Jersey and elsewhere, defendant Yoon-Sang Kim a/k/a "Haixia Qiu" and "Yunjung Choi," knowingly possessed with the intent to use unlawfully, five or more identification documents and false identification documents, in and affecting interstate and foreign commerce, in violation of Title 18, United States Code, Section 1028(a)(3), (b)(2)(B), (c)(3)(A), and Title 18, United States Code, Section 2.

**Count Two (Access Device/Credit Card Fraud)**

From in or about February 2010 to in or about August 2010, in Bergen County, in the District of New Jersey and elsewhere, Yoon-Sang Kim a/k/a "Haixia Qiu" and "Yunjung Choi," knowingly and with intent to defraud, used one or more unauthorized access devices during a one-year period, and by such conduct obtained things of value aggregating \$1,000 or more during that period, in violation of Title 18, United States Code, Section 1029(a)(2) and Title 18, United States Code, Section 2.

ATTACHMENT B

I, I. Veronica Kung, am a Special Agent with the Federal Bureau of Investigation. I have knowledge of the facts set forth herein through my personal participation in this investigation and through oral and written reports from other federal agents or other law enforcement officers. Where statements of others are set forth herein, these statements are related in substance and in part. Since this Criminal Complaint is being submitted for a limited purpose, I have not set forth every fact that I know or other law enforcement officers know concerning this investigation. I have only set forth those facts that I believe are sufficient to show probable cause exists to believe that the defendants have committed the offenses set forth in Attachment A. 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.

1. At all times relevant to this Criminal Complaint, defendant Yoon-Sang Kim, a/k/a "Haixia Qiu" and "Yunjung Choi," was a resident of Allendale, New Jersey. Defendant Yoon-Sang Kim is of Korean descent.

2. On or about August 17, 2010, defendant Yoon-Sang Kim was arrested in Fort Lee, New Jersey while driving a vehicle registered to his wife.

3. During a search of the vehicle (the "Kim Vehicle Search"), pursuant to written consent provided by Yoon-Sang Kim, law enforcement officers found a California driver's license in the name "Yunjung Choi" with defendant Yoon-Sang Kim's photograph on it; a commercially issued, non-government identification document in the name "Yun Jung Choi" with the words "New Jersey State" on it and with defendant Yoon-Sang Kim's photograph on it; and several passport-size photographs of defendant Yoon-Sang Kim in a manila envelope.

4. During the Kim Vehicle Search, law enforcement officers further found a California driver's license in the Chinese name "Haixia Qiu" with defendant Yoon-Sang Kim's photograph on it; a photocopy of a California driver's license in the name "Haixia Qiu" with the same biographical data as the other California driver's license in the name "Haixia Qiu," but with an unknown individual's photograph on it; and a photocopy of a Chinese passport in the name "Haixia Qiu" with defendant Yoon-Sang Kim's photograph on it. According to a search of a law enforcement database, the California Department of Motor Vehicles did not issue the above-listed driver's licenses.

5. During the Kim Vehicle Search, law enforcement officers found a photocopy of a social security card beginning with the

digits "586" in the name "Haixia Qiu." This social security number was not assigned to defendant Yoon-Sang Kim by the Commissioner of Social Security.

6. Your Affiant knows, based on my education, training, and experience, that generally social security cards that begin with the prefix "586" were issued by the United States to individuals, usually from China, who were employed in American territories, such as American Samoa, Guam, the Phillipines, and Saipan. Furthermore, Your Affiant knows that individuals profit by obtaining, brokering, and selling "586" social security cards to others. These social security cards are then used to obtain identification cards, driver's licenses, and other identity documents. These identity documents, in conjunction with the "586" social security cards, are then used to create shell companies that have no real assets, open bank accounts, apply for loans, and obtain credit cards for the purpose of committing a myriad of frauds.

7. During the Kim Vehicle Search, law enforcement officers found five credit cards in the name "Haixia Qiu"; one credit card in the name Brownzia, Inc. and "Haixia Qiu"; and three credit cards in the name 77 Beautyworld, Inc. and "Haixia Qiu."

8. During the Kim Vehicle Search, law enforcement officers found a Certificate of Incorporation from the New Jersey Department of Treasury, Division of Revenue, dated January 22, 2010 for "77 Beautyworld, Inc." The certificate indicates that the registered agent and the first board of directors for the company is "Haixia Qiu." The New Jersey Department of Treasury confirmed that it issued this Certificate of Incorporation.

9. During the Kim Vehicle Search, law enforcement officers found a Certificate of Incorporation from the New Jersey Department of Treasury, Division of Revenue, dated November 16, 2009 for "Brownzia, Inc." The certificate indicates that the registered agent and the first board of directors for the company is "Haixia Qiu." According to the New Jersey Department of Treasury, this Certificate of Incorporation does not exist.

10. According to records from Wachovia bank, on or about January 15, 2010, an individual using the Chinese name "Haixia Qiu" and a corresponding "586" social security card, opened a personal bank account at Wachovia bank in the name "Haixia Qiu."

11. According to records from Wachovia bank, in or about February 2010 defendant Yoon-Sang Kim, using the name "Haixia Qiu," and a corresponding "586" social security card in the same

name, opened a business bank account with Wachovia bank in the name 77 Beautyworld, Inc. The opening account balance was approximately \$150. "Haixia Qiu" is the only authorized signatory on this account.

12. Based on information obtained from Wachovia bank and the merchant processor for 77 Beautyworld, Inc. (i.e., the company that processes credit card payments for any credit card charges made or "swiped" through a 77 Beautyworld, Inc. credit card machine), credit card charges made by 77 Beautyworld, Inc. are automatically deposited into the 77 Beautyworld, Inc. business bank account opened by Yoon-Sang Kim with Wachovia bank.

13. During the Kim Vehicle Search, law enforcement officers found forty nine credit cards (in addition to the nine listed above) in various names, other than Yoon-Sang Kim. Law enforcement officers also found numerous other photocopies of credit cards that were not in defendant Yoon-Sang Kim's name. Thirty-seven of the photocopied credit cards had corresponding sales receipts from 77 Beautyworld, Inc. or Brownzia, Inc., which were generated by credit card machines. In many instances, a "personal application" was also attached to the credit card with sales receipts. Most of the "personal applications" were filled out and contain information about the credit card holder, including the credit card holder's date of birth, mother's maiden name, internet banking ID, and internet banking password. Furthermore, some of the "personal applications" had attached to them blank checks from the applicant or an identification card, driver's license or passport in the applicant's name.

14. Your Affiant knows, based on my education, training, and experience, that as part of what is known as "bust out schemes," individuals create wholly fictitious shell companies for the sole purpose of charging or "swiping" the credit cards of "customers" on credit card machines possessed by the shell companies. These "customers" are not actually purchasing any goods or services from the shell company. Rather, the customers are getting the amount charged or "swiped" back from the owner/operator of the shell company, then paying the owner/operator of the shell company a fee for processing the credit card. After making these "first round" charges, the "customers," or in some instances the owner/operator of the shell company, make payments, either by telephone or by check, toward the charges made during the "first round." These payments are drawn against bank accounts with insufficient funds, resulting in the payments being returned. After the credit card company receives these payments, but before the payments are determined to be fraudulent (i.e., the float period), the credit card

company credits the accounts, thereby allowing additional charges to be made on these credit cards. Thereafter, the "customers" make additional charges on these fraudulently obtained credit cards, in much the same manner as described during the "first round." This part of the scheme is referred to as the "second round." Ultimately, the charges from the first round and second round are not paid, resulting in significant losses to the victim credit card companies.

15. Based on the evidence found through the Kim Vehicle Search and the Kim Office Search, as described below, Your Affiant believes that defendant Yoon-Sang Kim has engaged in "bust out" schemes and other types of fraud through his purported businesses, 77 Beautyworld, Inc. and Brownzia, Inc.

16. For example, on or about May 12, 2010, a Wachovia Visa credit card in the name H.J., which was in Yoon-Sang Kim's possession at the time of his arrest, was charged \$4,496.00, using a 77 Beautyworld, Inc. credit card machine. The charged amount was thereafter automatically deposited into the 77 Beautyworld, Inc. business bank account. According to Wachovia, these charges were never paid and the account was closed, resulting in a loss of approximately \$4,496.00 to Wachovia.

17. On or about July 14, 2010, a Bank of America Visa credit card in the name H.O., which was in Yoon-Sang Kim's possession at the time of his arrest, was charged approximately \$7,582, using a 77 Beautyworld, Inc. credit card machine. The charged amount was thereafter automatically deposited into the 77 Beautyworld, Inc. business bank account. According to Bank of America, these charges were never paid and the account was closed, resulting in a loss of approximately \$7,582 to Bank of America.

18. On or about August 3, 2010, a Bank of America Visa credit card in the name C.C., which was found in Yoon-Sang Kim's possession at the time of his arrest, was charged approximately \$7,153, using a 77 Beautyworld, Inc. credit card machine. The charged amount was thereafter automatically deposited into the 77 Beautyworld, Inc. business bank account. According to Bank of America, these charges were never paid and the account was closed, resulting in a loss of approximately \$7,153 to Bank of America.

19. Furthermore, among the materials law enforcement officers found during the Kim Vehicle Search, was a Korean passport belonging to a Korean female with the initials "J.Y.S." and a photocopy of a United States passport in the name of

"J.Y.S." with the same photograph. Law enforcement officers also found a Korean passport in the name of a person with the initials "Y.K.S." with the same photograph as the Korean passport in the name "J.Y.S." and a photocopy of a United States passport in the name "Y.K.S." with the same photograph. On page six of the "J.Y.S." Korean passport was a post-it note stating "New Name [S.Y.H]." A Chase Mastercard in the name "S.Y.H," and a "personal application" by "S.Y.H" were also recovered by law enforcement officers during the Kim Vehicle Search.

20. During the Kim Vehicle search, law enforcement officers also found a Korean passport in the name "H.S.J."

21. In total, law enforcement officers recovered, from the Kim Vehicle Search, fifty-three sales receipts generated by credit card machines: Thirty-six from 77 Beautyworld Inc. totaling approximately \$183,000 and seventeen from Brownzia Inc. totaling approximately \$37,000. Therefore, a total amount of approximately \$221,000 in sales receipts was collected from the Kim Vehicle Search.

22. On or about August 18, 2010, pursuant to a search warrant, law enforcement officers conducted a search of a location in Fort Lee, New Jersey, from which defendant Yoon-Sang Kim was seen exiting prior to his arrest (the "Kim Office Search"). The front door of this location had a name plate with the words "77 Beauty World Office" imprinted on it. To the right of the door was a white metal mailbox with a sticker on it that had the words "77 Beauty World" on it.

23. During the Kim Office Search, law enforcement officers found five credit card machines. One credit card reader had a sticker with the name "Brownzia Inc." on it. Another credit card reader had the name "77 Beautyworld Power Merchant" on it. Law enforcement officers did not find any merchandise or any indicia of the office being the location of a legitimate business.

24. Between on or about May 1, 2010 and on or about August 31, 2010, approximately \$180,000 was automatically deposited into the Wachovia bank account of 77 Beautyworld, Inc. as a result of credit card charges or "swipes" using a credit card machine that belongs to 77 Beautyworld, Inc.

25. Between on or about May 1, 2010 and on or about August 31, 2010, approximately \$105,000 in checks was negotiated against the 77 Beautyworld, Inc. bank account (including several checks made out to "Haixia Qiu"); \$65,000 was transferred from the 77 Beautyworld, Inc. bank account to the personal bank account of "Haixia Qiu,"; and approximately \$5,800 was withdrawn from the account in cash. On or about August 31, 2010, the 77 Beautyworld, Inc. bank account had approximately \$137 in it.