

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - X
:
UNITED STATES OF AMERICA :
:
- v. - :
:
SHENG-WEN CHENG, :
a/k/a "Justin Cheng," :
a/k/a "Justin Jung," :
:
Defendant. :
:
- - - - - X

INFORMATION

21 Cr. ____ (AJN)

COUNT ONE
(Major Fraud Against the United States)

The U.S. Attorney charges:

1. From at least in or about April 2020 through at least on or about August 13, 2020, in the Southern District of New York and elsewhere, SHENG-WEN CHENG, a/k/a "Justin Cheng," a/k/a "Justin Jung," the defendant, willfully and knowingly executed, and attempted to execute, a scheme and artifice with the intent to defraud the United States, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, in a grant, contract, subcontract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, including through an economic stimulus, recovery and rescue plan provided by the Government, the value of which was \$1,000,000 and more, to wit, CHENG engaged in a scheme to obtain Government-guaranteed loans by means of false and fraudulent pretenses, representations, and documents, for several companies

controlled by CHENG (the "Cheng Companies") through two loan programs of the United States Small Business Administration designed to provide relief to small businesses during the novel coronavirus/COVID-19 pandemic, namely the Paycheck Protection Program (the "PPP") and the Economic Injury Disaster Loan ("EIDL") Program.

(Title 18, United States Code, Sections 1031 and 2.)

COUNT TWO
(Bank Fraud)

The U.S. Attorney further charges:

2. From at least in or about April 2020 through at least on or about August 13, 2020, in the Southern District of New York and elsewhere, SHENG-WEN CHENG, a/k/a "Justin Cheng," a/k/a "Justin Jung," the defendant, willfully and knowingly executed, and attempted to execute, a scheme and artifice to defraud a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation ("FDIC"), and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such financial institution, by means of false and fraudulent pretenses, representations and promises, to wit, CHENG engaged in a scheme to obtain Government-guaranteed loans for the Cheng Companies from FDIC-insured banks through the PPP by means of false and fraudulent pretenses, representations, and documents.

(Title 18, United States Code, Sections 1344 and 2.)

COUNT THREE
(Securities Fraud)

The U.S. Attorney further charges:

3. From at least in or about 2017 through at least in or about 2019, in the Southern District of New York and elsewhere, SHENG-WEN CHENG, a/k/a "Justin Cheng," a/k/a "Justin Jung," the defendant, willfully and knowingly, directly and indirectly, by the use of the means and instrumentalities of interstate commerce, and of the mails, and of facilities of national securities exchanges, in connection with the purchase and sale of securities, used and employed manipulative and deceptive devices and contrivances, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing devices, schemes and artifices to defraud; (b) making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons, to wit, CHENG solicited and obtained investments in Alchemy Coin Technology Limited and related companies ("Alchemy Coin") controlled by CHENG through materially false and misleading statements and omissions regarding Alchemy Coin's access to capital, use of investor proceeds, the product readiness of its purported blockchain-based peer-to-peer lending

platform, and the registration of its tokens as part of an initial coin offering.

(Title 15, United States Code, Sections 78j(b) & 78ff; Title 17, Code of Federal Regulations, Section 240.10b-5; and Title 18, United States Code, Section 2.)

COUNT FOUR
(Wire Fraud)

The U.S. Attorney further charges:

4. From at least in or about 2018 through at least in or about 2019, in the Southern District of New York and elsewhere, SHENG-WEN CHENG, a/k/a "Justin Cheng," a/k/a "Justin Jung," the defendant, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce writings, signs, signals, pictures and sounds for the purpose of executing such scheme and artifice, to wit, CHENG obtained due diligence fees from various start-up companies as part of an advance fee scheme through materially false and misleading statements regarding the purpose and refundability of the fees and his interest and ability to make investments in the start-up companies.

(Title 18, United States Code, Sections 1343 and 2.)

FORFEITURE ALLEGATIONS

5. As the result of committing the bank and wire fraud offenses charged in Counts Two and Four of this Information, SHENG-WEN CHENG, a/k/a "Justin Cheng," a/k/a "Justin Jung," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(2)(A), any and all property constituting, or derived from, proceeds obtained directly or indirectly, as a result of the commission of said offenses, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses and the following specific property:

a. One 2020 White Mercedes Model S560X4, VIN No. W1KUX8GB8LA556628.

6. As a result of committing the securities fraud offense charged in Count Three of this Information, SHENG-WEN CHENG, a/k/a "Justin Cheng," a/k/a "Justin Jung," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28 United States Code, Section 2461(c), any and all property, real and personal, which constitutes or is derived from proceeds traceable to the commission of said offense, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense.

Substitute Assets Provision

7. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

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

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), and Title 28, United States Code, Section 2461, to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

(Title 18, United States Code, Sections 981 and 982; Title 21, United States Code, Section 853; and Title 28, United States Code, Section 2461.)



AUDREY STRAUSS
United States Attorney

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(Title 15, United States Code, Sections
78j(b) and 78ff; Title 17, Code of
Federal Regulations, Section 240.10b-5;
and Title 18, United States Code,
Sections 1031, 1343, 1344 & 2)

AUDREY STRAUSS

United States Attorney
