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9 UNITED STATES OF AMERICA

10 UNITED STATES DISTRICT COURT
11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,
13 Plaintiff,
14 v.
15 TING HONG YEUNG,
16 Defendant.

No. CR 2:22-cr-00101-SVW
PLEA AGREEMENT FOR DEFENDANT
TING HONG YEUNG

17
18 1. This constitutes the plea agreement between TING HONG YEUNG
19 ("defendant") and the United States Attorney's Office for the Central
20 District of California (the "USAO") in this investigation into
21 defendant's fraudulent use of Amazon seller accounts from 2013 to
22 2020. This agreement is limited to the USAO and cannot bind any
23 other federal, state, local, or foreign prosecuting, enforcement,
24 administrative, or regulatory authority.

25 DEFENDANT'S OBLIGATIONS

26 2. Defendant agrees to:
27 a. Give up the right to indictment by a grand jury and,
28 at the earliest opportunity requested by the USAO and provided by the

1 Court, appear and plead guilty to the sole count of the information
2 in the form attached to this agreement as Exhibit A or a
3 substantially similar form, which charges defendant with wire fraud,
4 in violation of 18 U.S.C. § 1343.

5 b. Not contest facts agreed to in this agreement.

6 c. Abide by all agreements regarding sentencing contained
7 in this agreement.

8 d. Appear for all court appearances, surrender as ordered
9 for service of sentence, obey all conditions of any bond, and obey
10 any other ongoing court order in this matter.

11 e. Not commit any crime; however, offenses that would be
12 excluded for sentencing purposes under United States Sentencing
13 Guidelines ("USSG" or "Sentencing Guidelines") § 4A1.2(c) are not
14 within the scope of this agreement.

15 f. Be truthful at all times with the United States
16 Probation and Pretrial Services Office and the Court.

17 g. Pay the applicable special assessment at or before the
18 time of sentencing unless defendant has demonstrated a lack of
19 ability to pay such assessments.

20 h. Defendant agrees that any and all criminal debt
21 ordered by the Court will be due in full and immediately. The
22 government is not precluded from pursuing, in excess of any payment
23 schedule set by the Court, any and all available remedies by which to
24 satisfy defendant's payment of the full financial obligation,
25 including referral to the Treasury Offset Program.

26 i. Complete the Financial Disclosure Statement on a form
27 provided by the USAO and, within 30 days of defendant's entry of a
28 guilty plea, deliver the signed and dated statement, along with all

1 of the documents requested therein, to the USAO by either email at
2 usacac.FinLit@usdoj.gov (preferred) or mail to the USAO Financial
3 Litigation Section at 300 North Los Angeles Street, Suite 7516, Los
4 Angeles, CA 90012. Defendant agrees that defendant's ability to pay
5 criminal debt shall be assessed based on the completed Financial
6 Disclosure Statement and all required supporting documents, as well
7 as other relevant information relating to ability to pay.

8 j. Authorize the USAO to obtain a credit report upon
9 returning a signed copy of this plea agreement.

10 k. Consent to the USAO inspecting and copying all of
11 defendant's financial documents and financial information held by the
12 United States Probation and Pretrial Services Office.

13 l. Allow funds previously seized in connection with this
14 matter on February 10, 2022, in the amount of approximately \$36,922,
15 as well as gold- and silver-colored bars seized on that same date,
16 unless subject to forfeiture, to be applied by the Court to pay, in
17 order of application, any restitution, special assessment, criminal
18 fines, and costs that defendant is required to pay, and execute
19 papers as necessary to accomplish this application.

20 THE USAO'S OBLIGATIONS

21 3. The USAO agrees to:

22 a. Not contest facts agreed to in this agreement.

23 b. Abide by all agreements regarding sentencing contained
24 in this agreement.

25 c. At the time of sentencing, provided that defendant
26 demonstrates an acceptance of responsibility for the offense up to
27 and including the time of sentencing, recommend a two-level reduction
28 in the applicable Sentencing Guidelines offense level, pursuant to

1 USSG § 3E1.1, and recommend and, if necessary, move for an additional
2 one-level reduction if available under that section.

3 d. Recommend that defendant be sentenced to a term of
4 imprisonment no higher than the low end of the applicable Sentencing
5 Guidelines range, provided that the offense level used by the Court
6 to determine that range is 18 or higher. For purposes of this
7 agreement, the low end of the Sentencing Guidelines range is that
8 defined by the Sentencing Table in USSG Chapter 5, Part A, without
9 regard to reductions in the term of imprisonment that may be
10 permissible through the substitution of community confinement or home
11 detention as a result of the offense level falling within Zone B or
12 Zone C of the Sentencing Table.

13 NATURE OF THE OFFENSE

14 4. Defendant understands that for defendant to be guilty of
15 the crime charged in the sole count of the information, that is, wire
16 fraud, in violation of 18 U.S.C. § 1343, the following must be true:
17 (1) defendant knowingly participated in a scheme or plan to defraud,
18 or a scheme or plan for obtaining money or property by means of false
19 or fraudulent pretenses, representations, or promises. Deceitful
20 statements or half-truths may constitute false or fraudulent
21 representations; (2) the statements made as part of the scheme were
22 material, that is, they had a natural tendency to influence, or were
23 capable of influencing, a person to part with money or property;
24 (3) defendant acted with the intent to defraud, that is, the intent
25 to deceive and cheat; and (4) defendant used, or caused to be used,
26 an interstate wire communication to carry out an essential part of
27 the scheme.

PENALTIES AND RESTITUTION

1
2 5. Defendant understands that the statutory maximum sentence
3 that the Court can impose for wire fraud, in violation of 18 U.S.C.
4 § 1343, is: twenty years' imprisonment; a three-year period of
5 supervised release; a fine of \$100 or twice the gross gain or gross
6 loss resulting from the offense, whichever is greater; and a
7 mandatory special assessment of \$100.

8 6. Defendant understands that defendant will be required to
9 pay full restitution to the victim(s) of the offense to which
10 defendant is pleading guilty. Defendant agrees that, in return for
11 the USAO's compliance with its obligations under this agreement, the
12 Court may order restitution to persons other than the victim(s) of
13 the offense to which defendant is pleading guilty and in amounts
14 greater than those alleged in the count to which defendant is
15 pleading guilty. In particular, defendant agrees that the Court may
16 order restitution to any victim of any of the following for any
17 losses suffered by that victim as a result of any relevant conduct,
18 as defined in USSG § 1B1.3, in connection with the offense to which
19 defendant is pleading guilty. The parties currently believe that the
20 loss resulting to the victim(s) of defendant's offense amounts to
21 approximately \$1,302,954 but recognize and agree that this amount
22 could change based on facts that come to the attention of the parties
23 prior to sentencing. Defendant intends to argue that the restitution
24 he is required to pay is lower than \$1,302,954 based on offsets but
25 understands that the Court may reject that argument.

26 7. Defendant understands that supervised release is a period
27 of time following imprisonment during which defendant will be subject
28 to various restrictions and requirements. Defendant understands that

1 if defendant violates one or more of the conditions of any supervised
2 release imposed, defendant may be returned to prison for all or part
3 of the term of supervised release authorized by statute for the
4 offense that resulted in the term of supervised release, which could
5 result in defendant serving a total term of imprisonment greater than
6 the statutory maximum stated above.

7 8. Defendant understands that, by pleading guilty, defendant
8 may be giving up valuable government benefits and valuable civic
9 rights, such as the right to vote, the right to possess a firearm,
10 the right to hold office, and the right to serve on a jury. Defendant
11 understands that he is pleading guilty to a felony and that it is a
12 federal crime for a convicted felon to possess a firearm or
13 ammunition. Defendant understands that the conviction in this case
14 may also subject defendant to various other collateral consequences,
15 including but not limited to revocation of probation, parole, or
16 supervised release in another case and suspension or revocation of a
17 professional license. Defendant understands that unanticipated
18 collateral consequences will not serve as grounds to withdraw
19 defendant's guilty plea.

20 9. Defendant and his counsel have discussed the fact that, and
21 defendant understands that, if defendant is not a United States
22 citizen, the conviction in this case makes it practically inevitable
23 and a virtual certainty that defendant will be removed or deported
24 from the United States. Defendant may also be denied United States
25 citizenship and admission to the United States in the future.
26 Defendant understands that while there may be arguments that
27 defendant can raise in immigration proceedings to avoid or delay
28 removal, removal is presumptively mandatory and a virtual certainty

1 in this case. Defendant further understands that removal and
2 immigration consequences are the subject of a separate proceeding and
3 that no one, including his attorney or the Court, can predict to an
4 absolute certainty the effect of his conviction on his immigration
5 status. Defendant nevertheless affirms that he wants to plead guilty
6 regardless of any immigration consequences that his plea may entail,
7 even if the consequence is automatic removal from the United States.

8 FACTUAL BASIS

9 10. Defendant admits that defendant is, in fact, guilty of the
10 offense to which defendant is agreeing to plead guilty. Defendant
11 and the USAO agree to the statement of facts provided below and agree
12 that this statement of facts is sufficient to support a plea of
13 guilty to the charge described in this agreement and to establish the
14 Sentencing Guidelines factors set forth in paragraph 12 below but is
15 not meant to be a complete recitation of all facts relevant to the
16 underlying criminal conduct or all facts known to either party that
17 relate to that conduct.

18 Beginning no later than 2013, and continuing through at least
19 April 30, 2020, in Los Angeles County, within the Central District of
20 California, and elsewhere, defendant, knowingly and with the intent
21 to defraud, devised, participated in, and executed a scheme to
22 defraud Amazon.com, Inc. ("Amazon"), as to material matters, and to
23 obtain money and property from Amazon by means of material false and
24 fraudulent pretenses, representations, and promises.

25 At times relevant to the charge in the information:

26 Both Amazon and third-party sellers used Amazon's online
27 platform to make retail sales to Amazon customers. Third-party
28 sellers who wished to use Amazon's platform were required to register

1 for an Amazon seller account, which required a bank account number
2 and bank routing number; chargeable credit card; government-issued
3 identification; tax information; and a phone number. Third-party
4 sellers approved for Amazon seller accounts were provided access to
5 an online portal called Seller Central, through which third-party
6 sellers could manage inventory, communicate with customers, contact
7 Amazon, and update payment information.

8 When a customer purchased an item from a third-party seller,
9 Amazon credited the associated Amazon seller account for that
10 purchase. Third-party sellers were responsible for providing Amazon
11 with the tracking number for each shipment corresponding to an
12 individual sale. Roughly every fourteen days, Amazon disbursed funds
13 from the Amazon seller account into the associated bank account for
14 that third-party seller for sales with a corresponding tracking
15 number. When a customer sought to return an item purchased from a
16 third-party seller, the seller was generally responsible for
17 providing return options and paying a refund from the seller's Amazon
18 account. If the third-party seller did not provide a refund (or
19 could not, due to a lack of funds in the seller's Amazon account),
20 customers could seek a refund directly from Amazon. Amazon deducted
21 the cost of the refund from the seller's Amazon account, when it held
22 sufficient funds to do so, prior to a disbursement of those funds to
23 the seller.

24 Over the course of the scheme, defendant used various Amazon
25 seller accounts he either registered or controlled, and which were in
26 the names of various business entities he controlled, including
27 "Special SaleS," "California Red Trading, Inc.," "Speedy Checkout,
28 Inc.," "Expeditious Enterprise, Inc.," and "LV Consultants, Inc."

1 The Amazon seller accounts for these businesses, in turn, linked to
2 bank accounts for which he was an authorized signer or over which he
3 otherwise exerted control.

4 The scheme generally operated as follows: after some period of
5 normal activity, defendant began listing high-priced items, such as
6 furniture or home décor, on one of his Amazon seller accounts at
7 prices far below those offered by competitors. This generally caused
8 a spike in sales. As Amazon customers placed orders, defendant
9 falsely confirmed order shipments with tracking information that did
10 not, in fact, correspond to an actual shipment. Instead of
11 satisfying the orders, defendant instead employed various delay
12 tactics, including false responses to customer inquiries that orders
13 were on their way or by shipping low-value crystal ornaments, which
14 created the further appearance to Amazon that merchandise had, in
15 fact, been shipped and induced customers to delay complaints or
16 requests for refunds. Defendant would carry on these delay tactics
17 long enough to cause Amazon to disburse the funds in his Amazon
18 seller account into the associated bank account he controlled,
19 leaving Amazon responsible for reimbursing customers who did not
20 receive their orders for any amounts in excess of the balance of
21 funds remaining in that Amazon seller account.

22 In furtherance of the scheme, on February 18, 2020, for example,
23 defendant communicated with a customer using Amazon's Buyer-Seller
24 Messaging Service, which provided wire communications between buyers
25 and sellers using encrypted email addresses routed through Amazon.
26 The customer sent a message as follows:

27 Hello, I've received a crystal ornament and a note saying
28 that my couch will arrive, March 6th-18th. Please advise
why the product I ordered has been labeled as "Delivered"

1 when I have yet to receive the item that I have purchased.
2 This feels like a scam. Thank you

3 In response, and in order to delay any complaint being lodged by the
4 customer, defendant wrote,

5 HI How we are scam? Your order ship day is Mon, Mar 2,
6 2020 to Fri, Mar 6, 2020 .Deliver by: Fri, Mar 6, 2020 to
Wed, Mar 18, 2020 . May I know do you want full refund ?

7 These communications took place by means of interstate wire
8 transmission.

9 As part of the scheme, defendant also submitted fraudulent
10 refund claims to Amazon. Using credit cards in the names of other
11 persons and fictitious names, defendant caused products to be
12 purchased from Amazon in order to fulfill orders made through one of
13 his seller accounts. After the correct product was delivered to the
14 customer, defendant caused a refund request to be submitted to
15 Amazon, often selecting as the reason that the product was "Different
16 from what was ordered." Instead of returning the originally ordered
17 product, defendant caused the return of a substitute product of lower
18 value, such as damaged goods, receiving the benefit of the refund as
19 well as the proceeds of the sale of the originally ordered product to
20 the customer.

21 As a result of defendant's scheme, Amazon was forced to
22 reimburse customers approximately \$1,142,360 in excess of the funds
23 available in defendant's Amazon seller accounts, and Amazon paid out
24 approximately \$160,594 on fraudulent refund claims submitted or
25 orchestrated by defendant. In total, defendant's scheme therefore
26 caused approximately \$1,302,954 in losses to Amazon.

1 appeal defendant's conviction on the offense to which defendant is
2 pleading guilty. Defendant understands that this waiver includes,
3 but is not limited to, arguments that the statute to which defendant
4 is pleading guilty is unconstitutional, and any and all claims that
5 the statement of facts provided herein is insufficient to support
6 defendant's plea of guilty.

7 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

8 17. Defendant agrees that, provided the Court imposes a total
9 term of imprisonment on all counts of conviction of no more than 33
10 months, defendant gives up the right to appeal all of the following:
11 (a) the procedures and calculations used to determine and impose any
12 portion of the sentence; (b) the term of imprisonment imposed by the
13 Court; (c) the fine imposed by the Court, provided it is within the
14 statutory maximum; (d) to the extent permitted by law, the
15 constitutionality or legality of defendant's sentence, provided it is
16 within the statutory maximum; (e) the amount and terms of any
17 restitution order, provided it requires payment of no more than \$1.4
18 million; (f) the term of probation or supervised release imposed by
19 the Court, provided it is within the statutory maximum; and (g) any
20 of the following conditions of probation or supervised release
21 imposed by the Court: the conditions set forth in Second Amended
22 General Order 20-04 of this Court; the drug testing conditions
23 mandated by 18 U.S.C. §§ 3563(a) (5) and 3583(d); and the alcohol and
24 drug use conditions authorized by 18 U.S.C. § 3563(b) (7).

25 18. The USAO agrees that, provided (a) all portions of the
26 sentence are at or below the statutory maximum specified above and
27 (b) the Court imposes a term of imprisonment of no less than 27
28 months, the USAO gives up its right to appeal any portion of the

1 sentence, with the exception that the USAO reserves the right to
2 appeal the following: the amount of restitution ordered if that
3 amount is less than \$1,302,954.

4 RESULT OF WITHDRAWAL OF GUILTY PLEA

5 19. Defendant agrees that if, after entering a guilty plea
6 pursuant to this agreement, defendant seeks to withdraw and succeeds
7 in withdrawing defendant's guilty plea on any basis other than a
8 claim and finding that entry into this plea agreement was
9 involuntary, then the USAO will be relieved of all of its obligations
10 under this agreement.

11 EFFECTIVE DATE OF AGREEMENT

12 20. This agreement is effective upon signature and execution of
13 all required certifications by defendant, defendant's counsel, and an
14 Assistant United States Attorney.

15 BREACH OF AGREEMENT

16 21. Defendant agrees that if defendant, at any time after the
17 effective date of this agreement, knowingly violates or fails to
18 perform any of defendant's obligations under this agreement ("a
19 breach"), the USAO may declare this agreement breached. All of
20 defendant's obligations are material, a single breach of this
21 agreement is sufficient for the USAO to declare a breach, and
22 defendant shall not be deemed to have cured a breach without the
23 express agreement of the USAO in writing. If the USAO declares this
24 agreement breached, and the Court finds such a breach to have
25 occurred, then: (a) if defendant has previously entered a guilty plea
26 pursuant to this agreement, defendant will not be able to withdraw
27 the guilty plea, and (b) the USAO will be relieved of all its
28 obligations under this agreement.

1 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

2 OFFICE NOT PARTIES

3 22. Defendant understands that the Court and the United States
4 Probation and Pretrial Services Office are not parties to this
5 agreement and need not accept any of the USAO's sentencing
6 recommendations or the parties' agreements to facts or sentencing
7 factors.

8 23. Defendant understands that both defendant and the USAO are
9 free to: (a) supplement the facts by supplying relevant information
10 to the United States Probation and Pretrial Services Office and the
11 Court, (b) correct any and all factual misstatements relating to the
12 Court's Sentencing Guidelines calculations and determination of
13 sentence, and (c) argue on appeal and collateral review that the
14 Court's Sentencing Guidelines calculations and the sentence it
15 chooses to impose are not error, although each party agrees to
16 maintain its view that the calculations in paragraph 12 are
17 consistent with the facts of this case. While this paragraph permits
18 both the USAO and defendant to submit full and complete factual
19 information to the United States Probation and Pretrial Services
20 Office and the Court, even if that factual information may be viewed
21 as inconsistent with the facts agreed to in this agreement, this
22 paragraph does not affect defendant's and the USAO's obligations not
23 to contest the facts agreed to in this agreement.

24 24. Defendant understands that even if the Court ignores any
25 sentencing recommendation, finds facts or reaches conclusions
26 different from those agreed to, and/or imposes any sentence up to the
27 maximum established by statute, defendant cannot, for that reason,
28 withdraw defendant's guilty plea, and defendant will remain bound to

1 fulfill all defendant's obligations under this agreement. Defendant
2 understands that no one -- not the prosecutor, defendant's attorney,
3 or the Court -- can make a binding prediction or promise regarding
4 the sentence defendant will receive, except that it will be within
5 the statutory maximum.

6 NO ADDITIONAL AGREEMENTS

7 25. Defendant understands that, except as set forth herein,
8 there are no promises, understandings, or agreements between the USAO
9 and defendant or defendant's attorney, and that no additional
10 promise, understanding, or agreement may be entered into unless in a
11 writing signed by all parties or on the record in court.

12 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

13 26. The parties agree that this agreement will be considered

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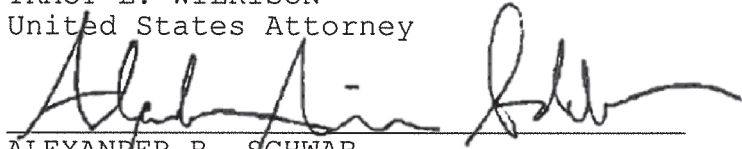
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1 part of the record of defendant's guilty plea hearing as if the
2 entire agreement had been read into the record of the proceeding.

3 AGREED AND ACCEPTED


4 UNITED STATES ATTORNEY'S OFFICE
5 FOR THE CENTRAL DISTRICT OF
6 CALIFORNIA

7 TRACY L. WILKISON
8 United States Attorney


9 
10 ALEXANDER B. SCHWAB
11 Assistant United States Attorney

March 21, 2022

Date

12 
13 TING HONG YEUNG
14 Defendant

03-16-2022
Date

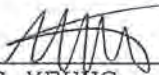
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16 VICTOR SHERMAN
17 Attorney for Defendant
18 TING HONG YEUNG

3/16/22
Date

19 CERTIFICATION OF DEFENDANT

20 I have read this agreement in its entirety. I have had enough
21 time to review and consider this agreement, and I have carefully and
22 thoroughly discussed every part of it with my attorney. I understand
23 the terms of this agreement, and I voluntarily agree to those terms.
24 I have discussed the evidence with my attorney, and my attorney has
25 advised me of my rights, of possible pretrial motions that might be
26 filed, of possible defenses that might be asserted either prior to or
27 at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a),
28 of relevant Sentencing Guidelines provisions, and of the consequences
of entering into this agreement. No promises, inducements, or
representations of any kind have been made to me other than those
contained in this agreement. No one has threatened or forced me in

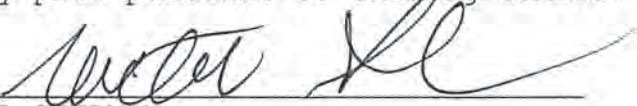
1 any way to enter into this agreement. I am satisfied with the
2 representation of my attorney in this matter, and I am pleading
3 guilty because I am guilty of the charge and wish to take advantage
4 of the promises set forth in this agreement, and not for any other
5 reason.

6 
7 _____
TING HONG YEUNG
Defendant

03-16-2022
8 _____
Date

9 CERTIFICATION OF DEFENDANT'S ATTORNEY

10 I am TING HONG YEUNG's attorney. I have carefully and
11 thoroughly discussed every part of this agreement with my client.
12 Further, I have fully advised my client of his rights, of possible
13 pretrial motions that might be filed, of possible defenses that might
14 be asserted either prior to or at trial, of the sentencing factors
15 set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines
16 provisions, and of the consequences of entering into this agreement.
17 To my knowledge: no promises, inducements, or representations of any
18 kind have been made to my client other than those contained in this
19 agreement; no one has threatened or forced my client in any way to
20 enter into this agreement; my client's decision to enter into this
21 agreement is informed and voluntary; and the factual basis set forth
22 in this agreement is sufficient to support my client's entry of a
23 guilty plea pursuant to this agreement.

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25 _____
VICTOR SHERMAN
Attorney for Defendant
26 TING HONG YEUNG

27 _____
28 Date

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EXHIBIT A

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,
Plaintiff,
v.
TING HONG YEUNG,
Defendant.

CR No.
I N F O R M A T I O N
[18 U.S.C. § 1343: Wire Fraud; 18
U.S.C. § 981(a)(1)(C); 28 U.S.C.
§ 2461(c): Criminal Forfeiture]

The United States Attorney charges:
[18 U.S.C. § 1343]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Information:

1. Defendant TING HONG YEUNG was a resident of Los Angeles County, California.

2. Amazon.com, Inc. ("Amazon"), was a technology company headquartered in Seattle, Washington. Amazon provided, among other services, an online platform that facilitated retail sales of goods to Amazon customers, either by Amazon itself or by third-party sellers.

3. In order to use Amazon's online platform, a third-party seller was required to set up an online Amazon seller account. In

1 creating an Amazon seller account, the third-party seller was
2 required to provide a bank account number and bank routing number for
3 an associated bank account (the "Associated Account"); credit card
4 account information; government-issued identification; tax
5 information; and a phone number. Approved third-party sellers could
6 access an online portal called Seller Central, through which the
7 third-party sellers could manage inventory, communicate with
8 customers, contact Amazon, and update payment information.

9 4. When a customer purchased an item listed on Amazon by a
10 third-party seller, Amazon credited the third party's Amazon seller
11 account for the amount of that purchase. Third-party sellers were
12 responsible for providing Amazon with the tracking number for each
13 shipment corresponding to an individual sale. Roughly every fourteen
14 days, Amazon disbursed funds from sales with a corresponding tracking
15 number from the third party's Amazon seller account to the Associated
16 Account.

17 5. When a customer sought to return an item purchased from a
18 third-party seller, the third-party seller was generally responsible
19 for providing return options. If the third-party seller did not
20 provide a refund (or could not, due to a lack of funds in the
21 seller's Amazon account), customers could seek a refund directly from
22 Amazon under Amazon's "A-to-z Guarantee." When the Amazon seller's
23 account held sufficient available funds, Amazon deducted the cost of
24 the refund from that account prior to the next disbursement of funds
25 to the Associated Account.

26 6. Defendant YEUNG registered or otherwise controlled Amazon
27 seller accounts in the names of "Special Sales," "California Red
28 Trading, Inc.," "Speedy Checkout, Inc.," "Expeditious Enterprise,

1 Inc.," "LV Consultants, Inc.," and "Frolax, Inc." (collectively, the
2 "YEUNG Seller Accounts"). The Associated Accounts for the YEUNG
3 Seller Accounts were all in defendant YEUNG's name or under his
4 control.

5 7. Amazon customers and third-party sellers could communicate
6 through Amazon's Buyer-Seller Messaging Service, which provided wire
7 communications between buyers and sellers using encrypted email
8 addresses routed through Amazon.

9 B. SCHEME TO DEFRAUD

10 8. Beginning no later than 2013, and continuing through at
11 least April 30, 2020, in Los Angeles County, within the Central
12 District of California, and elsewhere, defendant YEUNG, knowingly and
13 with the intent to defraud, devised, participated in, and executed a
14 scheme to defraud Amazon as to material matters, and to obtain money
15 and property from Amazon by means of material false and fraudulent
16 pretenses, representations, and promises.

17 9. The scheme to defraud operated, in substance, as follows:

18 a. After one of the YEUNG Seller Accounts had been active
19 for some period of time, thereby gaining the appearance of being a
20 reputable vendor, defendant YEUNG caused it to list expensive items,
21 frequently furniture and home décor, at prices significantly lower
22 than the prices listed for comparable items by other sellers. As
23 defendant YEUNG knew and intended, these discounted prices attracted
24 Amazon customers, driving a rapid increase in sales.

25 b. After an Amazon customer placed an order for one of
26 the offered items, defendant YEUNG would not ship the item ordered
27 and paid for to the customer. Instead, defendant YEUNG falsely
28 confirmed that the item had been shipped to the customer by providing

1 false shipment tracking information to the customer and to Amazon
2 that did not correspond to an actual shipment of the purchased item.

3 c. When Amazon customers used Amazon's Buyer-Seller
4 Messaging Service to inquire about their missing orders, defendant
5 YEUNG sent lulling responses to the messages to convince customers to
6 continue waiting for their products instead of complaining to Amazon
7 or seeking refunds. By forestalling complaints or demands for
8 refunds, defendant YEUNG ensured that Amazon would disburse customer
9 funds into the Associated Accounts controlled by defendant YEUNG.

10 d. In some instances, instead of shipping customers the
11 products they ordered, defendant YEUNG would cause cheap crystal
12 ornaments to be shipped to the customers, which both generated
13 tracking numbers that induced Amazon to disburse funds to the
14 Associated Accounts and lulled customers into refraining from filing
15 complaints or demanding refunds.

16 e. In another part of the scheme, defendant YEUNG used
17 credit cards in the names of other persons and fictitious names to
18 purchase products from Amazon that he would use to fulfill orders
19 placed through one of his seller accounts. After the product was
20 delivered to defendant YEUNG's customer, defendant YEUNG caused a
21 refund request to be submitted to Amazon, often selecting as the
22 reason that the product was "Different from what was ordered," which
23 was false. Instead of returning the originally ordered product
24 (which had been sent to defendant YEUNG's customer), defendant YEUNG
25 caused a substitute product of lower value, such as damaged goods, to
26 be "returned." As a result, defendant YEUNG received both the
27 benefit of the refund as well as the sale proceeds from the original
28 transaction with his customer.

1 10. As a result of the scheme to defraud, defendant YEUNG
2 caused losses to Amazon of approximately \$1,302,954.

3 C. USE OF INTERSTATE WIRES

4 11. On or about February 18, 2020, within the Central District
5 of California, and elsewhere, for the purpose of executing the scheme
6 to defraud described above, defendant YEUNG transmitted and caused
7 the transmission of a wire communication by means of interstate
8 commerce, namely, an Amazon Buyer-Seller Messaging Service
9 communication to a customer stating, "HI How we are scam?
10 May I know do you want full refund ?."

1 FORFEITURE ALLEGATION

2 [18 U.S.C. § 981(a)(1)(C); 28 U.S.C. § 2461(c)]

3 12. Pursuant to Rule 32.2 of the Federal Rules of Criminal
4 Procedure, notice is hereby given that the United States of America
5 will seek forfeiture as part of any sentence, pursuant to Title 18,
6 United States Code, Section 981(a)(1)(C) and Title 28, United States
7 Code, Section 2461(c), in the event of defendant TING HONG YEUNG's
8 conviction of the offense set forth in the sole count of this
9 Information.

10 13. Defendant YEUNG, if so convicted, shall forfeit to the
11 United States of America the following:

12 a. All right, title, and interest in any and all
13 property, real or personal, constituting, or derived from, any
14 proceeds traceable to the offenses; and

15 b. To the extent such property is not available for
16 forfeiture, a sum of money equal to the total value of the property
17 described in subparagraph (a).

18 14. Pursuant to Title 21, United States Code, Section 853(p),
19 as incorporated by Title 28, United States Code, Section 2461(c),
20 defendant YEUNG, if so convicted, shall forfeit substitute property,
21 up to the value of the property described in the preceding paragraph
22 if, as the result of any act or omission of defendant YEUNG, the
23 property described in the preceding paragraph or any portion thereof
24 (a) cannot be located upon the exercise of due diligence; (b) has
25 been transferred, sold to, or deposited with a third party; (c) has
26 been placed beyond the jurisdiction of the court; (d) has been

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1 substantially diminished in value; or (e) has been commingled with
2 other property that cannot be divided without difficulty.

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4 TRACY L. WILKISON
United States Attorney

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7 SCOTT M. GARRINGER
Assistant United States Attorney
8 Chief, Criminal Division

9 RANEE A. KATZENSTEIN
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11 ALEXANDER B. SCHWAB
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12 Deputy Chief, Major Frauds Section