

ORIGINAL

FILED IN OPEN COURT
U.S.D.C. - Atlanta

FEB 17 2021

By: JAMES N. HATTEN, Clerk
cm
Deputy Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

UNITED STATES OF AMERICA

v.

YUN JAE MOON
A/K/A MOON HO ROH
A/K/A JOON MOON
A/K/A ALEX MOON
A/K/A JAKE MOON

Criminal Indictment

No.

1:21 CR064

THE GRAND JURY CHARGES THAT:

Background

At all times relevant to this Criminal Indictment:

The Small Business Administration

1. The United States Small Business Administration ("SBA") was an executive branch agency of the United States government that provided support to entrepreneurs and small businesses. The mission of the SBA was to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.

2. As part of this effort, the SBA enabled and provided for loans through banks, credit unions, and other lenders. These loans had government-backed guarantees.

The Paycheck Protection Program

3. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in or around March 2020 and was designed to provide emergency financial assistance to the millions of Americans who are suffering the economic effects caused by the COVID-19 pandemic.

4. One source of relief that the CARES Act provided was the authorization of up to \$349 billion in forgivable loans to small businesses for payroll, mortgage interest, rent/lease, and utilities, through a program referred to as the Paycheck Protection Program (“PPP”). In April 2020, Congress authorized up to \$310 billion in additional PPP funding.

5. The PPP allowed qualifying small businesses and other organizations to receive PPP loans. Businesses must use PPP loan proceeds for payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and principal on the PPP loan to be entirely forgiven if the business spent the loan proceeds on these expense items within a designated period of time and used a certain percentage of the PPP loan proceeds for payroll expenses.

6. The amount of a PPP loan that a small business may have been entitled to receive was determined by the number of employees employed by the business and the business’s average monthly payroll costs.

7. In order to obtain a PPP loan, a qualifying business was required to submit a PPP loan application, which was signed by an authorized representative of the business. The PPP loan application required the business

(through its authorized representative) to acknowledge the program rules and make certain affirmative certifications in order to be eligible to obtain the PPP loan. In the PPP loan application, the small business (through its authorized representative) had to state, among other things, its (a) average monthly payroll expenses and (b) number of employees. These figures were used to calculate the amount of money the small business was eligible to receive under the PPP. In addition, businesses applying for a PPP loan had to provide documentation showing their payroll expenses.

8. The SBA oversaw the PPP. However, individual PPP loans were issued by private, approved lenders who received and processed PPP applications and supporting documentation, and then made loans using the lenders' own funds, which were 100% guaranteed by the SBA. Data from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, were transmitted by the lender to the SBA in the course of processing the loan.

Count One

Conspiracy to Commit Wire Fraud
(18 U.S.C. § 371)

9. The Grand Jury re-alleges and incorporates by reference the factual allegations contained in paragraphs 1 through 8 of this Criminal Indictment as if fully set forth herein.

10. Beginning in or about April 2020 and continuing until in or about August 2020, the exact dates unknown, the defendant, YUN JAE MOON, A/K/A MOON HO ROH, A/K/A JOON MOON, A/K/A ALEX MOON,

A/K/A JAKE MOON, did knowingly and willfully combine, conspire, confederate, agree, and have a tacit understanding with another individual known to the Grand Jury to devise and intend to devise a scheme and artifice to defraud, and to obtain money and property, by means of materially false and fraudulent pretenses, representations, and promises, and by the omission of material facts, well knowing and having reason to know that said pretenses, representations, and promises were and would be false and fraudulent when made and caused to be made, and that said omissions were and would be material, and, in so doing, with the intent to defraud, caused interstate wire communications to be made in furtherance of the scheme and artifice to defraud, in violation of Title 18, United States Code, Section 1343.

Manner and Means

11. It was a part of the scheme and artifice to defraud that the defendant and another member of the conspiracy conspired to submit PPP applications containing materially false information to multiple authorized lenders.

12. Throughout the conspiracy, the defendant and the other member of the conspiracy submitted and caused to be submitted false PPP applications for a number of entities controlled by the defendant and other third parties. These PPP applications contained materially false information about the applicant entities' total number of employees, corporate expenses, and revenue. In some instances, the defendant and the other member of the conspiracy submitted and caused to be submitted false applications to lenders without the knowledge or consent of the individuals whose businesses were listed as the recipient entities.

As a result of the defendants' false statements, multiple lenders issued PPP loans to these various entities.

13. It was further a part of the conspiracy that the defendant and the member of the conspiracy then used the fraudulently obtained funds for unauthorized expenditures, including personal expenses, office expenses, business debt, and credit card debt.

Overt Acts

14. In order to carry out the conspiracy and to accomplish the objects thereof, the defendant and known and unknown members of the conspiracy committed various overt acts in the Northern District of Georgia and elsewhere, including, but not limited to, the following:

- a. On or about April 28, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of Jang & Kim, Inc. ("Jang & Kim") containing materially false information, including the number of employees and monthly payroll amount for Jang & Kim.
- b. On or about April 30, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of Jones Loop Marathon, Inc. ("Jones Loop Marathon") containing materially false information, including the number of employees and monthly payroll amount for Jones Loop Marathon.
- c. On or about April 30, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name

of SJB Auto Parts Wholesale, Inc. (“SJB Auto Parts Wholesale”) containing materially false information, including the number of employees and monthly payroll amount for SJB Auto Parts Wholesale.

- d. On or about April 30, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of Smile Cool Tools HVAC, Inc. (“Smile Cool Tools HVAC”) containing materially false information, including the number of employees and monthly payroll amount for Smile Cool Tools HVAC.
- e. On or about May 1, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of Berkeley Import, LLC (“Berkeley Import”) containing materially false information, including the number of employees and monthly payroll amount for Berkeley Import.
- f. On or about May 1, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of H Café, Inc. (“H Café”) containing materially false information, including the number of employees and monthly payroll amount for H Café.
- g. On or about May 1, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of One Dream, Inc. (“One Dream”) containing materially false

information, including the number of employees and monthly payroll amount for One Dream.

- h. On or about May 4, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of KO Wholesale, Inc. ("KO Wholesale") containing materially false information, including the number of employees and monthly payroll amount for KO Wholesale.
- i. On or about May 4, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of Shannon Chao, Inc. ("Shannon Chao") containing materially false information, including the number of employees and monthly payroll amount for Shannon Chao.
- j. On or about May 5, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of Alpha Construction & Management, Inc. ("Alpha Construction & Management") containing materially false information, including the number of employees and monthly payroll amount for Alpha Construction & Management.
- k. On or about May 11, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of JKK Artworkible, Inc. ("JKK Artworkible") containing materially false information, including the number of employees and monthly payroll amount for JKK Artworkible.

- l. On or about May 11, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of North Atlanta Construction & Enterprise, Inc. (“North Atlanta Construction & Enterprise”) containing materially false information, including the number of employees and monthly payroll amount for North Atlanta Construction & Enterprise.
- m. On or about May 16, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of Jiwoo’s Beauty Lounge, Inc. (“Jiwoo’s Beauty Lounge”) containing materially false information, including the number of employees and monthly payroll amount for Jiwoo’s Beauty Lounge.
- n. On or about May 17, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of MJ Boom Entertainment containing materially false information, including the number of employees and monthly payroll amount for MJ Book Entertainment.
- o. On or about May 18, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name of AJM Remodeling, Inc. (“AJM Remodeling”) containing materially false information, including the number of employees and monthly payroll amount for MJ Book Entertainment.
- p. On or about August 7, 2020, a co-conspirator of the defendant submitted and caused to be submitted a PPP application in the name

of HJJ Investment, Inc. ("HJJ Investment") containing materially false information, including the number of employees and monthly payroll amount for HJJ Investment.

All in violation of Title 18, United States Code, Section 371.

Forfeiture

15. Upon conviction of the offense alleged in Count 1 of this Criminal Indictment, 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 property constituting or derived from proceeds obtained directly or indirectly as a result of said violations.

16. If, as a result of any act or omission of the defendant, any property subject to forfeiture:

- 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;

The United States intends, pursuant to Title 18, United States Code, Section 982(b) and Title 21, United States Code, Section 853(p), and Title 28, United States Code, Section 2461(c) to seek forfeiture of any property of said defendant

up to the value of the forfeitable property.

A TRUE BILL
[Signature]
FOREPERSON

KURT R. ERSKINE
Acting United States Attorney

Thomas J. Krepp
THOMAS J. KREPP
Assistant United States Attorney

Georgia Bar No. 346781

Zachary S. Howard
ZACHARY S. HOWARD
Assistant United States Attorney
Georgia Bar No. 523110

600 U.S. Courthouse
75 Ted Turner Drive SW
Atlanta, GA 30303
404-581-6000; Fax: 404-581-6181

DANIEL S. KAHN
Acting Chief, Fraud Section
U.S. Department of Justice
Dallas J. Kaplan
DALLAS KAPLAN
Trial Attorney, Fraud Section
U.S. Department of Justice
D.C. Bar No. 1011465

1400 New York Ave, NW
Bond Building, 11th Floor
Washington, DC 20005
202-514-2000; Fax: 202-514-3708