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**U.S. CHARGES 19 DEFENDANTS IN ALLEGED FRAUDULENT IDENTIFICATION
DOCUMENT RING BASED IN CHICAGO'S CHINATOWN NEIGHBORHOOD**

CHICAGO – A parade of cars lined up on Feb. 28, 2008, outside the residence, at 2734 South Wentworth, of **Jun Yun Zhang**, the alleged leader of a crime ring that sold fraudulent identification documents for at least five years and operated out of “Chinatown” on the city’s near south side. That afternoon, relatives and associates of Zhang escorted six customers in groups of two to the Illinois Secretary of State’s Chicago West driver’s license facility on Lexington Avenue, where all six obtained either a fraudulent state identification card, a driver’s license or made unsuccessful attempts to pass the vehicle road test. All six individuals used social security account numbers with the prefix “586” that were assigned to other people.

Between 2003 and 2008, thousands of Illinois driver’s licenses and identification cards were issued to individuals using social security account numbers with the 586 prefix, which is unusual because it is assigned to individuals in American Samoa, Guam, the Phillipines and Saipan. In contrast, between 1970 and 2002, the state issued only hundreds of driver’s licenses and identification cards to individuals using social security numbers beginning with 586. The spike was due, in large part but not entirely, to the illegal document mill allegedly operated by Zhang and 18 others,

including two former SOS workers, according to federal criminal complaints unsealed against them today.

The charges allege that Zhang and other manufacturers, brokers and couriers were part of an enterprise that sold fraudulent “identity sets” – ranging in price from \$1,200 to \$3,500 per set – to predominantly Chinese, Korean and Indonesian nationals who were smuggled into or were in the United States illegally. The false documents included a counterfeit or altered authentic Chinese passport that was matched to a legitimate social security number usually beginning with 586, many of which were originally obtained legitimately by Chinese nationals working temporarily in Saipan. While in Saipan or after these workers returned to China, the social security cards were collected and transported to the United States, where they wound up in the possession of the defendants and others. Using the bogus passports containing customers’ actual photos, coupled with a legitimate social security number and fabricated proof of residency such as a utility bill, the defendants often accompanied customers to various SOS facilities in the Chicago area and assisted them in fraudulently obtaining an authentic Illinois driver’s license or identification card that matched the alias identity on the passport and social security card.

After obtaining a set of fraudulent documents, customers who were in the country illegally could use them to obtain employment, housing, utility services, credit cards and bank accounts.

FBI agents and Chicago police early today began arresting up to 17 defendants, including 14 in the Chicago area and one each in Maryland, Michigan and Missouri, most for allegedly conspiring to illegally possess and use social security numbers assigned to other individuals. Zhang was among those who were arrested and charged in one of three criminal complaints – each supported by a common 154-page affidavit – that were unsealed today. (Two other defendants were already in

custody.) Authorities simultaneously began executing search warrants at four locations, including at Zhang's residence at 2734 South Wentworth Ave., Units 310 and 408; the residence of Zhang's brother, **Jun Yue Zhang**, at 260 West 24th Pl., Unit 1-Rear; and the residence of **Yonghui Wang** at 2925 South Wells St., all in Chicago's Chinatown neighborhood.

All defendants arrested today were scheduled to appear at 3 p.m. today before U.S. Magistrate Judge Michael Mason in U.S. District Court. A list of the defendants is attached.

The arrests, searches and charges result from *Operation Paper Mountain*, an ongoing investigation that formed after the late 2007 merger of two previously independent investigations by the Chicago Police Department and the FBI that each began in approximately late 2005. The investigation relied upon confidential sources, cooperating defendants, undercover purchases of fraudulent documents and court-authorized wiretaps. The charges were announced by Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois; Robert D. Grant, Special Agent-in-Charge of the Chicago Office of the FBI; Chicago Police Superintendent Jody P. Weis; and Illinois Secretary of State Inspector General James B. Burns. The Cook County State's Attorney's Office assisted in early phases of the investigation.

"When people enter the United States illegally, they must not be allowed once they are here to assume other individuals' identities through fraud and then use those identities to conceal themselves. We have a responsibility to know that people are who they say they are and an obligation to ensure that the identities of innocent individuals are not abused. Equally, we must ensure that driving privileges are given only to those who are qualified," Mr. Fitzgerald said.

Mr. Grant said: “Identity fraud and theft schemes, such as the one detailed in the charges announced today, are a growing concern to law enforcement and a threat to the financial stability of the country.”

Superintendent Weis said: “The success of this operation is a direct result of a collaborative effort between the Chicago Police Department and the FBI. Our goals are to identify and eliminate criminal activity from all levels of society.”

According to the complaints, after obtaining a driver’s license or state ID card, customers retained the social security card but were required to return the Chinese passport unless they paid additional money. The defendants then re-used the returned passports by changing the photo and altering the biographical page. The defendants allegedly obtained new customers through referrals and often from advertisements placed in the World Journal, a Chinese language newspaper with regional editions published in Chicago and other major U.S. cities.

The defendants allegedly assisted their non-English speaking/reading customers pass the English version of Illinois’ written driver’s license exam by providing an alpha-numeric series of rules to memorize that would allow them to correctly answer the multiple-choice questions. Some defendants also provided brief driving instructions to customers to help them pass the vehicle road test. If customers failed or did not want to take the road test, they could pay slightly more money to certain defendants who then paid bribes to at least two SOS employees to ensure that the customers passed by either altering or forging the road test results.

The defendants include two former SOS public service representatives: **Timothy T. Johnson, Jr.**, 30, of Justice, and **James M. Howell**, 49, of Chicago, both of whom worked at the SOS facility in Bridgeview.

Other details alleged in the charges include:

- ▶ Between 2003 and 2008, some 15,666 Illinois driver's licenses and identification cards were issued to individuals (some of whom obtained both forms of identification) using a social security number beginning with 586. A review of the residential addresses of those applicants showed that 172 used 8 different addresses – all in the 200 block of West 22nd, 23rd, 24th, 25th, 26th, 27th, 28th and 29th Streets, which were mostly fictitious or were associated with a bank or a three-unit apartment building;
- ▶ Among 1,676 driver's license and identification card applications from approximately 2006 to 2008 that investigators reviewed, 616 driver's license applications listed the license plate of the vehicle that was used during the road test, revealing that 42 applications listed plates belonging to a Mazda 6 known to be used by defendant **Tiansheng Zhang**, and 29 of those applicants used social security numbers with the prefix 586. Likewise, among the same 1,676 applications, 750 listed the applicant's passport number and the same number was used 57 times by various applicants;
- ▶ Between August 2005 and October 2007, 17 Illinois driver's licenses and identification cards were issued to applicants who used 1924 West 34th Place as their address and social security numbers beginning with 586. Between January 2007 and November 2008, 26 driver's licenses and ID cards were issued to "586" applicants who used addresses at 1317 West 31st Pl., 1319 West 31st Pl., and 1058 West 32nd St.;
- ▶ On Jan. 29, 2007, Confidential Source 1 and five other individuals, facilitated by **Yiyi Shi**, fraudulently obtained driver's licenses without taking the vehicle road test at the Chicago South facility on South Martin Luther King Drive;
- ▶ Cooperating Defendant 1 told agents that in 2007 and 2008 CD1 coordinated with **Jun Yun Zhang** on at least eight occasions to obtain fraudulent documents for personal use or for customers and on one occasion in 2007 was allowed into Zhang's residence, where Zhang demonstrated how to use a computer, printer and spray glue to alter passports;
- ▶ In an intercepted telephone conversation on Sept. 14, 2008, Zhang told an unidentified female caller that his son, **Dong Dong Guo**, bought a carry-out restaurant in Washington, D.C., for "a hundred some thousand dollars" and that Zhang had actually paid for it. Zhang added that he had purchased a few houses in China for approximately \$285,000, had lent out more than \$100,000 and had lost more than \$30,000 in a casino. Zhang is not authorized to work in the U.S. and has no known source of legitimate income, the charges allege.

The government is being represented by Assistant U.S. Attorneys Steven J. Dollear, Matthew Madden and Jessica Romero.

If convicted, conspiracy to produce fraudulent identification documents carries a maximum penalty of five years in prison and a \$250,000 fine. Note, however, that the Court would determine the appropriate sentence to be imposed under the advisory United States Sentencing Guidelines.

The public is reminded that a complaint contains only charges and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

United States v. Jun Yun Zhang, et al.

Jun Yun Zhang, a/k/a “Lao Sze,” dob 9/11/67, 2734 S. Wentworth, Units 310/408

Jun Yue Zhang, a/k/a “Lao Wu,” 11/26/59, of 260 W. 24th Pl. Unit 1-Rear

Jun Xi Zhang, a/k/a “Lao Wu,” 11/18/63, 2909 S. Elias Ct.

Jun Shun Zhang, a/k/a “Mikey,” 5/19/68, 5623 W. Goodman

Dong Dong Guo, a/k/a “Xiao Zhang,” 8/19/88, Adelphi, MD

Guoqi Zhang, 10/25/63, 8105 W. Magnolia, Frankfort

Tiansheng Zhang, 10/29/84, St. Joseph, MO

Xin Li Wang a/k/a “Tony,” 6/4/66, 257 W. 22nd Pl., Unit 2F

Meizhu Wang, 9/21/64, 1920 S. Wells, Unit 1

Yiyi Shi, a/k/a “YiYi” a/k/a “Huati,” 5/20/69, 1930 S. Louie Pkwy.

Song Yan Shi, 11/12/80, 1932 S. Young Pkwy.

Wenyuan Zhou, 9/5/78, no permanent address

Yonghui Wang, 11/9/77, 2925 S. Wells

Zhaofa Wang, 10/22/58, 2600 S. Wentworth, Unit 202

Qiong Zhou, 8/10/70, Mt. Pleasant, MI

Timothy T. Johnson, Jr., 10/2/78, 8639 S. 87th Ave., Justice

James M. Howell, 8/24/59, 5028 S. Princeton

United States v. Rong Si

Rong Si, 9/2/63, 1319 W. 31st Pl., Unit 1W

United States v. Li Wen Huang

Li Wen Huang, 10/30/82 or 6/20/74, of 8007 Hillcrest Lane, Tinley Park

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