

THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

Northern District of California

FOR IMMEDIATE RELEASE

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Owner Of South Bay Law Firm And Office Manager Charged With Committing Large-Scale Immigration Visa Fraud

SAN FRANCISCO — A federal grand jury indicted Danhong “Jean” Chen, a/k/a Maria Sofia Taylor, and her business partner Jianyun “Tony” Ye in connection with an immigration visa fraud scheme, announced United States Attorney David L. Anderson, Federal Bureau of Investigation Special Agent in Charge John F. Bennett, Securities and Exchange Commission Office of the Inspector General, Inspector General Carl Hoecker. The 14-count indictment, filed March 7, 2019, and unsealed late yesterday, alleges the defendants committed visa fraud and related crimes to obtain immigration benefits for more than 100 foreign investors through the government’s Employment-Based Immigration Fifth Preference, or “EB-5,” visa program.

According to the indictment, Chen, 54, of Atherton, was the sole partner at the Law Offices of Jean D. Chen, which held itself out as specializing in immigration law. Ye, 51, also of Atherton, was formerly married to Chen and held himself out as the manager of Chen’s law office. The indictment alleges Chen and Ye prepared and submitted to the United States Citizenship and Immigration Services (USCIS) fraudulent documents that contained false signatures and falsely described how applicants would qualify for the EB-5 program.

Under the EB-5 program, foreign nationals may obtain permanent United States residency, commonly known as “green card” status, by investing in qualifying American businesses. Alien investors who comply with program requirements initially receive a grant of conditional permanent residency status for a two-year period. After two years, the alien investor can petition for permanent residency. To obtain permanent residency status, the applicant’s investment must amount to \$500,000 if made in certain geographical areas with low employment rates; if the investment is not in a designated low-employment area, the investment must amount to a minimum of \$1,000,000. In addition, under the EB-5 program, applicants may make use of “regional centers.” Entrepreneurs seeking investments for American businesses may establish regional centers to promote investment opportunities and make such opportunities available to EB-5 applicants. The regional centers generally promote investment opportunities within designated geographic areas. The Law Offices of Jean D. Chen represented clients who invested a total of approximately \$52,000,000 into projects under the EB-5 program.

In this case, the indictment describes steps taken by Chen and Ye to fraudulently obtain immigration benefits through the EB-5 program on behalf of their clients. First, the indictment alleges that Chen and Ye falsified documents to hide the true ownership and nature of a regional center. Specifically, the indictment alleges that in 2014, Chen and Ye purchased the Golden State Regional Center and other entities, and almost immediately after the purchase, transferred ownership to a straw owner. The person to whom the entity was transferred did not know she was being named as the owner. Also, Chen and Ye filed papers with USCIS, requesting that the government continue to recognize Golden State Regional Center as a regional center qualified to promote EB-5 investment within the South Bay. The papers contained false signatures of the purported straw owner. Second, defendants prepared and submitted falsified EB-5 applications. For example, visa applications contained false signatures of the purported straw owner, false statements about the extent to which the Law

Offices of Jean D. Chen represented both the investor and Golden State Regional Center, and false statements about the manner in which investor funds would be used.

The indictment also charges defendants with obstruction of justice related to investigations being conducted by the United States Securities and Exchange Commission (SEC) and the FBI. On October 18, 2018, the SEC filed a civil complaint against Chen, Ye, and other individuals and entities, alleging, among other things, that Chen and Ye improperly solicited investments and committed other violations of law. The indictment alleges that during the course of the SEC’s investigation, defendants made demands of the straw owner of Golden State Regional Center that she provide false answers to SEC investigators. Further, the defendants allegedly logged onto someone else’s email account and deleted emails relevant to the FBI’s investigation into the visa fraud.

In sum, Chen and Ye both are charged with ten counts of visa fraud, in violation of 18 U.S.C. § 1546(a); one count of obstruction of justice, in violation of 18 U.S.C. § 1505; one count of obstruction of justice, in violation of 18 U.S.C. § 1512(b)(3); and one count of aggravated identity theft, in violation of 18 U.S.C. § 1028A. In addition, Ye is charged with one count of identity theft, in violation of 18 U.S.C. § 1018(a)(7).

An indictment merely alleges that crimes have been committed, and all defendants, including Chen and Ye, are presumed innocent until proven guilty beyond a reasonable doubt. If convicted, the defendants face the following maximum sentences:

DEFENDANT	STATUTE	CHARGE	MAXIMUM PENALTY
Chen and Ye	18 U.S.C. § 1546(a)	Visa Fraud	Maximum term of imprisonment: 10 years Maximum fine: \$250,000 Maximum term of supervised release: 3 years Restitution Forfeiture
Chen and Ye	18 U.S.C. § 1505	Obstruction of Justice	Maximum term of imprisonment: 5 years Maximum fine: \$250,000 Maximum term of supervised release: 3 years Restitution Forfeiture
Chen and Ye	18 U.S.C. § 1512(b)(3)	Obstruction of Justice	Maximum term of imprisonment: 20 years Maximum fine: \$250,000 Maximum term of supervised release: 3 years Restitution Forfeiture

DEFENDANT	STATUTE	CHARGE	MAXIMUM PENALTY
Chen and Ye	18 U.S.C. § 1028A	Aggravated Identity Theft	Maximum term of imprisonment: 2 years (to run consecutive to any other underlying felony) Maximum fine: \$250,000 Maximum term of supervised release: 1 years
Ye	18 U.S.C. § 1028(a)(7)	Identity Theft	Maximum prison sentence: 5 years Maximum fine: \$500,000 or twice the gross gain or loss, whichever is greater Maximum term of supervised release: 3 years Restitution

Ye made an appearance yesterday before United States Magistrate Judge Susan van Keulen. He pleaded not guilty to the charges and was released on a \$750,000 bond. His next scheduled appearance is for a hearing before the Honorable Lucy H. Koh, U.S. District Judge, on May 15, 2019, for a trial setting.

Chen remains at large. According to court documents, Chen became a naturalized citizen of Dominica in October 2018, approximately at the same time the SEC filed its complaint against her, and may be using the name Maria Sofia Taylor. Chen left the United States immediately after the SEC filed its civil complaint.

Assistant United States Attorney Patrick R. Delahunty is prosecuting the case with the assistance of Susan Kreider. The prosecution is the result of an investigation led by the FBI and the SEC Office of the Inspector General.

Topic(s):

Financial Fraud

Immigration

Component(s):

USAO – California, Northern

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