

State of Minnesota
County of Ramsey

District Court
2nd Judicial District

Prosecutor File No.
Court File No.

0620394196

State of Minnesota,

Plaintiff,

vs.

LING ZHOU DOB: 07/18/1966

3421 Granada Ave., #14
Santa Clara, CA 95051

Defendant.

COMPLAINT

Warrant

The Complainant submits this complaint to the Court and states that there is probable cause to believe Defendant committed the following offense(s):

COUNT I

Charge: Theft-By Swindle

Minnesota Statute: 609.52.2(a)(4), with reference to: 609.52.3(1)

Maximum Sentence: 20 years or \$100,000 fine, or both

Offense Level: Felony

Offense Date (on or about): 09/19/2016 to 12/13/2016

Control #(ICR#): 16002101

Charge Description: On or between September 19, 2016 and December 13, 2016, in the County of Ramsey, Stearns, and Hennepin, Minnesota, Ling Zhou aiding and abetting and being aided and abetted by another did obtain possession of property or services from another person of a value more than \$35,000, by means of swindle.

STATEMENT OF PROBABLE CAUSE

Between September 19, 2016 and December 13, 2016, **Ling Zhou (DOB: 7/18/1966)** aided and abetted thefts by swindle involving three victims and over \$360,000.

SAT--\$205,704.11

In September 2016, SAT (DOB: 8/16/1944) attempted to close on a real estate transaction, in which he was the buyer. He obtained wiring instructions, by email, from a person who appeared to be employed by the title company. On September 28, 2016, in accordance with the instructions given to him, SAT wired \$205,704.11 to a Bank of America account. At the scheduled closing two days later, September 30, 2016, SAT learned that the email he received had been fraudulent, and the title company had not received his funds.

SAT reported the fraud to law enforcement on September 30 and an investigation was undertaken. SAT had received an email on September 27, 2016, from the address noreply2@nlacpa.com (display name "Susan N. Gibson"). Attached to this email was a file named EscrowStatement75084759849.htm, which a US Secret Service Special Agent determined contained malware. SAT also received an email on September 28, 2016 from the email address courtney@edtitle.com (display name "Courtney Pennington"). The display name and displayed email address were both correct for the true closer at the title company. But header information within the email showed the "Reply-To:" address was actually service@condosaventura.ca. In other words, if SAT replied to this email, his response would go to service@condosaventura.ca, and not courtney@edtitle.com. Attached to the email was a pdf file with wiring instructions. The wiring instructions identified Bank of America located in Minneapolis, as the receiving bank, and identified account number of 675172729, the account holder named Happy Ocean Inc., with an address of 10633 165th St. W., Lakeville, MN. That is the actual address of the company engaged to do the closing, but the title company is not named Happy Ocean Inc. and the title company denies sending any such email or the attached wiring instructions.

The investigation revealed that the Bank of America account ending 2729 was opened in 2010 by **Zhou**, under the name Happy Ocean, Inc. The Bank of America statements for the account ending 2729 show that SAT's funds totaling \$205,704.11 were deposited into this account on September 28, 2016. On the same day, \$98,000 was wired to an individual with an account at First Gulf Bank located in the United Arab Emirates. Also on September 28 there were two teller transfers to other Bank of America accounts, each in the amount of \$5,000. On September 29, there were two cash withdrawals from the 2729 account, each in the amount of \$5,000. Also on that day, \$50,000 was wired to a Citibank account in the name of Kenneth Armann. And, \$37,000 was wired to a Bank of America account in the names of Theodore P. Garcia and Tammy L. Garcia in Villa Ridge, Missouri. The fees for the three wire transfers totaled \$105. The fees, plus the transfers totaled \$205,105, nearly the same amount wired into the account by SAT.

Bank of America identified one of the cash withdrawals that occurred on September 29, 2016 as occurring at Vallco Park Banking Center in Cupertino, California. In the video surveillance, the person withdrawing the funds is an Asian female with shoulder-length black hair and a part on the right side of her head—the appearance of **Zhou**.

When **Zhou** was questioned about this matter on December 14, 2016, she said she would contact her cousin, who lives in China, and who (she claimed) operated Happy Ocean with her. The next day, **Zhou** sent an email to law enforcement explaining that her cousin was referring the inquiry to his business partner, Gerald Moretti, who was a U.S. citizen currently in Dubai (one of the emirates in the United Arab

Emirates). The email from **Zhou** suggested that Mr. Moretti was trying to get more details from the person who deposited the \$205,000 in Happy Ocean's account. However, records obtained from Google show that on September 29, 2016, the day after the money was received, **Zhou** received an email from morettigerald65@gmail.com (display name "Moretti G A") with instructions about where to wire the funds. In addition, telephone records show extensive texting between **Zhou** and "Moretti," including a text from **Zhou** in which she suggested how she would respond to law enforcement's inquiry, and received Moretti's approval to provide that response. The text messages also reflect that **Zhou** and "Moretti" had more than a distant business relationship. For example, on November 20, 2016, "Moretti" sent a text to **Zhou**, stating: "Love you always." **Zhou** replied: "I ll treat like a king when u get back, just tell me what do you want to eat, ok baby. You deserve all my love and careJ."

On December 18, 2016, **Zhou** forwarded to law enforcement an email string from "Moretti" which supposedly explained the source and purpose of the \$205,000. The email string suggests that the \$205,000 came from a company known as Workers Hiring Groups and was for "Moretti's" services in observing and reporting on restaurant service, and his agreement to disburse funds to others as directed. But the Google records show that this email string was created on December 17, 2016, and the source of the funds was SAT.

RCB--\$90,000

The investigation related to SAT involved a review of other bank accounts associated with **Zhou**, including three at Wells Fargo Bank and three at East West Bank. The review of these records revealed that RCB (DOB 1/10/1943), a resident of Ramsey County, sent a total of \$90,000 to **Zhou's** Bank of America account ending 2729 and to her Wells Fargo account ending 8806, which was in the name of Happy Ocean, Inc. RCB believed he was sending money to someone who had been introduced to him as "Teresa Hill." Based on what "Teresa Hill" told him, RCB believed that "Teresa Hill" was involved in the gem industry and was having trouble in Dubai. At her request, he sent money to the bank accounts she designated believing that the money was necessary to help her leave Dubai. For example, "Teresa Hill" sent RCB an email on November 17, 2016, stating: "Hi Honey, I just got back from the Airport and it's not good news. I was told that I have overstayed for 3 months because I came in with a one-week visa. The \$7,000 I paid was for one month and they said I have to pay the remaining \$14,000 for the remaining to months in other for my fine to be fully settled. I am so sad honey and I have to be with you before the 24th 'Thanksgiving' honey. I am really sad. Love, Teresa." RCB reported that, in addition to email communication, he had spoken to "Teresa Hill" on the phone, had three pictures of her and knew her website to be www.opulencegems.com. The website, however, is consistent with a shell website and the pictures are actually of Nereyda Lopez of Arizona.

Between September 19, 2016 and November 30, 2016, RCB sent a total of \$90,000 in four transactions to bank accounts designated by "Teresa Hill:"

- On September 19, 2016, RCB wired \$14,000 to the Bank of America account ending 2729 in the name of Happy Ocean, Inc. On that same day, **Zhou** wired \$11,900 to an account in South Africa in the name of Fuhad Sholeye.

- On November 15, 2016, RCB deposited \$7,000 in the Wells Fargo account ending 8806 at the Wells Fargo branch located at 670 McKnight Road in St. Paul, Ramsey County, Minnesota. That same day, **Zhou** wired \$11,410 to a bank account in Dubai in the name of Ignatius Usijhu. A similar amount was returned to the account on November 28 and **Zhou** sent a text to "Moretti"

to confirm that the funds had been returned and reached agreement with Moretti on how to handle the returned funds. The next day, November 29, **Zhou** transferred \$11,400 to her Wells Fargo account ending 8222.

- On November 18, 2016, RCB deposited \$20,000 in the Wells Fargo account ending 8806 at the Wells Fargo branch on McKnight Road in St. Paul. On November 21, 2016, **Zhou** wired \$42,000 to her East West bank account ending 4565. That same day, \$19,720 was sent by wire from the 4565 account to an account in South Africa in the name of Fuhad Sholeye.
- On November 30, 2016, RCB deposited \$49,000 in the Wells Fargo account ending 8806 at the Wells Fargo branch on McKnight Road in St. Paul. On December 1, 2016, **Zhou** transferred \$91,000 to her East West Bank account ending 3151. From there a number of transactions occurred, including transfers to other accounts controlled by **Zhou**, wires to an account in the name of Fuhad Sholeye in South Africa, and a wire to an account in the name of Nurudeen Lekan Saka also in South Africa.

RBM--\$66,000

RBM (DOB: 8/6/1952) of Melrose, Minnesota met a person on Craigslist in June or July 2016 who identified herself as “Katie Henshaw.” “Katie Henshaw” claimed to be searching for love and a soulmate. RBM responded and through correspondence with “Katie Henshaw,” believed he had developed a relationship with her. “Katie Henshaw” sent a picture of herself to RBM, and claimed to live in Sioux Falls, South Dakota. To assure RCB that she was a real person, she also provided him with a copy of a Florida driver’s license and a U.S. passport. Both were determined by law enforcement to be fake.

“Katie Henshaw” told RBM she had traveled to Malaysia and overbought some gemstones as part of her business, for which she owed money to Malaysian customs. At the request of “Katie Henshaw,” RBM attempted 20 transmissions of money via MoneyGram at local Walmart locations, and he also deposited \$66,000 in the Wells Fargo account ending 8806, in the name of Happy Ocean, Inc., believing that the funds were for the benefit of “Katie Henshaw.” The deposits occurred as follows:

- On November 4, 2016, RBM deposited \$9,500 into the Wells Fargo account ending 8806, at a Wells Fargo branch in Saint Cloud, Minnesota. On the same day, **Zhou** wired \$9,700 to a bank account in the name of Fuhad Sholeye in South Africa.
- On November 8, 2016, RBM deposited \$15,000 into the Wells Fargo account ending 8806. The next day, **Zhou** wired \$41,350 to a bank account in the name of Fuhad Sholeye in South Africa.
- On November 19, 2016, RBM deposited \$23,000 into the Wells Fargo account ending 8806. **Zhou** had received \$20,000 from RCB on November 18, 2016, and on November 21, 2016,

Zhou wired \$42,000 to her East West bank account ending 4565. As noted above, on November 21, 2016, \$19,720 was wired to a bank account in the name of Fuhad Sholeye in South Africa. On November 22, 2016, **Zhou** sent an additional \$30,550 by wire to the same account.

- ◊ On November 23, 2016, RBM deposited \$6,000 into the Wells Fargo account ending 8806.

- ◊ On November 29, 2016, RBM deposited \$6,500 into the Wells Fargo account ending 8806. That same day, **Zhou** transferred \$11,400 to her East West Bank account ending 8222. Also on that day, **Zhou** withdrew \$10,500 in cash from the 8806 account, and deposited \$10,500 into her East West Bank account ending 4565. On November 30, 2016, **Zhou** wired \$10,425 from the 4565 account to a bank account in the name of Fuhad Sholeye in South Africa.

- ◊ On December 13, 2016, RBM deposited \$6,000 into the Wells Fargo account ending 8806. On December 14, 2016, \$13,500 was withdrawn from that account and \$13,450 was deposited in **Zhou's** East West Bank account ending 4565. On December 15, 2016, **Zhou** wired \$13,450 to a bank account in the name of Fuhad Sholeye in South Africa.

Zhou is interviewed.

Zhou was interviewed on August 8 and 9, 2017. She generally denied knowing that the money being sent to her accounts had been obtained by swindle, although she described the history of her relationship with "Moretti" and "Sholeye" in which she had been asked to lie several times on his/their behalf. She also acknowledged that each time she was asked to send cash, from about the middle of 2016 to about January 2017, she got "so nervous." She also turned over to the Minnesota Commerce Fraud Bureau \$43,745.64 which was on deposit at the East West Bank, and \$20,000 which came from a bank account she maintained at JPMorgan Chase. She provided those funds to the Fraud Bureau to be used for victim restitution.

SIGNATURES AND APPROVALS

Complainant requests that Defendant, subject to bail or conditions of release, be:
(1) arrested or that other lawful steps be taken to obtain Defendant's appearance in court; or
(2) detained, if already in custody, pending further proceedings; and that said Defendant otherwise be dealt with according to law.

Complainant declares under penalty of perjury that everything stated in this document is true and correct. Minn. Stat. § 358.116; Minn. R. Crim. P. 2.01, subds. 1, 2.

Complainant

Chris Huhn
85 7th Place East
Suite 500
St. Paul, MN 55101
Badge: 651

Electronically Signed:
11/29/2017 09:50 AM
Ramsey County, Minnesota

Being authorized to prosecute the offenses charged, I approve this complaint.

Prosecuting Attorney

Thomas B Hatch
345 Wabasha Street N
Suite 120
St Paul, MN 55102
(651) 266-3222

Electronically Signed:
11/28/2017 09:44 AM

FINDING OF PROBABLE CAUSE

From the above sworn facts, and any supporting affidavits or supplemental sworn testimony, I, the Issuing Officer, have determined that probable cause exists to support, subject to bail or conditions of release where applicable, Defendant's arrest or other lawful steps be taken to obtain Defendant's appearance in court, or Defendant's detention, if already in custody, pending further proceedings. Defendant is therefore charged with the above-stated offense(s).

SUMMONS

THEREFORE YOU, THE DEFENDANT, ARE SUMMONED to appear on _____, _____ at _____ AM/PM before the above-named court at 15 W Kellogg Blvd, St Paul, MN 55102 to answer this complaint.

IF YOU FAIL TO APPEAR in response to this SUMMONS, a WARRANT FOR YOUR ARREST shall be issued.

WARRANT

To the Sheriff of the above-named county; or other person authorized to execute this warrant: I order, in the name of the State of Minnesota, that the Defendant be apprehended and arrested without delay and brought promptly before the court (if in session), and if not, before a Judge or Judicial Officer of such court without unnecessary delay, and in any event not later than 36 hours after the arrest or as soon as such Judge or Judicial Officer is available to be dealt with according to law.

Execute in MN Only *Execute Nationwide* *Execute in Border States*

ORDER OF DETENTION

Since the Defendant is already in custody, I order, subject to bail or conditions of release, that the Defendant continue to be detained pending further proceedings.

Bail: \$50,000.00
Conditions of Release:

This complaint, duly subscribed and sworn to or signed under penalty of perjury, is issued by the undersigned Judicial Officer as of the following date: _____, _____.

Judicial Officer <judge name>

Sworn testimony has been given before the Judicial Officer by the following witnesses:

**COUNTY OF RAMSEY
STATE OF MINNESOTA**

State of Minnesota

Plaintiff
vs.

Ling Zhou
Defendant

*LAW ENFORCEMENT OFFICER RETURN OF SERVICE
I hereby Certify and Return that I have served a copy of this Warrant
upon the Defendant herein named.*

Signature of Authorized Service Agent: