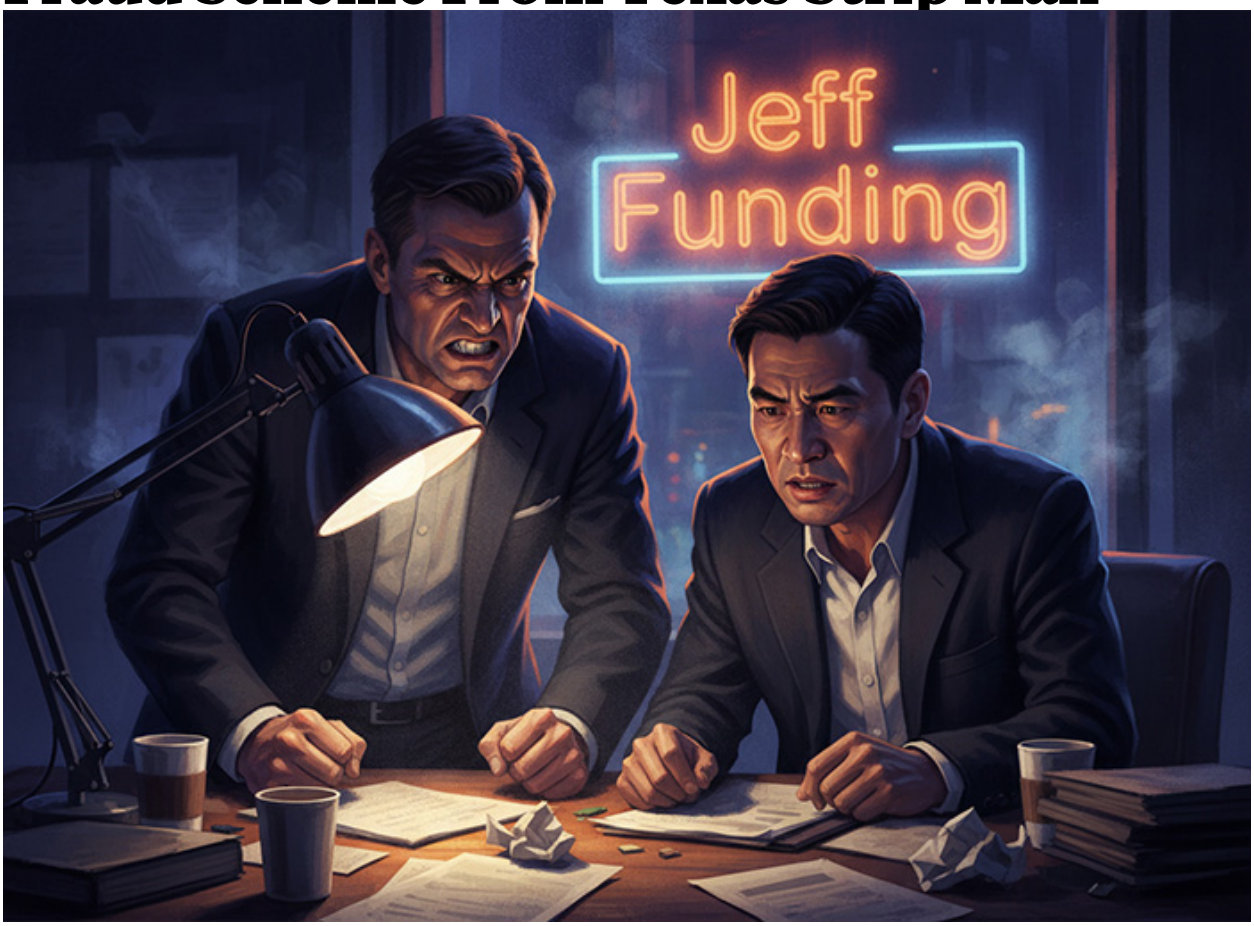
California Brothers-In-Law Ran Nationwide Credit Repair and Mortgage Fraud Scheme From Texas Strip Mall



You don’t often hear much about credit repair and mortgages, but believe me its happening a lot.

This week, Steven Morizono and Albert Lim pulled off a credit repair scam where they falsely claimed identity theft for people to boost their credit scores, and then saddled them with crushing debt.

Jeff Funding In Texas

Steven Morizono had a simple pitch for people with poor credit scores: He could make their financial problems disappear like magic.

From an office in Spring, Texas, Morizono and his brother-in-law Albert Lim ran a company called Jeff Funding that promised to "clean" credit histories and secure

loans for people with bad credit. What clients didn't know was that the entire operation was built on fake identity theft claims.

The False Identity Theft Claims

The fraud began with the promise to clean their credit. For that, Jeff Funding would take clients with bankruptcies, late payments and collection accounts on their credit reports and file false identity theft claims with the Federal Trade Commission.

These reports, submitted under penalty of perjury, claimed that the clients' bad debts were not actually theirs but the result of identity theft. Jeff Funding then sent these FTC reports to credit bureaus demanding the negative items be removed.

To handle the volume of fraudulent filings, Morizono and Lim hired workers in Mexico who would submit the fake FTC reports online. The employees worked for cheap wages paid through MoneyGram and Western Union transfers.

The Mortgage Trap Was A Straw Borrower Scheme

Once a client's credit score improved artificially, Jeff Funding offered to obtain personal loans and credit cards. But the most profitable part of the scheme involved using clients as straw buyers for homes they would never live in.

For example, a man from out of state who flew to Houston in January 2020 at Jeff Funding's direction. A company employee chauffeured him to get a fake Texas ID with an address for a home he had never seen. He was then driven to four different banks to open accounts using the fraudulent documents and $100 in cash provided by the fraudsters.

The mortgage applications contained false information about the buyers' employment, income and intent to live in the properties. A notary who worked with the scheme falsely notarized documents that clients never actually signed.

Jeff Funding included fake contact information for the straw buyers on the applications. When lenders called to verify information, Morizono or his co-conspirators would answer, pretending to be the client.

In another example, a woman who gave Jeff Funding power of attorney to negotiate credit issues, discovered she somehow owned a home in Texas City,

Texas. She told investigators she never initialed a sales contract and had never even heard of First In First Out, Inc., the shell company listed as her employer on fake pay stubs dated November 30, 2019, and December 15, 2019.

Jeff Funding Were Experts In Fake Documents and Fake Employers

Lim was the chief financial officer and also the chief document forger. One Mortgage Broker named Heather Campos repeatedly asking Lim to create fake pay stubs for clients who needed loans.

"I need November 31st and December 15 stubs please," Campos wrote to Lim in one email, attaching existing fake documents as examples. The conspirators even set up fake companies with websites and phone numbers they controlled so they could verify employment when lenders called.

In one email, Morizono instructed an employee in Mexico to "recreate pay stub templates and keep on file" and "assign template to the company and don't change it."

The group used coded language to avoid detection. Documents were referred to as "99 docs." Shell companies had names like Digital Networks, Cali Networks and Origins.

They Were Also Involved in PPP Fraud

When the pandemic hit, Jeff Funding found a new opportunity. They submitted hundreds of false applications for Paycheck Protection Program loans and Economic Injury Disaster Loans, inflating revenues and employee counts.

In a recorded phone call from September 2020, Morizono told a client he was steering him toward a government loan because "no bank can compete with the government." He added: "We got into this to help people beat the system."

Meanwhile, Jeff Funding rented out the homes purchased by straw buyers and collected pandemic-era rental assistance while failing to pay the mortgages. When properties went into foreclosure, the straw buyers were left holding the debt.

Sovereign Citizen Links

As investigators closed in, the two fraudsters tried to destroy evidence. "Jeff wants our computer clean. In case of devises taken," Lim texted David Best, another person involved in the scheme.

Morizono had instructed employees to use aliases when communicating with clients, claiming it was for their safety. A cooperating witness told investigators the real purpose was to avoid detection by law enforcement.

When arrests began in January 2022, Morizono and Lim sent more than 80 "cease and desist" letters to investigators and prosecutors, claiming to be "secured party creditors" not subject to federal jurisdiction. The letters, which authorities say use language common among sovereign citizens, threatened $100,000 fines per incident.

Investigators found the two men hiding in a California hotel under a third party's name. Morizono was seeking a passport for his minor child to leave the country when he was arrested.

Read The Complaint

AO 91 (Rev. 11/11) Criminal Complaint

UNITED STATES DISTRICT COURT

for the

Southern District of Texas

United States of America
v.

Steven Tetsuya Morizono
a.k.a. Jeff Lucian

Case No. **4:22-mj-511**

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of August 2017 to Present in the county of Montgomery in the Southern District of Texas, the defendant(s) violated:

Code Section	*Offense Description*
18 USC 371	Conspiracy to Make False Statements and Writings
18 USC 1349	Conspiracy to Commit Wire Fraud

This criminal complaint is based on these facts:

See attached Affidavit of US Postal Inspector Kyle Shadowens

☑ Continued on the attached sheet.

Complainant's signature

Kyle Shadowens, US Postal Inspector
Printed name and title

sworn to telephonically.

Date: March 01, 2022

Judge's signature

City and state: Houston, Texas

Christina Bryan, US Magistrate Judge
Printed name and title

AFFIDAVIT IN SUPPORT OF AN APPLICATION FOR A COMPLAINT

I, Postal Inspector Kyle Shadowens, being first duly sworn, state:

SUMMARY

1. I make this affidavit in support of a criminal complaint establishing probable cause for the arrests of Albert Lugene LIM a.k.a. Ted Chen and Steven Tetsuya MORIZONO a.k.a. Jeff Lucian in connection with *United States v. Heather Campos et al.*, 4:22-cr-33-S. Agents received information that LIM and MORIZONO, who reside in California, appear to have gone into hiding and are staying at a hotel in a reservation in a third party's name. This hotel is located within the vicinity of their homes. Moreover, MORIZONO appears to be taking steps to allow his minor child to leave the United States and travel abroad.

INTRODUCTION

2. I make this affidavit in support of a criminal complaint establishing probable cause for the arrests of Albert Lugene LIM a.k.a. Ted Chen and Steven Tetsuya MORIZONO a.k.a. Jeff Lucian for committing the following offenses in the Southern District of Texas between August 2017 through the present:

a. 18 U.S.C. § 371, Conspiracy to Make False Statements and Writings; and

b. 18 U.S.C. § 1349, Conspiracy to Commit Wire Fraud.

3. As described below, there is probable cause to believe that LIM and MORIZONO committed the above-listed offenses in connection with a multi-layered fraud scheme involving credit repair, bank fraud, and mortgage fraud. It was a purpose of the conspiracy for LIM, MORIZONO, and their co-conspirators to unlawfully enrich themselves by recruiting credit repair clients to fraudulently "clean" the client's credit history so they could fraudulently obtain various

loans, including but not limited to Small Business Administration loans such as Economic Injury Disaster Loans (EIDL) and Paycheck Protection Program (PPP) loans, and mortgages.

AGENT BACKGROUND

4. I am employed as a federal law enforcement officer by the United States Postal Inspection Service. I have been employed as a federal law enforcement officer since 2013, and I am currently assigned to the Financial Crimes/Mail Fraud team in the Houston Division of the United States Postal Inspection Service. I am responsible for conducting and have conducted many investigations into fraud, identity theft, and related "white collar" offenses. I have been licensed as an attorney by the State Bar of Texas since 2010, and I am a Certified Fraud Examiner. I have received training in how to investigate numerous Postal crimes, but primarily those involving identity theft, mail fraud, wire fraud, bank fraud, and related "white collar" offenses. I am authorized to obtain and execute Federal Arrest and Search Warrants.

5. The information presented in this affidavit is based on my own personal investigation and the investigation of other law enforcement officers, which was communicated to me orally or via written communication. The facts set forth do not constitute all that has been learned in the course of the investigation but only enough to establish that probable cause exists for the issuance of complaints and arrest warrants for LIM and MORIZONO.

Identification of Relevant Individuals and Entities

6. Albert Lugene LIM a.k.a. Ted Chen is a resident of California. LIM currently holds officer positions in numerous different entities formed under Texas Law that are believed to be shell entities for purposes of committing fraud.

7. Steven Tetsuya MORIZONO a.k.a. Jeff Lucian, is a resident of California. MORIZONO and LIM are believed to be brothers-in-law. MORIZONO has been identified by numerous other co-conspirators and participants as the leader of the conspiracies.

8. David BEST is a resident of California and Texas. On or about January 20, 2022 BEST was originally indicted by the Grand Jury in the Southern District of Texas for violations of 18 U.S.C. §371 – Conspiracy to Make False Statements and Writings, 18 U.S.C. §1014 – False Statements to Mortgage Lending Businesses and Federally Insured Institutions, all of which are in-relation to the below-described schemes. BEST has been a fugitive since he failed to self-surrender on or about January 24, 2022.

9. Heather Ann CAMPOS a.k.a. Jill Turner, previously licensed by the National Mortgage Licensing System, is a loan originator operating and living in the Houston, Texas area. CAMPOS voluntarily surrendered her NMLS license on or about March 30, 2021, approximately three months after Investigators began overtly interviewing witnesses and straw borrowers. CAMPOS was originally indicted on or about January 20, 2022 by the Grand Jury in the Southern District of Texas for violations of 18 U.S.C. §371 – Conspiracy to Make False Statements and Writings, 18 U.S.C. §1014 – False Statements to Mortgage Lending Businesses and Federally Insured Institutions, 18 U.S.C. §1001(a)(3) – False Writings to the Federal Trade Commission, 18 U.S.C. §1349 – Conspiracy to Commit Wire Fraud, and 18 U.S.C. §1343 – Wire Fraud, all of which are in-relation to the below-described schemes. CAMPOS has been a fugitive since she failed to self-surrender on or about January 24, 2022.

10. SHYANNE Edrington a.k.a. Laura Hall is a co-conspirator, resident of Spring, Texas, and the sister of CAMPOS. On or about February 15, 2022, SHYANNE was indicted in a

superseding indictment by the Grand Jury in the Southern District of Texas for violations of 18 U.S.C. §371 – Conspiracy to Make False Statements and Writings, 18 U.S.C. §1349 – Conspiracy to Commit Wire Fraud, and 18 U.S.C. §1343 – Wire Fraud, all of which are in-relation to the below-described schemes. SHYANNE is currently on bond.

11. LESLIE Edrington a.k.a. Robin Smith is a co-conspirator, resident of Spring, Texas, and the mother of CAMPOS and SHYANNE. On or about February 15, 2022, LESLIE was indicted in a superseding indictment by the Grand Jury in the Southern District of Texas for violations of 18 U.S.C. §371 – Conspiracy to Make False Statements and Writings, 18 U.S.C. §1014 – False Statements to Mortgage Lending Businesses and Federally Insured Institutions, 18 U.S.C. §1001(a)(3) – False Writings to the Federal Trade Commission, and 18 U.S.C. §1349 – Conspiracy to Commit Wire Fraud, all of which are in-relation to the below-described schemes. LESLIE is currently detained pending trial.

12. Jeff Funding is a company operated by MORIZONO, LIM, CAMPOS, BEST, and other co-conspirators. To date, Investigators have been unable to find whether and where Jeff Funding is registered and/or licensed to conduct business. Co-conspirators and participants have advised Investigators that Jeff Funding is one of numerous entities operated by the conspirators to fraudulently conduct credit repair and obtain funding for clients.

OVERVIEW OF THE CONSPIRACY TO MAKE FALSE STATEMENTS AND WRITINGS

13. LIM, MORIZONO, and co-conspirators (collectively, the Jeff Funding Defendants) using various entity names such as Jeff Funding, KMD Credit, and KMD Capital recruited clients and offered to "clean" and improve their credit. The Jeff Funding Defendants

recruited clients from across the United States, promising to obtain "funding," or loans for clients after "cleaning" the clients' credit histories.

14. The Jeff Funding Defendants did so by blocking debts and bankruptcies listed on a client's credit report by making a false report, under penalty of perjury, to the Federal Trade Commission (FTC) and claiming that the debts and bankruptcies listed were due to the client being a victim of identity theft.

15. After filing the identity theft report with the FTC, the Jeff Funding Defendants and their co-conspirators sent the FTC identity theft report and other documents to the credit bureaus demanding that the debts be removed from the client's credit report. As a result of claiming identity theft, the client's credit score would generally improve.

16. Due to the high volume of clients and to obtain cheap labor, the Jeff Funding Defendants hired employees in Mexico to submit the FTC identity theft reports online and to assist in operating the fraudulent scheme.

17. After a client's credit score improved, the Jeff Funding Defendants offered to obtain unsecured personal loans and credit cards, among other "funding," on behalf of the client. Sometimes, the Jeff Funding Defendants instructed clients to directly apply for loans by claiming an "enhanced" income, listing a fake employer, and making other false statements.

18. Other times, the Jeff Funding Defendants directly submitted the loan applications on behalf of the clients. The Jeff Funding Defendants facilitated these loans by including false statements and fake documents in the loan applications, which were then submitted to the lenders. The false qualifying loan information included employment, employment verification, intended purpose of the loan proceeds, income, assets, and fake bank account statements. The Jeff Funding Defendants set up fake companies and websites to make it appear as if their clients were

legitimately employed at these companies. The Jeff Funding Defendants, however, controlled the contact information for the fake companies and using aliases, verified employment information for the clients and other co-conspirators.

19. When a lender called a loan applicant with questions, the Jeff Funding Defendants either coached the client as to the answers or pretended to be the client and gave false answers.

20. After a loan was approved, the Jeff Funding Defendants demanded a percentage of the loan proceeds from the client. In some cases, the client would again default on the loan payments, which would then be reported to the credit bureaus and lower the client's credit score. The Jeff Funding Defendants would "clean" the client's credit history again, by falsely claiming identity theft to the FTC and the credit bureaus.

21. The Jeff Funding Defendants also offered to fraudulently boost a client's credit score by obtaining a mortgage in the client's name and using the client as a straw buyer of the residential property, although the client did not intend to reside at the property or pay the mortgage. The Jeff Funding Defendants recruited clients from Texas and other states in the United States, to be straw buyers.

22. The mortgage applications contained false information and fake documents about the straw buyers' contact information, employment, income, assets, and the buyers' intent to make the residence their "primary residence," among other false information. A co-conspirator served as the notary for Jeff Funding and falsely notarized documents that the clients did not actually sign. The Jeff Funding Defendants included false contact information for the client, including telephone numbers and email accounts, so that when a lender contacted the straw buyer, the Jeff Funding Defendants would be notified and respond directly to the lender, pretending to be the client.

23. For mortgages that co-conspirator Heather CAMPOS had brokered, after approval, CAMPOS collected the mortgage broker fees. The Jeff Funding Defendants then rented out the properties to tenants, who were often instructed not to contact the listed homeowners.

24. Capitalizing on the response to the COVID-19 global pandemic and economic crisis, the Jeff Funding Defendants took advantage of various programs to suspend mortgage payments for the properties, even while collecting rental payments from the tenants and rental assistance programs. If a mortgage were to go into default, the straw buyer would be the responsible party.

OVERVIEW OF THE CONSPIRACY TO COMMIT WIRE FRAUD

25. It was a purpose of the conspiracy to commit wire fraud for the Jeff Funding Defendants to unlawfully enrich themselves by capitalizing on the emergency financial assistance provided in response to the COVID-19 pandemic and obtaining money from the Small Business Administration (SBA) and financial institutions by means of materially false and fraudulent pretenses, representations, and promises.

26. The Jeff Funding Defendants, using the entity names Jeff Funding and North Moon Group, among others, offered to obtain money from the SBA and from financial institutions by submitting loan applications and supporting documentation on behalf of themselves and their clients. In exchange, the Jeff Funding Defendants took a percentage from the loan proceeds.

27. The Jeff Funding Defendants received intake applications from clients all around the United States. The Jeff Funding Defendants created login and account information for their clients for the purpose of submitting the loan applications to the SBA and to financial institutions via the internet.

28. The Jeff Funding Defendants disguised the fact that they were acting as agents and brokers on behalf of their clients to the SBA. To further disguise the fact that the application was being submitted by the Jeff Funding Defendants, they set up Internet Protocol (IP) addresses that appeared to originate from the client's state of residence, rather than Spring, Texas, the location from which the conspiracies primarily operated, and surrounding areas.

29. The Jeff Funding Defendants also falsified the client's information, such as the client's business gross revenues, to fraudulently induce the lenders and the SBA into approving the loan applications.

30. When a lender contacted a client directly, the Jeff Funding Defendants contacted each other so that they could make sure to "say the right things" to the lender.

31. The Jeff Funding Defendants used the internet to submit Economic Injury Disaster Loan (EIDL) and Paycheck Protection Program (PPP) applications that contained false information, including the gross revenues of the purported business and the number of employees.

32. After a loan was approved, the Jeff Funding Defendants and their co-conspirators sent, usually via email, the customer an invoice, for approximately 20% of the loan proceeds, in violation of 18 U.S.C. § 1343 (wire fraud), all in violation of 18 U.S.C. § 1349 (wire fraud conspiracy).

PROBABLE CAUSE

33. In furtherance of the above-described conspiracies, LIM and MORIZONO committed on or more of the acts described herein.

34. MORIZONO regularly instructed CAMPOS and others on the fraudulent repair of clients' credit. A cooperating co-conspirator confirmed to Investigators MORIZONO taught them

and other Jeff Funding employees which negative debts needed to be removed from clients' credit reports, such as debts with late payments, debts in collections, and multiple credit inquiries.

35. On or about September 13, 2019, MORIZONO, in an email to CAMPOS, instructed Melinda MUNOZ, an indicted co-conspirator, to, among other things, "[l]ocate good voice changer. $500 to $700." Investigators know from interviews with co-conspirators the Jeff Funding Defendants regularly made contact to lenders and banks pretending to be clients of Jeff Funding. In fact, on or about December 19, 2019, CAMPOS emailed LIM and stated "Call Misty Johnson as Client #1 [Redacted] and give her the info for the pay off of the Oakfield house." Investigators know Client #1 to be a client of Jeff Funding and a previous straw buyer of a residential property located in Spring, Texas.

36. In August 2020, MORIZONO and CAMPOS exchanged documents via email titled "Instructions for Personal Cash Funding" and "Instructions for Credit Compliance," among others. A cooperating co-conspirator advised Investigators MORIZONO authored these documents and disseminated them to other co-conspirators for feedback. The documents are guides on falsehoods that must be stated by clients attempting to obtain credit repair and/or funding. The documents state, among other things, the following:

37. From the Instructions for Personal Cash Funding document:

a. #20: Client must ALWAYS state funds from this process are for PERSONAL USE ONLY. Client will be asked by the underwriter 'what is the use of funds', Client must state a reasonable answer that clearly shows the funds are for personal use ONLY!!! Any other response will lead to instant DENIAL.

b. #21: Client must ALWAYS state they themselves submitted the application. This is mandatory and will be asked by the Underwrite [sic]

38. From the Instructions for Credit Compliance document:

a. #6: If a creditor contacts the Client for any reason, the Client MUST indicate that they have no idea or do not know why they are being called. It is imperative Client in no way acknowledges any past debt to any creditor during this process.

39. MORIZONO previously coached LESLIE Edrington a.k.a. Robin Smith, an indicted co-conspirator, how to pitch Jeff Funding's mortgage programs to the clients. According to a cooperating co-conspirator, LESLIE was instructed by MORIZONO to advise clients that obtaining a mortgage is an opportunity to boost their credit, but of little to no risk to themselves because they, the clients, would not have to pay the actual mortgage. It is known to Investigators CAMPOS designated LESLIE for a Jeff Funding customer service role because she had an older, trusting voice.

40. On or about July 2, 2021, MORIZONO texted to CAMPOS, "I'm restructuring Mexico's spreadsheets and making changes to the systems." As previously described, according to cooperating co-conspirators, to handle work overflow and obtain cheap labor, the conspirators employed individuals in Mexico for the purpose of filing false FTC reports and creating fake documents to be utilized in loan files. Recovered text messages revealed salary for the Mexico employees was regularly sent via MoneyGram and/or Western Union type transfers by BEST at the direction of LIM. For example, text messages between LIM and BEST in or around June 2021 reveal LIM asking for copies of MoneyGram receipts for the Mexico employees. LIM asks BEST to send the information separated by employee so LIM can forward via Whatsapp to the individual employees; presumably, to show salary had been paid.

41. On or about October 31, 2020, in an email from MORIZONO to CAMPOS titled "Lucia", MORIZONO lists out tasks for Lucia LNU, who is believed to be a Jeff Funding

employee in Mexico, to complete. The tasks listed by MORIZONO include the following: "recreate pay stub templates and keep on file" and "assign template to the company and don't change it."

42. Client #2, a resident of Utah, was identified through the investigation as the straw buyer of a residential property located in Houston, Texas. In a February 2022 interview with Investigators, Client #2 identified Jill LNU (CAMPOS) and Jeff LNU (MORIZONO) as the owners of Jeff Funding. Client #2 stated Jeff Funding cleaned his credit of negatives such as his bankruptcy, delinquent accounts, and multiple credit inquiries. Client #2 stated he was aware Jeff Funding added a mortgage to his credit but did not know how the mortgage was added or even in what state the residential property was located. Client #2 was advised by CAMPOS Jeff Funding could help him obtain $150,000.00 in funding once he obtained a mortgage in his name. Client #2 provided Investigators with numerous recordings of phone conversations he had with individuals at Jeff Funding, including MORIZONO.

43. On or about September 11, 2020, Client #2 recorded a phone conversation between himself and MORIZONO, whom Client #2 knew only as "Jeff". During the recorded call, Client #2 complains his funding is taking longer than usual. MORIZONO responds he has looked at Client #2's SBA file along with everyone else's file and sells Client #2 on the SBA EIDL loan because no bank can compete with the government. During the call, MORIZONO states "[i]f I run you through my personal funding program, I make a full fee. If I run you through this other program, I make a referral fee. … I'm making a lot less money for doing this." MORIZONO continues "we got into this to help people beat the system."

44. During the September 11, 2020 recording, Client #2 informs MORIZONO that once he obtains the SBA funds, he wants to invest some of that money so he can actually make a

monthly investment back and "live off of that money". MORIZONO responds "understand, [Client #2], this is money for your companies and the companies' money is for working capital of the company… obviously, you're going to be creative in terms of working capital… quote, working capital, now that's a broad statement and you know, do some creative accounting and you can make sure it falls within the range of working capital".

45. Through the investigation, Client #3 was identified as a client of Jeff Funding and a straw buyer of a residential property located in The Woodlands, Texas. On or about February 9, 2022, Client #3 advised agents he first became involved with Jeff Funding in or around June 2019. Throughout his time with Jeff Funding, Client #3 held phone conversations with individuals he knows as Jill Turner (CAMPOS) and Jeff Lucian (MORIZONO), and even met CAMPOS in-person when he came to Houston, Texas at Jeff Funding's direction.

46. On or about December 12, 2019, LESLIE texted Client #3 stating, "[g]ood morning, can you please send me an updated utility bill? Thanks, Robin." Client #3 responded, "[h]ow will that work with what Jeff wants as far as my drivers license address being the same as my mortgage in Houston?" LESLIE responded "[w]e are working on removing items on the credit report. So send me one from your existing home. Not from the Texas resident [sic]."

47. In or around January 2020, Client #3 traveled to Houston at Jeff Funding's direction. Client #3 explained that while in Houston, he was chauffeured around by a Jeff Funding employee who provided him with fake documents used to obtain a Texas identification card that exhibits the address on which he is a straw buyer. Client #3 was also taken and directed to open bank accounts at approximately 4 different banks. Client #3 stated each account was opened with the fake documents and approximately $100.00 cash that was provided by CAMPOS.

48. On or about February 19, 2020, CAMPOS emailed LIM and provided a list of clients along with corresponding employers of Digital Networks, Cali Networks, and Origins, all shell companies set up by the co-conspirators for the purpose of providing false verification of employment and income to lenders on-behalf of clients. In conjunction with the list of clients and "employers", CAMPOS requests LIM provide updated "99 docs." Investigators know from interviews and cooperating co-defendants the term "99 docs" was to be used by the conspirators to mean fake documents, such as paystubs, utility bills, W2s, and others.

49. During the course of the investigation, Client #4 was identified as a straw buyer of a residential property located in Texas City, Texas. On or about February 7, 2022, Client #4 informed investigators she was completely unaware of a property and mortgage being held in her name. Investigators reviewed the loan file for the mortgage and found the mortgage was obtained via Power of Attorney. Client #4 advised Investigators she had previously given Power of Attorney to a credit repair company to negotiate credit issues on her behalf, but not to purchase a property. Although Investigators located text messages between Client #4 and LESLIE referencing a "mortgage tradeline," Client #4 stated that she did not initial the residential sales contract for the property.

50. On or about December 16, 2019, CAMPOS, in an email to LIM, stated "I need November 31st and December 15 stubs please. They are not in the system anywhere…so I have attached what I have here." Attached to the email were fake paystubs purported to be for Client #4's employment at First In First Out, Inc., a shell company established by the conspirators. Client #4's mortgage file was found to contain fake paystubs dated November 30, 2019 and December 15, 2019 for Client #4's purported wages from First In First Out, Inc. Client #4 advised

Investigators she has never worked for First In First Out, Inc., and she did not even recognize the name of the company.

51. Additional examples of LIM being requested to create fake documents include on or about April 5, 2019, CAMPOS emailed LIM and stated "I need 2 stubs with Richards Custom Water and a 2018 W2. 80K year. Semi Monthly". Again, on or about April 13, 2019, CAMPOS emailed LIM and requested "pay stub for [Redacted] please." On or about April 15, 2019, LIM responded to CAMPOS via email stating "[Redacted] info has been ordered. This will be continuation of the Feb 2019 info."

52. Investigators have learned from co-conspirators and other evidence that LIM acts as a Chief Financial Officer and accountant for the conspiracies. LIM opened and controls many of the financial accounts utilized in furtherance of the conspiracy. There are numerous instances of CAMPOS and/or a cooperating co-conspirator requesting second factor authentication codes texted to LIM's phone(s) from financial institutions that would allow CAMPOS and/or the cooperating co-conspirator to sign into online banking sessions for the accounts. In addition, LIM regularly requests second factor authentication codes from CAMPOS and/or the cooperating co-conspirator that allow him to sign into financial accounts utilized in the conspiracy. For example, on or about April 23, 2021, CAMPOS and/or the cooperating co-conspirator forwarded to LIM approximately 23 different second factor authentication codes received on her phone.

53. On or about September 10, 2020, CAMPOS sent an email to LIM titled "Invoices for SBA". In the email, CAMPOS stated,

this is the way the invoice has to be done:

1. Invoice from North Moon Group;

2. The invoice amount;

3. Directions to the client to get a CASHIER CHECK payable to one of our sunset corps with a major bank;

4. Directions to the client to deposit the cashier check in $XX into the bank account at X Bank and X account number;

5. Text a picture of the receipt to Mark Williams [known alias for a currently un-indicted co-conspirator] phone when it is done.

It is imperative that it is done this way so that we do not get our accounts frozen or the clients accounts frozen.

54. On or about May 25, 2021, a cooperating co-conspirator texted LIM "[w]e are trying to use the Sunero bank card to pay the water bill for Mills Ridge but it is being declined. Jill [CAMPOS] said to see if you would call BofA [Bank of America] and see why the payment is being declined, please?". Client #5 was identified as the straw buyer of the above-referenced property located on Mills Ridge in Kingwood, Texas. In a February 2022 interview, Client #5 advised Investigators she had no knowledge of a house or mortgage being held in her name. However, Client #5 did admit to Investigators she utilized fake documents provided by Jeff Funding to apply for loans from banks.

55. LIM regularly instructed other co-conspirators on the movement of funds through the various accounts utilized in the conspiracy. For example, on or about June 11, 2021, LIM instructed BEST via text message to "[m]ove $641.00 from KMD homes to tabula group xxxx-xxxx-4320." Investigators know Tabula Group to be a shell company formed by the conspirators.

Acts in Furtherance of Obstructing Law Enforcement

56. Co-conspirators and employees of the Jeff Funding Defendants have advised Investigators that MORIZONO suggested employees adopt aliases to be utilized when

communicating within the office and with clients. According to several co-conspirators, MORIZONO told Jeff Funding employees this was for their own safety to avoid conflict and/or threats from disgruntled clients. A cooperating co-conspirator advised that once they became aware of the fraud occurring at Jeff Funding it was their realization the aliases were truly utilized to avoid detection by law enforcement.

57. The Jeff Funding Defendants further required documents and information to be obtained via brokers and not directly by Jeff Funding employees. A cooperating co-conspirator advised this was done to provide a middleman between the clients and Jeff Funding Defendants to further avoid detection by law enforcement.

58. On or about June 3, 2021, LIM texted CAMPOS asking "[d]o we still keep jefffunding gmail?". CAMPOS responded "no you can shut it down."

59. On or about July 10, 2021, LIM sent a text to BEST stating "Jeff wants our computer clean. In case of devises [sic] taken."

60. According to a cooperating co-conspirator, MORIZONO advised CAMPOS to tell the cooperating co-conspirator and SHYANNE that MORIZONO did not want a paper trail because those documents could "get them in trouble" and a shredder was brought into the office.

61. Between January 24, 2022, the date CAMPOS and BEST were scheduled to self-surrender, and present, Investigators have identified approximately eighty-four (84) different "Cease and Desist" letters signed by the conspirators including LIM and MORIZONO. The letters are addressed to, among others, Investigators and the United States Attorney's Office. Mailings addressed and delivered to the United States Courthouse in Houston, Texas have been identified; however, to date the contents and senders of those mailings are unidentified. The letters received thus far from LIM, MORIZONO, and other conspirators advise the recipient the signatory is a

"Secured Party Creditor", is not within the jurisdiction of the recipient, and the recipient is "required to Cease and Desist any further contact and/or contracts" with the conspirator(s). The signatories threaten "immediate legal action and liabilities" and a "fine of $100,000 damages per incident". Based on my training and experience, this type of language is often used by individuals who identify as "sovereign citizens" and do not recognize the authority or jurisdiction of the federal government.

62. Letters received thus far on which LIM and MORIZONO were signatories were notarized in California. The notary in California has identified LIM and MORIZONO as the individuals signing the letters. The California notary has advised Investigators that LIM and MORIZONO carry several backpacks with themselves at all times and these backpacks contain electronic devices such as cellular and computer devices. The notary also advised agents that MORIZONO and/or LIM appear to have their phones turned off at times and have called him from different numbers.

63. Investigators in California have located LIM and MORIZONO to be staying at hotel in California under a reservation in a third-party's name and to be driving a vehicle that appears to be registered in one of LIM's family member's name. The reservation at the hotel is currently scheduled to end on Sunday, March 6, 2022.

64. On or about February 28, 2022, the California notary advised Investigators LIM and MORIZONO had returned to have additional documents notarized, including a letter to obtain a passport for MORIZONO's minor child to allow the child to leave the United States and travel abroad. Investigators believe this may be an indication LIM and MORIZONO are preparing to flee. It is the Investigators' understanding that LIM was born abroad but grew up in Mexico, may

have contacts there, and speaks Spanish fluently. The Investigators further have the understanding MORIZONO was born in Japan and still has family and/or contacts there.

CONCLUSION

65. In total, evidence indicates that LIM and MORIZONO were participants in conspiracies to make false statements and writings and to commit wire fraud in violation of 18 U.S.C. §§371 and 1349, respectively. MORIZONO acted a Chief Executive Officer of the conspiracies directing Jeff Funding employees and clients on how to fraudulently remove negative items from credit reports and obtain funding utilizing false statements and fake documents. LIM acted as a Chief Financial Officer of the conspiracies by controlling numerous financial accounts and accounting for the conspiracies' revenues and expenditures, in addition to creating fake documents used in furtherance.

66. Based on the foregoing, I submit that there is probable cause that, between August 2017 and the present, LIM and MORIZONO committed the crimes identified in paragraphs 2.a. through 2.b. Therefore, I request that a criminal complaint be issued, along with warrants for LIM's and MORIZONO's arrests.

REQUEST FOR SEALING

67. I further request that the Court order that all papers in support of this warrant, including the affidavit, be sealed until further order of the Court. These documents discuss an ongoing criminal investigation that is neither public nor known to all of the targets of the investigation. Accordingly, there is good cause to seal these documents because their premature disclosure may give targets an opportunity to flee/continue flight from prosecution, destroy or tamper with evidence, change patterns of behavior, notify confederates, or otherwise seriously jeopardize the investigation.

Respectfully submitted,

Kyle Shadowens
United States Postal Inspector

Subscribed and sworn to me telephonically pursuant to Fed. R. Crim. P. 4.1 and 41(d)(3) on the 1st day of March, 2022 and I find probable cause.

Christina Bryan
UNITED STATES MAGISTRATE JUDGE