

Approved:   
LISA DANIELS  
Assistant United States Attorney

Before: THE HONORABLE JAMES L. COTT  
United States Chief Magistrate Judge  
Southern District of New York

**23 MAG 1575**

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UNITED STATES OF AMERICA	:	<u>SEALED COMPLAINT</u>
	:	
-v.-	:	Violations of 18 U.S.C.
	:	§§ 656, 1344, 1956,
	:	1028A, and 2
KEVIN CHIU,	:	
	:	COUNTY OF OFFENSE:
Defendant.	:	NEW YORK
	:	
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SOUTHERN DISTRICT OF NEW YORK, ss.:

NICHOLAS DIMARINO, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation ("FBI"), and charges as follows:

**COUNT ONE**  
**(Bank Fraud)**

1. From at least on or about October 28, 2020, up to and including at least on or about June 29, 2022, in the Southern District of New York and elsewhere, KEVIN CHIU, the defendant, knowingly did execute and attempt to execute a scheme and artifice to defraud a financial institution, the deposits of which were then insured by the FDIC, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such financial institution, by means of false and fraudulent pretenses, representations, and promises, to wit, CHIU, who was employed as a business relationship manager at a financial institution headquartered in Manhattan (the "Bank"), transferred client funds at the Bank without authorization and falsified transaction documents to make unauthorized transfers from client accounts.

(Title 18, United States Code, Sections 1344 and 2.)

**COUNT TWO**  
**(Embezzlement by Bank Employee)**

2. From at least on or about October 28, 2020, up to and including at least on or about June 29, 2022, in the Southern District of New York and elsewhere, KEVIN CHIU, the defendant, being an agent and employee of a national bank and insured bank, the deposits of which were then insured by the FDIC, embezzled, abstracted, purloined and willfully misapplied moneys, funds, credits, assets, securities, and other property of such bank, and under the custody and control of such bank, to wit, CHIU, who then was employed as a business relationship manager at the Bank, transferred client funds at the Bank without authorization and falsified transaction documents to make unauthorized transfers from client accounts.

(Title 18, United States Code, Sections 656 and 2.)

**COUNT THREE**  
**(Money Laundering)**

3. From at least in or about October 28, 2020, up to and including at least on or about June 29, 2022, in the Southern District of New York and elsewhere, KEVIN CHIU, the defendant, knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful activity, conducted and attempted to conduct such a financial transaction, which in fact involved the proceeds of specified unlawful activity, knowing that the transaction was designed in whole or in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, to wit, CHIU made unauthorized transfers of client funds from accounts at the Bank to other client accounts to conceal losses to the client accounts, and transferred funds through one or more accounts to conceal the origin of the stolen funds, in connection with the bank fraud charged in Count One of this Complaint and the embezzlement by a bank employee charged in Count Two of this Complaint.

(Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.)

**COUNT FOUR**  
**(Aggravated Identity Theft)**

4. From at least in or about October 28, 2020, up to and including at least on or about June 29, 2022, in the Southern

District of New York and elsewhere, KEVIN CHIU, the defendant, knowingly did transfer, possess, and use, without lawful authority, a means of identification of another person, during and in relation to a felony violation enumerated in Title 18, United States Code, Section 1028A(c), to wit, CHIU used without authorization the bank account information including bank account numbers and routing numbers of three individual persons during and in relation to the bank fraud charged in Count One of this Complaint and the embezzlement by a bank employee charged in Count Two of this Complaint.

(Title 18, United States Code, Sections 1028A(a)(1), 1028A(b), and 2.)

The bases for my knowledge and the foregoing charges are, in part, as follows:

5. I have been involved in the investigation of this matter, and I base this affidavit on that experience, as well as on my conversations with other law enforcement agents, and my examination of various reports and records. Because this affidavit is being submitted for the limited purpose of demonstrating probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

#### **The Bank's Investigation**

6. Based on my conversations with employees of the Bank and my review of bank records, I have learned, in substance and in part, the following:

a. In or around July 2022, the Bank identified a Bank employee, KEVIN CHIU, the defendant, who had embezzled funds from clients' accounts. At the time, CHIU was employed by the Bank as a business relationship manager and private client banker, and worked at two branches in Brooklyn, New York.

b. The Bank determined that from at least on or about October 28, 2020, up to and including at least on or about June 29, 2022, CHIU stole funds from client accounts and fraudulently transferred funds to conceal the thefts. The scheme involved at least six accounts maintained at the Bank (the "Accounts"), owned or held by five different people or entities (the "Victims"). CHIU transferred the stolen funds to a brokerage

account in his mother's name held at a separate financial institution (the "Brokerage Account"). In addition, CHIU transferred some of the stolen funds from one victim account to another victim account from which he already had stolen to conceal the fraud. Through this pattern of activity, CHIU fraudulently transferred approximately \$2.4 million in total, and caused approximately \$1.6 million in losses.

c. The Bank uncovered the fraud in or around July 2022, when one of CHIU's clients ("Victim-1") came into a Bank branch in Brooklyn, New York and stated that she needed to speak with a manager. In a private meeting with a manager ("Manager-1"), Victim-1, a 74-year-old woman who resides in Brooklyn and Israel, explained that she previously had requested that the Bank refrain from mailing her paper copies of her account statements to her residence in Israel. Victim-1 explained that she instead requested that CHIU, her banker, print the statements out for her and hand them to her in person when she visited the branch in Brooklyn, New York. Victim-1 stated, however, that the Bank mailed a paper copy of her account statement to her residence in Israel. Victim-1 stated that she was concerned because the paper copy that had been mailed to her residence in Israel reflected an account balance of approximately \$13,000, while the print-out statements she received from CHIU reflected an account balance of approximately \$900,000.

d. Manager-1 reviewed Victim-1's accounts and observed several wire transfers to the Brokerage Account. Manager-1 understood based on these transfers that CHIU had been stealing from Victim-1.

e. The Bank then conducted an investigation and identified five other accounts from which CHIU had stolen funds or fraudulently transferred funds from one victim account to another to conceal the thefts. The investigation revealed that CHIU perpetrated the fraud by, among other things, asking Victim-1 to sign blank transaction forms when she was at the Bank branch, which CHIU then used to make fraudulent transfers out of her account. CHIU also created the fake account statements for Victim-1, described above in paragraph 6(c), so that Victim-1 would not know the true balance of her account.

f. The Bank determined that CHIU fraudulently withdrew from the Victims' accounts approximately \$1.6 million.

g. On or about July 6, 2022, in an interview with the Bank's Investigations Department, CHIU admitted to embezzling the funds from his clients.

h. The Bank terminated CHIU on or about July 14, 2022.

i. The Bank reimbursed the Victims for the losses caused by CHIU. Accordingly, the Bank has suffered approximately \$1.6 million in total losses as a result of CHIU's fraudulent conduct.

**October - November 2020 Fraudulent Transactions Involving  
Victim-2**

7. Based on my conversations with Bank employees, my review of reports and records, including account opening documents, account statements, transaction records, and interviews with Victims and representatives of the Victims, I have learned, in substance and in part, the following:

a. From on or about October 28, 2020 through on or about November 3, 2020, KEVIN CHIU, the defendant, stole a net total of approximately \$50,000 from the account of a client held in the name of a limited liability corporation ("Victim-2"). CHIU then tried to conceal the theft by replacing the stolen funds with \$50,000 taken from Victim-1's account. Specifically:

i. On or about October 28, 2020, a withdrawal in the amount of \$250,000 was made from the account of Victim-2, for which two individuals are listed on account opening documents as the members and signers on the account. The withdrawal slip that corresponds to the transaction lists one of the two signers as the customer who made the withdrawal. However, based on the Bank's conversations with the signers, I know that neither authorized the transaction.

ii. On the same day, \$44,800 in cash was deposited into a bank account at a separate financial institution held in the name of CHIU's mother (the "Chiu Bank Account"). The Chiu Bank Account had been opened two days earlier, on October 26, 2020. In addition, a deposit in the amount of \$200,000 was made into a second account ("Victim-2 Second Account") in the name of a different limited liability corporation for which the signers and members are the same as those for Victim-2.

iii. On or about October 30, 2020, an electronic transfer in the amount of \$44,700 was made from the Chiu Bank Account to the Brokerage Account.

iv. On or about November 3, 2020, \$50,000 was transferred from Victim-1's account into the Victim-2 Second Account. Victim-1 did not authorize the transfer.

**December 2020 - February 16, 2022 Fraudulent Transactions**  
**Involving Victim-1**

8. Based on my conversations with Bank employees, my review of reports and records, including account statements, transaction records, interviews with Victims and representatives of the Victims, and my review of statements KEVIN CHIU, the defendant, made to Bank employees regarding the scheme, I have learned, in substance and in part, the following:

a. From approximately December 10, 2020 through February 16, 2022, CHIU stole approximately \$868,130 from Victim-1's account and transferred it into the Brokerage Account. CHIU did so in approximately ten transactions:

i. On or about December 10, 2020, CHIU initiated a wire transfer in the amount of \$50,000 from Victim-1's account into the Brokerage Account, held in the name of CHIU's mother. Victim-1 did not authorize the transaction.

ii. On or about December 28, 2020, CHIU initiated a \$50,000 wire transfer from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

iii. On or about February 24, 2021, CHIU initiated a \$170,000 wire transfer from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

iv. On or about April 9, 2021, CHIU initiated a \$110,000 wire transfer from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

v. On or about July 13, 2021, CHIU initiated a \$120,000 wire transfer from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

vi. On or about July 19, 2021, CHIU initiated a \$200,000 wire transfer from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

vii. On or about September 14, 2021, CHIU approved a \$100,000 wire transfer from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

viii. On or about December 13, 2021, CHIU initiated a \$32,000 wire transfer from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

ix. On or about February 2, 2022, CHIU caused a \$25,100 wire transfer to be made from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

x. On or about February 16, 2022, CHIU caused a \$11,030 wire transfer to be made from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

b. To steal the funds from Victim-1's account, CHIU used wire transfer agreements, some of which appear to reflect Victim-1's signature, while others of which appear to reflect a signature in different handwriting.

c. CHIU also created fake account statements for Victim-1, described above in paragraph 6(c), so that Victim-1 would not know that the money was gone from her account. In addition, on or about September 13, 2021, CHIU used Victim-1's email account, which he had set up for her, to send himself an email, purporting to be Victim-1, and requesting that CHIU print another account statement for Victim-1 to pick up that day.

9. Based on my review of reports and records, including account information for the Brokerage Account and email subscriber records, I know that the login email used for the Brokerage Account is subscribed to in the name of "Kevin Chiu."

**February 25, 2022 Fraudulent Transactions Involving Victim-1 and Victim-3**

10. Based on my conversations with Bank employees, my review of reports and records, including account statements, transaction records, interviews with Victims and representatives of the Victims, and my review of statements KEVIN CHIU, the defendant, made to Bank employees regarding the scheme, I have learned, in substance and in part, the following:

a. On or about February 25, 2022, CHIU caused a \$150,000 wire transfer to be made from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transaction.

b. On the same day, CHIU withdrew \$150,000 from the account of one of his clients, a male individual ("Victim-3"), and deposited the amount into Victim-1's account in an apparent effort to conceal the theft. Victim-3 did not authorize the withdrawal and stated that a portion of the withdrawal slip associated with the transaction was not in his handwriting.

**March 21, 2022 Fraudulent Transactions Involving Victim-1, Victim-3, and Victim-4**

11. Based on my conversations with Bank employees, my review of reports and records, including account statements, transaction records, interviews with Victims and representatives of the Victims, and my review of statements KEVIN CHIU, the defendant, made to Bank employees regarding the scheme, I have learned, in substance and in part, the following:

a. On or about March 21, 2022, CHIU transferred \$70,000 from Victims' Accounts to the Brokerage Account—and attempted to conceal the theft at least in part—in a series of five transactions.

b. In the first transaction, CHIU withdrew \$220,000 from a client account held by an entity ("Victim-4"). Victim-4 did not authorize the withdrawal. In addition, the individual who is the signer on the account for Victim-4 stated that the withdrawal slip associated with the transaction was not written in her handwriting and that the signature on the slip was not hers.

c. In the second transaction, CHIU deposited the \$220,000 into Victim-1's account.

d. In the third transaction, CHIU withdrew \$150,000 from Victim-1's account. Victim-1 did not authorize the withdrawal.

e. In the fourth transaction, CHIU deposited the \$150,000 into Victim-3's account, in an apparent attempt to conceal the \$150,000 that CHIU had stolen from Victim-3 on or about February 25, 2022.



f. In the fifth transaction, CHIU caused a wire transfer in the amount of \$70,000—the remainder of the \$220,000 transferred from Victim-4's account to Victim-1's account—to be made from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transfer.

g. In March 2022, CHIU told Manager-1 that he had traded Tesla stock in March 2022. The Brokerage Account records reflect trades in Tesla stock in March 2022. On a separate occasion, Manager-1 heard CHIU discussing that he traded stocks, including via short-term trades, during the time that CHIU was employed by the Bank. The Brokerage Account records reflect trades in stocks including short-term trades during that time period.

**April 6, 2022 Fraudulent Transaction Involving Victim-1**

12. Based on my conversations with Bank employees, my review of reports and records, including account statements, transaction records, interview with Victim-1, and my review of statements KEVIN CHIU, the defendant, made to Bank employees regarding the scheme, I have learned, in substance and in part, the following:

a. On or about April 6, 2022, CHIU caused an \$11,030 wire transfer to be made from Victim-1's account to the Brokerage Account. Victim-1 did not authorize the transfer.

**April 14 - June 29, 2022 Fraudulent Transactions Involving Victim-5**

13. Based on my conversations with Bank employees, my review of reports and records, including account statements, transaction records, interviews with Victims and representatives of the Victims, and my review of statements KEVIN CHIU, the defendant, made to Bank employees regarding the scheme, I have learned, in substance and in part, the following:

a. On or about April 14, 2022, CHIU caused a \$450,000 wire transfer to be made from a client account held by a 74-year-old female individual ("Victim-5") to the Brokerage Account. Victim-5 did not authorize the transfer.

b. On or about June 29, 2022, CHIU withdrew \$50,000 from Victim-5's account and deposited it into Victim-4's account. This amount is less than a quarter of the amount CHIU stole from Victim-4 on or about March 21, 2022. Victim-5 did not authorize the withdrawal.

**CHIU's Use of the Stolen Funds**

14. Based on my conversations with law enforcement, my review of reports and records, including account statements, account information, and transaction records, I have learned, in substance and in part, the following:

a. KEVIN CHIU, the defendant, used the majority of the approximately \$1.6 million transferred into the Brokerage Account, directly or indirectly from the Victims' Accounts, to purchase securities. CHIU lost most of the money he stole in the market through trading.

b. In addition, from approximately November 5, 2020 through approximately June 22, 2022, CHIU transferred approximately \$200,000 from the Brokerage Account to a second account held in his mother's name and maintained by the Bank ("Chiu Bank Account-2"). For example:

i. On November 5, 2020, \$400 was transferred from the Brokerage Account to Chiu Bank Account-2. The email address associated with the Brokerage Account is subscribed to in the name of Kevin Chiu. On the date of the transfer, the Brokerage Account was accessed solely from an IP address located in the Bronx, New York.

ii. On March 17, 2021, \$18,500 was transferred from the Brokerage Account to Chiu Bank Account-2. The email address associated with the Brokerage Account is subscribed to in the name of Kevin Chiu. On the date of the transfer, the Brokerage Account was accessed solely from an IP address located in the Bronx, New York.

iii. On July 1, 2021, \$5,000 was transferred from the Brokerage Account to Chiu Bank Account-2. The email address associated with the Brokerage Account is subscribed to in the name of Kevin Chiu. On the date of the transfer, the Brokerage Account was accessed solely from an IP address located in the Bronx, New York.

iv. On October 28, 2021, \$6,000 was transferred from the Brokerage Account to Chiu Bank Account-2. The email address associated with the Brokerage Account is subscribed to in the name of Kevin Chiu. On the date of the transfer, the Brokerage Account was accessed solely from IP addresses located in Manhattan and the Bronx, New York.

v. On March 4, 2022, \$2,000 was transferred from the Brokerage Account to Chiu Bank Account-2. The email address associated with the Brokerage Account is subscribed to in the name of Kevin Chiu. On the date of the transfer, the Brokerage Account was accessed solely from IP addresses located in Manhattan and the Bronx, New York.

c. Prior to the start of these transfers, from approximately October 29, 2019 through November 4, 2020, the average transaction in Chiu Bank Account-2 was less than \$900, and the average balance was approximately \$540.

d. From approximately November 5, 2020 through approximately June 22, 2022, the majority of the fraudulent proceeds transferred into Chiu Bank Account-2 were withdrawn or transferred out of the account. For example:

i. From approximately November 12, 2020 to May 11, 2022, approximately \$28,055 was transferred from Chiu Bank Account-2 to CHIU's own bank account through the payment system Zelle. Many of these transfers occurred within one day of transfers from the Brokerage Account to Chiu Bank Account-2. For example:

a. On or about April 12, 2021, \$200 was transferred from the Brokerage Account to Chiu Bank Account-2. That same day, \$200 was sent to CHIU's own bank account via Zelle.

b. On or about October 27, 2021, \$6,000 was sent from the Brokerage Account to Chiu Bank Account-2. On or about October 28, 2021, \$5,000 was sent to CHIU's own bank account via Zelle.

c. On or about November 16, 2021, \$15,000 was sent from the Brokerage Account to Chiu Bank Account-2. On or about November 17, 2021, \$5,000 was sent to CHIU's own bank account via Zelle.

d. On or about January 26, 2022, \$1,200 was sent from the Brokerage Account to Chiu Bank Account-2. On or about January 27, 2022, \$1,200 was sent to CHIU's own bank account via Zelle.

e. On or about February 23, 2022, \$2,000 was sent from the Brokerage Account to Chiu Bank Account-2. On or about February 24, 2022, \$2,100 was sent to CHIU's own bank account via Zelle.

ii. From approximately November 20, 2020 through December 31, 2021, approximately \$33,350 was transferred from Chiu Bank Account-2 to Discover in a series of payments towards an approximately \$30,000 loan that was taken out from Discover in the name of an individual whom law enforcement understands is CHIU's girlfriend on or about September 16, 2020, and immediately was deposited into Chiu Bank Account-2 and then transferred to the Brokerage Account on or about September 17, 2020.

iii. From approximately January 7, 2021 through February 6, 2022, approximately \$73,153 in cash was withdrawn from Chiu Bank Account-2.

iv. From approximately November 3, 2021 through June 22, 2022, a Venmo account that is linked to Chiu Bank Account-2 and for which the account holder's social security number and date of birth match CHIU's transferred approximately \$14,285 from Chiu Bank Account-2 to other recipients.

v. From approximately December 28, 2021 through June 27, 2022, approximately \$58,791.44 was paid to American Express from Chiu Bank Account-2. The American Express account for which the payments were made was held in CHIU's name and an individual whom law enforcement understands is CHIU's girlfriend.

vi. From approximately January 21, 2022 through June 9, 2022, approximately \$11,166 was transferred from Chiu Bank Account-2 to an individual law enforcement understands is CHIU's girlfriend through the digital payment system Zelle.

15. From my review of publicly available materials, as well as my training and experience, I know that, at all relevant times, the deposits of the Bank were insured by the FDIC.

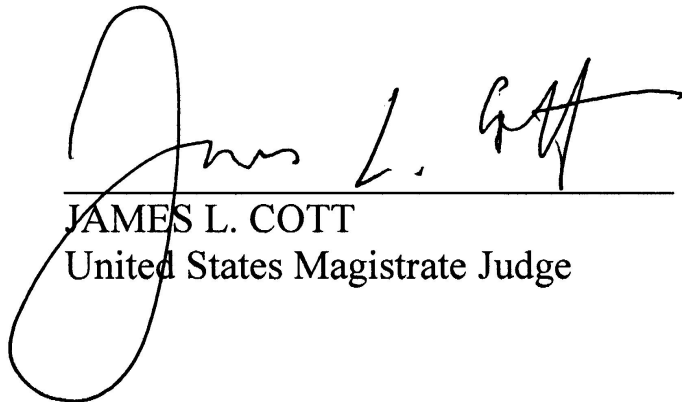
WHEREFORE, deponent respectfully requests that a warrant be issued for the arrest of KEVIN CHIU, the defendant, and that he be arrested, and imprisoned or bailed, as the case may be.

/s/ Nicholas Dimarino, by the Court, with  
permission

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NICHOLAS DIMARINO  
Special Agent  
Federal Bureau of Investigation

Sworn to me through the transmission  
of this Complaint by reliable electronic  
means, pursuant to Federal Rules of  
Criminal Procedure 41(d)(3) and 4.1, this  
27 th day of February, 2023



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JAMES L. COTT  
United States Magistrate Judge