



SIGTARP

Office of the Special Inspector General
for the Troubled Asset Relief Program

Federal Court Sentences Defendants to Prison for Money Laundering Schemes and Additional Defendant Pleads Guilty

In October 2019, a federal court sentenced two defendants as part of a wide-ranging investigation into a series of schemes that involved narcotics trafficking and international money laundering. At the center of the broad conspiracy is the lead defendant, Tu Chau “Bill” Lu, who was president and chief executive officer of TARP recipient, Saigon National Bank, from 2009 through January 2015. The Department of Justice charges that Lu and five other defendants were members of a criminal organization involved in narcotics trafficking and international money laundering in countries that included the United States, China, Cambodia, Liechtenstein, Mexico, and Switzerland. The indictment alleges that Lu used “his insider knowledge, position as an official at Saigon National Bank, and network of connections to promote and facilitate money laundering transactions involving members and associates of the enterprise.” In total, 25 defendants have been charged across six indictments.

Raymond Tan, who was convicted on money laundering charges, was sentenced to three years in prison. Tan, along with his wife, Ruimin Zhao, and former East West Bank manager, Vivian Tat, laundered cash through the bank. According to court documents and the evidence presented at trial, Tan and the other defendants led an informant into the bank’s conference room where the informant provided \$25,500 in cash that was then laundered into three “clean” cashier’s checks issued through the account of a bank client. The informant was wearing a secret recording device and throughout the transaction the conspirators made statements demonstrating they knew money laundering was illegal.

Richard Cheung, who was convicted on a money laundering charge, was sentenced to one year and four months in prison. He conspired to provide cashier’s checks in exchange for cash he believed was proceeds from drug trafficking. In a meeting with a confidential informant, Cheung requested assistance in moving cash out of mainland China because he was not satisfied with the speed and tax consequences of laundering money through casinos in Macau.

In February 2020, Mina Chau pleaded guilty to conspiracy to commit money laundering.

SIGTARP was joined in the investigation by the Federal Bureau of Investigation and the Criminal Division of the Internal Revenue Service. The U.S. Attorney's Office for the Central District of California is prosecuting the case.