



# Department of Justice

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## **MASTERMIND BEHIND \$4.5 MILLION LOAN FRAUD SCHEME SENTENCED**

ATLANTA, GA - BEAU S. YOON, 33, of Atlanta, Georgia, was sentenced in federal court to 3 years, 6 months in prison for orchestrating dozens of fraudulent small business loans, totaling nearly \$4.5 million. YOON operated exclusively in the Korean community here in Atlanta, advertising his ability to get prospective small business borrowers access to hundreds of thousands of dollars in cash.

“Today’s sentencing sends two important messages,” said United States Attorney David E. Nahmias. “First, to those like Mr. Yoon who seek to profit illegally from Atlanta’s growing immigrant communities: don’t do it. Law enforcement will find you and stop you. Second, to the hardworking members of these communities: if someone promises you free or easy money, or a way ‘around the system,’ don’t believe it.”

According to United States Attorney Nahmias and the information presented in court: YOON would falsify the tax returns of the prospective borrowers and create fictitious businesses that looked more attractive to the lending institutions than the dry cleaners, convenience stores, and janitorial services that most of his would-be borrowers were trying to start or expand. This led to loans being approved that were far too large for YOON’s borrowers to service. Most of them promptly defaulted, leaving the lending institutions with serious financial losses. For his efforts, YOON extracted an 8-10% cut of each loan from his borrowers.

United States District Court Judge Julie E. Carnes sentenced YOON to 3 years, 6 months in federal prison to be followed by 5 years of supervised release. YOON was ordered to pay \$2.3 million in restitution. YOON was indicted, along with twenty of his borrowers, in February 2005. YOON pleaded guilty in January 2006, to seven counts of bank fraud.

This case was investigated by the FBI.

Assistant United States Attorney Robert McBurney prosecuted the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404)

581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is [www.usdoj.gov/usao/gan](http://www.usdoj.gov/usao/gan).