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Return to the [2009 Press Release Index](#)
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ORANGE COUNTY MAN SENTENCED TO 11 YEARS IN PRISON FOR TWO IDENTITY THEFT SCHEMES INVOLVING LINES OF CREDIT

An Orange County man has been sentenced to 132 months in federal prison for orchestrating two identity theft schemes in which he obtained personal information from hundreds of consumers and used the data in an attempt to fraudulently obtain approximately \$1.5 million from home equity lines of credit (HELOCs) and credit cards accounts.

Martin Quoc Pham, 28, of Garden Grove, was sentenced yesterday by United States District Judge George H. Wu. In addition to imposing the 11-year prison term, Judge Wu ordered Pham to pay \$537,973.

In June, Pham pleaded guilty to a series of felony charges - including aggravated identity theft - related to two identity fraud schemes that prosecutors say he orchestrated and played an instrumental role in. In both schemes, Pham obtained personal identifying information and, with the help of co-conspirators, fraudulently accessed victims' accounts to obtain money and consumer goods.

In the first scheme, Pham and his associates used personal identifying information to take over HELOCs at JPMorgan Chase Bank. Once they had online access to the HELOCs, Pham and his co-conspirators transferred money into bank accounts they controlled. This scheme, which lasted only five months but netted well over \$1 million, caused losses to the bank and to individual victims whose identities were taken over.

In the second scheme, Pham and his co-conspirators used personal identifying information to encode counterfeit credit cards that were used to obtain merchandise and gift cards at WalMart stores and Sam's Clubs across Southern California. Once they encoded the counterfeit credit cards, Pham and his associates tested the cards by seeking approvals for small purchases through a merchant account they had obtained for a bogus online company. If the cards were approved for \$1 to \$3 "purchases" at their bogus company, members of the conspiracy then used the cards at WalMart stores and Sam's Clubs, from which they obtained approximately \$300,000 in merchandise.

In relation to the HELOC scheme, Pham pleaded guilty to three counts of bank fraud, aggravated identity theft and money laundering. In the scheme targets WalMart and Sam's Club, Pham pleaded guilty to conspiracy and aggravated identity theft. Each count of aggravated identity theft carries a mandatory sentence of two years in federal prison that must run consecutive to the sentence imposed for any other offense.

Previously in this case:

Viet Nguyen pleaded guilty in the Sam's Club/WalMart scheme to conspiracy and fraudulent activity in connection with access devices, and he is scheduled to be sentenced by Judge Wu on December 10.

Joe Inthisone pleaded guilty to bank fraud and aggravated identity theft in the HELOC scheme. Inthisone also pleaded guilty to conspiracy in the Sam's Club scheme. He is also scheduled to be sentenced on November 19

Kyle Kongchan pleaded guilty to conspiracy and fraudulent activity in connection with access devices. He was sentenced last month to serve two years in federal prison.

The investigation into Pham and his cohorts was conducted by the Identity Theft and Economic Crime (ITEC) Task Force which is sponsored by the Los Angeles Division of the United States Postal Inspection Service. Members of ITEC include Postal Inspectors, and agents and detectives from the United States Secret Service, Los Angeles Police Department, and Los Angeles County Probation Department - Special Enforcement Operations Unit. Significant assistance was provided by numerous financial institutions including JPMorgan Chase and Wells Fargo bank. ITEC was established in 2004 in response to increased complaints of identity theft in Southern California. Since its inception, the ITEC Task Force has arrested over 261 suspects, executed nearly 530 search warrants, and seized more than \$2.4 million in assets.

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Return to the [2009 Press Release Index](#)