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*Southern District of New York*

U.S. ATTORNEY PREET BHARARA

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DOJ  
Erica Lacy  
(202) 514-2007

CONTACT: U.S. ATTORNEY'S OFFICE  
James Margolin, Dawn Dearden  
Nicholas Biase  
(212) 637-2600

FBI  
Martin Feely, Adrienne Senatore,  
Kelly Langmesser, Amy Thoreson  
(212) 384-2100

**FOUR INDIVIDUALS CHARGED IN FOREIGN BRIBERY AND FRAUD  
SCHEME INVOLVING POTENTIAL \$800 MILLION INTERNATIONAL  
REAL ESTATE DEAL FOR SOUTH KOREAN COMPANY**

*Defendants Attempted to Pay \$2.5 Million in Bribes to Facilitate a South Korean Company's  
Sale of the Landmark 72 Building in Hanoi, Vietnam, the Tallest Building in the Indochina  
Peninsula at the Time*

Preet Bharara, the United States Attorney for the Southern District of New York, Leslie R. Caldwell, Assistant Attorney General of the Criminal Division of the U.S. Department of Justice, Stephen Richardson, Assistant Director of the Criminal Investigative Division of the Federal Bureau of Investigation ("FBI"), and William F. Sweeney Jr., Assistant Director-in-Charge of the New York Field Office of the FBI, announced the unsealing of an indictment charging JOO HYUN BAHN, a/k/a "Dennis Bahn" ("BAHN"), BAN KI SANG ("BAN"), and MALCOLM HARRIS ("HARRIS") with violations of the Foreign Corrupt Practices Act ("FCPA"), money laundering, wire fraud, and aggravated identity theft, and the filing of a Complaint charging SANG WOO, a/k/a "John Woo," with conspiracy to violate the FCPA. The defendants are charged with federal crimes arising out of a corrupt scheme to pay \$2.5 million in bribes to a foreign official ("Foreign Official-1") of a country in the Middle East ("Country-1") in order to facilitate the sale by South Korean construction company Keangnam Enterprises Co., Ltd. ("Keangnam") of a 72-story commercial building known as Landmark 72 in Hanoi, Vietnam, to Country-1's sovereign wealth fund (the "Fund") for \$800 million.

Manhattan U.S. Attorney Preet Bharara said: "The father-son defendants, Ban Ki Sang and Joo Hyun Bahn, allegedly conspired to bribe a foreign official to close an \$800 million deal for a 72-story skyscraper in Vietnam, a deal that would have led to a multimillion-dollar commission for the Manhattan real estate broker son and much needed capital for the father's construction company in Korea. But these alleged schemers were themselves double-crossed, as the man who purportedly set up the bribery scheme, Malcolm Harris, took the bribe money and pocketed it. This alleged bribery and fraud scheme offends all who believe in honest and

transparent business, and it stands as a reminder that those who bring international corruption to New York City, as alleged here, will face the scrutiny of American law enforcement.”

Assistant Attorney General Leslie R. Caldwell said: “This alleged conduct proves the adage that there is truly no honor among thieves. The indictment alleges that two defendants wanted to bribe a government official; instead they were defrauded by their co-defendant. Today’s charges are another example of the Criminal Division’s commitment to rooting out all manner of corruption.”

FBI Assistant Director Stephen Richardson said: “Accepting and offering bribes seriously threatens the integrity of a fair and competitive economic system here in the United States and abroad. This case is a testament to the commitment by the FBI and our dedicated International Corruption Squads to combatting foreign corruption that reaches our shores, and these arrests send a strong message that we will not relent in our efforts to uphold the law and hold everyone accountable to play by the same, fair rules.”

FBI Assistant Director William F. Sweeney Jr. said: “When Ban, a senior executive at Keangnam, realized the debts owed to his company’s creditors were mounting, he sought the support of his son Bahn, a broker for a real estate firm in Manhattan. The plan was for Bahn to secure an investor for Landmark 72, and the brokerage agreement they entered into would ultimately secure Bahn a lucrative profit. But instead of lawfully obtaining financing for the deal, they allegedly entered into an illegal agreement with Harris to bribe a foreign official into purchasing the property. In the end, they were hoodwinked by their very own criminal activity.”

According to the allegations contained in the Indictment and the Complaint<sup>1</sup>:

From in or about March 2013 through in or about May 2015, BAHN and his father BAN engaged in an international conspiracy to bribe Foreign Official-1 in connection with the attempted \$800 million sale of a building complex in Hanoi, Vietnam, known as Landmark 72. During this time, BAN was a senior executive at Keangnam, a South Korean construction company that built and owned Landmark 72. In early 2013, Keangnam was experiencing a liquidity crisis. The debts owed to Keangnam’s creditors were maturing and the company needed to raise capital. BAN convinced Keangnam to hire his son BAHN, who worked as a broker at a commercial real estate firm in Manhattan, to secure an investor for Landmark 72. Thereafter, Keangnam entered into an exclusive brokerage agreement with BAHN and his firm. If BAHN were successful, he stood to earn a multimillion-dollar commission from Keangnam.

Instead of obtaining financing through legitimate channels, BAHN and BAN engaged in a corrupt scheme to pay bribes to Foreign Official-1, through HARRIS, who held himself out as an agent of Foreign Official-1, to induce Foreign Official-1 to use his influence to convince the Fund to acquire Landmark 72 for approximately \$800 million. HARRIS sent BAHN numerous emails purportedly sent by Foreign Official-1 and bearing Foreign Official-1’s name. In or about April 2014, following communications with HARRIS, BAHN and BAN agreed to pay, through HARRIS, a \$500,000 upfront bribe and a \$2,000,000 bribe upon the close of the sale of Landmark 72 to Foreign Official-1 on behalf of Keangnam. WOO helped BAHN and BAN

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<sup>1</sup> As the introductory phase signifies, the entirety of the text of the Indictment and Complaint, and the description of the Indictment and Complaint set forth herein, constitute only allegations, and every fact described should be treated as an allegation.

obtain the \$500,000 that was ultimately used to pay the attempted upfront bribe. Unbeknownst to BAHN or BAN, however, HARRIS did not have the claimed relationship with Foreign Official-1 and did not intend to pay the bribe money to Foreign Official-1. Instead, HARRIS simply stole the \$500,000 upfront bribe arranged by BAHN and BAN, which HARRIS then spent on lavish personal expenses, including rent for a luxury penthouse apartment in Williamsburg, Brooklyn.

Over approximately the next year, as the Landmark 72 deal showed no signs of actual progress, Keangnam's liquidity crisis worsened. Believing that the upfront bribe that BAHN and BAN had arranged would eventually bear fruit, and not wanting to lose a potential multimillion-dollar commission, BAHN engaged in a fraudulent scheme to trick Keangnam and its creditors into believing the Fund was close to acquiring Landmark 72. BAHN also stole approximately \$225,000 of the \$500,000 that Keangnam had advanced BAHN's firm to cover brokerage expenses. In furtherance of the fraudulent scheme, BAHN repeatedly lied to Keangnam and its creditors about the status of the Landmark 72 deal with the Fund, knowing that Keangnam and its creditors would rely upon the misrepresentations. In addition, BAHN forged emails from Foreign Official-1 and other documents to make the sale of Landmark 72 to the Fund appear imminent to Keangnam and its creditors. Ultimately, when the sale of Landmark 72 to the Fund failed to materialize, Keangnam was forced to enter court receivership in South Korea.

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BAHN was arrested in Tenafly, New Jersey, and WOO was arrested at John F. Kennedy Airport earlier this morning. BAHN and WOO are expected to be presented before U.S. Magistrate Judge Kevin Nathaniel Fox in federal court in Manhattan later today. BAN and HARRIS are currently at large.

The case against BAHN, BAN, and HARRIS is assigned to U.S. District Judge Edgardo Ramos.

BAHN, 38, of Tenafly, New Jersey, and BAN, 69, of Seoul, South Korea, are each charged with one count of conspiracy to violate the FCPA, which carries a maximum sentence of five years in prison; three counts of violating the FCPA, each of which carries a maximum sentence of five years in prison; and one count of conspiracy to commit money laundering and one count of money laundering, each of which carries a maximum sentence of 20 years in prison. In addition, BAHN and HARRIS, 52, of New York, New York, are each charged with one count of wire fraud, which carries a maximum sentence of 20 years in prison; one count of conducting monetary transactions in illegal funds, which carries a maximum sentence of 10 years in prison; and aggravated identity theft, which carries a mandatory consecutive sentence of two years in prison. WOO, 35, of Edgewater, New Jersey, is charged with one count of conspiracy to violate the FCPA, which carries a maximum sentence of five years in prison.

The maximum potential sentences are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendants will be determined by the judge.

Mr. Bharara praised the outstanding investigative work of the International Corruption Squad of the FBI's New York Field Office. Mr. Bharara also thanked the Department of Justice's Office of International Affairs for its ongoing assistance in this investigation.

