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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

* * *

UNITED STATES OF AMERICA,

Plaintiff,

v.

EUGENE CHEN; HELEN CHEN;
EVANGELINE CHEN; ERIC CHEN;
FIVE FORTUNE LLC; UBS FINANCIAL
SERVICES, INC.; WELLS FARGO
BANK, N.A.; AND GREENE, ROBERTS
& RASMUSSEN, PLLC,

Defendants.

2:10-CV-00128-PMP-PAL

ORDER

Presently before the Court is Plaintiff’s Motion for Summary Judgment (Doc. #55), filed on September 13, 2010. Defendant UBS Financial Services, Inc. filed a Response (Doc. #58) on October 7, 2010. Defendants Eugene Chen, Evangeline Chen, Helen Chen, and Greene, Roberts & Rasmussen, PLLC filed a Response (Doc. #59) on October 8, 2010. Plaintiff United States filed Replies (Doc. #60, #62) on October 12 and 13, 2010.

I. BACKGROUND

In June 2004, the United States of America brought a False Claims Act action against Dr. Eugene Chen (“Chen”). (United States v. Chen, 2:04-CV-00859-PMP-PAL (“Chen I”), Compl. (Doc. #1).) A jury trial resulted in a verdict on February 19, 2009, against Chen in the amount of \$420,695.56. (Chen I, Mins. of Proceedings (Doc. #117), Verdict (Doc. #121).) Following the verdict, the Court set a hearing for April 14, 2009,

1 regarding treble damages. (Chen I, Mins. of Proceedings (Doc. #117).) Chen moved for
2 post-trial relief and for a mistrial, which the Court denied. (Chen I, Order (Doc. #127).)
3 The Court entered Judgment against Chen and in favor of the United States in the amount
4 of \$420,695.56 on March 25, 2009. (Chen I, Judgment (Doc. #128).) The United States
5 thereafter moved to amend or correct the judgment, noting that the Court previously had set
6 a hearing regarding treble damages and civil penalties. (Chen I, Gov't's Mot. to Alter or
7 Amend J. (Doc. #129).) Chen also moved for reconsideration. (Chen I, Mot. for Recons.
8 (Doc. #130).) The Court thereafter continued the hearing set for April 14 to May 22, 2009,
9 and indicated it would hear argument on the two motions at that time. (Chen I, Min. Order
10 (Doc. #139).) On May 12, the Court further continued the hearing to May 29, 2009. (Chen
11 I, Order (Min. Order (Doc. #142).)

12 On May 26, 2009, Five Fortune, LLC ("Five Fortune") was formed with Gary
13 Wu and Defendant Evangeline Chen, Chen's sister, as managers. (MSJ, Ex. B at 15; MSJ,
14 Ex. A at 35.) Defendant Greene, Roberts & Rasmussen, PLLC ("Greene Roberts"), a law
15 firm which has represented Chen on various matters since 2003, is Five Fortune's registered
16 agent. (MSJ, Ex. B at 7, 15.) Two days after forming Five Fortune, Wu and Evangeline
17 Chen entered into an agreement pursuant to which Five Fortune would purchase two parcels
18 of land owned by Chen and his wife, Helen, for \$400,000. (Defs.' Opp'n, Ex. 1; MSJ, Ex.
19 A at 30-35.) In February 2009, Chen had estimated the two parcels to be worth \$460,263
20 and \$447,263, respectively.¹ (MSJ, Ex. A at 36-40.) However, an appraiser set the value of
21 each parcel at \$200,000. (MSJ, Ex. A at 41-42.)

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24 ¹ On May 29, 2009, Chen stipulated that his net worth was \$2,150,000.00. (Chen I, Am.
25 Findings of Fact & Conclusions of Law (Doc. #161) at 3.) The Government contends this amount was
26 based on the parcels being valued at \$460,263 and \$447,263, respectively, but the Government
provides no evidence to that effect. However, Chen does not dispute that the stipulation was based on
these amounts.

1 The Court held the hearing on May 29, 2009. (Chen I, Mins. of Proceedings
2 (Doc. #152).) The Court granted the Government’s motion, denied Chen’s motion for
3 reconsideration, and conducted an evidentiary hearing. (Id.) On June 3, 2009, the Court
4 concluded an amended judgment should be entered in the case to reflect that the jury found
5 actual damages of \$420,695.56, which the Court trebled to \$1,262,086.60, and added a civil
6 penalty of \$5,500.00, for a total judgment of \$1,267,586.60. (Chen I, Findings of Fact &
7 Conclusions of Law (Doc. #155).) The Second Amended Judgment was entered June 4,
8 2009. (Chen I, Second Am. J. (Doc. #162).)

9 The purchase agreement between the Chens and Five Fortune closed on June 26,
10 2009. (Defs.’ MSJ, Ex. 1.) From the total purchase price of \$400,000, the settlement
11 statement provided for disbursements of \$100,000 each to two accounts at Defendant UBS
12 Financial Services, Inc. (“UBS”), \$150,000 to Wells Fargo Bank, N.A. (“Wells Fargo”) to
13 pay down the mortgage on Chen’s primary residence, \$3069.68 to Wells Fargo for the
14 August house payment on Chen’s primary residence, and \$41,368.84 to Greene Roberts’
15 trust account. (Defs.’ MSJ, Ex. 1; MSJ, Ex. A at 44-48.) The \$200,000 sent to UBS was
16 used to establish two Section 529 educational accounts in the amount of \$100,000 each for
17 Chen’s two sons. (MSJ, Ex. A at 44-47.) Evangeline Chen is the account owner of the two
18 educational funds. (MSJ, Ex. A at 46; Stip. of Fact Between Pl. & Certain Defs. (Doc. #51)
19 at 2.)

20 At his deposition, Chen testified that as a result of the jury trial, his professional
21 life “has been devastated,” and he has had to make new plans for the future. (MSJ, Ex. A at
22 49.) Chen stated that to pay for his obligations, including the mortgage, his children’s
23 education, and paying legal fees, he and his wife sold the two parcels. (Id.) When asked
24 whether the reason the UBS accounts were structured so that the Chens had no ownership
25 or control was to ensure the Chens’ creditors could not access the funds, Chen responded:

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1 Those are the legal, the issues I have to consult, consult with my legal
2 advisors. If that's what they recommend me to do, that's what I, I
3 accept their advice. So I, myself, did not make any recommendation,
this is the prudent way of doing that so their educational expenses will
be safeguarded for the future against who? Can be anybody.

4 (MSJ, Ex. A at 52-53.) When asked why he paid down his mortgage, Chen responded that
5 because his professional career had been impacted, he paid down the mortgage to increase
6 the chances that he would be able to pay off the mortgage. (MSJ, Ex. A at 53.) Chen
7 denied that he did so to increase the amount of funds subject to the homestead exemption,
8 although he acknowledged he was aware of the homestead exemption and knew the
9 amounts used to pay down the mortgage would be protected. (MSJ, Ex. A at 54.) As to the
10 money set aside in the attorney trust account, Chen testified that it was for both past and
11 future legal bills. (MSJ, Ex. A at 54-55.)

12 The funds in the Greene Roberts trust account were paid to Greene Roberts and
13 Chen's other attorneys, Hutchison and Steffen. In October 2009, Greene Roberts
14 distributed \$10,047.78 to Hutchison and Steffen, and \$2,100 to itself. (MSJ, Ex. B at 31-
15 32.) On November 16, 2009, Greene Roberts distributed \$18,995.12 to Hutchison and
16 Steffen, \$3,069.68 to Wells Fargo as the December 2009 payment on the mortgage for the
17 Chens' primary residence, and \$825 to itself. (MSJ, Ex. B at 33, 35; Defs.' MSJ, Ex. 2.)
18 On December 21, 2009, Greene Roberts distributed \$22,518.86 to Hutchison and Steffen.
19 (MSJ, Ex. B at 36.)

20 The Government sent Chen post-judgment interrogatories on October 15, 2009.
21 (Defs.' MSJ, Ex. 3.) The Government deposed Chen on December 3, 2009. (MSJ, Ex. A.)

22 The United States thereafter brought this action, asserting claims against Chen,
23 Helen Chen, Evangeline Chen, Eric Chen, Five Fortune, UBS, Wells Fargo, and Greene
24 Roberts, asserting that the sale of the two parcels and the distributions thereafter were
25 fraudulent transfers under 28 U.S.C. § 3304. (Compl. (Doc. #1).) The United States
26 thereafter stipulated to the dismissal of Defendants Wells Fargo Bank, N.A., and Eric Chen.

1 (Stip. (Doc. #50); Stip. (Doc. #54).) The Court dismissed Five Fortune on April 20, 2010.
2 (Order (Doc. #19).)

3 The United States now moves for summary judgment, arguing no genuine issue
4 of material fact remains that the transfers to the UBS accounts, the mortgage paydown, and
5 the transfers from the Greene Roberts trust account were fraudulent transfers. The United
6 States argues the transfers to the UBS account were constructively fraudulent because Chen
7 did not receive reasonably equivalent value in exchange for the transfers and Chen was
8 insolvent at the time or was rendered insolvent by the transfers. The United States further
9 argues all the transfers were fraudulent because Chen intended to hinder, delay, or defraud
10 the United States.

11 Defendant UBS responds that it does not oppose the motion, except that it objects
12 to any judgment against UBS, which has no interest in the accounts. The United States, in
13 reply, has clarified that it does not seek a judgment against UBS's general assets, but merely
14 seeks a means to compel UBS to relinquish any interest it may have in the 529 accounts.

15 Defendants Chen, Helen Chen, Evangeline Chen, and Greene Roberts ("Chen
16 Defendants") respond that issues of fact remain as to when the debt to the United States was
17 incurred, whether Chen received reasonably equivalent value for the transfers, whether
18 Chen was insolvent or rendered insolvent by the transfers, and whether Chen intended to
19 hinder, delay, or defraud the United States. The Chen Defendants further argue that
20 Evangeline Chen and Greene Roberts are entitled to the good faith transferee defense. The
21 Chen Defendants also contend that exemption planning does not amount to a fraudulent
22 transfer as a matter of law. Finally, the Chen Defendants argue that no judgment should be
23 entered against Greene Roberts or Evangeline Chen because they are only nominal
24 defendants. Rather, Defendants argue the Court should enter only a declaratory judgment
25 indicating the transfers were fraudulent.

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1 **II. LEGAL STANDARD**

2 Summary judgment is appropriate “if the pleadings, the discovery and disclosure
3 materials on file, and any affidavits show that there is no genuine issue as to any material
4 fact and that the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(c).
5 A fact is “material” if it might affect the outcome of a suit, as determined by the governing
6 substantive law. Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248 (1986). An issue is
7 “genuine” if sufficient evidence exists such that a reasonable fact finder could find for the
8 non-moving party. Villiarimo v. Aloha Island Air, Inc., 281 F.3d 1054, 1061 (9th Cir.
9 2002). Initially, the moving party bears the burden of proving there is no genuine issue of
10 material fact. Leisek v. Brightwood Corp., 278 F.3d 895, 898 (9th Cir. 2002). After the
11 moving party meets its burden, the burden shifts to the non-moving party to produce
12 evidence that a genuine issue of material fact remains for trial. Id. The Court views all
13 evidence in the light most favorable to the non-moving party. Id.

14 **III. DISCUSSION**

15 Pursuant to 28 U.S.C. § 3304, the United States may avoid fraudulent transfers
16 under certain circumstances. Under section 3304(a)–

17 a transfer made or obligation incurred by a debtor is fraudulent as to a
18 debt to the United States which arises before the transfer is made or the
obligation is incurred if--

- 19 (1)(A) the debtor makes the transfer or incurs the
obligation without receiving a reasonably equivalent
20 value in exchange for the transfer or obligation; and
(B) the debtor is insolvent at that time or the debtor
becomes insolvent as a result of the transfer or obligation

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22 Additionally, section 3304(b) provides that–

23 a transfer made or obligation incurred by a debtor is fraudulent as to a
24 debt to the United States, whether such debt arises before or after the
transfer is made or the obligation is incurred, if the debtor makes the
transfer or incurs the obligation--

- 25 (A) with actual intent to hinder, delay, or defraud a
26 creditor

1 Factors courts consider to determine actual intent include, but are not limited to, whether–

2 (A) the transfer or obligation was to an insider; (B) the debtor retained
3 possession or control of the property transferred after the transfer; (C)
4 the transfer or obligation was disclosed or concealed; (D) before the
5 transfer was made or obligation was incurred, the debtor had been sued
6 or threatened with suit; (E) the transfer was of substantially all the
7 debtor’s assets; (F) the debtor absconded; (G) the debtor removed or
8 concealed assets; (H) the value of the consideration received by the
9 debtor was reasonably equivalent to the value of the asset transferred
10 or the amount of the obligation incurred; (I) the debtor was insolvent or
11 became insolvent shortly after the transfer was made or the obligation
12 was incurred; (J) the transfer occurred shortly before or shortly after a
13 substantial debt was incurred; and (K) the debtor transferred the
14 essential assets of the business to a lienor who transferred the assets to
15 an insider of the debtor.

16 28 U.S.C. § 3304(b)(2).

17 Upon showing a transfer was fraudulent, the United States may avoid the transfer
18 to the extent necessary to satisfy the debt to the United States, and may obtain a remedy
19 “against the asset transferred or other property of the transferee,” or “any other relief the
20 circumstances may require.” Id. § 3306(a). The United States “may recover judgment for
21 the value of the asset transferred, but not to exceed the judgment on a debt.” Id. § 3307(b).
22 This judgment may be entered against “(1) the first transferee of the asset or the person for
23 whose benefit the transfer was made; or (2) any subsequent transferee, other than a good
24 faith transferee who took for value or any subsequent transferee of such good-faith
25 transferee.” Id.

26 **A. UBS Accounts**

27 To establish its claim under section 3304(a), the United States must show no
28 genuine issue of material fact remains that (1) Chen’s debt to the United States arose before
29 Chen transferred the funds to the UBS accounts, (2) Chen made the transfer without
30 receiving a reasonably equivalent value in exchange, and (3) Chen was insolvent at that
31 time or became insolvent as a result of the transfer. With respect to an asset that is not real
32 property, a transfer is made when it is “so far perfected that a creditor on a simple contract

1 cannot acquire, otherwise than under this subchapter, a judicial lien that is superior to the
2 interest of the transferee.” Id. § 3305(1)(B).

3 “Reasonably equivalent value means that ‘the debtor has received value that is
4 substantially comparable to the worth of the transferred property.’” U.S. v. Loftis, 607 F.3d
5 173, 177 (5th Cir. 2010) (citing BFP v. Resolution Trust Corp., 511 U.S. 531, 548 (1994)).
6 This determination is made “from the creditor’s point of view,” and focuses on “the net
7 effect of the transfers on the debtor’s estate, the funds available to the unsecured creditors.”
8 Id. at 177. Emotional or mental benefits to the debtor do not constitute reasonably
9 equivalent value. See Tavenner v. Smoot, 257 F.3d 401, 408 (4th Cir. 2001) (holding “love
10 and affection does not constitute reasonably equivalent value” under similar provision in the
11 Bankruptcy Code); In re Treadwell, 699 F.2d 1050, 1051 (11th Cir. 1983) (same); U.S. v.
12 Sherrill, 626 F. Supp. 2d 1267, 1273-74 (M.D. Ga. 2009) (same under section 3304).

13 A debtor is insolvent “if the sum of the debtor’s debts is greater than all of the
14 debtor’s assets at a fair valuation.” 28 U.S.C. § 3302(a). Additionally, a debtor is
15 presumed to be insolvent if generally he is not paying debts as they become due. Id.
16 § 3302(b).

17 No genuine issue of material fact remains that Chen’s debt to the United States
18 arose no later than June 4, 2009, when the Second Amended Judgment was entered.
19 Although the United States moved for reconsideration on the amount of the judgment, as of
20 June 4, 2009, Chen owed a substantial debt to the United States. The only question was
21 whether the Court would increase the amount Chen owed based on the United States’
22 motion. Additionally, no genuine issue of material fact remains that Chen transferred the
23 funds to UBS no earlier than June 26, 2009, when the purchase agreement regarding the
24 two parcels closed. Until that date, Chen did not have possession of the proceeds from the
25 sale to transfer to the UBS accounts as no transfer of the funds from Five Fortune to Chen
26 had occurred. Consequently, Chen’s debt to the United States arose before Chen

1 transferred the funds to the UBS accounts.

2 Second, no genuine issue of material fact remains that Chen made the transfer of
3 the funds to UBS without receiving reasonably equivalent value in exchange. Any mental
4 or emotional benefit Chen received from providing funds for his children's future education
5 does not constitute reasonably equivalent value as a matter of law. Such a benefit is
6 worthless to the creditors and adds nothing to debtor's estate that would be available to
7 unsecured creditors.

8 Finally, no genuine issue of material fact remains that Chen was insolvent at the
9 time, and/or was rendered insolvent by the transfers. The United States has provided a chart
10 demonstrating that Chen's liabilities exceeded his net worth both at the time of the
11 disbursements and by a substantially greater amount thereafter. (MSJ at 6.) Chen disputes
12 the chart, contending it does not reflect all of Chen's assets because it does not show his
13 investment in Vescor Capital Inc., and does not account for Chen's future income or for the
14 garnishment of procedures Chen performed at Veterans Administration facilities. However,
15 the evidence Chen provides regarding Vescor is dated from 2005 and 2006, and thus
16 provides no basis to determine the value of that asset in June 2009. Moreover, Chen
17 testified at his deposition that the Vescor investment was worthless, and he treated it as such
18 on his tax returns, taking a total loss. (MSJ, Ex. A at 11-12, 70-71.) As to Chen's income,
19 Chen provided no evidence regarding his income during the relevant period. The Court
20 notes that just a month earlier at the May 29, 2009 hearing, Chen testified that his ability to
21 perform his job had been severely impacted by the verdict in the False Claims Act case
22 because it had affected his ability to maintain privileges at hospitals. (Chen I, Tr. (Doc.
23 #164) at 37-38, 42-43.) Chen also provides no evidence regarding the garnishment of any
24 procedures performed at Veterans Administration facilities.

25 No genuine issue of material fact remains that Chen became indebted to the
26 United States before he transferred the funds to the UBS accounts, that he did not receive

1 reasonably equivalent value in exchange, and that he was insolvent at the time or was
2 rendered insolvent by the transfers. The United States therefore is entitled to avoid the
3 transfers.² Pursuant to § 3307(b), judgment may be entered against the first transferee.
4 Evangeline Chen, as owner of the UBS accounts, is the transferee. The good faith transfer
5 defense does not apply to a transfer avoidable under section 3304(a), and thus Evangeline
6 Chen cannot invoke that defense here. 28 U.S.C. § 3307(a).

7 The Chen Defendants argue Evangeline Chen cannot withdraw the funds from
8 the 529 accounts without violating fiduciary duties, or statutory or regulatory requirements.
9 Defendants cite no authority or factual evidence for this proposition. It is undisputed that
10 Evangeline Chen is the account owner. While the use of the funds for purposes other than
11 educational expenses may have tax consequences, Defendants have not presented any
12 evidence nor cited any law that Evangeline Chen is somehow precluded from withdrawing
13 the funds. The Court therefore will enter judgment against Evangeline Chen and will
14 require UBS, as a nominal defendant, to take whatever actions it must take to facilitate any
15 withdrawals from the 529 accounts.

16 Finally, as to the value of the judgment against Evangeline Chen, the Court will
17 enter judgment against Evangeline Chen in the amount of the balance of the 529 accounts
18 plus accrued interest. Pursuant to section 3307(c), the value of the asset “is the value of the
19 asset at the time of the transfer, subject to adjustment as the equities may require.” Because
20 the transfer never should have been made, and because of the discrepancy between the
21 declared value in February 2009 with the appraisal and sale price in May 2009, the Court
22 concludes the equities weigh in favor of awarding the interest earned on the fraudulently
23 transferred funds. The United States has presented evidence that the accounts had a balance
24 of \$115,428.11 in each account, for a total of \$230,856.22. (MSJ, Ex. C at 48-49.) The

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26 ² Because the United States is entitled to summary judgment under § 3304(a), the Court need not evaluate whether the transfers to the UBS accounts were fraudulent under § 3304(b).

1 Court therefore will enter Judgment against Evangeline Chen in the amount of \$230,856.22.

2 **B. Mortgage Paydown**

3 To establish the mortgage paydown was fraudulent under section 3304(b),³ the
4 United States must show no genuine issue of material fact remains that Chen made the
5 payments on his mortgage to Wells Fargo with actual intent to hinder, delay, or defraud the
6 United States. The date of the debt vis-a-vis the date of the transfer is irrelevant, as are the
7 questions of reasonably equivalent value and solvency.

8 Viewing the facts in the light most favorable to the Chen Defendants, genuine
9 issues of material fact remain regarding Chen's intent. Prior to transferring the funds, the
10 United States had sued Chen and obtained a jury verdict and judgment thereon, and the
11 verdict and judgment occurred within the same time frame as the transfer. The transfer was
12 to Wells Fargo, but in a sense was to Chen himself, and thus was to an insider. The
13 mortgage paydown resulted in a substantial increase in Chen's equity in his primary
14 residence which is protected by the homestead exemption, and thus further inures to Chen's
15 benefit. Chen did not retain possession or control of the transferred funds after the transfer,
16 although he continued to live in his primary residence and thus to some extent enjoyed the
17 benefits of the transfer after the fact. The transfer to Wells Fargo standing alone was not
18 substantially all of Chen's assets, but when considered in context of the simultaneous
19 transfers to the UBS accounts and the Greene Roberts trust account, it constituted a
20 significant portion of Chen's assets.

21 Chen did not disclose the transaction until the United States requested
22 information in its post-judgment interrogatories. However, Chen did not take any steps to
23 conceal the transaction. Chen fraudulently transferred other funds to the UBS accounts and
24 was insolvent or became insolvent shortly after the sale of the parcels and the related

25 ³ The United States does not argue the transfer was fraudulent under section 3304(a), as Chen
26 received reasonably equivalent value in the form of credit for the payments on his mortgage.

1 transfers, as discussed above. But Chen received reasonably equivalent value for the
2 transferred funds as a credit on his mortgage obligation. Chen's testimony on this issue
3 indicates that he was aware that the mortgage paydown would benefit him through the
4 homestead exemption, but that his intent in making the payment was to assist in meeting
5 this obligation given the impact the jury's verdict had on his ability to work.

6 Although many of the factors would support a finding that Chen acted with the
7 requisite intent, Chen's credibility and intent are questions for the fact finder. Because a
8 reasonable jury could conclude that Chen did not intend to hinder, delay, or defraud the
9 United States when he paid down his mortgage, the Court will deny the United States'
10 motion for summary judgment as to the mortgage paydown.

11 **C. Greene Roberts Trust Account**

12 Viewing the facts in the light most favorable to the Chen Defendants, genuine
13 issues of material fact remain regarding Chen's intent. Prior to transferring the funds, the
14 United States had sued Chen and obtained a jury verdict and judgment thereon, and the
15 verdict and judgment occurred within the same time frame as the transfers out of the Greene
16 Roberts trust account. The transfers were to Chen's attorneys, who are not insiders. Chen
17 retained possession or control of the transferred funds after the transfer to the trust account
18 in that he was able to direct Greene Roberts to whom to make payments. However, Chen
19 did not retain possession or control over the funds after they were transferred to the
20 attorneys as payment for services rendered. The transfers to Chen's attorneys standing
21 alone were not substantially all of Chen's assets, but when considered in context of the
22 simultaneous transfers to the UBS accounts and the mortgage paydown, they constituted a
23 significant portion of Chen's assets.

24 Chen did not disclose these transfers until the United States requested
25 information in its post-judgment interrogatories. However, Chen did not take any steps to
26 conceal the transfers. Chen fraudulently transferred other funds to the UBS accounts and

1 was insolvent or became insolvent shortly after the sale of the parcels and the related
2 transfers, as discussed above. But Chen received reasonably equivalent value for the
3 transferred funds in the form of legal services.⁴ Chen testified that he made these transfers
4 to fulfill the obligation to pay his attorneys who were assisting him.

5 Although many of the factors would support a finding that Chen acted with the
6 requisite intent, Chen's credibility and intent are questions for the fact finder. Because a
7 reasonable jury could conclude that Chen did not intend to hinder, delay, or defraud the
8 United States when he paid his attorneys for legal services performed, the Court will deny
9 the United States' motion for summary judgment as to the transfers from the Greene
10 Roberts trust account.

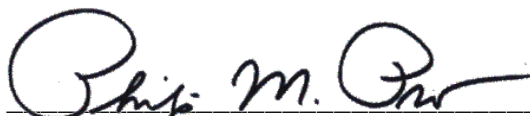
11 **IV. CONCLUSION**

12 IT IS THEREFORE ORDERED that Plaintiff's Motion for Summary Judgment
13 (Doc. #55) is hereby GRANTED in part and DENIED in part. The motion is granted
14 against Evangeline Chen and UBS Financial Services, Inc. as to the funds in the 529
15 accounts. The motion is denied in all other respects.

16 IT IS FURTHER ORDERED that Judgment is hereby entered in favor of the
17 United States and against Evangeline Chen in the amount of \$230,856.22.

18 IT IS FURTHER ORDERED that nominal Defendant UBS Financial Services,
19 Inc. shall take any steps within its power to facilitate Evangeline Chen's transfer of funds
20 out of the 529 accounts.

21 DATED: December 20, 2010

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23 
24 PHILIP M. PRO
United States District Judge

25
26 ⁴ Chen also made a house payment out of the Greene Roberts trust account, which would fall
under the same analysis as discussed previously with respect to the mortgage payoff.