

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Criminal No. 13-
	:	
	:	18 U.S.C. § 371
v.	:	
	:	<u>INFORMATION</u>
	:	
PETR MURMYLYUK	:	
	:	

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

Relevant Individuals and Entities

1. At all times relevant to this Information:
  - a. Defendant PETR MURMYLYUK was a citizen of Russia and resided in or near Brooklyn, New York.
  - b. Fidelity Investments ("Fidelity"), Scottrade, E\*Trade and Charles Schwab, were companies that offered online brokerage accounts to their customers (collectively, the "Online Brokerage Companies").

### The Conspiracy

2. From at least in or about August 2010 through on or about November 3, 2011, in the District of New Jersey and elsewhere, defendant

PETR MURMYLYUK

did knowingly and willfully conspire and agree with others to commit offenses against the United States, namely, securities fraud, by using and employing, in connection with the purchase and sale of securities and through interstate commerce and the mails, manipulative and deceptive devices, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing devices, schemes and artifices to defraud, (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and (c) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon persons, contrary to Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

### Object of the Conspiracy

3. It was the object of the conspiracy for defendant PETR MURMYLYUK and others (collectively, the "Co-Conspirators") to obtain money by gaining unauthorized access to the brokerage accounts of unsuspecting victims and making unauthorized

securities trades in those accounts that benefitted defendant MURMYLYUK and his co-conspirators.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that the Co-Conspirators gained unauthorized access to victims' online brokerage accounts at the Online Brokerage Companies (the "Victim Accounts").

5. It was further part of the conspiracy that the Co-Conspirators used their control of the Victim Accounts to make securities trades that benefitted the Co-Conspirators.

6. For example, the Co-Conspirators caused the Victim Accounts to offer to sell options on certain thinly traded stocks (the "Options") at relatively low prices. At the same time, the Co-Conspirators used stolen identities to establish trading accounts at other brokerage firms (the "Profit Accounts"). The Co-Conspirators then used the Profit Accounts to purchase the Options from the Victim Accounts. Shortly thereafter, the Co-Conspirators caused the Victim Accounts to repurchase the Options from the Profit Accounts at grossly inflated prices, resulting in losses to the Victim Accounts and gains to the Co-Conspirators.

7. It was further part of the conspiracy that the Co-Conspirators recruited foreign nationals visiting, studying, and living in the United States to open bank accounts (the "Mule Accounts") into which the proceeds of the sham trades described above could be deposited.

8. It was further part of the conspiracy that the Co-Conspirators caused the proceeds of the sham trades to be transferred from the Profit Accounts into the Mule Accounts, and then directed the foreign nationals to withdraw the funds and return them to the Co-Conspirators.

9. As a result of the conspiracy, the Online Brokerage Companies suffered total losses of approximately \$1,000,000.

Overt Acts

10. In furtherance of the conspiracy and to effect its unlawful object, defendant PETR MURMYLYUK and others committed and caused to be committed the following overt acts, among others, in the District of New Jersey and elsewhere:

a. On or about March 25, 2011, the Co-Conspirators gained unauthorized access to the online brokerage account of B.Z., a resident of Monmouth County, New Jersey, and then used B.Z.'s account to make unauthorized securities trades, resulting in more than \$85,000 in losses.

b. On or about October 25, 2011, the Co-Conspirators gained unauthorized access to a victim's online brokerage account at Scottrade using a computer located in Bergen County, New Jersey.

All in violation of Title 18, United States Code, Section 371.

**FORFEITURE ALLEGATION**

1. The allegations contained in paragraphs one through ten of this Information are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

2. As the result of committing the offense of conspiracy to commit an offense constituting specified unlawful activity, as defined in 18 U.S.C. § 1956(c)(7), as alleged in Count One of this Information, defendant PETR MURMYLYUK shall forfeit to the United States, pursuant to 18 U.S.C.

§ 981(a)(1)(C) and 28 U.S.C. § 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the said conspiracy offense, including but not limited to approximately \$520,028, a sum of money representing the amount of proceeds obtained as a result of the said conspiracy offense, and all property traceable thereto.

**Substitute Assets Provision**

3. If any of the forfeitable property described above as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;

- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

All pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 21, United States Code, Section 853(p), and Title 28, United States Code, Section 2461(c).



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PAUL J. FISHMAN  
United States Attorney

CASE NUMBER: \_\_\_\_\_

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**United States District Court  
District of New Jersey**

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**UNITED STATES OF AMERICA**

v.

**PETR MURMYLYUK**

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**INFORMATION FOR**

**18 U.S.C. § 371**

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**PAUL J. FISHMAN**

*U.S. ATTORNEY*

*NEWARK, NEW JERSEY*

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CHRISTOPHER J. KELLY

*ASSISTANT U.S. ATTORNEY*

*NEWARK, NEW JERSEY*

*973-645-6112*

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