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FOUR CHARGED IN MANHATTAN FEDERAL COURT IN A SCHEME
TO STEAL PERSONAL BANK ACCOUNT INFORMATION USING
"SKIMMING" TECHNOLOGY, DEFRAUDING AT LEAST
\$1.5 MILLION FROM BANKS

PREET BHARARA, the United States Attorney for the Southern District of New York, and BRIAN G. PARR, the Special Agent in Charge of the United States Secret Service ("Secret Service"), announced that MIHAIL DRAGHICI, IONEL DEDULESCU, DIDI THEODOR CIULEI, a/k/a "Spirel," and LAURENTIU MUGUREL MANTA, a/k/a "Mugur," were indicted today in Manhattan federal court for allegedly participating in a scheme, between March 2010 and May 2011, to steal customer bank account information using sophisticated "skimming" technology that secretly recorded the account data of customers who used bank ATM machines and teller PIN Pads. The defendants and their co-conspirators allegedly stole at least \$1.5 million from multiple accounts maintained at branches of Citibank and JPMorgan Chase. CIULEI and MANTA were arrested and detained on May 29, 2011, in Chicago, Illinois, and are being transferred to New York by the U.S. Marshals. DRAGHICI and DEDULESCU, who were arrested on December 2, 2010, at Miami International Airport while attempting to board an international flight, are currently detained in New York awaiting trial.

Manhattan U.S. Attorney PREET BHARARA stated: "Skimming is a devious form of high-tech robbery that threatens the integrity of our financial institutions and the privacy of banking customers. Today's Indictment deals a significant blow to one alleged skimming ring, and along with our partners at the Secret Service we will continue to pursue and prosecute the perpetrators of these schemes."

USSS Special Agent-in-Charge BRIAN G. PARR stated: "This type of criminal activity unfairly targets individuals and

businesses, ultimately resulting in compromised identities, significant economic impact, and the distrust of financial instruments and institutions. The Secret Service maintains strategic partnerships to combat this fraudulent activity and bring these perpetrators to justice."

According to the Superseding Indictment returned today in Manhattan, as well as the Complaint filed on May 31, 2011, against CIULEI and MANTA:

"Skimming" is an illegal activity that involves the installation of a device that secretly records the customer's bank account data when he or she uses an Automated Teller Machine ("ATM") or bank teller PIN Pad. Teller PIN Pads are the electronic machines on counters at bank teller stations that enable customers to swipe their bank cards and enter their Personal Identification Number - "PIN" - prior to engaging in a transaction with the teller.

The defendants allegedly used a few different types of skimming technology to steal bank customers' account information:

The Replacement PIN Pad Method. One method the defendants and their co-conspirators allegedly used involved going into bank branches and surreptitiously replacing the bank's teller PIN Pads with identical-looking PIN Pads equipped with technology that - unbeknownst to the banks and their customers - recorded the customer's account-related information and corresponding PIN each time he or she used the compromised PIN Pads. The compromised PIN Pads were also equipped with technology that enabled the stolen account information to be accessed remotely.

The Overlay Method. Another method the defendants and their co-conspirators allegedly used involved placing electronic skimming devices on the card readers located at the entrance to ATM vestibules and placing ATM PIN Pad Overlays (the "Overlays") on top of the bank ATM's PIN Pad. The Overlays were designed and fitted to look identical to the ATM PIN Pad beneath it, so that customers would not notice the presence of the Overlays and could still use the ATM. However, the Overlays were equipped with electronic equipment that recorded PIN numbers as they were entered into the ATM.

The defendants allegedly targeted branches of Citibank and JPMorgan Chase located in the New York City area, Miami, Chicago, and elsewhere, and then used the information they stole

through the skimmers to withdraw at least \$1.5 million from the bank accounts.

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DRAGHICI, DEDULESCU, and MANTA are citizens of Romania, and CIULEI is a citizen of Austria. All four are charged in the Superseding Indictment returned today with conspiracy to commit bank fraud, conspiracy to commit access device fraud, and aggravated identity theft. DRAGHICI and DEDULESCU are additionally charged with bank fraud. If convicted of these charges, they each face a maximum sentence of 69 and one-half years in prison, and CIULEI and MANTA each face a maximum sentence of 62 years in prison. The case is pending before U.S. District Judge COLLEEN MCMAHON.

Mr. BHARARA praised the U.S. Secret Service in New York, as well as in Miami, Los Angeles, and Chicago, and the for their outstanding work in investigating this case. He also thanked Citibank and JPMorgan Chase for their cooperation in the investigation as well as the U.S. Attorney's Offices in Miami and Chicago and Romanian law enforcement authorities for their assistance.

Assistant United States Attorneys LEE RENZIN and ROSEMARY NIDIRY are in charge of the prosecution.

The charges and allegations contained in the Indictment are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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