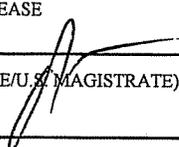


WARRANT FOR ARREST

ORIGINAL

United States District Court		DISTRICT SOUTHERN DISTRICT OF NEW YORK	
UNITED STATES OF AMERICA v. SEAN HARPER, a/k/a "Kabraxi314"		DOCKET NO. 12 MAG	MAGISTRATE'S CASE NO. 1638
WARRANT ISSUED ON THE BASIS OF: <input type="checkbox"/> Order of Court <input type="checkbox"/> Indictment <input type="checkbox"/> Information <input checked="" type="checkbox"/> Complaint		NAME AND ADDRESS OF INDIVIDUAL TO BE ARRESTED SEAN HARPER, a/k/a "Kabraxi314" 6205 Harper Drive NE, Albuquerque, NM 87109	
		DISTRICT OF ARREST	
TO: UNITED STATES MARSHAL OR ANY OTHER AUTHORIZED OFFICER		CITY	
YOU ARE HEREBY COMMANDED to arrest the above-named person and bring that person before the United States District Court to answer to the charge(s) listed below.			
DESCRIPTION OF CHARGES			
Access Device Fraud Conspiracy			
IN VIOLATION OF	UNITED STATES CODE TITLE 18	SECTION 1029(b)(2)	
BAIL	OTHER CONDITIONS OF RELEASE		
ORDERED BY ANDREW J. PECK UNITED STATES MAGISTRATE JUDGE SOUTHERN DISTRICT OF NEW YORK	SIGNATURE (FEDERAL JUDGE/U.S. MAGISTRATE) 		DATE ORDERED JUN 19 2012
CLERK OF COURT	(BY) DEPUTY CLERK		DATE ISSUED
RETURN			
This warrant was received and executed with the arrest of the above-named person.			
DATE RECEIVED	NAME AND TITLE OF ARRESTING OFFICER	SIGNATURE OF ARRESTING OFFICER	
DATE EXECUTED			

Note: The arresting officer is directed to serve the attached copy of the charge on the defendant at the time this warrant is executed.

12 MAG 1638

Approved:


SERRIN TURNER
Assistant United States Attorney

Before: HONORABLE ANDREW J. PECK
United States Magistrate Judge
Southern District of New York

----- X

UNITED STATES OF AMERICA	:	<u>SEALED COMPLAINT</u>
	:	
- v. -	:	Violation of
	:	18 U.S.C. § 1029(b) (2)
SEAN HARPER,	:	
a/k/a "Kabraxis314,"	:	COUNTY OF OFFENSE:
	:	New York
Defendant.	:	
	:	
----- X		

SOUTHERN DISTRICT OF NEW YORK, ss.:

Jordan T. Loyd, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation ("FBI") and charges as follows:

COUNT ONE
(Conspiracy to Commit Access Device Fraud)

1. From in or about January 2012, up to and including in or about March 2012, in the Southern District of New York and elsewhere, SEAN HARPER, a/k/a "Kabraxis314," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit access device fraud in violation of Title 18, United States Code, Section 1029(a) (5).

2. It was a part and an object of the conspiracy that SEAN HARPER, a/k/a "Kabraxis314," the defendant, and others known and unknown, would and did knowingly and with intent to defraud effect transactions, affecting interstate and foreign commerce, with one and more access devices issued to another person and persons, to receive payment and other things of value during a one-year period, the aggregate value of which was equal to or greater than \$1,000.

Overt Acts

3. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt acts, among others, were committed in the Southern District of New York and elsewhere:

a. On or about February 14, 2012, SEAN HARPER, a/k/a "Kabraxis314," the defendant, posted a message through the Internet on a server maintained in the Southern District of New York, in which he offered a "drop" address where he was willing to receive shipments of goods purchased with stolen credit card information.

b. On or about February 19, 2012, SEAN HARPER, a/k/a "Kabraxis314," the defendant, received a shipment of two Samsung Galaxy Player cellphones, purchased with stolen credit card information, at a "drop" address he controlled.

(Title 18, United States Code, Section 1029(b)(2).)

The bases for my knowledge and for the foregoing charge are, in part, as follows:

4. I have been personally involved in the investigation of this matter. This affidavit is based upon my investigation, my conversations with other law enforcement agents, and my examination of reports and records. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

5. I have been a Special Agent with the FBI for approximately three years. For the past two years, I have been assigned to the computer intrusion squad in the FBI's New York Field Office. I have received training regarding computer technology, computer fraud, and white collar crimes.

Background on the UC Site

6. Based on my training and experience, I have learned the following:

a. Carding: "Carding" refers to various criminal activities associated with stealing personal identification

information and financial information belonging to other individuals - including the account information associated with credit cards, bank cards, debit cards, or other access devices - and using that information to obtain money, goods, or services without the victims' authorization or consent. For example, a criminal might gain unauthorized access to (or "hack") a database maintained on a computer server and steal credit card numbers and other personal information stored in that database. The criminal can then use the stolen information to, among other things: (1) buy goods or services online; (2) manufacture counterfeit credit cards by encoding them with the stolen account information; (3) manufacture false identification documents (which can be used in turn to facilitate fraudulent purchases); or (4) sell the stolen information to others who intend to use it for criminal purposes. "Carding" refers to the foregoing criminal activity generally and encompasses a variety of federal offenses, including, but not limited to, identification document fraud, aggravated identity theft, access device fraud, computer hacking, wire fraud, and bank fraud.

b. Carding Forums: "Carding forums" are websites used by criminals engaged in carding ("carders") to facilitate their criminal activity. Carders use carding forums to, among other things: (1) exchange information related to carding, such as information concerning hacking methods or computer-security vulnerabilities that could be used to obtain personal identification information; and (2) buy and sell goods and services related to carding, for example, stolen credit card or debit card account numbers, hardware for creating counterfeit credit cards or debit cards, or goods bought with compromised credit card and debit card accounts. Carding forums often permit users to post public messages (postings that can be viewed by all users of the site), sometimes referred to as "threads." For example, a user who has stolen credit card numbers may post a public "thread" offering to sell the numbers. Carding forums also often permit users to communicate one-to-one through so-called "private messages." Because carding forums are, in essence, marketplaces for illegal activities, access is typically restricted to avoid law enforcement surveillance. Typically, a prospective user seeking to join a carding forum can only do so if other, already established users "vouch" for the prospective user, or if the prospective user pays a sum of money to the operators of the carding forum. User accounts are typically identified by a username and access is restricted by password. Users of carding forums typically identify themselves on such forums using aliases or online nicknames ("nics").

7. Based on my participation in the investigation of this matter, I know the following:

a. In or about June 2010, the FBI established an undercover carding forum (the "UC Site"), enabling users to discuss various topics related to carding and to communicate offers to buy, sell, and exchange goods and services related to carding, among other things.

b. The FBI established the UC Site as an online meeting place where the FBI could locate cybercriminals, investigate and identify them, and disrupt their activities.¹ The UC Site was configured to allow the FBI to monitor and to record the discussion threads posted to the site, as well as private messages sent through the site between registered users. The UC Site also allowed the FBI to record the Internet protocol ("IP") addresses of users' computers when they accessed the site.²

c. Access to the UC Site was limited to registered members and required a username and password to gain entry. Various membership requirements were imposed from time to time to restrict site membership to individuals with established knowledge of carding techniques or interest in criminal activity. For example, at times new users were prevented from joining the site unless they were recommended by two existing users who had registered with the site, or unless they paid a registration fee.

d. New users registering with the UC Site were required to provide a valid e-mail address as part of the registration process. An e-mail message was sent to that email address containing registration instructions. In order to complete the registration process, the new user was required to open the e-mail, click on a link in it, and then enter an activation code specified in the e-mail message. The e-mail addresses entered by registered members of the site were collected by the FBI.

¹ The registration process for the UC Site required users to agree to terms and conditions, including that their activities on the UC Site were subject to monitoring for any purpose.

² Every computer on the Internet is identified by a unique number called an Internet protocol ("IP") address, which is used to route information properly between computers.

e. In the course of the undercover operation, the FBI contacted multiple affected institutions and/or individuals to advise them of discovered breaches in order to enable them to take appropriate responsive and protective measures. Based on information obtained through the site, the FBI estimates that it helped financial institutions prevent many millions of dollars in losses from credit card fraud and other criminal activity, and has alerted specific individuals regarding breaches of their personal email or other accounts.

f. At all times relevant to this Complaint, the server for the UC Site, through which all public and private messages on the UC Site were transmitted, was located in New York, New York.

Background on "Drop" Addresses

8. Based on my training and experience, I know the following concerning "drop" addresses:

a. Individuals who use stolen credit card information to purchase goods over the Internet are typically reluctant to ship the goods to their own home addresses, for fear that law enforcement could easily trace the purchases to them on this basis. Accordingly, carders often seek out addresses with which they have no association, such as vacant houses or apartments, where carded goods can be shipped and retrieved without leaving evidence of their involvement in the shipment. Carders commonly refer to such addresses as "drops."

b. It is common for members of carding forums to make drops available to other forum members, usually in exchange for some form of compensation. One frequently used form of compensation is a "1-to-1" arrangement, in which the carder wishing to ship to the drop must ship two of whatever items he has carded - one for the provider of the drop to forward to the carder, and the other for the provider of the drop to keep, as payment in kind from the carder for the use of the drop. Another frequently used compensation arrangement is for the carder and the drop provider to agree to resell the carded items shipped to the drop and to split the proceeds between them.

"Drop" Services Provided by "Kabraxi314"

9. As set forth below, SEAN HARPER, a/k/a "Kabraxi314," the defendant, was a user of the UC Site who provided drops to others in exchange for various forms of compensation.

10. On or about June 13, 2011, an individual registered on the UC Site with the username "Kabraxi314." "Kabraxi314" provided his e-mail address as "l2c0b07@hotmail.com" for the purpose of receiving registration instructions.

11. Later that same day, "Kabraxi314" posted a message on the UC Site in which he introduced himself as follows: "Names Kabraxi314 or IRL Sean. 22Yrs old and I live in the Midwest."³ Based on my training and experience, I know that "IRL" is Internet slang for "in real life"; thus, "Kabraxi314" was stating that his true first name was "Sean."

12. I have reviewed all of the public discussion threads and private messages on the UC Site involving "Kabraxi314" since his registration on the site on June 13, 2011. Many of these threads and messages concern drops that "Kabraxi314" made available to other UC Site members, in exchange for various forms of compensation.

13. For example, on or about January 8, 2012, a UC Site user ("User-1") started a discussion thread on the UC Site, titled, "USA Drops needed." From reviewing User-1's posting and the responses to it, I know the following:

a. User-1 stated that he would be "carding different types of items clothes and electronics ect ect" and was "looking for some usa drops" where the goods could be shipped. User-1 further stated that he would discuss "fees and terms over icq msn ect." Based on my training and experience, I know that "ICQ" and "MSN Instant Messenger" are popular instant-message, or "chat," services on the Internet.

b. On or about January 9, 2012, "Kabraxi314" posted a response to User-1's thread, stating: "Would be willing to do this. I have 1 drop atm located in the US. 1:1 will be my rate. LMK." Based on my training and experience, I know that "atm" is Internet slang for "at the moment," and that "LMK" is Internet slang for "let me know." Further, based on my training and experience, I believe that, in stating that "1:1 will be my rate," "Kabraxi314" meant that he was willing to provide his drop on a "1-to-1" basis, as described above in paragraph 8.b.

³ Unless otherwise noted, all postings or private messages referred to herein were posted or sent on the UC Site and were retained as part of the operation of the UC Site. Quotations from such messages and any other electronic communications are reproduced substantially as they appear in the original text; errors in spelling and punctuation have not been corrected.

c. On or about January 10, 2012, User-1 sent a private message to "Kabraxaxis314," stating, "yoo bro can I get ur contact details so we can talk propaly."

d. On or about January 11, 2012, "Kabraxaxis314" sent a private message to User-1, forwarding his ICQ user identification number, as well as his MSN Instant Messenger username - "l2c0b07@hotmail.com," which is the same as the e-mail address "Kabraxaxis314" used to register on the UC Site. Based on my training and experience, I believe this exchange reflects that "Kabraxaxis314" and User-1 intended to continue their discussion via ICQ or MSN Instant Messenger.

14. Similarly, on or about January 25, 2012, another UC Site user ("User-2") started a discussion thread on the UC Site, titled, "Drops Needed." From reviewing User-2's posting and the responses to it, I know the following:

a. User-2 stated that he planned to card "around \$500-1.5k items" and was looking for someone to provide "drops" on a "1:1" basis. User-2 explained, "I cannot always get two of the exact same items, but I will guarantee you will get at least a \$400 item for every item you ship to me, considering some people send you 2 \$200 items, I'd say getting a \$400 item, even if mine may be worth around \$800, is still a pretty dang good deal for you." User-2 added, "if you can do signatures, that is a major plus." Based on my training and experience, I believe that User-2 meant by this last remark that he was looking for someone who could not only retrieve packages but also sign for them, given that shippers often require signatures for deliveries of expensive items, such as the \$500-\$1500 items that User-2 was interested in carding.

b. Later in the day on January 25, 2012, "Kabraxaxis314" posted a response to User-2's thread, stating, "I have 1 drop available if you want. can do sigs." "Kabraxaxis314" also provided his ICQ number in his response.

15. As a third example, on or about February 13, 2012, a UC Site user ("User-3") started a discussion thread on the UC Site, titled, "USA Drop." From reviewing User-3's posting and the responses to it, I know the following:

a. User-3 stated that he needed a "drop" in the United States. User-3 stated his terms as: "1:1 or Resell." Based on my training and experience, I believe that by offering the possibility of "Resell," User-3 was offering to give the

provider of the drop a portion of the proceeds from the resale of the carded goods that would be shipped to the drop, as described above in paragraph 8.b.

b. On or about February 14, 2012, "Kabraxaxis314" posted a response to User-3's thread, stating, "can do either 1:1 or resell. Prefer 1:1 though. I can sign for packages if need be. LMK."

16. On or about February 24, 2012, "Kabraxaxis314" started a discussion thread on the UC Site, titled, "People using my drops please read." The posting stated, "If you are using my drops and you ship stuff to them please pm [private message], msn, or icq me and let me know. just received some packages today and i have no idea who's they are." Based on my training and experience, I believe that this posting reflects that multiple UC Site users were by this time using the drop services offered by "Kabraxaxis314" and that he was having trouble keeping track of which packages belonged to which users.

Specific Carded Items Sent to "Kabraxaxis314" Drops

17. During February and March 2012, "Kabraxaxis314" exchanged numerous private messages with another UC Site user ("CC-1") and the user's partner ("CC-2"), concerning the shipment of various goods to drops provided by "Kabraxaxis314."⁴

18. On or about February 15, 2012, CC-1 sent a private message to "Kabraxaxis314" stating that a "first order from Hollister [a clothing business] is coming by FEDEX at your drop." CC-1 specified that he had sent the order to "Theodore KAMP" at "6[---] Harper Dr. Albuquerque NM 87109" (the "Harper Drive Address"), and provided a Federal Express tracking number ending in 6044. I have obtained records from Federal Express concerning this tracking number, which show that a package corresponding to the tracking number was sent from Hollister Company on February 15, 2012, and delivered to the Harper Drive Address on February 16, 2012.

19. On or about February 18, 2012, someone identifying himself as CC-1's "partner" ("CC-2") sent a private message to "Kabraxaxis314" through CC-1's account on the UC Site, stating that he (CC-2) had "just placed a new order on frys [an electronics store]" for an Android tablet computer, at a total

⁴ The FBI has taken steps to notify the vendors of these goods, and the issuers of any known credit cards used to purchase the goods, of the fraudulent nature of the transactions.

price of "\$585.83." CC-2 specified that he sent the order to "Theodore Brownell" at the Harper Drive Address. CC-2 also told "Kabraxaxis314" that he had used "your" phone number – that is, the phone number of "Kabraxaxis314" – on the order, implying, based on my training and experience, that "Kabraxaxis314" would be responsible for dealing with the shipper in case there were any problems with the delivery. Finally, CC-2 also provided the credit card information he had used to purchase the tablet computer, including the credit card account number. I have obtained records from Visa concerning this credit card account, which show a charge for \$585.83 at Fry's Electronics on February 18, 2012.

20. On or about February 19, 2012, "Kabraxaxis314" started a discussion thread on the UC Site, stating that he had a "[p]re dropped" Android tablet computer "in stock," which he was offering to sell for "\$300." Later in the day, "Kabraxaxis314" posted another message to the thread, stating that the tablet computer was "[g]one." Based on my training and experience, I believe, based on these postings and the private message from CC-2 described in the prior paragraph, that CC-2 sent a carded Android tablet computer to "Kabraxaxis314," and that, pursuant to an agreement with CC-2, "Kabraxaxis314" resold the tablet on the UC Site and shared the profits with CC-2.

21. From on or about February 18 to on or about March 1, 2012, CC-1 and "Kabraxaxis314" had the following communications on the UC Site concerning two cellphones purchased by CC-1:

a. On or about February 18, 2012, CC-1 sent a private message to "Kabraxaxis314" stating that he had sent "2 Samsung Galaxy Player" cellphones to "your drop." The message included a UPS tracking number for the shipment ending in 3277. I have obtained records from UPS concerning this tracking number, which show that a package corresponding to the tracking number was shipped from "Fry's Online Store" and delivered to the Harper Drive Address on February 21, 2012.

b. On or about February 19, 2012, "Kabraxaxis314" started a discussion thread on the UC Site, titled "Samsung Galaxy Player." The posting stated, "I have two of these in stock. Pre dropped. \$140 each."

c. Approximately two days later, on or about February 21, 2012, CC-1 sent a private message to "Kabraxaxis314" asking him to "take a picture[]" of the cellphones, because CC-1 had "maybe found a man interested to buy at \$150/each."

d. The next day, on or about February 22, 2012, "Kabraxis314" sent CC-1 a private message containing a link to a photo-sharing website on the Internet. Upon reviewing the message, I clicked on the link and was led to a photograph of what appeared to be two factory-labeled boxes each with the text "Samsung Galaxy Player" on the front.

e. On or about February 26, 2012, CC-1 sent "Kabraxis314" a private message stating that he had put the two cellphones for sale on Ebay, an online auction site, adding: "I think we will sell for something like \$200 each! Let u know when u'll have to ship the two Samsung." Later that same day, "Kabraxis314" replied: "awesome."

f. On or about March 1, 2012, CC-1 sent "Kabraxis314" a private message, stating: "2 phones sold, for 193 and 182\$, so I send you \$187 + \$30 . . . just give me ur Paypal as soon as u see this message." CC-1 further provided two addresses where the phones needed to be forwarded. Later in the day, "Kabraxis314" replied: "paypal is l2c0b07@hotmail.com."

g. Based on my training and experience, I believe that this exchange reflects that: (1) CC-1 sent two carded Samsung Galaxy Player cellphones to a drop provided by "Kabraxis314"; (2) "Kabraxis314" and CC-1 then sought to resell the cellphones; (3) CC-1 ultimately sold them to two Ebay users, to whom "Kabraxis314" then forwarded the cellphones; and (4) CC-1 split the profits from the sales with "Kabraxis314" in exchange for the use of his drop, sending "Kabraxis314" his share of the profits to an account "Kabraxis314" holds at Paypal, an Internet payment service.

22. On or about February 23, 2012, CC-1 sent "Kabraxis314" a private message stating that he had shipped several items, including a Microsoft Xbox video game console and a "Gears of War 3" video game, to "Sean Zamora" at "1[---] del Cielo Dr. NW, Albuquerque, NM 87105" (the "Del Cielo Drive Address"). CC-1 added: "Let me know when received! I've one buyer for xbox And gear of war I think!" The message included a UPS tracking number ending in 3981. I have obtained records from UPS concerning this tracking number, which show that a package corresponding to the tracking number was shipped from an address belonging to an electronics store in Jefferson, Georgia, en route to the Del Cielo Drive Address, on February 24, 2012; however, per the request of the shipper, the shipment was intercepted and returned to sender before it was delivered.

23. On or about February 25, 2012, CC-1 sent "Kabraxaxis314" a private message stating that "I will do a lot of big orders (ipad, iphones) to your drops with my friend in the week."

24. On or about March 12, 2012, CC-1 sent "Kabraxaxis314" a private message with the subject line "TV Phone Verification," stating, "I have just placed an order for a TV. Please call the site to confirm the order." The message contained a link to a webpage. Upon reviewing the message, I clicked on the link, and was led to a receipt for a Sharp Aquos 55" LED HDTV purchased from ajrichies.com, an electronics store website, for approximately \$1,278. The receipt included shipping information, which showed that the television was to be shipped to the Harper Drive Address. The receipt also included billing information, which showed that a Chase Bank Visa credit card issued in the name of an office-equipment business had been used to purchase the television. I have spoken with a representative from ajrichies.com, who confirmed that the order reflected on the receipt was placed with the store. I have also spoken with a representative of the office-equipment business listed in the billing information on the receipt, who stated that the business did not authorize the purchase.

25. On or about March 15, 2012, "Kabraxaxis314" sent CC-1 a private message, with the subject line "yo card this." The message contained a link to a webpage at ajrichies.com. Upon reviewing the message, I clicked on the link, which led to a webpage listing a Canon camera lens for sale at ajrichies.com for approximately \$899.

26. On or about March 22, 2012, CC-1 sent "Kabraxaxis314" a private message, stating, "I'm happy to inform you that your Ajrichies's order has shipped !" CC-1 further stated that the package had shipped to the Del Cielo Drive Address. CC-1 added, "You will have to sign under the name: Sean Maclane. Thanks." Based on my training and experience, I believe that, in this message, CC-1 was telling "Kabraxaxis314" that he had carded the camera lens that "Kabraxaxis314" wanted and had shipped it to the Del Cielo Drive Address, and that "Kabraxaxis314" would need to sign for the package under the name "Sean Maclane," because that was the name on the stolen credit card that CC-1 had used for the transaction. The message included a UPS tracking number ending in 3136. I have obtained records from UPS concerning the tracking number, which show that a package corresponding to the tracking number was delivered to the Del Cielo Drive Address on March 28, 2012, and that the package was signed for under the name "Harper," despite CC-1's instruction to sign under the name "Sean Maclane."

Identification of SEAN HARPER a/k/a "Kabraxi314"

27. As noted above, when "Kabraxi314" registered with the UC Site, he provided his e-mail address as "l2c0b07@hotmail.com." Through searching the Facebook website, I discovered a Facebook user listed under the e-mail address "l2c0b07@hotmail.com."

28. The contents of this user's Facebook page are accessible in part to public view. The page includes a photograph of the user, along with a black banner containing the following text in large letters: "I am a hacker, enter my world" The user's name is listed on the page as "Sean Harper." As noted above in paragraph 11, on the day he registered with the UC Site, "Kabraxi314" posted a message stating that his name "IRL," i.e., "in real life," was "Sean." Further, as noted above in paragraph 26, on at least one occasion, "Kabraxi314" signed for a package received at the Del Cielo Drive Address under the name "Harper."

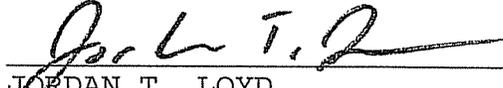
29. Pursuant to a search warrant, I have reviewed e-mails obtained from the "l2c0b07@hotmail.com" email account used by "Kabraxi314" to register on the UC Site. Those e-mails include the following:

a. An incoming e-mail dated March 30, 2012, sent from "webmaster@hackforums.net," stating "Kabraxi314, Your password at Hack Forums has been reset. . . . Thank you, Hack Forums Staff."

b. An outgoing e-mail dated December 5, 2010, sent to an educational institution, in which the writer asks for school transcripts, provides his name as "Sean Harper," and lists a home address in Albuquerque, New Mexico.

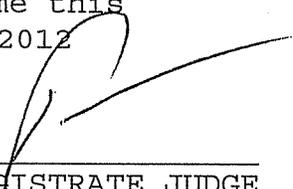
30. Accordingly, I believe that the individual described above as "Kabraxi314" is SEAN HARPER, a/k/a "Kabraxi314," the defendant.

WHEREFORE, I respectfully request that an arrest warrant be issued for SEAN HARPER, a/k/a "Kabraxis314," the defendant, and that he be arrested and imprisoned or bailed, as the case may be.



JORDAN T. LOYD
Special Agent
Federal Bureau of Investigation

Sworn to before me this
19th day of June 2012



UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK