



Department of Justice

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Man Sentenced for Integral Role in Sophisticated International Fraud Scheme *Defendant Laundered Over \$3.5 Million in Fraudulent Online Auction Proceeds as Part of a Scheme that Defrauded Over 900 American Victims*

LEXINGTON, Ky. – A Romanian national was sentenced on Monday to 89 months in prison for his role in a transnational, multimillion-dollar scheme to defraud American victims. He is the 24th member of the organized criminal group to be sentenced, of the 28 who were charged.

Ionut-Razvan Sandu, 35, of Romania, pleaded guilty in April 2022 to conspiracy to commit a Racketeer Influenced and Corrupt Organizations Act (RICO) offense. Four other defendants pleaded guilty to this offense and were sentenced for their roles in the conspiracy between Nov. 16 and 18, 2022, including: Rafael-Liviu Cucu, 33, of Romania to 61 months; Alexandru-Catalin Calin, 40, of Romania, to 61 months; Ciprian-Ionut Filip, 37, of Romania to 70 months; and Gabriel Constantin Georgescu, 37, of Romania to 63 months.

“This highly organized and sophisticated syndicate stole directly from the pockets of hard-working Americans. The criminals then used digital currency to launder their ill-gotten gains,” said Assistant Attorney General Kenneth A. Polite, Jr. of the Justice Department’s Criminal Division. “Today’s result is proof that the Criminal Division and our law enforcement partners will never stop pursuing cybercriminals who target the American public—no matter where these criminals reside, and no matter what tools they use to hide.”

“Cybercrime is an increasingly prevalent means for criminals to prey on the public, causing victims, from across the United States, to lose millions of dollars,” said U.S. Attorney Carlton S. Shier IV for the Eastern District of Kentucky. “To continue to protect Americans against organized cybercrime, cooperation and coordination among law enforcement is essential. This case is the result of a massive, years-long effort by the U.S. Secret Service to coordinate the investigation of this crime and identify and apprehend the offenders. I commend the exceptional work done by all our law enforcement partners, and we are proud to have joined this cooperative effort to prosecute this significant cyber fraud scheme.”

“Financial crimes that take place in the cyber domain have a very real impact on everyday Americans and their families,” said Special Agent in Charge Robert Holman of the U.S. Secret Service Louisville Field Office. “The Secret Service remains committed to investigating such crimes, and we appreciate the continued support of our local, state, federal, and international law enforcement

partners as we work together to bring those responsible to justice.”

According to plea documents, beginning as early as October 2014, Sandu and other members of the criminal organization collectively developed a process and offered a service by which co-conspirators based in the United States and abroad would launder the proceeds of online auction fraud.

According to court documents, Georgescu, Filip, and other co-conspirators posted false advertisements to popular online auction and sales websites, such as eBay, for goods that did not actually exist. Members of the conspiracy created fictitious online accounts to post these advertisements and communicate with victims, sometimes using the stolen identities of Americans to do so. The advertisements typically marketed the sale of used vehicles or similar goods and targeted working-class Americans.

Members of the conspiracy used several tactics to convince victims to send money for the advertised goods. For example, they impersonated a military member who needed to sell the advertised item before deployment. In furtherance of the scheme, the defendants delivered invoices to the victims bearing trademarks of reputable companies to make the transaction appear legitimate. The defendants also set up call centers to impersonate customer support, address questions, and alleviate concerns over the advertisements.

Once victims had sent payment, members of the conspiracy engaged in a complex money laundering scheme offered by Sandu and others wherein U.S.-based conspirators received victim funds, converted those funds to cryptocurrency, and transferred proceeds in the form of cryptocurrency to foreign-based money launderers. Those foreign-based money launderers, such as Cucu and Calin, would then work with other members of the conspiracy to convert the bitcoin back into fiat currency. Sandu was held responsible for laundering over \$3.5 million worth of fraudulent proceeds. To date, law enforcement has identified over 900 victims of this scheme.

The investigation was conducted by the U.S. Secret Service, Kentucky State Police, Lexington Police Department, IRS Criminal Investigation and U.S. Postal Inspection Service, and supported by the Justice Department’s Organized Crime Drug Enforcement Task Force (OCDETF) and the International Organized Crime Intelligence and Operations Center (IOC-2). Assistance was provided by the Romanian National Police (Service for Combating Cybercrime), the Romanian Directorate for Investigating Organized Crime and Terrorism (Agency for Prosecuting Organized Crime), and the Supreme Prosecutor’s Office of Cassation of the Republic of Bulgaria. The Justice Department’s Office of International Affairs and Criminal Division’s Money Laundering and Asset Recovery Section provided significant support.

This case is being prosecuted by Senior Counsel Frank Lin of the Criminal Division’s Computer Crime and Intellectual Property Section and Assistant U.S. Attorney Kathryn M. Dieruf of the U.S. Attorney’s Office for the Eastern District of Kentucky.

Individuals who believe they may be victims of the online auction fraud scheme described herein are encouraged to visit the following website to obtain more information: www.justice.gov/usao-edky/information-victims-large-cases.

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