



# Department of Justice



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FOR IMMEDIATE RELEASE  
FRIDAY, MARCH 16, 2012  
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## **FEDERAL AUTHORITIES ARREST 19 PERSONS IN OPERATION "OPEN MARKET"**

### **-Indictments Allege Defendants are Members of Cyber Organization Who Bought, Sold and Shared Stolen Personal and Financial Information Online-**

**LAS VEGAS** –Federal authorities arrested 19 persons over the last two days in nine states in “Operation Open Market,” an investigation into a transnational criminal organization, which operated principally out of Las Vegas and whose members bought and sold stolen personal and financial information through online forums and engaged in crimes such as identity theft and counterfeit credit card trafficking, announced Daniel G. Bogden, United States Attorney for the District of Nevada.

“The extent of the theft and sale of personal and financial information uncovered by this investigation is astonishing,” said U.S. Attorney Bogden. “Electronic mediums have made it much easier for persons and groups to sell and trade stolen information and fraudulent documents nationally and internationally. We are working vigilantly with our federal, state and local law enforcement partners to investigate and prosecute the persons who commit these types of crimes.”

U.S. Secret Service and U.S. Immigration and Customs Enforcement’s Homeland Security Investigations (ICE HSI) arrested five persons in Las Vegas yesterday, March 15, 2012, and another 14 persons in California, Florida, New York, Georgia, Michigan, New Jersey, Ohio, and West Virginia. The individuals are charged in three separate indictments which were returned by the Grand Jury in Las Vegas on January 10 and March 13, 2012. The charges include racketeering, conspiracy, and production and trafficking in false identification documents and access device cards. Fifty persons total are charged in the investigation; however, the names of a number of defendants have been redacted and remain sealed because authorities have not yet arrested them. See attached list for case numbers and list of persons charged.

“The indictments and arrests in this case are yet another example of how the Secret Service continues to promote the Department of Homeland Security’s mission of providing a safe, secure and resilient cyber environment,” said A.T. Smith, the Secret Service’s Assistant

Director for investigations. “The successful partnerships fostered by the Secret Service’s electronic crimes task forces result in ground-breaking investigations such as Operation Open Market.”

“The actions of computer hackers and identity thieves not only harm countless innocent Americans, but the threat they pose to our financial system and global commerce cannot be understated,” said James Dinkins, Executive Associate Director of ICE HSI. “The criminals involved in such schemes may think they can escape detection by hiding behind their computer screens here and overseas, but as this case shows, cyberspace is not a refuge from justice.”

The defendants are allegedly members, associates or employees of a criminal organization, “Carder.su,” whose members traffic in and manufacture stolen and counterfeit identification documents and access device cards (debit and credit cards), and engage in identity theft and financial fraud crimes. The organization encourages members to sell contraband, such as counterfeit documents and stolen bank account information by way of the organization’s websites. Higher level members of the organization examined and tested the products that other members wished to advertise and sell on its websites, and posed summaries of these reviews on the websites. Members of the organization used various means of communication to protect a member’s anonymity, and to provide security and prevent detection from rival criminal organizations and law enforcement. Contraband available for purchase included money laundering services, fraudulent identification documents, stolen credit card account data or “dumps,” stolen PayPal accounts, and counterfeit plastic and counterfeit holograms used for producing counterfeit credit cards. The indictment states that “dumps” from the United States were the least expensive, and “dumps” from Europe, the Middle East and Asia were the most expensive.

This case is being investigated by the United States Secret Service and United States Immigration and Customs Enforcement Homeland Security Investigations. NASA’s Jet Propulsion Laboratory, Computer Crimes Division, also provided assistance. The case is being prosecuted by Assistant U.S. Attorneys Kimberly M. Frayn and Andrew W. Duncan.

This law enforcement action is sponsored by President Barack Obama’s Financial Fraud Enforcement Task Force. President Obama established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendants are presumed innocent and entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

<b>DEFENDANT NAME</b>	<b>AGE</b>	<b>LAST KNOWN RESIDENCE</b>
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NOTE: All defendants named below, except those marked with \*\*, have been arrested.

Case No: 2:12-CR-004

Alexander Kostyukov	27	Miami, FL
Maceo Boozer III	23	Detroit, MI
Edward Montecalvo	20	Morgantown, WV
Jermaine Smith	31	Newark, NJ
Makyl Haggerty**	22	San Francisco, CA
Qasir Mukhtar	17	New York, NY
Michael Lofton	34	Las Vegas, NV
Shiyang Gou	27	New York, NY
David Ray Camez	20	Las Vegas, NV
Cameron Harrison**	25	Augusta, GA
Duvaughn Butler	37	Las Vegas, NV
Fredrick Thomas	31	Orlando, FL

Case No: 2:12-CR-083

Omar Butt	18	New York, NY
Billy Steffey	33	Sacramento, CA
Jason Maclaskey**	32	Springfield, MO, Orlando, FL
Derek Carder	38	Sacramento, CA
Robert Kephart	38	Sacramento, CA
Heather Dale**	21	Springfield, MO, Orlando, FL
Herbert Morrell	50	Orlando, FL

Case No. 2:12-CR-084

Thomas Lamb	47	Las Vegas, NV
Jonathan Vergnetti	40	Las Vegas, NV
Roger Grodesky	49	Warren, OH
John Holsheimer	53	San Diego, CA

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