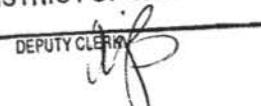


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FILED

AUG 27 2015

CLERK, U.S. DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
BY 
DEPUTY CLERK

8 IN THE UNITED STATES DISTRICT COURT
9
10 EASTERN DISTRICT OF CALIFORNIA

11 UNITED STATES OF AMERICA,

CASE NO. 2:14-CR-00083 KJM

12 Plaintiff,

13 v.

14 MIHRAN MELKONYAN,
15 RUSLAN KIRILYUK, and
ALEKSANDR MASLOV,

16 Defendants.

VIOLATIONS: 18 U.S.C. § 1343 – Wire Fraud (24 Counts); 18 U.S.C. § 1341 – Mail Fraud (2 Counts); 18 U.S.C. § 1028A(a)(1) – Aggravated Identity Theft; 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c) – Criminal Forfeiture

17 SUPERSEDING INDICTMENT

19 COUNTS ONE THROUGH TWENTY-FOUR: [18 U.S.C. § 1343 – Wire Fraud]

20 The Grand Jury charges:

22 MIHRAN MELKONYAN,
23 RUSLAN KIRILYUK, and
ALEKSANDR MASLOV,

24 defendants herein, as follows:

25 I. INTRODUCTION

26 At all times relevant to this Superseding Indictment:

27 1. Defendant Mihran Melkonyan was an individual with a primary residence in Sacramento
28 County, California.

1 2. Defendant Ruslan Kirilyuk was an individual with a primary residence in Los Angeles
2 County, California.

3 3. Defendant Aleksandr Maslov was an individual with a primary residence in Sacramento
4 County, California.

5 4. Person 1, Person 2, and Person 3 were female Russian citizens who traveled to the United
6 States on J1 student visas in or about May 2012 and departed in or about October 2012.

7 5.. PayPal, Inc., was a corporation that, among other businesses, provided credit card
8 processing services for merchants.

9 6. American Express, Inc., was a corporation that, among other businesses, issued consumer
10 credit cards and provided credit card processing services for merchants.

11 7. 24 Daily Mart, 24 Quick Stop, AFLGO, Ag Stop Mart, AH Union, Angel Jewelry, App
12 Store, Baby Toy Market, Best Box, Candies Mart, Cell Shop, Center Plus, Chevran, CMUD, Conn Mart,
13 CVS Store, Daily G, Danmart, Depper, Dexby, Dp Way Store, Drobot Beauty, Drobot Drobot, Ecer,
14 Entrix, Everything For Dog, Flowers for You, Fresh Mart , FT Casual, Global World Jewelry, GMV
15 Market, Great Mart, Health Net, Jack BC, Joy Market, Joys Mart, Kemarket LLC, Krogers, Lenco,
16 Madan Gaming World, Marshall Store, Mats Mart, Max Net, MCB Net, More 4 Less, More Accessories
17 for You, Oasis, One Stop , Ortloff_Danmart, Quick Start, RD Wireless, RMT Mart, RP Art, Rugs and
18 Carpets, Sepmart, Seven, Shell Power, Shumway Store, Singh Mart, Smartkitchenstuff, Star Points, Stop
19 Shop Market, T And G Store, Tag Box, Ted Mart, Top Net, Vp Mart, Walt Mart, Whole Store, and
20 World of Orthopedic were fictitious business entities created by the defendants and their co-schemers
21 for the purpose of executing the scheme to defraud. In at least some cases, the fictitious business
22 entities had internet domain names and email addresses associated with them that were used to create
23 the appearance of a legitimate business. These fictitious business entities, however, were created for the
24 purpose of billing stolen credit cards and did not provide actual goods or services.

25 **II. SCHEME TO DEFRAUD**

26 8. Between on or about October 5, 2011, and continuing through on or about March 5,
27 2014, in the State and Eastern District of California and elsewhere, the defendants, and others known
28 and unknown to the Grand Jury, knowingly devised, participated in, and executed, a material scheme to

1 defraud and to obtain money by means of materially false and fraudulent pretenses, representations and
2 promises, and the concealment of material facts.

3 9. The purpose of the scheme was to obtain money from credit card holders, credit card
4 companies, and third-party credit card payment processors by charging individuals' credit cards without
5 their permission or knowledge for goods and services that were not provided.

6 **III. MANNER AND MEANS**

7 In furtherance of the fraud, the defendants employed the following manner and means:

8 10. The defendants obtained stolen and misappropriated credit card information for
9 individuals' credit card accounts.

10 11. The defendants created fictitious business entities, including 24 Daily Mart, 24 Quick
11 Stop, AFLGO, Ag Stop Mart, AH Union, Angel Jewelry, App Store, Baby Toy Market, Best Box,
12 Candies Mart, Cell Shop, Center Plus, Chevran, CMUD, Conn Mart, CVS Store, Daily G, Danmart,
13 Depper, Dexby, Dp Way Store, Drobot Beauty, Drobot Drobot, Ecer, Entrix, Everything For Dog,
14 Flowers for You, Fresh Mart , FT Casual, Global World Jewelry, GMV Market, Great Mart, Health Net,
15 Jack BC, Joy Market, Joys Mart, Kemarket LLC, Krogers, Lenco, Madan Gaming World, Marshall
16 Store, Mats Mart, Max Net, MCB Net, More 4 Less, More Accessories for You, Oasis, One Stop ,
17 Ortloff_Danmart, Quick Start, RD Wireless, RMT Mart, RP Art, Rugs and Carpets, Sepmart, Seven,
18 Shell Power, Shumway Store, Singh Mart, Smartkitchenstuff, Star Points, Stop Shop Market, T And G
19 Store, Tag Box, Ted Mart, Top Net, Vp Mart, Walt Mart, Whole Store, and World of Orthopedic. These
20 fictitious business entities did not provide actual goods or services.

21 12. Some of these fictitious business entities were established in the names of unknowing
22 victims. For example, the defendants obtained stolen or misappropriated copies of student transcripts
23 from a Sacramento-area high school and used the students' identities to establish several of the business
24 entities involved in the scheme, such as Candies Mart, RP Art, Drobot Beauty, Drobot Drobot, Ted
25 Mart, Center Plus, GMV Market, CVS Store, Mats Mart, App Store, Cell Shop, Daily G, Top Net, One
26 Stop, 24 Daily Mart, Quick Start, Shell Power, AH Union, Krogers, Conn Mart, Star Points, Tag Box,
27 AG Stop Mart, Stop Shop Market, Great Mart, Marshall Store, Shumway Store, and others.

28 13. Using the fictitious business entity names, the defendants established merchant accounts

1 with credit card providers, such as American Express, Inc., and used the services of a third-party credit
2 card payment processor, such as PayPal, Inc. The defendants also registered internet domain names
3 associated with the fictitious business entities and, to facilitate communication with online service
4 providers, set up email accounts for the businesses with email providers such as Yahoo!, Inc. and
5 America Online.

6 14. The defendants charged the accounts of credit card holders using the merchant accounts
7 and third-party payment processors without the permission or the knowledge of the credit card account
8 holders. Generally, for each business entity controlled by the defendants, the defendants processed a
9 large number of small payments from different credit cards in a relatively short period of time. The
10 credit card providers and third-party credit card payment processors credited the business entities'
11 accounts based on the processed credit card transactions for purported sales.

12 15. It was further part of the scheme and artifice to defraud that the defendants opened and
13 caused to be opened multiple bank accounts in the names of J-1 visa holders and others, including
14 Person 1, Person 2, and Person 3. The defendants accessed and controlled these accounts. These
15 accounts were linked directly to the business entities' bank accounts, to credit card providers, and to
16 third-party credit card payment processors. The defendants transferred money from the business
17 entities' bank accounts to the linked bank accounts in the names of J-1 visa holders and others.

18 16. It was further part of the scheme and artifice to defraud that the defendants withdrew the
19 money from the linked bank accounts in the form of cash from ATMs and by using debit cards that were
20 linked to the accounts. Each of the bank transactions described below generated an intrabank interstate
21 communication.

22 **IV. USE OF INTERSTATE WIRES**

23 17. On or about the dates listed below, in the State and Eastern District of California, for the
24 purpose of executing the aforementioned scheme and artifice to defraud, and attempting to do so, the
25 defendants knowingly transmitted and caused to be transmitted by means of wire communication in
26 interstate commerce certain writings, signs, signals, pictures and sounds, as more specifically set forth
27 below:

| Count | Date of Wire | Sender Account - Ending | Wire Description |
|-------|------------------|-------------------------------|--|
| 1 | October 2, 2012 | U.S. Bank, N.A. - 0936 | \$220 ATM Withdrawal |
| 2 | October 9, 2012 | U.S. Bank, N.A. - 0944 | \$540 Online Transfer |
| 3 | October 10, 2012 | U.S. Bank, N.A. - 0944 | \$503 ATM Withdrawal |
| 4 | October 10, 2012 | Citibank N.A. - 9732 | \$120 ATM Withdrawal |
| 5 | October 12, 2012 | Citibank N.A. - 9732 | \$800 ATM Withdrawal |
| 6 | October 15, 2012 | Citibank N.A. - 9732 | \$500 ATM Withdrawal |
| 7 | October 15, 2012 | Citibank N.A. - 9732 | \$300 ATM Withdrawal |
| 8 | October 16, 2012 | Citibank N.A. - 9732 | \$500 ATM Withdrawal |
| 9 | October 16, 2012 | Citibank N.A. - 9732 | \$200 ATM Withdrawal |
| 10 | October 17, 2012 | Citibank N.A. - 9732 | \$600 ATM Withdrawal |
| 11 | October 22, 2012 | Wells Fargo Bank, N.A. - 2738 | \$100 ATM Withdrawal |
| 12 | October 31, 2012 | Wells Fargo Bank, N.A. - 2738 | \$300 ATM Withdrawal |
| 13 | November 1, 2012 | Wells Fargo Bank, N.A. - 5344 | Balance Inquiry |
| 14 | May 8, 2013 | Wells Fargo Bank, N.A. - 5344 | \$202.25 ATM Withdrawal |
| 15 | May 9, 2013 | Wells Fargo Bank, N.A. - 5344 | \$202.25 ATM Withdrawal |
| 16 | May 13, 2013 | Wells Fargo Bank, N.A. - 5344 | \$302.95 ATM Withdrawal |
| 17 | May 13, 2013 | Wells Fargo Bank, N.A. - 5344 | \$202.25 ATM Withdrawal |
| 18 | May 14, 2013 | Wells Fargo Bank, N.A. - 5344 | \$202.25 ATM Withdrawal |
| 19 | May 14, 2013 | Wells Fargo Bank, N.A. - 5344 | Deposit of \$9,800 Check into Wells Fargo Bank, N.A. account ending 5116, in the name of Ruslan Kirilyuk |
| 20 | May 17, 2013 | Wells Fargo Bank, N.A. - 5344 | \$242.95 ATM Withdrawal |
| 21 | May 20, 2013 | Wells Fargo Bank, N.A. - 5344 | \$302.95 ATM Withdrawal |
| 22 | May 20, 2013 | Wells Fargo Bank, N.A. - 5344 | \$500 ATM Withdrawal |
| 23 | May 20, 2013 | Wells Fargo Bank, N.A. - 5344 | \$503 ATM Withdrawal |

| | | | |
|----|------------------|--|----------------------|
| 24 | October 15, 2013 | J.P. Morgan Chase Bank, N.A. - 0106 | \$800 ATM Withdrawal |
|----|------------------|--|----------------------|

4 In violation of Title 18, United States Code, Sections 2 and 1343.

5 **COUNTS TWENTY-FIVE AND TWENTY-SIX: [18 U.S.C. § 1341 – Mail Fraud]**

6 The Grand Jury further charges:

7 MIHRAN MELKONYAN,
8 RUSLAN KIRILYUK, and
9 ALEKSANDR MASLOV,

10 defendants herein, as follows:

11 **I. INTRODUCTION**

12 18. Paragraphs 1 through 16 of this Superseding Indictment are realleged and incorporated
herein, as if fully set forth.

13 **II. USE OF THE MAILED**

14 19. On or about the dates listed below, in the State and Eastern District of California, for the
purpose of executing the aforementioned scheme and artifice to defraud, and attempting to do so, the
defendants knowingly did cause to be delivered by the Postal Service and by any private and
commercial interstate carrier, according to the direction thereon, the items more specifically set forth
below.

| Count | Date | From | To | Item – Account Ending |
|-------|----------------|------------------------|----------|--------------------------|
| 25 | April 15, 2013 | Wells Fargo Bank, N.A. | Person 2 | Letter – 2738 |
| 26 | May 10, 2013 | U.S. Bank, N.A. | Person 2 | Account statement – 0936 |

23 In violation of Title 18, United States Code, Sections 2 and 1341.

24 **COUNT TWENTY-SEVEN: [18 U.S.C. § 1028A(a)(1) – Aggravated Identity Theft]**

25 The Grand Jury further charges:

26 RUSLAN KIRILYUK,

27 defendant herein, as follows:

28 20. Paragraphs 1 through 19 of this Superseding Indictment are re-alleged and incorporated

1 herein, as if set forth in full.

2 21. On or about October 15, 2013, in the State and Eastern District of California, defendant
3 RUSLAN KIRILYUK did knowingly use, without lawful authority, a means of identification of another
4 person, that is, the name and Social Security number of a real person, L.D., during an in relation to a
5 felony violation, that is, a violation of 18 U.S.C. § 1343, as charged in Count Twenty-Four of this
6 Superseding Indictment, knowing that the means of identification belonged to another actual person, all
7 in violation of Title 18, United States Code, Section 1028A(a)(1).

8 FORFEITURE ALLEGATION: [18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c) –
9
10 Criminal Forfeiture]

11 1. Upon conviction of one or more of the offenses alleged in Counts One through Twenty-
12 Seven of this Superseding Indictment, defendants MIHRAN MELKONYAN, RUSLAN KIRILYUK,
13 and ALEKSANDR MASLOV shall forfeit to the United States of America, pursuant to 18 U.S.C. §
14 981(a)(1)(C) and 28 U.S.C. § 2461(c), all property, real and personal, which constitutes or is derived
15 from proceeds traceable to such violations, including but not limited to the following:

16 a) A sum of money equal to the amount of proceeds traceable to such offenses, for
17 which defendants are convicted.

18 2. If any property subject to forfeiture, as a result of the offenses alleged in Counts One
19 through Twenty-Seven of this Superseding Indictment, for which defendants are convicted:

20 a) cannot be located upon the exercise of due diligence;
21 b) has been transferred or sold to, or deposited with, a third party;
22 c) has been placed beyond the jurisdiction of the court;
23 d) has been substantially diminished in value; or
24 e) has been commingled with other property which cannot be divided without
25 difficulty;

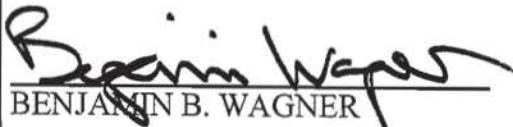
26 it is the intent of the United States, pursuant to 28 U.S.C. § 2461(c), incorporating 21 U.S.C. § 853(p), to
27 seek forfeiture of any other property of said defendants, up to the value of the property subject to
28 forfeiture.

1
2 A TRUE BILL.
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4

5 **/s/ Signature on file w/AUSA**
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 FOREPERSON
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BENJAMIN B. WAGNER
United States Attorney

No. _____

UNITED STATES DISTRICT COURT

Eastern District of California

Criminal Division

THE UNITED STATES OF AMERICA

Mihran vs. Melkonyan - no process necessary
Ruslan Kirilyuk
Aleksandr Maslov } no bail

SUPERSEDING INDICTMENT

VIOLATION(S): 18 U.S.C. § 1343 – Wire Fraud; 18 U.S.C. § 1341 – Mail Fraud;
18 U.S.C. § 1028A(a)(1) – Aggravated Identity Theft;
18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c) – Criminal Forfeiture

A true bill,

/s/ Signature on file w/AUGR.

*-----
Foreman.*

Filed in open court this 27 day

of August, A.D. 2015

Clerk

Bail, \$ _____
Kirilyuk, Maslov
NO BAIL WARRANT

Carolyn Delaney

United States v. Mihran Melkonyan, Ruslan Kirilyuk, and Aleksandr Maslov
Penalties for Superseding Indictment

Defendants

MIHRAN MELKONYAN, RUSLAN KIRILYUK, and ALEKSANDR MASLOV

COUNTS 1-24: **ALL DEFENDANTS**

VIOLATION: 18 U.S.C. § 1343 – Wire Fraud

PENALTIES: Not more than \$250,000 fine, or
Not more than 20 years' imprisonment, or both;
Not more than 3 years supervised release.

SPECIAL ASSESSMENT: \$100 (mandatory on each count)

COUNTS 25-26: **ALL DEFENDANTS**

VIOLATION: 18 U.S.C. § 1341 – Mail Fraud

PENALTIES: Not more than \$250,000 fine, or
Not more than 20 years' imprisonment, or both;
Not more than 3 years supervised release.

SPECIAL ASSESSMENT: \$100 (mandatory on each count)

COUNT 27: **RUSLAN KIRILYUK**

VIOLATION: 18 U.S.C. § 1028A(a)(1) – Aggravated Identity Theft

PENALTIES: 2 years in prison, consecutive to any other sentence except any additional sentence imposed at the same time under § 1028A

FORFEITURE ALLEGATION: **ALL DEFENDANTS**

As stated in the charging document