

FILED

DEC 15 2016

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

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United States of America

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

JARROD M. LANGFORD,

Defendant.

Case No. **1:16 CR · 00205 DAD BAM**

VIOLATION: 18 U.S.C. § 1029(b)(2) -
Conspiracy to Traffic in and Use
Unauthorized Access Devices; 18
U.S.C. § 1029(a)(2) - Use of
Unauthorized Access Devices (Five
Counts); 18 U.S.C. § 1029(a)(3) -
Possession of Unauthorized Access
Devices (Two Counts); 18 U.S.C. §
1028A(a)(1) - Aggravated Identity
Theft (Two Counts); 18 U.S.C. §§
982(a)(2)(B) and 1029(c)(1)(C) -
Criminal Forfeiture

I N D I C T M E N T

COUNT ONE: [18 U.S.C. § 1029(b)(2) - Conspiracy to Traffic in
and Use Unauthorized Access Devices]

The Grand Jury charges:

JARROD M. LANGFORD,

defendant herein, as follows:

I. PARTIES, PERSONS AND ENTITIES

At times material to this Indictment:

1. Defendant JARROD M. LANGFORD resided in Lemoore,
California (Kings County), in the State and Eastern District of
California, while employed as an aviation electrician's mate,
United States Navy.

2. Groupon, Inc., Living Social, Inc., and KGB USA, Inc., provide online marketplaces to facilitate the purchase and sale of goods and services and vouchers for such goods and services. Retailers and other merchants of goods and services use the websites offered by Groupon (www.groupon.com), Living Social (www.livingsocial.com) and KGB USA (www.kgbdeals.com) to market their products. Customers use these websites to purchase vouchers that are redeemable for goods and services, and Groupon, Living Social and KGB USA facilitate credit card transactions for the goods and services purchased by their customers.

3. The identities of LP, BT, DC, AG, and CR are known to the Grand Jury.

II. THE CONSPIRACY

4. Beginning on a date unknown to the Grand Jury, but not later than in or about June 2011, and continuing thereafter to in or about August 2015, within the State and Eastern District of California and elsewhere, the defendant, with others known and unknown to the Grand Jury, did knowingly combine, conspire, confederate, and agree with each other to knowingly and with intent to defraud traffic in and use one or more unauthorized access devices, including unauthorized credit card accounts and unauthorized product voucher codes, during a one-year period, and by such conduct obtained anything of value aggregating \$1,000 or more during that period.

III. MANNER AND MEANS OF THE CONSPIRACY

5. In furtherance of the conspiracy during the above-described time period, LANGFORD, with the assistance of others, employed the following manner, means, and acts, among others:

1 6. LANGFORD fraudulently acquired valid credit card/access
2 device account numbers (including expiration dates and Card
3 Verification Value (CVV) numbers) and the account holders'
4 personal identifying information [PII] (including names,
5 addresses, telephone numbers, and e-mail addresses) by, among
6 other methods, purchasing such account numbers and associated PII
7 from Internet websites, such as pawn-shop.cc. In or about
8 September 2012, LANGFORD unlawfully possessed more than 2,500
9 records of credit card/access device account numbers and the
10 associated account holders' PII.

11 7. Without the account owners' knowledge or consent,
12 LANGFORD fraudulently used the unauthorized credit cards/access
13 devices to purchase through various online marketplaces,
14 including websites offered by Groupon, Living Social and KGB USA,
15 retail goods and services and voucher codes redeemable for such
16 goods and services (i.e., unauthorized access devices), including
17 mattresses, wrist watches, jewelry, and electronic devices. To
18 facilitate these fraudulent purchases, LANGFORD input into the
19 online websites the unauthorized credit card/access device
20 account numbers and related information, as well as the account
21 owners' true names and billing addresses.

22 8. During the time period of the conspiracy described
23 above, LANFORD employed these means and undertook these acts to
24 fraudulently purchase approximately \$340,000 of goods and
25 services and unauthorized voucher codes redeemable for such goods
26 and services.

27 9. Using various online venues, including Hackforums.net,
28 and with the assistance of one or more co-conspirators, LANGFORD

1 advertised and sold and attempted to sell (i.e., trafficked in)
2 the goods and services and unauthorized product voucher codes he
3 fraudulently acquired in the manner described above. For
4 instance, on or about November 1, 2014, a co-conspirator
5 advertised for sale and sold on eBay approximately 31 license
6 keys for Microsoft-brand software that LANGFORD fraudulently
7 acquired and provided to the co-conspirator, earning a total of
8 approximately \$2,229.86.

9 10. In furtherance of the conspiracy, LANGFORD taught and
10 encouraged prospective customers and/or co-schemers how to
11 undertake similar fraudulent schemes, all in an effort to
12 establish his credibility and gain the trust of such customers
13 and co-schemers.

14 11. In furtherance of the conspiracy, LANGFORD took steps
15 to hide his actual location and conceal his involvement in the
16 fraudulent scheme described above, LANGFORD installed an
17 application on his computers that would establish a virtual
18 private network (VPN) in furtherance of conducting anonymous
19 encrypted Internet sessions. While LANGFORD undertook his
20 fraudulent activities within the State and Eastern District of
21 California, the VPN, when used by LANGFORD, gave the appearance
22 that he was located elsewhere while he was engaged in fraudulent
23 activities.

24 IV. OVERT ACTS

25 12. In furtherance of the conspiracy and to effectuate the
26 objects and purposes of the conspiracy, the following overt acts,
27 in addition to others, were committed in the Eastern District of
28 California:

1 a. On or about March 30, 2012, LANGFORD purchased 36
2 product voucher codes using unauthorized access
3 devices.

4 b. On or about March 30, 2012, LANGFORD advertised
5 unauthorized voucher codes for sale on Hackforums.net.

6 c. On or about May 29, 2012, LANGFORD directed a customer
7 to send money to LANGFORD's PayPal payment account for
8 the customer's purchase from LANGFORD of unauthorized
9 product voucher codes that LANGFORD had fraudulently
10 acquired.

11 d. On or about September 4, 2012, LANGFORD and a co-
12 conspirator discussed apportioning among themselves
13 proceeds from the co-conspirator's sale of unauthorized
14 product voucher codes provided to him by LANGFORD.

15 e. On or about September 10, 2012, LANGFORD directed a co-
16 conspirator to advertise for sale on eBay unauthorized
17 product voucher codes that LANGFORD had fraudulently
18 acquired.

19 f. On or about September 11, 2012, LANGFORD directed a
20 customer to send money to a co-conspirator's PayPal
21 payment account for the customer's purchase from
22 LANGFORD of unauthorized product voucher codes that
23 LANGFORD had fraudulently acquired.

24 All in violation of Title 18, United States Code, Sections
25 1029(b)(2) & (a)(2).

26 ///

27 ///

28 ///

COUNTS TWO THROUGH SIX: [18 U.S.C. § 1029(a)(2) - Use of
Unauthorized Access Devices]

The Grand Jury charges:

JARROD M. LANGFORD,

defendant herein, as follows:

13. Paragraphs 1 through 3, and 5 through 11 of Count One are incorporated here.

14. On or about the dates set forth below, in the State and Eastern District of California and elsewhere, defendant LANGFORD, knowingly and with intent to defraud, used one or more unauthorized access devices, to wit, credit card account numbers and associated expiration dates, during a one-year period, as set forth below, and by such conduct obtained things of value aggregating \$1,000 or more during that period, as set forth below, with said use affecting interstate and foreign commerce:

COUNT	APPROXIMATE DATES	CREDIT CARD (and ACCOUNT OWNER)	DESCRIPTION
TWO	3/30/2012	American Express x4001 (LP)	Purchased in Lemoore, CA, 36 Groupon.com redemption codes for jewelry (\$2,850)
THREE	5/11/2012 - 5/13/2012	Visa x5853 (BT)	Purchased in Lemoore, CA, six Groupon.com redemption codes for mattresses and wrist watches (\$1,034)
FOUR	5/26/2012 - 5/28/2012	American Express x3061 (DC)	Purchased in Lemoore, CA, seven Groupon.com redemption codes for mattresses (\$4,593)
FIVE	9/14/2012	Visa x6090 (AG)	Purchased in Lemoore, CA, ten Livingsocial.com redemption codes for hair removal product (\$3,190)

SIX	9/16/2012	Visa x4322 (CR)	Purchased in Lemoore, CA, 30 Livingsocial.com redemption codes for wrist watches (\$1,950)
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All in violation of Title 18, United States Code, Section 1029(a)(2).

COUNTS SEVEN THROUGH EIGHT: [18 U.S.C. § 1029(a)(3) - Possession of Unauthorized Access Devices]

The Grand Jury further charges:

JARROD M. LANGFORD,

defendant herein, as follows:

15. Paragraphs 1 through 3, and 5 through 11 of Count One are incorporated here.

16. On or about September 19, 2012, in Lemoore, California (Kings County), within the State and Eastern District of California, knowingly and with intent to defraud, possessed 15 or more devices which are unauthorized access devices, to wit credit card account numbers and associated expiration dates, said possession affecting interstate and foreign commerce, as set forth below:

COUNT	DESCRIPTION
SEVEN	Computer file "basel.txt" created on or about September 12, 2012, containing approximately 2,055 unauthorized credit card account numbers and associated PII
EIGHT	Computer file "2012-09-14 23-26-32.txt" created on or about September 14, 2012, containing approximately 529 unauthorized credit card account numbers and associated PII

All in violation of Title 18, United States Code, Section 1029(a)(3).

1 COUNT NINE: [18 U.S.C. § 1028A(a)(1) - Aggravated Identity Theft]

2 The Grand Jury further charges:

3 JARROD M. LANGFORD,

4 defendant herein, as follows:

5 13. Paragraphs 1 through 3, and 5 through 11 of Count One
6 are incorporated here.

7 14. On or about September 14, 2012, in Lemoore, California
8 (Kings County), within the State and Eastern District of
9 California and elsewhere, defendant LANGFORD did knowingly possess
10 and use, without lawful authority, a means of identification of
11 another real person, to wit, the name and address of AG, during
12 and in relation to a federal felony enumerated in 18 U.S.C. §
13 1028A(c), namely, Use of Unauthorized Access Devices, in violation
14 of 18 U.S.C. § 1029(a)(2), as alleged in Count Five, incorporated
15 herein by reference, all in violation of Title 18, United States
16 Code, Section 1028A(a)(1).

17 COUNT TEN: [18 U.S.C. § 1028A(a)(1) - Aggravated Identity Theft]

18 The Grand Jury further charges:

19 JARROD M. LANGFORD,

20 defendant herein, as follows:

21 15. Paragraphs 1 through 3, and 5 through 11 of Count One
22 are incorporated here.

23 16. On or about September 16, 2012, in Lemoore, California
24 (Kings County), within the State and Eastern District of
25 California and elsewhere, did knowingly possess and use, without
26 lawful authority, a means of identification of another real
27 person, to wit, the name and address of CR, during and in relation
28 to a federal felony enumerated in 18 U.S.C. § 1028A(c), namely,

1 Use of Unauthorized Access Devices, in violation of 18 U.S.C. §
2 1029(a)(2), as alleged in Count Six, incorporated herein by
3 reference, all in violation of Title 18, United States Code,
4 Section 1028A(a)(1).

5 FORFEITURE ALLEGATION: [18 U.S.C. §§ 982(a)(2)(B) and
6 1029(c)(1)(C) - Criminal Forfeiture]

7 17. Upon conviction of one or more of the offenses alleged
8 in Counts One through Eight of this Indictment, defendant JARROD
9 M. LANGFORD shall forfeit to the United States, pursuant to Title
10 18, United States Code, Section 982(a)(2)(B), any property
11 constituting or derived from proceeds obtained directly or
12 indirectly, as a result of such violations; and pursuant to Title
13 18, United States Code, Section 1029(c)(1)(C), any personal
14 property used or intended to be used to commit the offenses,
15 including but not limited to the following:

16 a) A sum of money equal to the total amount of
17 proceeds obtained as the result of the offenses, for which
18 defendant is convicted.

19 18. If any property subject to forfeiture, as a result of
20 the offense alleged in Counts One through Eight of this
21 Indictment, for which defendant is convicted:

- 22 a) cannot be located upon the exercise of due
23 diligence;
24 b) has been transferred or sold to, or deposited
25 with, a third party;
26 c) has been placed beyond the jurisdiction of the
27 court;
28 d) has been substantially diminished in value; or

1 e) has been commingled with other property which
2 cannot be divided without difficulty,
3 it is the intent of the United States, pursuant to 18 U.S.C. §§
4 982(b)(1) and 1029(c)(1)(C)(2), incorporating 21 U.S.C. § 853(p),
5 to seek forfeiture of any other property of said defendant, up to
6 the value of the property subject to forfeiture.

7
8 A TRUE BILL.

9 /s/ Signature on file w/AUSA

10 FOREPERSON

11 PHILLIP A. TALBERT
United States Attorney

12 **KIRK E. SHERRIFF**

By:

13 KIRK E. SHERRIFF
14 Assistant U.S. Attorney
Chief, Fresno Office

No. _____

SEALED

FILED

DEC 15 2016

UNITED STATES DISTRICT COURT

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

Eastern District of California

Criminal Division

7: 1 6 CR · 0 0 2 0 5 DAD BAM

THE UNITED STATES OF AMERICA

vs.

JARROD M. LANGFORD

INDICTMENT

VIOLATION(S): 18 U.S.C. § 1029(b)(2) - Conspiracy to Traffic in
and Use Unauthorized Access Devices;
18 U.S.C. § 1029(a)(2) - Use of Unauthorized
Access Devices (Five Counts);
18 U.S.C. § 1029(a)(3) - Possession of Unauthorized
Access Devices (Two Counts); 18 U.S.C. § 1028A(a)(1) - Aggravated
Identity Theft (Two Counts);
18 U.S.C. §§ 982(a)(2)(B) and 1029(c)(1)(C) - Criminal Forfeiture

A true bill,

/s/

Foreman.

Filed in open court this _____ day

of _____, A.D. 20 _____

Clerk.

Bail, \$ **NO BAIL WARRANT**



DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION -- IN U.S. DISTRICT COURTBY ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☐ SUPERSEDING: Case No.**OFFENSE CHARGED**

- ☐ Petty
- ☐ Minor
- ☐ Misdemeanor
- ☒ Felony

Place of offense
Kings CountyU.S.C. Citation
See IndictmentName of District Court, and/or Judge/Magistrate Judge Location (City)
Fresno, California**DEFENDANT -- U.S. vs.**
JARROD M. LANGFORD

Address

1: 16 CR 00205 DAD BAMBirth
Date☐ Male ☐ Alien☐ Female (if applicable)

(Optional unless a juvenile)

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

FBI/Jon Windness

☐ person is awaiting trial in another Federal or State Court, give name of court☐ this person/proceeding is transferred from another district per
FRCrP ☐ 20 ☐ 21 ☐ 40. Show District☐ this is a reprosecution of charges
previously dismissed which
were dismissed on motion of:☐ U.S. Att'y ☐ Defense☐ this prosecution relates to a pending
case involving this same defendantSHOW
DOCKET NO.☐ prior proceedings or appearance(s)
before U.S. Magistrate Judge
regarding this defendant were
recorded underMAGISTRATE
JUDGE CASE NO.Name and Office of Person
Furnishing Information on

THIS FORM

Donna McCloskey

☒ U.S. Att'y ☐ Other U.S. AgencyName of Asst. U.S.
Att'y (if assigned)

CHRISTOPHER D. BAKER

ADDITIONAL INFORMATION OR COMMENTS☒ **ADD FORFEITURE UNIT (Check if Forfeiture Allegation)**

Penalties -- see penalty slip. Please issue no bail warrant.

DEFENDANT**IS NOT IN CUSTODY**

- 1) ☒ Has not been arrested, pending outcome of this proceeding
If not detained, give date any prior
summons was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☐ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges } ☐ Fed'l ☐ State
If answer to (6) is "Yes," show name of institution

Has detainer
been filed?☐ Yes☐ NoIf "Yes,"
give date
filed

Mo.

Day

Year

**DATE OF
ARREST**

Or ... if Arresting Agency & Warrant were not Federal

Mo.

Day

Year

**DATE TRANSFERRED
TO U.S. CUSTODY**☐ This report amends AO 257 previously submitted


AUSA INITIALS

PENALTY SLIP

DEFENDANT: JARROD M. LANGFORD

1:16 CR 00205 DAD BAM

COUNT ONE:

VIOLATION: 18 U.S.C. §1029(b)(2) - Conspiracy to
Traffic in and Use Unauthorized Access
Devices

PENALTY: 5 years maximum imprisonment
\$250,000 fine
3 year maximum supervised release

COUNTS TWO THROUGH SIX:

VIOLATION: 18 U.S.C. §1029(a)(2) - Use of Unauthorized
Access Devices

PENALTY: 10 years maximum imprisonment
\$250,000 fine
3 years maximum supervised release

COUNTS SEVEN AND EIGHT:

VIOLATION: 18 U.S.C. §1029(a)(3) - Possession of
Unauthorized Devices

PENALTY: 10 years maximum imprisonment
\$250,000 fine
3 years maximum supervised release

COUNTS NINE AND TEN:

VIOLATION: 18 U.S.C. 1028(a)(1) - Aggravated Identity
Theft

PENALTY: 2 years mandatory imprisonment
\$250,000 fine
1 year maximum supervised release

FORFEITURE ALLEGATION:

18 U.S.C. §§ 982(a)(2)(B) and 1029 (a)(1)(C)