

U.S. DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA
2021 FEB -8 A 11:03
CAROL L. MICHEL
CLERK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

FELONY

**BILL OF INFORMATION FOR CONSPIRACY
TO COMMIT WIRE FRAUD AND NOTICE OF FORFEITURE**

UNITED STATES OF AMERICA

v.

STEPHEN DANIEL DEFIORE

CRIMINAL NO.

21-13

SECTION:

SECT. A MAG. 4

VIOLATIONS: 18 U.S.C. § 2

18 U.S.C. § 371

18 U.S.C. § 1343

* * *

The United States Attorney charges that:

COUNT 1

A. AT ALL TIMES MATERIAL HEREIN:

1. The defendant, **STEPHEN DANIEL DEFIORE** (“**DEFIORE**”), was a resident of Brandon, Florida.

2. From on or about August 10, 2017, to November 16, 2018, **DEFIORE** was employed by Phone Company A as a Sales Representative. **DEFIORE** worked at a retail store of Phone Company A located in Brandon, Florida.

3. In his capacity as a Sales Representative, **DEFIORE** had access to the accounts of Phone Company A’s customers, including the ability to switch the subscriber identification module (SIM) card linked to a customer’s phone number to a different phone number.

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4. **DEFIORE** utilized a cellular phone application-based mobile payment service. **DEFIORE's** username with the service was "\$Beefy123."

5. Victim A was a resident of New Orleans, Louisiana, within the Eastern District of Louisiana. Victim A was a physician who operated a medical practice in New Orleans.

6. Victim A subscribed to cellular phone service provided by Phone Company A with cellular phone number (504) 352-XXXX.

7. Victim A used multiple email accounts, including xxxxxxxx@gmail.com and xxxxxxxx@aol.com (collectively, "Victim A's email accounts").

8. Victim A held and owned multiple cryptocurrency accounts, including with the following cryptocurrency exchange companies: Binance, Bittrex, Coinbase, Gemini, Poloniex, ItBit, and Neo Wallet.

9. A SIM Swap scam is a cellular phone account takeover fraud that results in the routing of a victim's incoming calls and text messages to a different phone. Once a perpetrator is able to swap the SIM card, it is likely he is able to obtain access to a victim's various personal accounts, including email accounts, bank accounts, and cryptocurrency accounts, as well as any other accounts that use two-factor authentication.

B. THE CONSPIRACY:

10. Beginning at a time unknown, but not later than October 1, 2018, and continuing through at least on or about November 29, 2018, in the Eastern District of Louisiana and elsewhere, the defendant, **STEPHEN DANIEL DEFIORE**, and others known and unknown to the United States, did willfully and knowingly combine, conspire, confederate, and agree together and with each other to execute, and attempt to execute, a scheme and artifice to defraud and to obtain money, funds, and property by means of false and fraudulent pretenses, representations and promises and

did transmit and cause to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals and sounds, in violation of Title 18, United States Code, Section 1343.

C. PURPOSE OF THE CONSPIRACY:

11. The purpose of the conspiracy was for **DEFIORE**, and others known and unknown to the United States, to enrich themselves unjustly by conducting SIM Swap scams on cellular phone service customers, including Victim A, and thereafter obtain cryptocurrency belonging to the customers by means of materially false and fraudulent pretenses and representations.

D. MANNER AND MEANS:

12. The manner and means by which **STEPHEN DANIEL DEFIORE** and others known and unknown to the United States sought to accomplish the object and purpose of the conspiracy included, among other things, the following:

13. Not later than October 2018, an individual (“Co-Conspirator 1”) met **DEFIORE** via a multimedia messaging application. **DEFIORE** used the username “Beefy213.”

14. After confirming that **DEFIORE** worked for Phone Company A, Co-Conspirator 1 offered to pay **DEFIORE** approximately \$500 per day in exchange for **DEFIORE** performing five SIM swaps of individuals identified by Co-Conspirator 1. **DEFIORE** agreed.

15. Between October 20, 2018, and November 9, 2018, **DEFIORE** accessed the accounts of at least nineteen (19) of Phone Company A’s customers, including Victim A.

16. For each SIM swap, Co-Conspirator 1 sent **DEFIORE** a customer’s phone number, a four-digit PIN, and a SIM card number to which the phone number was to be swapped.

17. In exchange, **DEFIORE** received approximately \$2,325 in a series of twelve payments between October 28, 2018, and November 29, 2018, through a cellular phone application-based mobile payment service.

E. OVERT ACTS:

18. In furtherance of the conspiracy and to achieve the objects thereof, the conspirators committed and caused to be committed the following overt acts, among others, in the Eastern District of Louisiana and elsewhere:

19. On or about November 9, 2018, **DEFIORE** accessed Victim A's account from **DEFIORE'S** place of employment in Brandon, Florida. The access caused a series of writings, signs, signals, and sounds that traveled in interstate commerce, including between the States of Florida and Louisiana.

20. On or about November 10, 2018, Victim A's telephone number was swapped to a SIM card contained in an Apple iPhone 8 bearing International Mobile Equipment Identity number 356703087816582 ("the Apple iPhone 8") that was in the possession of Richard Li. The SIM Swap of Victim A caused, among other things, the transmission of a series of writings, signs, signals, and sounds that traveled in interstate commerce, including between the States of Florida, Louisiana, and California. As a result of the SIM Swap, Victim A's email accounts and Binance, Bittrex, Coinbase, Gemini, Poloniex, ItBit, and Neo Wallet crypto currency accounts were compromised without Victim A's knowledge or authorization. Victim A suffered an actual loss of a substantial portion of his cryptocurrency.

All in violation of Title 18, United States Code, Sections 371 and 2.

NOTICE OF FORFEITURE

1. The allegations of Count 1 are incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States.

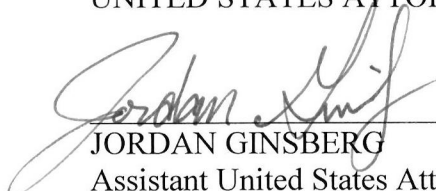
2. As a result of the offenses alleged in Count 1, defendant, **STEPHEN DANIEL DEFIORE**, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property real or personal which constitutes or is derived from proceeds traceable to said offenses.

3. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred, sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

the United States shall seek a money judgment and, pursuant to Title 21, United States Code, Section 853(p), forfeiture of any other property of the defendant up to the value of said property.

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New Orleans, Louisiana
February 8, 2021