ASP/2015R00014

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon.
v.	:	Crim. No. 16-
ANGELO VIRTUCIO a/k/a "ZaiR," a/k/a "ZaiRe," a/k/a "Omega," a/k/a "Omega10"	: : :	18 U.S.C. § 1349

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

Background

1. At all times relevant to this Information:

a. Defendant ANGELO VIRTUCIO was a resident of Quezon City, Philippines.

b. "Liberty Reserve" was an online currency, which, until in or about May 2013, could be used to pay for goods or services over the Internet, and could be exchanged for United States currency. Liberty Reserve, its founders, and certain of its officers were indicted by a grand jury sitting in the Southern District of New York, Crim. No. 13-368, for, among other things, money laundering. Prior to the shutdown of Liberty Reserve, its online currency was widely used in the criminal underworld to pay for, and receive payment for, contraband or illegal services, and to launder criminal proceeds.

c. "Carding forums" were black market websites where subjects involved in access device fraud, computer fraud, identity theft, wire fraud, or other related criminal activity, came together to discuss and commit criminal activities on the forum's website.

d. "Track data" referred to data that was encoded on the magnetic strip on the back of credit or debit cards (or "payment cards"). Track data contained certain information relating to a particular payment card, including the account number and the name of the account holder. Track data was typically stolen through the unauthorized access, through computer hacking, of the computer networks of retailers, credit card processors, or other institutions that processed track data. Track data was also obtained through "ATM skimming," where specialized equipment surreptitiously installed at ATM locations was used to steal ATM users' debit card track data. Criminals often referred to stolen track data as "dumps."

e. "Cashing" referred to the monetization of stolen track data by encoding the stolen data onto the magnetic strip of a counterfeit payment card and using the counterfeit card to enter into unauthorized financial transactions. The monetization of stolen track data occurred either through cash withdrawals at ATMs or unauthorized purchases made with counterfeit payment cards.

f. "Cashers" were cybercriminals that engaged in cashing. Cashers often advertised their illegal services on carding forums, and used email and instant messaging software to conduct and finalize illegal online transactions.

g. "Dumps vendors" were online resellers of stolen track data. Like cashers, dumps vendors typically advertised their illegal services on carding forums, and also used email and instant messaging software to conduct and finalize illegal online transactions.

h. "Dumps checking" was an online service used by cashers and dumps vendors, where, for a fee, users of the service were able to check batches of stolen payment card numbers to confirm which accounts were still active and could be either sold or used for future fraudulent transactions. To confirm whether the account associated with a particular stolen payment card number was active, the dumps checking service executed a very small financial transaction and validated the account, or not, based on whether the transaction was processed, or blocked.

The Conspiracy

2. From at least as early as in or around June 2005 through in or around September 2013, in the District of New Jersey and elsewhere, defendant

ANGELO VIRTUCIO,
a/k/a "ZaiR,"
a/k/a "ZaiRe,"
a/k/a "Omega," and
a/k/a "Omega10,"

did knowingly and intentionally conspire and agree with others to execute a scheme and artifice to defraud financial institutions, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of those financial institutions, by means of materially false and fraudulent pretenses, representations, and promises, contrary to Title 18, United States Code, Section 1344.

Object of the Conspiracy

3. It was the object of the conspiracy for defendant VIRTUCIO and his co-conspirators to profit unlawfully by trafficking in and using stolen credit and debit card numbers and related personally identifiable information ("PII") (collectively, the "Stolen Track Data"), obtained through computer hacking and ATM skimming operations, and then using the Stolen Card Data to withdraw cash from ATMs or to make unauthorized purchases.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that defendant VIRTUCIO employed a global network of cashers to monetize the Stolen Track Data that he purchased from various dumps vendors.

5. It was further part of the conspiracy that after purchasing Stolen Track Data, defendant VIRTUCIO and his co-conspirators encoded the data on to counterfeit payment cards and used those cards to steal money from payment accounts under the custody and control of financial institutions through unauthorized ATM withdrawals and unauthorized in-store purchases.

6. It was further part of the conspiracy that defendant VIRTUCIO also bought Stolen Track Data from other dumps vendors and re-sold it to other individuals for a profit.

7. It was further part of the conspiracy that defendant VIRTUCIO purchased, re-sold, and/or cashed out, at least approximately 18,973 pieces of Stolen Track Data, causing an estimated total loss of approximately $9,486,500.

8. It was further part of the conspiracy that defendant VIRTUCIO and his co-conspirators used an illegal dumps checking service to assess whether the Stolen Track Data they obtained was associated with active bank or credit card accounts, causing financial transactions affecting accounts issued by financial institutions around the world, including in the District of New Jersey.

9. It was further part of the conspiracy that defendant VIRTUCIO communicated with an individual in the District of New Jersey in furtherance of his illegal cashout operation.

10. It was further part of the conspiracy that defendant VIRTUCIO typically transacted in virtual currencies, such as Liberty Reserve, to move the criminal proceeds from his fraudulent scheme and, from in or about July 2007 through in or about January 2013, moved approximately $4,903,533 of criminal proceeds through his Liberty Reserve account.

All in violation of Title 18, United States Code, Section 1349.

FORFEITURE ALLEGATION

1. The allegations contained in this Information are hereby incorporated and realleged by reference for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. The United States hereby gives notice to defendant that, upon conviction of the offense charged in this Information, the United States will seek forfeiture, in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), of any and all property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offense.

3. If by any act or omission of defendant any of the property subject to forfeiture described above:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

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 divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section

2461(c), to seek forfeiture of any other property of the defendant up to the value of the above-described forfeitable property.

Paul J. Fishman

PAUL J. FISHMAN
United States Attorney

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INFORMATION FOR

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