

U.S. DEPARTMENT OF HOMELAND SECURITY

U.S. Secret Service

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\*\*\* FACT SHEET \*\*\*

**Selected United States Secret Service Identity Crime Investigations**

- **International Fugitive Arrested in Identity Theft Case** – On July 23, the Miami Field Office's South Florida Organized Fraud Task Force arrested a Russian national wanted by INTERPOL who was a key player in a \$1 million identity theft scheme. The suspect was federally indicted for violations of 18 USC 1028 (Identity Theft) and 18 USC 1343 (Wire Fraud) as a result of a joint investigation between the Coral Springs (Florida) Police Department and the Secret Service Miami Field Office. The suspect and three other co-conspirators obtained in excess of \$1 million in new vehicles using false driver's licenses and credit with information obtained through stolen identities provided by a collusive auto dealership employee.
- **Seven Arrested for Restaurant Skimming Operation** – On July 17, Secret Service Agents from the Chattanooga Resident Office and members of the Hamilton County Sheriff's Department arrested seven individuals following their federal indictments for violation of 18 USC 1029 (Access Device Fraud). The arrests stemmed from an investigation into a scheme to skim genuine credit card numbers from patrons at a local restaurant and then re-encode the skimmed credit card numbers onto altered genuine credit cards. The altered genuine credit cards were then used to fraudulently obtain over \$158,000 in merchandise.
- **Stolen ID Operation Shut Down, 10 Arrested** – After receiving a request from the Illinois State Police regarding fictitious Illinois State Driver's Licenses and false identification documents, a Secret Service investigation uncovered an operation responsible for selling genuine Social Security cards and birth certificates to illegal aliens, which were then being used to secure valid Illinois State Driver's Licenses. Ten individuals involved in the operation were charged with violations of 18 USC 1028 (Fraudulent Identification documents) and 18 USC 371 (Conspiracy).
- **Suspect Arrested in \$800,000 Identity Theft Ring** - On June 27, U.S. Secret Service agents arrested an individual suspected of being the mastermind behind counterfeit credit card/identity theft ring in the Detroit area. Working in conjunction with the Detroit Metro Identity Fraud Task Force, agents identified the individual – known by the alias “Frank” – as the person behind the operation, which involved the skimming of credit card numbers from area retailers and the production of counterfeit credit cards and false identification cards. In the last four years, the suspect and his associates are responsible for nearly \$800,000 in losses to area merchants.

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- **Million-Dollar Credit Card Fraud Scheme Stopped** – On June 26, Agents of the Houston Field Office arrested two individuals for violation of 18 USC 1029 - Access Device Fraud and 18 USC 371 Conspiracy to commit Access Device Fraud. The suspects had conspired to commit numerous types of credit fraud to include instant credit fraud, account takeover, re-encoding credit cards, identity theft and the production of counterfeit identification. They had committed these crimes continuously over a period of two years, netting nearly \$1 million. Information was obtained through one of the suspects, who worked in the billing department of a local doctor's office and would provide copies of credit card receipts. To date 828 credit card account numbers have been uncovered by agents investigating the case, though it is believed that over 2,000 credit card numbers may have been obtained.
- **14 Arrested in \$10 Million Bank Fraud Case** - On June 18, the Secret Service Newark Field Office, working together with the FBI, U.S. Postal Inspection Service and the Hudson County Prosecutor's Office arrested 14 people involved in a bank fraud scheme. The suspects, using assumed or stolen identities, compromised bank accounts and then conspired to launder proceeds, using the funds as down payments on luxury homes in exclusive neighborhoods. With the assistance of collusive mortgage brokers and appraisers, the suspects then obtained first and second mortgages which exceeded the actual value of the properties, enabling the "buyers" to walk away with hundreds of thousands of dollars in cash at the closing. Also involved in this group is an individual who conspired to re-enact life insurance policies on terminally ill patients, in an effort to collect substantial benefits. Fifteen teams, made up of thirty law enforcement agencies, executed 25 search/arrest warrants, resulting in 13 individuals arrested in New Jersey, and one additional arrest in Philadelphia. The actual fraud loss is estimated at \$10,000,000.
- **\$6 Million Identity Theft Ring Busted** – After a two-year joint investigation, on June 5, the Secret Service San Francisco Field Office and Berkeley Police arrested two individuals responsible for a nationwide counterfeiting and identity theft ring that resulted in nearly \$6 million in losses from thousands of victims. As part of the investigation, at least 65 local and federal law enforcement officers served 12 search warrants Thursday, including locations in Berkeley, Oakland, San Leandro, Richmond, Antioch, Vallejo and Stockton looking for evidence. Among the items seized were a large number of counterfeit \$100 traveler checks, counterfeit personal checks, personal identification cards, including driver's licenses, and thousands of "personal profiles," which included names of probable victims, dates of birth, and Social Security and credit card numbers.
- **Miami Agents Shut Down Credit Card/False ID Plant** - As part of a six month investigation, on May 29, Secret Service agents from the Miami Field Office arrested four Cuban nationals and seized a large scale Counterfeit credit card/False Identification plant in South Beach. The target of the investigation was charged with manufacturing counterfeit credit cards and false driver's licenses. A total of 314 counterfeit drivers licenses were seized, as well as a number of Social Security cards and INS Employment Authorization cards. Machines seized included card printers, two drivers license machines, a tipper, computers, an embosser, a manual embosser for logo's, and equipment to replicate credit card holograms.