



THE UNITED STATES ATTORNEY'S OFFICE
DISTRICT OF NEW JERSEY

Two Plead Guilty in New Jersey Federal Court to Roles in Multimillion-Dollar International Cybercrime Scheme

FOR IMMEDIATE RELEASE

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Defendants Managed "Cash Out" Crews for Organization that Allegedly Capitalized on Information Hacked From Customers of More Than a Dozen Global Financial Institutions

TRENTON, N.J. – An alleged member of an international cybercrime, identity theft and credit card fraud conspiracy admitted today to using information hacked from customer accounts held at more than a dozen banks, brokerage firms, payroll processing companies and government agencies in an attempt to steal at least \$15 million from American customers, the second member of the conspiracy to plead guilty this week, U.S. Attorney Paul J. Fishman announced.

Robert Dubuc, 40, of Malden, Mass. – who was in court today – and Oleg Pidtergerya, 49, of Brooklyn, N.Y. – who was in court yesterday, March 31, 2014 – each pleaded guilty to an information charging one count of wire fraud conspiracy, and one count of conspiracy to commit access device fraud and identity theft. Both defendants entered their guilty pleas before U.S. District Judge Peter G. Sheridan in Trenton federal court.

According to documents filed in the case and statements made in court:

Both Dubuc and Pidtergerya were asked by leaders of the conspiracy to participate in a scheme to "cash out" bank accounts and pre-paid debit cards opened in the names of others. Oleksiy Sharapka, 33, of Kiev, Ukraine, allegedly directed the conspiracy with the help of Leonid Yanovitsky, 39, also of Kiev. Pidtergerya managed a cash out crew in New York for Sharapka and Yanovitsky, and defendant Dubuc controlled a cash out crew in Massachusetts for the organization.

Pursuant to the scheme, conspiring hackers first gained unauthorized access to the bank accounts of customers of more than a dozen global financial institutions and businesses, including: Aon Hewitt; Automatic Data Processing Inc.; Citibank N.A.; E-Trade; Electronic Payments Inc.; Fundtech Holdings LLC, iPayment Inc.; JP Morgan Chase Bank N.A.; Nordstrom Bank; PayPal; TD Ameritrade; U.S. Department of Defense, Defense Finance and Accounting Service; TIAA-CREF; USAA; and Veracity Payment Solutions Inc.

After obtaining unauthorized access to the bank accounts, Sharapka and Yanovitsky diverted money from them to bank accounts and pre-paid debit cards they controlled. They then implemented a sophisticated "cash out" operation, employing crews of individuals known as "cashers" to withdraw the stolen funds from the Fraudulent Accounts, among other ways, by making ATM withdrawals and fraudulent purchases in New York, Massachusetts, Illinois, Georgia and elsewhere. Both Sharapka and Yanovitsky are under indictment in the United States and remain at large.

During their guilty plea proceedings, Pidtergerya and Dubuc admitted they were aware fraudulent accounts and cards were created without the consent of the individuals in whose names they were opened. Both men

admitted coordinating ATM and bank withdrawals of the stolen funds. In addition they admitted to sending proceeds of the fraud to Sharapka and Yanovitsky in Ukraine.

The government's ongoing investigation into the organization has so far identified attempts to defraud the victim companies and their customers of more than \$15 million.

The wire fraud conspiracy count carries a maximum potential penalty of 20 years in prison, and the conspiracy to commit access device fraud and identity theft count carries a maximum potential penalty of five years in prison. Each count also carries a maximum \$250,000 fine, or twice the gross gain or loss from the offense. Sentencing is scheduled for July 7, 2014, for Pidtergerya and July 8, 2014, for Dubuc.

U.S. Attorney Fishman credited the U.S. Secret Service, under the direction of Special Agent in Charge James Mottola; U.S Immigration and Customs Enforcement, Homeland Security Investigations, under the direction of Special Agent in Charge Andrew M. McLees; Department of Defense, Defense Criminal Investigative Service, under the direction of Special Agent in Charge Jeffery D. Thorpe, Cyber Field Office; and IRS-Criminal Investigation, under the direction of Acting Special Agent in Charge Jonathan D. Larsen, with the ongoing investigation. He also thanked the Department of Homeland Security's Customs and Border Protection for assistance with the Yarmolitsky arrest.

The government is represented by Economic Crimes Unit Chief Gurbir S. Grewal of the U.S. Attorney's Office in Newark.

The charges and allegations concerning alleged conspirators are merely allegations and the defendants are presumed innocent unless and until proven guilty.

This case was brought in coordination with President Barack Obama's Financial Fraud Enforcement Task Force. The task force was established to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. With more than 20 federal agencies, 94 U.S. Attorneys' offices and state and local partners, it's the broadest coalition of law enforcement, investigatory and regulatory agencies ever assembled to combat fraud. Since its formation, the task force has made great strides in facilitating increased investigation and prosecution of financial crimes; enhancing coordination and cooperation among federal, state and local authorities; addressing discrimination in the lending and financial markets and conducting outreach to the public, victims, financial institutions and other organizations. Over the past three fiscal years, the Justice Department has filed nearly 10,000 financial fraud cases against nearly 15,000 defendants including more than 2,900 mortgage fraud defendants. For more information on the task force, please visit www.stopfraud.gov.

Defense counsel:

Oleg Pidtergerya: Mitchell Elman Esq., Port Washington, N.Y.

Robert Dubuc: Angelo Servidio Esq., Nutley, N.J.

Pidtergerya, Oleg Information

Dubuc, Robert Information