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Los Angeles Man Sentenced to Prison for Role in International Computer Hacking and Internet Fraud Scheme

A Los Angeles man who admitted to defrauding computer distributor Ingram Micro, Inc. and numerous online retailers, including Hewlett-Packard.Com and OfficeDepot.Com, was sentenced on Wednesday to 33 months in federal prison. Thomas Pae, 20, was sentenced on charges of wire fraud, conspiracy and credit card fraud for his involvement in an international computer hacking and Internet fraud scheme targeting Ingram Micro, the largest global wholesale distributor of technology products, based in Santa Ana, California. Pae pleaded guilty to the charges and admitted that in 2001 he participated in a scheme involving computer hackers in Romania who had gained unauthorized access to Ingram Micro's online ordering system and placed hundreds of thousands of dollars of fraudulent orders for computer equipment. The equipment was sent to locations controlled by Pae and his co-conspirators in the Los Angeles area and then repackaged and sent to Eastern Europe. Pae also admitted that he purchased credit card numbers from hackers on the Internet and used the cards to purchase computer chips, hard drives, personal digital assistants and other items from Handspring.Com, Amazon.Com and Egghead.Com. Pae admitted that he and his co-conspirators attempted to purchase over $500,000 in computer equipment and other items from Ingram Micro and the other online retailers. Pae was sentenced by United States District Judge Lourdes G. Baird who also ordered Pae to pay $324,061 in restitution to the victims of his crimes. In addition, once released from prison, Judge Baird imposed significant restrictions on his use of computers while he is under supervised release for a period of three years. Six other defendants involved in the scheme have also pleaded guilty to federal charges and three are awaiting sentencing.

This case was investigated by the Los Angeles Field Office of the FBI, Cyber Crimes Squad. CONTACT: Assistant United States Attorney Arif Alikhan, (213) 894-2476 Chief, Computer Crimes Section