NEWS

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Computer Hacker Fugitive Extradited for Cybercrimes Relating to VOIP Telephone Services

(More)

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NEWARK, N.J. – A Venezuelan citizen arrested in Mexico last February on hacking and wire fraud charges has been extradited and is expected to appear in court tomorrow in New Jersey, U.S. Attorney Paul J. Fishman, announced.

Edwin Pena, 26, is scheduled to appear tomorrow at 2 p.m. before U.S. Magistrate Judge Claire C. Cecchi for an initial appearance. A 20-count Indictment charges Pena with conspiracy to secretly hack into the computer networks of unsuspecting Voice Over Internet Protocol (VOIP) phone service providers; conspiracy to commit wire fraud by transmitting telephone calls over the victim's networks; and individual hacking and wire fraud counts.

Pena's arraignment on the indictment is scheduled for Oct. 23 before U.S. District Judge Susan D. Wigenton, to whom the case has been assigned.

Pena was extradited from Mexico following his arrest on Feb. 6, 2009. He is scheduled to arrive in Newark at approximately 6:30 p.m. in the custody of the FBI. Tomorrow, the U.S. Attorney's Office will ask Judge Cecchi to continue Pena's detention pending trial.

"This extradition represents the continued success of the United States in working with foreign countries to bring alleged cyber criminals to justice," said Fishman. "No one should feel free and comfortable from prosecution or detection merely be being in another country."

Pena was first charged on June 6, 2006, in the District of New Jersey in a criminal Complaint that set forth the scheme described in the subsequent indictment. He was arrested on that Complaint on June 7, 2006, and released the next day on $100,000 bail set by a federal magistrate judge in Florida. Pena appeared in Court in New Jersey on June 29, 2006, and on approximately Aug. 12, 2006, Pena allegedly fled the country to avoid prosecution.

Pena was indicted on fraud and computer hacking charges for his role in a scheme to defraud Voice Over Internet Protocol (VoIP) telephone service providers. Pena, who purported to be a legitimate wholesaler of these Internet-based phone services, allegedly sold discounted service plans to his unsuspecting customers. The Indictment alleges that Pena was able to offer such low prices because he would secretly hack into the computer networks of unsuspecting VoIP providers, including one Newark-based company, to route his customers' calls.

Through this scheme, Pena is alleged to have sold more than 10 million minutes of Internet phone service to telecom businesses at deeply discounted rates, causing a loss of more than $1.4 million in less than a year. The victimized Newark-based company,

which transmits VoIP services for other telecom businesses, was billed for more than 500,000 unauthorized telephone calls routed through its calling network that were "sold" to the defendant's unwitting customers at those deeply discounted rates, according to the Indictment.

The case is being prosecuted by Assistant U.S. Attorney Erez Liebermann in the U.S. Attorney's Office Computer Hacking and Intellectual Property group, within the Commercial Crimes Unit.

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Defense Counsel: Joseph Chambrot, Esq., Miami, Fla.