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News Release

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Romanian national pleads guilty to possessing unauthorized credit cards numbers, identity theft

A 22-year-old Romanian national pleaded guilty yesterday in federal court to possessing unauthorized credit card numbers in connection with an Internet "phishing" scheme to collect personal information of individuals and sell it.

On Oct. 6 in Minneapolis, Sergiu Daniel Popa pleaded guilty to one count of possession of 15 or more unauthorized access devices and one count of aggravated identity theft. He was indicted on June 19, 2007, and entered his plea before United States District Court Judge John Tunheim. Popa was extradited to the U.S. from Spain in June.

According to Popa's plea agreement, from June 2000 through February 2007 Popa resided in New York and Michigan, and maintained two e-mail accounts. Popa used the accounts to harvest, via the phishing scheme, personal identification and financial information, such as names, addresses, bank account numbers, credit card numbers, Social Security account numbers and personal identification numbers of thousands of individuals, including some Minnesota residents.

In Popa's scheme, he created fraudulent e-mails and fraudulent Web sites to appear as if they were authorized by legitimate entities. As the defendant intended, pursuant to his scheme, those victims who received his e-mails and went to his Web sites were tricked into providing their personal identification and financial information, believing that a legitimate institution had requested the information.

From May 2004 to February 2007, Popa admitted to possessing tens of thousands of e-mail addresses collected from various Internet sources, which he collected for the purpose of sending phishing e-mails that would direct the recipient to phishing Web sites to enter their personal identification and financial information.

The plea agreement states that on several occasions, including in February and November 2004 and in January 2005, Popa offered by e-mail to sell stolen personal identification

information. During an executed search warrant at Popa's residence, police recovered a machine for imprinting graphics on blank white cards, foil ribbons for making the holographics that appear on identification cards and credit cards, as well as blank plastic cards and partially created false drivers' license and credit cards.

Specifically, Popa admitted that on Jan. 2, 2007, he knowingly possessed with intent to defraud, names, credit card numbers and personal identification numbers for approximately 21 individuals, including Minnesota residents. Popa also admitted that on Jan. 2, 2007, he committed aggravated identity theft by knowingly possessing without lawful authority a means of identification of another person, namely the names, credit card numbers and personal identification numbers for the 21 individuals, during and in relation to other violations of federal law.

The plea agreement states that more than 7,000 individual victims suffered actual losses totaling approximately $700,000 as a result of identity theft crimes perpetrated by Popa.

According to a Federal Bureau of Investigation affidavit, the agency began investigating Popa in January 2005. The FBI executed a number of search warrants directed to Internet Service Providers hosting e-mail accounts, and agents found Popa's two accounts, along with other evidence of Popa's phishing scheme.

The affidavit cites an e-mail dated Jan. 16, 2005, sent from one of Popa's e-mail accounts, that contained a file – which had credit card information for about 5,889 victims, 96 of which were from Minnesota, including 34 from Hennepin County.

Popa faces a potential maximum penalty of ten years on the credit card number possession count and a mandatory statutory minimum penalty of two years on the identity theft count. Judge Tunheim will determine Popa's sentence at a future date.

This case is the result of an investigation by the FBI, and is being prosecuted by Assistant U.S. Attorney Nicole A. Engisch.

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