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Romanian Authorities Arrest 9 of 22 Defendants Charged in Organized Crime Group

21 Simultaneous Searches Reveal Evidence of Massive "Phishing" and Fraud Scheme

The press office of the Prosecutor's Office by the High Court of Cessation and Justice is authorized to bring to the attention of the public the following:

On November 13, 2007 Prosecutors from the Directorate for Investigating Organized Crime and Terrorism arrested 9 of the 22 persons who were charged for the crimes of setting up an organized criminal group, computer fraud, fraudulent use of electronic payment instruments, and production and maintenance of equipment needed to counterfeit electronic payment instruments.

In March of this year investigators received information that massive fraudulent transactions using stolen credit cards were taking place on the Western Union system in several Romanian counties. In April 2007, a bank notified Romanian authorities that if had been the target of "phishing" attacks. By means of data provided by the bank, other victim financial institutions abroad were identified which had also been "phished."

Electronic monitoring and physical surveillance of the criminal group identified the subjects' specialties and their advanced computer knowledge. The investigation established the group's methods, as follows:

- use of specialized software for "phishing" attacks against banks abroad;
- collection of identification data from electronic payments instruments (names of holders, credit cards, pin code, etc.)
- fraudulent use of data and creation of cloned credit cards;
- financial transfers via the Western Union payment system and physical withdrawals from ATMs;
- collection of identification data from credit cards through "skimming" (the use of devices to physically copy of the magnetic strips on credit cards).

On November 13, 2007, 21 simultaneous searches were performed at locations in Bucharest and Constanta, Romania, resulting in the identification of computer systems used to commit the crimes, electronic equipment, false ATM "faces", card reading and writing devices, blank cards, etc.

Losses estimated so far over two months total approximately $130,000.

The dismantlement of this organized crime network was the result of close cooperation with the US Department of Justice and FBI through its Legal Attache in Bucharest, together with police officers of the General Directorate for Combating Organized Crime and the Constanta Brigade for Combating Organized Crime, supported by the fighters of Romanian Gendarmerie.

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