Presented to the Court by the foreman of the Grand Jury in open Court, in the presence of the Grand Jury and FILED in the U.S. DISTRICT COURT at Seattle, Washington.

MARCH 28 20 21

WILLIAM M. McCOOL, Clerk

By _____ Deputy

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

DAVID BENJAMIN SCHROOTEN,

Defendant.

NO. CR12 085 JLR

INDICTMENT

The Grand Jury charges that:

COUNT 1
(Conspiracy to Commit Access Device Fraud and Bank Fraud)

1. Beginning on a date uncertain, but not later than June 25, 2011, and continuing until on or about March 15, 2012, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN did knowingly and willfully conspire, combine, confederate, and agree together with others, known and unknown, to commit offenses against the United States, to wit: access device fraud, in violation of Title 18, United States Code, Section 1029(a)(3), and bank fraud, in violation of Title 18, United States Code, Section 1344, and committed acts in furtherance of that conspiracy.

Object and Purpose of the Conspiracy

2. The object of the conspiracy was to work together with others, including known computer hackers, to use a variety of means, including computer hacking, to

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illicitly gain possession of thousands of stolen credit card numbers, including credit card numbers that had been issued by the Boeing Employees Credit Union to residents of the Western District of Washington; to market those stolen credit card numbers on and through "carding" websites that had been established by DAVID BENJAMIN SCHROOTEN and others; to sell and distribute the stolen credit cards through the carding websites to individuals who would then use them for fraudulent transactions that victimized and caused financial losses to the issuing banks; and by the fraudulent sale of the stolen credit card numbers to generate illicit financial proceeds for the use and personal benefit of DAVID BENJAMIN SCHROOTEN and his coconspirators.

C. Manner and Means of the Conspiracy

3. It was part of the conspiracy that DAVID BENJAMIN SCHROOTEN's coconspirators, known and unknown to the Grand Jury, gained unauthorized access to ("hacked") point of sale computer systems of commercial businesses in order to steal the credit card numbers of those businesses' customers.

4. It was further part of the conspiracy that DAVID BENJAMIN SCHROOTEN and others, known and unknown to the Grand Jury, hacked established carding websites belonging to others, in order to steal databases that contained stolen credit card numbers.

5. It was further part of the conspiracy that DAVID BENJAMIN SCHROOTEN's coconspirators, known and unknown to the Grand Jury, hacked the computer servers or networks of payment processors, in order to steal credit card numbers and associated identifying information.

6. It was further part of the conspiracy that DAVID BENJAMIN SCHROOTEN, together with coconspirators, known and unknown to the Grand Jury, processed and compiled the stolen credit card numbers that they received from multiple sources, and organized them for sale by criteria that included the Bank Identification Numbers ("BIN"s) of the banks that had issued the stolen credit card numbers, and also the (likely) states of residence of the stolen numbers cardholders.

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7. It was further part of the conspiracy that DAVID BENJAMIN SCHROOTEN worked with coconspirators, known and unknown to the Grand Jury, to build and establish carding websites from which DAVID BENJAMIN SCHROOTEN and his coconspirators would market, sell and distribute credit card numbers that they knew to be stolen, including credit card numbers that had been issued by the Boeing Employees Credit Union to residents of the Western District of Washington.

8. It was further part of the conspiracy that DAVID BENJAMIN SCHROOTEN and his coconspirators, known and unknown to the Grand Jury, sold stolen credit card numbers from their carding websites, with full knowledge and the intent that the numbers would be used subsequently in fraudulent transactions throughout the United States, and the world.

9. It was further part of the conspiracy that the stolen credit card numbers that were sold through the carding websites of DAVID BENJAMIN SCHROOTEN and his coconspirators, known and unknown to the Grand Jury, were in fact routinely used in fraudulent transactions throughout the United States, and the world, which transactions caused substantial financial losses to the banks that had issued the stolen credit card numbers.

10. It was further part of the conspiracy that DAVID BENJAMIN SCHROOTEN and his coconspirators, known and unknown to the Grand Jury, received illicit proceeds and profits from the sale of stolen credit card numbers through their carding websites, and that DAVID BENJAMIN SCHROOTEN and his coconspirators converted those illicit proceeds to their own personal use and benefit.

D. Overt Acts

11. In furtherance of the conspiracy and to achieve the object thereof, at least one of the coconspirators committed or caused to be committed, in the Western District of Washington, and elsewhere, at least one of the following overt acts, among others:

12. On or about June 25, 2011, and continuing to June 30, 2011, DAVID BENJAMIN SCHROOTEN had online "chat" discussions with a coconspirator regarding

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the hack of a website that was a carding website for the sale of stolen credit card numbers.

13. In an online chat on or about June 26, 2011, DAVID BENJAMIN SCHROOTEN posted a link to a coconspirator, which made it possible for the coconspirator to download a file from one of DAVID BENJAMIN SCHROOTEN's server computers, that DAVID BENJAMIN SCHROOTEN had previously downloaded from a carding website.

14. During the period between June 25, 2011 and June 30, 2011, DAVID BENJAMIN SCHROOTEN and a coconspirator hacked a carding website, and downloaded content from it.

15. On or about June 26, 2011, DAVID BENJAMIN SCHROOTEN and a coconspirator discussed establishing a new carding website.

16. On or about June 26, 2011, through June 27, 2011, DAVID BENJAMIN SCHROOTEN worked together with a coconspirator to create their new carding website, and loaded content to it that included stolen credit card numbers they had obtained through hacking another carding website.

17. On or about July 2, 2011, DAVID BENJAMIN SCHROOTEN's coconspirator gained access to a carding website and downloaded content to a hard drive, and thereafter uploaded the data to a server that DAVID BENJAMIN SCHROOTEN and his coconspirator controlled. The data included over 44,000 stolen credit card numbers.

18. On or about July 2, 2011, DAVID BENJAMIN SCHROOTEN knowingly transferred, possessed and used, without lawful authority, a means of identification of another person, to wit, the personally identifiable credit card number of ****-****-****-0511, belonging to J.C., of Seattle, WA.

19. On or about July 2, 2011, DAVID BENJAMIN SCHROOTEN and his coconspirator discussed stolen credit card numbers, and how they could best serve "customers" of their carding website.

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20. On or about July 13, 2011, DAVID BENJAMIN SCHROOTEN registered a domain, and on or about, July 17, 2011 DAVID BENJAMIN SCHROOTEN and co-conspirators created and established a new carding website, at that domain.

21. On or about December 22, 2011, DAVID BENJAMIN SCHROOTEN registered another domain name.

22. On a date uncertain, but between the period June 26, 2011 and December 28, 2011, DAVID BENJAMIN SCHROOTEN and his coconspirators relaunched two carding websites, and created a link between them.

23. On or about July 20, 2011, through August 3, 2011, DAVID BENJAMIN SCHROOTEN and a conconspirator knowingly hacked, and aided and abetted the hack of the point of sale computer network of a business located in the Western District of Washington; installed malicious software used to harvest and steal credit card numbers; and stole credit card numbers including credit card numbers issued by the Boeing Employees Credit Union ("BECU") to residents of the Western District of Washington.

24. On or about December 28, 2011, DAVID BENJAMIN SCHROOTEN and his coconspirators possessed and had posted for sale on their carding website over 130 credit card numbers listed as belonging to Washington State residents, which included eight credit cards issued by BECU.

25. On or about March 15, 2012, DAVID BENJAMIN SCHROOTEN had unauthorized possession of, and distributed, over the Internet, 289 unique credit card numbers that had been issued by BECU.

26. Each of the substantive criminal charges set forth in this Indictment as Counts 2 through 14 are hereby incorporated by reference as overt acts.

All in violation of Title 18, United States Code, Section 371.

COUNT 2
(Access Device Fraud)

1. Paragraphs 1 through 26 of Count 1 are realleged and incorporated as if fully set forth herein.

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2. On or about December 28, 2011, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN, knowingly and with intent to defraud, possessed fifteen or more unauthorized access devices, that is, credit card account numbers that included credit card numbers that had been issued by the Boeing Employees Credit Union, and belonged to individuals who included residents of the Western District of Washington, said possession affecting interstate and foreign commerce, in that the unauthorized access devices were possessed in order to market and sell them to others located all over the world, for the intended purpose of making fraudulent purchases with them in multiple states within the United States, and foreign countries.

All in violation of Title 18, United States Code, Sections 1029(a)(3) and 1029(c)(1)(A)(i), and 2.

COUNT 3
(Access Device Fraud)

1. Paragraphs 1 through 26 of Count 1 are realleged and incorporated as if fully set forth herein.

2. On or about March 15, 2012, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN, knowingly and with intent to defraud, possessed fifteen or more unauthorized access devices, that is, credit card account numbers that included credit card numbers that had been issued by the Boeing Employees Credit Union, and belonged to individuals who included residents of the Western District of Washington, said possession affecting interstate and foreign commerce, in that the unauthorized access devices were possessed in order to market and sell them to others, located all over the world, for the intended purpose of making fraudulent purchases with them in multiple states within the United States, and foreign countries.

All in violation of Title 18, United States Code, Sections 1029(a)(3) and 1029(c)(1)(A)(i), and 2.

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COUNTS 4 - 8
(Bank Fraud)

A. The Offense

1. Beginning at a time unknown, but no later than June 25, 2011, and continuing through on or about March 15, 2012, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN and others, known and unknown to the Grand Jury, knowingly and willfully devised and executed a scheme and artifice to defraud various financial institutions ("the banks,"), including, but not limited to Boeing Employees' Credit Union ("BECU"), a financial institution as defined by Title 18, United States Code, Section 20, and to obtain moneys, funds, and credits under the custody and control of the banks by means of material false and fraudulent pretenses, representations and promises, as further described below.

2. The object of the scheme and artifice was to steal, or otherwise obtain illicit access to and possession of credit card numbers that had been issued by the banks, including BECU, to individuals or companies; to market the stolen credit card numbers on "carding websites" that were established and controlled by DAVID BENJAMIN SCHROOTEN and his associates; to sell the stolen credit card numbers from the websites to others, with the knowledge and intent that they would then be used in fraudulent transactions, throughout the United States and the world; and, by way of the scheme, to obtain illicit proceeds, funded by and derived primarily from the banks (located in the Western District of Washington, and elsewhere), that had originally issued the stolen credit card numbers. By way of this series of criminal actions, DAVID BENJAMIN SCHROOTEN and others, known and unknown to the Grand Jury, intended to and did generate and receive illicit profits, that they then converted to their own personal benefit and use.

B. Manner and Means of the Scheme and Artifice to Defraud

3. The manner and means of the scheme and artifice are set forth in Paragraphs 1 through 26 of Count 1 of this Indictment, and said paragraphs are incorporated by reference as if fully set forth herein.

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C. Execution of the Scheme and Artifice to Defraud

4. DAVID BENJAMIN SCHROOTEN and others, known and unknown to the Grand Jury, knowingly and willfully obtained possession of, and then also sold stolen credit card numbers that had been issued by BECU, as identified below; selling those stolen numbers with the knowledge and intent that they would then be used for fraudulent transactions, and which stolen credit card numbers were then used for fraudulent transactions, on the dates as also specified below:

Count	Date (on or about) stolen credit card nos. used fraudulently	Credit card acct. nos. issued by BECU
4	02/01/2012	****-****-****-0511
5	02/01/2012	****-****-****-9067
6	04/25/2011	****-****-****-2817
7	08/20/2011	****-****-****-9769
8	12/21/2011	****-****-****-2169

All in violation of Title 18, United States Code, Sections 1344 and 2.

COUNT 9
(Intentional Damage to a Protected Computer)

1. Paragraphs 1 through 26 of Count 1 are realleged and incorporated as if fully set forth herein.

2. On our about July 20, 2011, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN and coconspirators known and unknown to the Grand Jury, knowingly caused, and aided and abetted the transmission of a program, information, code, and command, and as a result of that conduct, intentionally caused and attempted to cause damage, without authorization, to a protected computer, to wit, by causing the installation of malware on a credit card processing computer

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belonging to and located at a restaurant in Seattle, WA, and by such conduct caused loss to one or more persons during a one year period aggregating at least $5,000 in value.

All in violation of Title 18, United States Code, Sections 1030(a)(5)(A) and 1030(c)(4)(B)(i), and 2.

COUNT 10
(Aggravated Identity Theft)

1. Paragraphs 1 through 26 of Count 1 are realleged and incorporated as if fully set forth herein.

2. On or about July 2, 2011, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN knowingly transferred, possessed and used, without lawful authority, a means of identification of another person, to wit, the personally identifiable credit card number of ****-****-****- 0511, belonging to J.C., of Seattle, WA, during and in relation to a felony listed in Title 18, United States Code, Section 1028A(c), to wit, Access Device Fraud, in violation of Title 18, United States Code, Section 1029.

All in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 11
(Aggravated Identity Theft)

1. Paragraphs 1 through 26 of Count 1 are realleged and incorporated as if fully set forth herein.

2. On or about March 15, 2012, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN knowingly transferred, possessed and used, without lawful authority, a means of identification of another person, to wit, the personally identifiable credit card number of ****-****-****- 9067, belonging to J.B., of Snohomish, WA, during and in relation to a felony listed in Title 18, United States Code, Sections 1028A(c), to wit, Access Device Fraud, in violation of Title 18, United States Code, Section 1029.

All in violation of Title 18, United States Code, Section 1028A(a)(1) and 2.

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COUNT 12
(Aggravated Identity Theft)

1. Paragraphs 1 through 26 of Count 1 are realleged and incorporated as if fully set forth herein.

2. On or about March 15, 2012, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN knowingly transferred, possessed and used, without lawful authority, a means of identification of another person, to wit, the personally identifiable credit card number of ****-****-****- 2817 belonging to A.F., of Lake Stevens, WA, during and in relation to a felony listed in Title 18, United States Code, Section 1028A(c), to wit, Access Device Fraud, in violation of Title 18, United States Code, Section 1029.

All in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 13
(Aggravated Identity Theft)

1. Paragraphs 1 through 26 of Count 1 are realleged and incorporated as if fully set forth herein.

2. On or about March 15, 2012, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN knowingly transferred, possessed and used, without lawful authority, a means of identification of another person, to wit, the personally identifiable credit card number of ****-****-****- 9769, belonging to B.D, of Vancouver, WA, during and in relation to a felony listed in Title 18, United States Code, Section 1028A(c), to wit, Access Device Fraud, in violation of Title 18, United States Code, Section 1029.

All in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

COUNT 14
(Aggravated Identity Theft)

1. Paragraphs 1 through 26 of Count 1 are realleged and incorporated as if fully set forth herein.

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2. On or about March 15, 2012, within the Western District of Washington and elsewhere, DAVID BENJAMIN SCHROOTEN knowingly transferred, possessed and used, without lawful authority, a means of identification of another person, to wit, the personally identifiable credit card number of ****-****-****- 2169, belonging to M.G., of Bellevue, WA, during and in relation to a felony listed in Title 18, United States Code, Section 1028A(c), to wit, Access Device Fraud, in violation of Title 18, United States Code, Section 1029.

All in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

A TRUE BILL:

DATED:

Signature of Foreperson redacted pursuant to policy of the Judicial Conference

FOREPERSON

JENNY A. DURKAN
United States Attorney

Carl Blackstone
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