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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

February 2009 Grand Jury

UNITED STATES OF AMERICA,	)	Case No. _____
	)	
Plaintiff,	)	<u>I N D I C T M E N T</u>
	)	
v.	)	Title 18, U.S.C., Sec. 371 -
	)	Conspiracy; Title 18, U.S.C.,
JEFFREY STEVEN GIRANDOLA (1),	)	Sec. 1030(a)(4) - Unlawfully
KAJOHN PHOMMAVONG (2),	)	Accessing a Computer with Intent
	)	to Defraud; Title 18, U.S.C.,
Defendants.	)	Secs. 1029(a)(2) and (b)(1) -
	)	Access Device Fraud; Title 18,
	)	U.S.C., Sec. 1028A(a)(1) -
	)	Aggravated Identity Theft;
	)	Title 18, U.S.C., Sec. 2 - Aiding
	)	and Abetting

The grand jury charges:

Count 1

[18 U.S.C. § 371]

At all relevant times:

1. The United States Department of Defense ("DoD"), Defense Finance and Accounting Service ("DFAS"), provides an Internet accessible secure website to DoD employees, including members of the United States Armed Forces, to view and change information related to their payroll and tax information. This service is known as DFAS MyPay. Among other things, through DFAS MyPay, DoD employees can direct their payroll deposits into personal bank accounts. The DFAS MyPay computer server physically is located in Mechanicsburg, Pennsylvania.

1           2.     Independent Living, located in Jupiter, Florida, is in the  
2 business of selling products designed to assist senior citizens.  
3 Independent Living maintains an account with a company named  
4 CyberSource to handle their credit card processing and e-commerce  
5 business.

6           3.     Evolution Management, Green Dot Corporation, MoneyTree and  
7 Buy Right are companies which are in the business of providing pre-  
8 paid credit cards to their customers.

9           4.     "Peer-to-Peer" or "P2P" software programs allow their users  
10 to share data with other users of that software. Most P2P software  
11 is free and available to download to anyone with a computer and an  
12 Internet connection. After installation, the user can search all  
13 files made available for sharing by any other users of that program  
14 and download files of interest. Users can place files that the user  
15 wants to share into a folder on the user's computer designated for  
16 sharing. It is not unusual, however, for users to download corrupt  
17 P2P programs or to misconfigure the software and unintentionally allow  
18 all of the files on their computer to be shared to the community.

19           5.     Beginning at an unknown date, but at least by on or about  
20 November 22, 2005, and continuing up to and including on or about  
21 September 12, 2006, within the Southern District of California, and  
22 elsewhere, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN PHOMMAVONG  
23 knowingly conspired and agreed with each other and with other persons  
24 known and unknown to the Grand Jury to commit offenses against the  
25 United States: to wit; to access protected computers without  
26 authority, with intent to defraud, and by means of such conduct  
27 further the intended fraud and obtain anything of value, in violation  
28 of Title 18, United States Code, Section 1030(a)(4); and, to use and

1 attempt to use one or more unauthorized access devices during any one-  
2 year period and by such conduct obtain anything of value aggregating  
3 \$1,000 or more during that period, in violation of Title 18, United  
4 States Code, Section 1029(a)(2) and (b)(1).

5 Objects of the Conspiracy

6 6. It was an object of the conspiracy that the defendants would  
7 obtain the user names or other login information and passwords or  
8 personal identification numbers for online accounts at financial  
9 institutions or other financial service entities and use that  
10 information to unlawfully access the victim accounts and move money  
11 from the victim accounts to accounts controlled by the defendants.

12 7. It also was an object of the conspiracy that the defendants,  
13 after successfully moving funds to accounts that they controlled,  
14 would fund prepaid credit cards with the stolen money and use the  
15 cards to make purchases and to withdraw and attempt to withdraw cash  
16 from various Automated Teller Machines.

17 Manner and Means of the Conspiracy

18 8. It was part of the conspiracy that the defendants would  
19 install P2P software on computers under their control and search the  
20 available P2P network for online financial account logins and  
21 passwords.

22 9. It further was part of the conspiracy that the defendants  
23 would establish prepaid credit card accounts in each of their names  
24 at Evolution Management and at Green Dot and that defendant GIRANDOLA  
25 would establish prepaid credit card accounts in his name at MoneyTree  
26 and Buy Right.

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1           10. It further was part of the conspiracy that the defendants  
2 would use the login and password information that they obtained to  
3 access DFAS MyPay accounts without authority and redirect and attempt  
4 to redirect DoD payroll deposits to their prepaid credit card accounts  
5 at Evolution Management and at Green Dot.

6           11. It further was part of the conspiracy that the defendants  
7 accessed without authority the online bank account of Independent  
8 Living and transferred funds to their prepaid credit card accounts at  
9 Evolution Management and to defendant GIRANDOLA's accounts at  
10 MoneyTree and at Buy Right.

11           12. It further was part of the conspiracy that the defendants  
12 used and attempted to use their prepaid credit cards, which were  
13 funded with stolen funds, at various locations in the Southern  
14 District of California to make purchases and to withdraw and attempt  
15 to withdraw cash.

16           13. It further was part of the conspiracy that the defendants  
17 successfully transferred approximately \$19,967.43 in illegally  
18 obtained funds from DFAS MyPay accounts and from Independent Living  
19 to their prepaid credit card accounts; one DFAS transfer of  
20 approximately \$739.85 was halted in transit.

21                           Acts in Furtherance of the Conspiracy

22           14. The following acts, among others, were done to effect an  
23 object of the conspiracy, within the Southern District of California  
24 and elsewhere:

25           a. On or about November 22, 2005, from the residence of  
26 defendant PHOMMAVONG in San Diego, California, the DFAS MyPay  
27 account of victim W.M., of the United States Air Force, was  
28 accessed without authority and the direct deposit information

1 successfully changed to direct his next paycheck, in the amount  
2 of \$1,193.72, to a Green Dot prepaid credit card account in the  
3 name of defendant GIRANDOLA.

4 b. On or about January 5, 2006, from an unknown location in  
5 San Diego, California, the defendants accessed without authority  
6 the DFAS MyPay account of victim B.A., a civilian employee of  
7 the United States Navy, and successfully redirected his next  
8 paycheck, in the amount of \$1,233.43, to defendant GIRANDOLA's  
9 Green Dot account.

10 c. On or about July 9, 2006, from an unknown location in San  
11 Diego, California, the defendants accessed without authority the  
12 DFAS MyPay account of victim A.H., of the United States Air  
13 Force, and redirected his next paycheck, in the amount of  
14 \$1,429.45, to the Evolution Management prepaid credit card  
15 account in the name of defendant GIRANDOLA.

16 d. On or about August 12, 2006, from an unknown location in  
17 San Diego, California, the defendants accessed without authority  
18 the DFAS MyPay account of victim A.H., of the United States Air  
19 Force, and redirected his next paycheck, in the amount of  
20 \$1,429.45, to the Evolution Management prepaid credit card  
21 account in the name of defendant GIRANDOLA.

22 e. On or about August 15, 2006, from the residence of  
23 defendant GIRANDOLA in San Diego, California, the DFAS MyPay  
24 account of victim A.H., of the United States Air Force, was  
25 accessed without authority.

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1 f. On or about September 1, 2006, from the residence of  
2 defendant PHOMMAVONG in San Diego, California, the DFAS MyPay  
3 account of victim A.H., of the United States Air Force, was  
4 accessed without authority.

5 g. On or about August 11, 2006, from an unknown location in  
6 San Diego, California, the defendants accessed without authority  
7 the DFAS MyPay account of victim J.N., of the United States  
8 Marine Corps, and redirected a portion of his next paycheck, in  
9 the amount of \$181.38 to the Evolution Management prepaid credit  
10 card account in the name of defendant PHOMMAVONG.

11 h. On or about September 1, 2006, from the residence of  
12 defendant PHOMMAVONG in San Diego, California, the DFAS MyPay  
13 account of victim J.N., of the United States Marine Corps, was  
14 accessed without authority.

15 i. On or about September 1, 2006, from the residence of  
16 defendant PHOMMAVONG in San Diego, California, the DFAS MyPay  
17 account of victim R.P., retired from the United States Air  
18 Force, was accessed without authority and the direct deposit  
19 information changed to direct his next paycheck, in the amount  
20 of \$739.85, to a Green Dot prepaid credit card account in the  
21 name of defendant PHOMMAVONG; the transfer was prevented by DFAS  
22 security.

23 j. On or about September 8, 2006, from the residence of  
24 defendant GIRANDOLA in San Diego, California, the bank account  
25 of Independent Living was accessed without authority and  
26 \$2,500.00 transferred to a MoneyTree Mastercard prepaid credit  
27 card account of defendant GIRANDOLA.

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1 k. On or about September 9, 2006, from the residence of  
2 defendant GIRANDOLA in San Diego, California, the bank account  
3 of Independent Living was accessed without authority and  
4 \$2,000.00 transferred to the Evolution Management prepaid credit  
5 card account of defendant PHOMMAVONG.

6 l. On or about September 9, 2006, from the residence of  
7 defendant GIRANDOLA in San Diego, California, the bank account  
8 of Independent Living was accessed without authority and  
9 \$5,000.00 transferred to the Evolution Management prepaid credit  
10 card account of defendant GIRANDOLA.

11 m. On or about September 9, 2006, from the residence of  
12 defendant GIRANDOLA in San Diego, California, the bank account  
13 of Independent Living was accessed without authority and  
14 \$5,000.00 transferred to a Buy Right Mastercard prepaid credit  
15 card account of defendant GIRANDOLA.

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

17 Count 2

18 [18 U.S.C. §§ 1030(a)(4) and 2]

19 1. Paragraphs 1 through 5 of Count 1 are realleged and  
20 incorporated herein by reference.

21 2. On or about November 22, 2005, within the Southern District  
22 of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN  
23 PHOMMAVONG knowingly and with intent to defraud accessed the DFAS  
24 MyPay computer, a "protected computer" within the meaning of Title 18,  
25 United States Code, Section 1030(e)(2), without authorization and by  
26 means of such conduct furthered the intended fraud and obtained  
27 anything of value, to wit: the re-direction of the paycheck of  
28 victim W.M., of the United States Air Force, in the amount of

1 \$1,193.72, to a Green Dot prepaid credit card account in the name of  
2 defendant GIRANDOLA; in violation of Title 18, United States Code,  
3 Sections 1030(a)(4) and 2.

4 Count 3

5 [18 U.S.C. §§ 1030(a)(4) and 2]

6 1. Paragraphs 1 through 5 of Count 1 are realleged and  
7 incorporated herein by reference.

8 2. On or about January 5, 2006, within the Southern District  
9 of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN  
10 PHOMMAVONG knowingly and with intent to defraud accessed the DFAS  
11 MyPay computer, a "protected computer" within the meaning of Title 18,  
12 United States Code, Section 1030(e)(2), without authorization and by  
13 means of such conduct furthered the intended fraud and obtained  
14 anything of value, to wit: the re-direction of the paycheck of  
15 victim B.A., a civilian employee of the United States Navy, in  
16 the amount of \$1,233.43, to a Green Dot prepaid credit card  
17 account in the name of defendant GIRANDOLA; in violation of Title 18,  
18 United States Code, Sections 1030(a)(4) and 2.

19 Count 4

20 [18 U.S.C. §§ 1030(a)(4) and 2]

21 1. Paragraphs 1 through 5 of Count 1 are realleged and  
22 incorporated herein by reference.

23 2. On or about July 9, 2006, within the Southern District of  
24 California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN PHOMMAVONG  
25 knowingly and with intent to defraud accessed the DFAS MyPay computer,  
26 a "protected computer" within the meaning of Title 18, United States  
27 Code, Section 1030(e)(2), without authorization and by means of such  
28 conduct furthered the intended fraud and obtained anything of value,



1 to wit: the re-direction of the paycheck of victim A.H., of  
2 the United States Air Force, in the amount of \$1,429.45, to an  
3 Evolution Management prepaid credit card account in the name of  
4 defendant GIRANDOLA; in violation of Title 18, United States Code,  
5 Sections 1030(a)(4) and 2.

6 Count 5

7 [18 U.S.C. §§ 1030(a)(4) and 2]

8 1. Paragraphs 1 through 5 of Count 1 are realleged and  
9 incorporated herein by reference.

10 2. On or about August 11, 2006, within the Southern District  
11 of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN  
12 PHOMMAVONG knowingly and with intent to defraud accessed the DFAS  
13 MyPay computer, a "protected computer" within the meaning of Title 18,  
14 United States Code, Section 1030(e)(2), without authorization and by  
15 means of such conduct furthered the intended fraud and obtained  
16 anything of value, to wit: the re-direction of a portion of the  
17 paycheck of victim J.N., of the United States Marine Corps, in the  
18 amount of \$181.38, to an Evolution Management prepaid credit card  
19 account in the name of defendant PHOMMAVONG; in violation of Title 18,  
20 United States Code, Sections 1030(a)(4) and 2.

21 Count 6

22 [18 U.S.C. §§ 1030(a)(4) and 2]

23 1. Paragraphs 1 through 5 of Count 1 are realleged and  
24 incorporated herein by reference.

25 2. On or about August 12, 2006, within the Southern District  
26 of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN  
27 PHOMMAVONG knowingly and with intent to defraud accessed the DFAS  
28 MyPay computer, a "protected computer" within the meaning of Title 18,

1 United States Code, Section 1030(e)(2), without authorization and by  
2 means of such conduct furthered the intended fraud and obtained  
3 anything of value, to wit: the re-direction of the paycheck of  
4 victim A.H., of the United States Air Force, in the amount of  
5 \$1,429.45, to an Evolution Management prepaid credit card account  
6 in the name of defendant GIRANDOLA; in violation of Title 18,  
7 United States Code, Sections 1030(a)(4) and 2.

8 Count 7

9 [18 U.S.C. §§ 1030(a)(4) and 2]

10 1. Paragraphs 1 through 5 of Count 1 are realleged and  
11 incorporated herein by reference.

12 2. On or about September 8, 2006, within the Southern District  
13 of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN  
14 PHOMMAVONG knowingly and with intent to defraud accessed the computer  
15 of CyberSource, a "protected computer" within the meaning of Title 18,  
16 United States Code, Section 1030(e)(2), without authorization and by  
17 means of such conduct furthered the intended fraud and obtained  
18 anything of value, to wit: the transfer of \$2,500 from the account of  
19 victim Independent Living to a MoneyTree prepaid Mastercard credit  
20 card account in the name of defendant GIRANDOLA; in violation of  
21 Title 18, United States Code, Sections 1030(a)(4) and 2.

22 Count 8

23 [18 U.S.C. §§ 1030(a)(4) and 2]

24 1. Paragraphs 1 through 5 of Count 1 are realleged and  
25 incorporated herein by reference.

26 2. On or about September 9, 2006, within the Southern District  
27 of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN  
28 PHOMMAVONG knowingly and with intent to defraud accessed the computer

1 of CyberSource, a "protected computer" within the meaning of Title 18,  
2 United States Code, Section 1030(e)(2), without authorization and by  
3 means of such conduct furthered the intended fraud and obtained  
4 anything of value, to wit: the transfer of \$5,000 from the account of  
5 victim Independent Living to an Evolution Management prepaid credit  
6 card account in the name of defendant GIRANDOLA; in violation of  
7 Title 18, United States Code, Sections 1030(a)(4) and 2.

8 Count 9

9 [18 U.S.C. §§ 1030(a)(4) and 2]

10 1. Paragraphs 1 through 5 of Count 1 are realleged and  
11 incorporated herein by reference.

12 2. On or about September 9, 2006, within the Southern District  
13 of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN  
14 PHOMMAVONG knowingly and with intent to defraud accessed the computer  
15 of CyberSource, a "protected computer" within the meaning of Title 18,  
16 United States Code, Section 1030(e)(2), without authorization and by  
17 means of such conduct furthered the intended fraud and obtained  
18 anything of value, to wit: the transfer of \$5,000 from the account of  
19 victim Independent Living to a Buy Right prepaid Mastercard credit  
20 card account in the name of defendant GIRANDOLA; in violation of  
21 Title 18, United States Code, Sections 1030(a)(4) and 2.

22 Count 10

23 [18 U.S.C. §§ 1030(a)(4) and 2]

24 1. Paragraphs 1 through 5 of Count 1 are realleged and  
25 incorporated herein by reference.

26 2. On or about September 9, 2006, within the Southern District  
27 of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN  
28 PHOMMAVONG knowingly and with intent to defraud accessed the computer

1 of CyberSource, a "protected computer" within the meaning of Title 18,  
2 United States Code, Section 1030(e)(2), without authorization and by  
3 means of such conduct furthered the intended fraud and obtained  
4 anything of value, to wit: the transfer of \$2,000 from the account of  
5 victim Independent Living to an Evolution Management prepaid credit  
6 card account in the name of defendant PHOMMAVONG; in violation of  
7 Title 18, United States Code, Sections 1030(a)(4) and 2.

8 Count 11

9 [18 U.S.C. §§ 1029(a)(2), 1029(b)(1), and 2]

10 1. Paragraphs 1 through 5 of Count 1 are realleged and  
11 incorporated herein by reference.

12 2. Beginning on or about November 22 2005, and continuing up  
13 to and including on or about September 9, 2006, within the Southern  
14 District of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN  
15 PHOMMAVONG, knowingly and with intent to defraud used and attempted  
16 to use one or more unauthorized access devices, specifically, the  
17 login information and passwords of victims W.M., B.A., A.H., J.N., and  
18 R.P., who were civilian employees or current and retired members of  
19 the United States Armed Forces, to the DFAS MyPay computer, and the  
20 login information and password of victim Independent Living to the  
21 CyberSource computer, that had been stolen or obtained with intent to  
22 defraud, and by such conduct obtained and attempted to obtain anything  
23 of value aggregating \$1,000 or more during that period; to wit,  
24 approximately \$20,707.28 in re-directions of direct deposits and in  
25 transfers of funds or credits; in and affecting interstate and foreign  
26 commerce; all in violation of Title 18, United States Code,  
27 Sections 1029(a)(2), 1029(b)(1), and 2.

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Count 12

[18 U.S.C. §§ 1028A(a)(1) and 2]

1. Paragraphs 1 through 5 of Count 1 are realleged and incorporated herein by reference.

2. On or about November 22, 2005, within the Southern District of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN PHOMMAVONG, during and in relation to a felony violation of Title 18, United States Code, Section 1030(a)(4), as charged at Count 2 herein, knowingly used, without lawful authority, a means of identification of another person, to wit, the login information and password of victim W.M., of the United States Air Force, to the DFAS MyPay computer system; in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

Count 13

[18 U.S.C. §§ 1028A(a)(1) and 2]

1. Paragraphs 1 through 5 of Count 1 are realleged and incorporated herein by reference.

2. On or about January 5, 2006, within the Southern District of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN PHOMMAVONG, during and in relation to a felony violation of Title 18, United States Code, Section 1030(a)(4), as charged at Count 3 herein, knowingly used, without lawful authority, a means of identification of another person, to wit, the login information and password of victim B.A., a civilian employee of the United States Navy, to the DFAS MyPay computer system; in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

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Count 14

[18 U.S.C. §§ 1028A(a)(1) and 2]

1. Paragraphs 1 through 5 of Count 1 are realleged and incorporated herein by reference.

2. On or about July 9, 2006, within the Southern District of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN PHOMMAVONG, during and in relation to a felony violation of Title 18, United States Code, Section 1030(a)(4), as charged at Count 4 herein, knowingly used, without lawful authority, a means of identification of another person, to wit, the login information and password of victim A.H., of the United States Air Force, to the DFAS MyPay computer system; in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

Count 15

[18 U.S.C. §§ 1028A(a)(1) and 2]

1. Paragraphs 1 through 5 of Count 1 are realleged and incorporated herein by reference.

2. On or about August 11, 2006, within the Southern District of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN PHOMMAVONG, during and in relation to a felony violation of Title 18, United States Code, Section 1030(a)(4), as charged at Count 5 herein, knowingly used, without lawful authority, a means of identification of another person, to wit, the login information and password of victim J.N., of the United States Marine Corps, to the DFAS MyPay computer system; in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

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Count 16

[18 U.S.C. §§ 1028A(a)(1) and 2]

1. Paragraphs 1 through 5 of Count 1 are realleged and incorporated herein by reference.

2. On or about August 12, 2006, within the Southern District of California, defendants JEFFREY STEVEN GIRANDOLA and KAJOHN PHOMMAVONG, during and in relation to a felony violation of Title 18, United States Code, Section 1030(a)(4), as charged at Count 6 herein, knowingly used, without lawful authority, a means of identification of another person, to wit, the login information and password of victim A.H., of the United States Air Force, to the DFAS MyPay computer system; in violation of Title 18, United States Code, Sections 1028A(a)(1) and 2.

DATED: November 20, 2009.

A TRUE BILL:

\_\_\_\_\_  
Foreperson

KAREN P. HEWITT  
United States Attorney

By: \_\_\_\_\_  
MITCHELL D. DEMBIN  
Assistant U. S. Attorney