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SOUTHERN DISTRICT OF CALIFORNIA

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1/30/20 *dlg*

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

November 2019 Grand Jury

20 CR 0314 MMA

UNITED STATES OF AMERICA,

Case No.

Plaintiff,

I N D I C T M E N T

v.

Title 18, U.S.C., Sec. 1956(h) -
Conspiracy to Launder Monetary
Instruments; Title 18, U.S.C.,
Secs. 1029(b)(2), 1029(a)(3), and
(c)(1)(A)(i) - Conspiracy to
Possess Fifteen or More
Unauthorized Access Devices;
Title 18, U.S.C., Secs. 982(a)(1),
982(a)(2)(B), 982(b)(1) and
1029(c)(1)(C) - Criminal Forfeiture

DAVIT SIMONYAN (1),
aka "Davo,"
VAHRAM SIMONYAN (2),
ARSEN MINASYAN (3),
GOR PLAVCHYAN (4),
ARSEN GALSTYAN (5),
MUKUCH MKRTCHYAN (6),
SMBAT SHAHINYAN (7),

Defendants.

The grand jury charges, at all times material to the Indictment:

Introductory Allegations

1. An "access device" was any card, plate, code, account number, electronic serial number, personal identification number, or other means of account access that could be used, alone or in conjunction with another access device, to obtain money, goods, or services. Common forms of access devices were debit and credit cards, as well as the account information typically encoded on debit and credit cards.

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1 2. An "unauthorized access device" was any access device that was
2 lost, stolen, or obtained with intent to defraud.

3 3. Unauthorized access devices were commonly obtained by taking
4 the account information of unwitting victims and re-encoding it on blank
5 cards to simulate legitimate debit or credit cards. Unwitting victims'
6 account information was commonly obtained by skimming devices that would
7 surreptitiously capture it during an otherwise legitimate transaction
8 at a point of sale such as a gas pump or ATM.

9 Count 1

10 Money Laundering Conspiracy

11 18 U.S.C. § 1956(h)

12 [DAVIT SIMONYAN, VAHRAM SIMONYAN, ARSEN MINASYAN]

13 4. Beginning on a date unknown but no later than March 27, 2017,
14 up until at least January 24, 2020, in the Southern District of
15 California and elsewhere, defendants DAVIT SIMONYAN, aka "Davo," VAHRAM
16 SIMONYAN, and ARSEN MINASYAN, and others known and unknown, did knowingly
17 conspire together and with each other to commit offenses against the
18 United States in violation of Title 18, United States Code, Section 1956,
19 to wit:

20 a. to knowingly conduct and attempt to conduct financial
21 transactions affecting interstate and foreign commerce, which involved
22 the proceeds of specified unlawful activity, that is, access device
23 fraud and wire fraud, knowing that the transactions were designed in
24 whole or in part to conceal and disguise the nature, location, source,
25 ownership, and control of the proceeds of specified unlawful activity,
26 and that while conducting and attempting to conduct such financial
27 transactions, knew that the property involved in the financial
28 transactions represented the proceeds of some form of unlawful activity,

1 in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i);
2 and

3 b. to knowingly conduct and attempt to conduct financial
4 transactions affecting interstate commerce and foreign commerce, which
5 transactions involved the proceeds of specified unlawful activity, that
6 is, access device fraud and wire fraud, knowing that the transaction was
7 designed in whole and in part to avoid a transaction reporting
8 requirement under Federal law, and that while conducting and attempting
9 to conduct such financial transaction knew that the property involved
10 in the financial transaction, represented the proceeds of some form of
11 unlawful activity, in violation of Title 18, United States Code,
12 Section 1956(a)(1)(B)(ii).

13 **PURPOSE OF THE CONSPIRACY**

14 5. The purpose of the conspiracy was for defendants DAVIT
15 SIMONYAN, VAHRAM SIMONYAN, and ARSEN MINASYAN to launder the proceeds
16 of access device fraud, wire fraud, and other unlawful schemes, and
17 thereby enrich themselves and their associates.

18 **MANNER AND MEANS**

19 6. The manner and means used to accomplish the objectives of the
20 conspiracy included, among others, the following:

21 a. Defendants DAVIT SIMONYAN and VAHRAM SIMONYAN would
22 create shell corporations that would have the appearance of legitimate
23 businesses but would principally be used to launder the proceeds of
24 access device fraud, wire fraud, and other unlawful schemes;

25 b. Defendants DAVIT SIMONYAN and VAHRAM SIMONYAN would open
26 bank accounts in their own names and the names of their shell
27 corporations in order to launder these proceeds;

28

1 c. Defendants DAVIT SIMONYAN, MINASYAN, and their
2 accomplices and co-conspirators, would use unauthorized access devices
3 to withdraw cash from unwitting victims' accounts at ATMs across the
4 country, including in the Southern District of California;

5 d. Defendants DAVIT SIMONYAN, MINASYAN, and their
6 accomplices and co-conspirators, would use unauthorized access devices
7 to purchase hundreds of thousands of dollars of postal money orders with
8 unwitting victims' funds at U.S. Post Offices across the country,
9 including in the Southern District of California;

10 e. Defendants DAVIT SIMONYAN, MINASYAN, and their
11 accomplices and co-conspirators, would typically transfer the proceeds
12 of this access device fraud back to the Central District of California
13 in order to conduct the financial transactions constituting money
14 laundering;

15 f. Defendants DAVIT SIMONYAN, VAHRAM SIMONYAN, and their
16 accomplices and co-conspirators, would orchestrate staged car collisions
17 involving vehicles that they had insured, in order to collect the
18 proceeds on a fraudulent insurance claim after sending the damaged
19 vehicle to be repaired at an auto mechanic controlled by an accomplice;

20 g. Defendants DAVIT SIMONYAN and VAHRAM SIMONYAN would
21 deposit the proceeds, in the form of cash, checks and money orders, into
22 bank accounts held in their names and the names of their shell
23 corporations; from March 2017 to August 2018, DAVIT SIMONYAN and VAHRAM
24 SIMONYAN deposited approximately \$536,009 in postal money orders into a
25 single bank account (a JP Morgan Chase account ending in '0108) held in
26 the name of B.B.L.S., which was a shell corporation;

27 //

28 //

1 h. Defendants DAVIT SIMONYAN and VAHRAM SIMONYAN would then
2 withdraw the laundered proceeds in cash, use them to pay their everyday
3 expenses, or conduct additional financial transfers with them in order
4 to further obscure their source; and

5 i. Defendants DAVIT SIMONYAN and VAHRAM SIMONYAN would
6 commonly structure their cash withdrawals in order to avoid the \$10,000
7 threshold requiring the filing of a Currency Transaction Report under
8 Federal law; in the month of August 2018, \$91,500 was withdrawn from the
9 B.B.L.S. JP Morgan Chase account ending in '0108 on the following dates
10 and in the following amounts: \$8,000 withdrawn on August 1, 2018; \$8,900
11 withdrawn on August 2, 2018; \$8,000 withdrawn on August 3, 2018; \$8,600
12 withdrawn on August 6, 2018; \$7,000 withdrawn on August 7, 2018; \$2,500
13 withdrawn on August 8, 2018; \$9,000 withdrawn on August 15, 2018; \$5,500
14 withdrawn on August 16, 2018; \$8,000 withdrawn on August 20, 2018; \$4,000
15 withdrawn on August 21, 2018; \$7,000 withdrawn on August 22, 2018; \$8,000
16 withdrawn on August 24, 2018; and \$7,000 withdrawn on August 27, 2018.

17 All in violation of Title 18, United States Code, Section 1956(h).

18 Count 2

19 Conspiracy to Possess Fifteen or More

20 Unauthorized Access Devices

21 18 U.S.C. § 1029(b)(2)

22 [DAVIT SIMONYAN, ARSEN MINASYAN, GOR PLAVCHYAN,

23 ARSEN GALSTYAN, MUKUCH MKRTCHYAN, SMBAT SHAHINYAN]

24 7. Beginning on a date unknown to the grand jury but no later
25 than March 23, 2017, up until at least January 24, 2020, within the
26 Southern District of California and elsewhere, defendants DAVIT
27 SIMONYAN, aka "Davo," ARSEN MINASYAN, GOR PLAVCHYAN, ARSEN GALSTYAN,
28 MUKUCH MKRTCHYAN, and SMBAT SHAHINYAN, and others known and unknown, did

1 knowingly and with intent to defraud, conspire to possess fifteen (15)
2 and more unauthorized access devices, affecting interstate and foreign
3 commerce, and did engage in conduct in furtherance of such offense; in
4 violation of Title 18, United States Code, Sections 1029(b)(2),
5 1029(a)(3), and (c)(1)(A)(i).

6 **PURPOSE OF THE CONSPIRACY**

7 8. The purpose of the conspiracy was for the defendants to obtain
8 account information of unwitting victims by skimming devices and other
9 unlawful means, to use that information to create unauthorized access
10 devices, and then to use those devices to withdraw cash and purchase
11 postal money orders in the aggregate amount of hundreds of thousands of
12 dollars using funds drawn on the accounts of unwitting victims, in the
13 Southern District of California and throughout the United States.

14 **MANNER AND MEANS**

15 9. The manner and means used to accomplish the objectives of the
16 conspiracy included, among others, the following:

17 a. Defendant DAVIT SIMONYAN and others would use skimming
18 devices to capture the account information of unwitting victims from
19 common points of sale, such as gas pumps or ATMs;

20 b. Defendant DAVIT SIMONYAN and others would use the account
21 information obtained from unwitting victims to re-encode unauthorized
22 access devices for their own use, and for use by their co-conspirators
23 and accomplices;

24 c. Defendants DAVIT SIMONYAN, MINASYAN, GOR PLAVCHYAN,
25 GALSTYAN, MKRTCHYAN, and SHAHINYAN would use the unauthorized access
26 devices to make cash withdrawals from ATMs connected to financial
27 institutions involved in interstate and foreign commerce;

1 d. Defendants DAVIT SIMONYAN, MINASYAN, GOR PLAVCHYAN,
2 GALSTYAN, MKRTCHYAN, and SHAHINYAN would use the unauthorized access
3 devices to purchase large quantities of postal money orders from U.S.
4 Post Offices;

5 e. Defendants DAVIT SIMONYAN, MINASYAN, GOR PLAVCHYAN,
6 GALSTYAN, MKRTCHYAN, and SHAHINYAN would use various methods to conceal
7 their access device fraud activities, such as committing the crimes at
8 a multitude of different locations through the United States to evade
9 detection and capture; renting cars to use while committing the crimes
10 instead of using their own vehicles; and using aftermarket compartments
11 inside their vehicles to conceal their unauthorized access devices, card
12 readers, large bundles of cash, and other tools of the trade;

13 f. Defendants DAVIT SIMONYAN, MINASYAN, GOR PLAVCHYAN,
14 GALSTYAN, MKRTCHYAN, and SHAHINYAN would make arrangements for the cash
15 proceeds of this conspiracy to be laundered through the financial system,
16 including by depositing them in accounts held by others and by laundering
17 them through casinos; and

18 g. Defendants DAVIT SIMONYAN, MINASYAN, GOR PLAVCHYAN,
19 GALSTYAN, MKRTCHYAN, and SHAHINYAN would make arrangements for the
20 postal money order proceeds of this conspiracy to be laundered through
21 the financial system, including by depositing them in accounts held by
22 DAVIT SIMONYAN and others.

23 **OVERT ACTS**

24 10. In furtherance of the conspiracy and to effect its objects,
25 the following overt acts, among others, were committed within the
26 Southern District of California, and elsewhere, on or about the dates
27 below:

28

1 a. On June 6, 2018, in Glendale, California, defendants
 2 DAVIT SIMONYAN and MINASYAN were in possession of six (6) postal money
 3 orders and seventy-five (75) unauthorized access devices;

4 b. On September 24, 2018, the following defendants used
 5 unauthorized access devices to purchase postal money orders at the listed
 6 U.S. Post Offices:

	U.S. Post Office Location	Defendant
7		
8	1. Downtown San Diego, California	GALSTYAN
9	2. Southeast San Diego, California	MINASYAN
10	3. Southeast San Diego, California	GOR PLAVCHYAN
11	4. Southeast San Diego, California	GALSTYAN
12	5. Coronado, California	GALSTYAN
13	6. Eastlake, California	MINASYAN
14	7. Eastlake, California	GOR PLAVCHYAN
15	8. La Jolla, California	GALSTYAN
16	9. Linda Vista, California	GALSTYAN
17	10. Paradise Hills, California	MINASYAN
18	11. Paradise Hills, California	GOR PLAVCHYAN
19	12. Serra Mesa, California	GALSTYAN
20	13. Taft, California	GALSTYAN
21		

22 c. On September 25, 2018, the following defendants used
 23 unauthorized access devices to purchase postal money orders at the listed
 24 U.S. Post Offices:

	U.S. Post Office Location	Defendant
25		
26	1. Escondido, California	MINASYAN
27	2. Escondido, California	GOR PLAVCHYAN
28	3. Hillcrest, California	GALSTYAN

	U.S. Post Office Location	Defendant
4.	La Mesa, California	GALSTYAN
5.	Orange Glen, California	MINASYAN
6.	Orange Glen, California	GOR PLAVCHYAN
7.	Poway, California	MINASYAN
8.	Rancho Bernardo, California	MINASYAN
9.	Rancho Bernardo, California	GOR PLAVCHYAN
10.	Rancho Del Ray, California	GALSTYAN
11.	San Ysidro, California	GALSTYAN
12.	Tierra Santa, California	GALSTYAN

d. On September 26, 2018, the following defendants used unauthorized access devices to purchase postal money orders at the listed U.S. Post Offices:

	U.S. Post Office Location	Defendant
1.	Bonita, California	MINASYAN
2.	Bonita, California	GOR PLAVCHYAN
3.	Carlsbad, California	GALSTYAN
4.	Eastlake, California	GOR PLAVCHYAN
5.	La Costa, California	GALSTYAN
6.	National City, California	MINASYAN
7.	National City, California	GOR PLAVCHYAN
8.	Oceanside, California	GALSTYAN
9.	Poway, California	GALSTYAN
10.	Rancho Del Ray, California	GOR PLAVCHYAN
11.	Rancho Penasquitos, California	GALSTYAN
12.	Sorrento Valley, California	GALSTYAN

1 e. On September 27, 2018, the following defendants used
 2 unauthorized access devices to purchase postal money orders at the listed
 3 U.S. Post Offices:

	U.S. Post Office Location	Defendant
4		
5	1. Grantville, California	MINASYAN
6	2. Grantville, California	GOR PLAVCHYAN
7	3. La Mesa, California	MINASYAN
8	4. La Mesa, California	GOR PLAVCHYAN
9		

10 f. On October 1, 2018, the following defendants used
 11 unauthorized access devices to purchase postal money orders at the listed
 12 U.S. Post Offices:

	U.S. Post Office Location	Defendant
13		
14	1. Corona, California	GOR PLAVCHYAN
15	2. Moreno Valley, California	GALSTYAN
16	3. Riverside, California	GALSTYAN

17 g. On October 2, 2018, the following defendants used
 18 unauthorized access devices to purchase postal money orders at the listed
 19 U.S. Post Offices:

	U.S. Post Office Location	Defendant
20		
21	1. Chino Hills, California	MINASYAN
22	2. Chino Hills, California	GOR PLAVCHYAN
23	3. Diamond Bar, California	MINASYAN
24	4. Diamond Bar, California	GOR PLAVCHYAN
25	5. West Covina, California	MINASYAN
26	6. West Covina, California	GOR PLAVCHYAN
27		
28		

1 h. On October 9, 2018, the following defendants used
 2 unauthorized access devices to purchase postal money orders at the listed
 3 U.S. Post Offices:

	U.S. Post Office Location	Defendant
4		
5	1. Hillcrest, California	MINASYAN
6	2. National City, California	GOR PLAVCHYAN
7	3. Rancho Bernardo, California	MINASYAN
8	4. Rancho Bernardo, California	GOR PLAVCHYAN
9	5. Sorrento Valley, California	GALSTYAN
10	6. Tierra Santa, California	MINASYAN
11	7. University City, California	GALSTYAN

12 i. On October 9, 2018, defendant MINASYAN used unauthorized
 13 access devices to make fraudulent cash withdrawals from ATMs in National
 14 City, California;

15 j. On October 10, 2018, the following defendants used
 16 unauthorized access devices to purchase postal money orders at the listed
 17 U.S. Post Offices:

	U.S. Post Office Location	Defendant
18		
19	1. La Jolla, California	GOR PLAVCHYAN
20	2. Linda Vista, California	GALSTYAN
21	3. Poway, California	GALSTYAN
22	4. Rancho Bernardo, California	GALSTYAN
23	5. Rancho Penasquitos, California	GALSTYAN
24	6. Tierra Santa, California	GALSTYAN
25	7. University City, California	MINASYAN
26	8. University City, California	GOR PLAVCHYAN
27		
28		

1 k. On October 11, 2018, the following defendants used
 2 unauthorized access devices to purchase postal money orders at the listed
 3 U.S. Post Offices:

	U.S. Post Office Location	Defendant
4		
5	1. Downtown San Diego, California	GALSTYAN
6	2. El Cajon, California	MINASYAN
7	3. El Cajon, California	GOR PLAVCHYAN
8	4. La Jolla, California	GALSTYAN
9	5. La Mesa, California	MINASYAN
10	6. National City, California	GALSTYAN
11	7. University City, California	GALSTYAN

12 l. On January 4, 2019, defendant GALSTYAN used unauthorized
 13 access devices to purchase postal money orders at a U.S. Post Office in
 14 Linda Vista, California;

15 m. On January 4, 2019, defendant MKRTCHYAN used unauthorized
 16 access devices to make fraudulent cash withdrawals from ATMs in and
 17 around San Diego, California;

18 n. On July 23, 2019, defendant SHAHINYAN used unauthorized
 19 access devices to make fraudulent cash withdrawals from ATMs in Brooklyn,
 20 New York;

21 o. On July 25, 2019, defendant MINASYAN used unauthorized
 22 access devices to make fraudulent cash withdrawals from ATMs in Brooklyn,
 23 New York;

24 p. On July 25, 2019, defendant GOR PLAVCHYAN used
 25 unauthorized access devices to make fraudulent cash withdrawals from
 26 ATMs in Brooklyn, New York;

1 q. On July 25, 2019, defendant MKRTCHYAN used unauthorized
2 access devices to make fraudulent cash withdrawals from ATMs in Brooklyn,
3 New York;

4 r. On July 26, 2019, defendant MKRTCHYAN used unauthorized
5 access devices to make fraudulent cash withdrawals from ATMs in Brooklyn,
6 New York;

7 s. On August 12, 2019, defendant SHAHINYAN used unauthorized
8 access devices to purchase postal money orders at a U.S. Post Office in
9 Nameoki, Illinois;

10 t. On August 12, 2019, defendant MINASYAN used unauthorized
11 access devices to make fraudulent cash withdrawals from ATMs in
12 Crestwood, Missouri; and

13 u. On August 13, 2019, defendants MINASYAN and SHAHINYAN
14 were in possession of sixty-eight (68) unauthorized access devices, a
15 large bundle of cash, and an electronic card reader hidden inside of an
16 aftermarket vehicle compartment.

17 All in violation of Title 18, United States Code, Section 1029(b)(2).

18 **CRIMINAL FORFEITURE**

19 11. The allegations contained in Counts 1 and 2 of this Indictment
20 are hereby realleged and incorporated by reference for the purpose of
21 alleging forfeitures pursuant to Title 18, United States Code,
22 Sections 982(a)(2) and 1029(c)(1)(C).

23 12. Upon conviction of the offense in violation of Title 18, United
24 States Code, Section 1956(h) set forth in Count 1 of this Indictment,
25 defendants DAVIT SIMONYAN, aka "Davo," VAHRAM SIMONYAN, and ARSEN
26 MINASYAN, shall forfeit to the United States of America, pursuant to
27 Title 18, United States Code, Section 982(a)(1), all property, real and
28

1 personal, involved in the offense and all property traceable to such
2 property.

3 13. Upon conviction of the offense in violation of Title 18, United
4 States Code, Section 1029(b) (2) set forth in Count 2 of this Indictment,
5 defendants DAVIT SIMONYAN, aka "Davo," ARSEN MINASYAN, GOR PLAVCHYAN,
6 ARSEN GALSTYAN, MUKUCH MKRTCHYAN, and SMBAT SHAHINYAN, shall forfeit to
7 the United States of America:

8 a. pursuant to Title 18, United States Code,
9 Section 982(a) (2) (B), any property constituting, or derived from,
10 proceeds obtained, directly or indirectly, as a result of such violation;
11 and

12 b. pursuant to Title 18, United States Code,
13 Section 1029(c) (1) (C), any personal property used or intended to be used
14 to commit the offense.

15 14. If any of the property described above, as a result of any act
16 or omission of the defendants:

- 17 a. cannot be located upon the exercise of due diligence;
18 b. has been transferred or sold to, or deposited with, a
19 third party;
20 c. has been placed beyond the jurisdiction of the court;
21 d. has been substantially diminished in value; or
22 e. has been commingled with other property which cannot be
23 divided without difficulty,

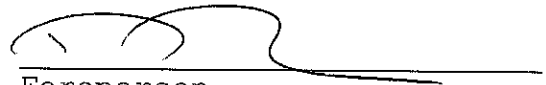
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1 the United States of America shall be entitled to forfeiture of
2 substitute property pursuant to Title 21, United States Code,
3 Section 853(p), as incorporated by Title 18, United States Code,
4 Sections 982(b)(1) and 1029(c)(2).


5 All pursuant to Title 18, United States Code, Sections 982(a)(1),
6 982(a)(2)(B), 982(b)(1), and 1029(c)(1)(C).

7 DATED: January 24, 2020.

8 A TRUE BILL:

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10 
11 _____
12 Foreperson

12 ROBERT S. BREWER, JR.
13 United States Attorney

14 By: 
15 _____
16 NICHOLAS W. PILCHAK
17 Assistant U.S. Attorney
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