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SOUTHERN DISTRICT OF CALIFORNIA**

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For Immediate Release

**Three Sentenced to Prison in Nationwide Card Fraud,
Money Laundering Scheme**

NEWS RELEASE SUMMARY – April 20, 2022

SAN DIEGO – Three men were sentenced in federal court today for engaging in a years-long, nation-wide fraud conspiracy that stole victims’ financial information from ATMs and gas pumps in San Diego and across the country, and then used the stolen information to make fake credit and debit cards.

Davit Simonyan was sentenced to 46 months in prison, together with forfeiture of \$642,347.16 and restitution of \$116,408.00. His brother, Vahram Simonyan, was sentenced to 33 months in prison, forfeiture of \$642,053.31, and identical restitution. Arsen Galstyan was sentenced to 18 months in prison and \$47,796.00 in forfeiture and an identical restitution award, based on his conviction for fraud.

Including today’s defendants, a total of seven people have admitted to participating in the conspiracy, and in a related money laundering conspiracy, that together netted over \$1 million in ill-gotten gains.

In sentencing the men, U.S. District Judge Michael M. Anello observed that “this was a huge criminal enterprise, nationwide.”

Throughout the scheme, the coconspirators stole unwitting victims’ credit and debit card information by using skimming devices installed in common points of sale such as gas pumps and ATMs. With the stolen information in hand, the conspirators made a host of unauthorized cards that they then used to buy postal money orders and make withdrawals from victims’

accounts. According to court documents, the fraud victimized consumers in New York, Illinois, Missouri, Oklahoma, and across Southern California, including in San Diego.

The defendants' scheme inflicted both real and attempted losses of at least \$1.2 million, according to their plea agreements. The two lead defendants—brothers Davit and Vahram Simonyan—each admitted to obtaining over \$642,000 in stolen money over the course of the conspiracy, which stretched from 2017 to 2020. They also acknowledged structuring their withdrawals from the banks to avoid bank reporting requirements. For example, in one month alone, the Simonyan brothers withdrew \$91,500 in cash from a single bank account.

Davit Simonyan also staged a phony car accident in order to commit insurance fraud, according to his plea agreement. He planned an accident involving cars insured by two of his codefendants, including Arsen Galstyan, who was also sentenced today. Then Simonyan had one of the damaged vehicles repaired at a collision shop owned by an unindicted co-conspirator who kicked back thousands of dollars to Simonyan and his brother as part of their money laundering scheme. Davit Simonyan admitted that by staging a car accident, he caused the reckless risk of serious bodily injury.

“Identity thieves may believe that they can make easy money by stealing from unwitting victims in our community,” said U.S. Attorney Randy Grossman. “But this office will ensure that those defrauding the public will be brought to justice.” Grossman thanked the prosecution team, the U.S. Secret Service and the U.S. Postal Inspection Service for their excellent work on this case.

“We are thankful to all those who partnered with us in the investigation and prosecution of this organized criminal network. The Secret Service, along with our collaborative law enforcement partners, continue to work tirelessly investigating this type of skimming case, which targets unsuspecting victims,” said San Diego Acting Special Agent in Charge Timothy Scott. “We will continue to use all investigative means necessary to bring to justice those perpetrating these crimes.”

“Today’s sentencing is an example of our commitment and dedication to protect the American public from becoming victimized and to prevent Postal Service products from criminal attack and misuse,” said Carroll Harris, Inspector in Charge of the Los Angeles Division of the U.S. Postal Inspection Service. “Working with our law enforcement partners we seek to stop these criminals and hold them accountable for their actions.”

Other conspirators to face sentencing have all received prison time. On April 21, 2021, co-defendant Arsen Minasyan was sentenced by U.S. District Judge Michael M. Anello to 37 months in custody. He was ordered to forfeit \$75,145.90 and to pay restitution to victims in the amount of \$109,834.14. Judge Anello sentenced co-defendant Mukuch Mkrtychyan on October 14, 2021, to 24 months in prison, forfeiture of \$28,077.11, and restitution of \$116,070. Co-defendant Smbat Shahinyan was also sentenced to 24 months in prison and similar financial penalties on January 12, 2022.

The remaining defendant, Gor Plavchyan, is scheduled to be sentenced on May 4, 2022.

Anyone who believes that they may be a victim of this offense can visit the U.S. Department of Justice's large case website for more information: www.justice.gov/largecases.

<u>DEFENDANTS</u>	Age	Case Number	20cr314-
1. Davit Simonyan California	30	Residence: Glendale,	
2. Vahram Simonyan California	34	Residence: Glendale,	
3. Arsen Minasyan Island FCI	34	Residence: Terminal	
4. Gor Plavchyan California	26	Residence: Winnetka,	
5. Arsen Galstyan California	40	Residence: Glendale,	
6. Mukuch Mkrtchyan California	32	Residence: Fair Oaks,	
7. Smbat Shahinyan California	41	Residence: Glendale,	

SUMMARY OF CHARGES

Conspiracy to Launder Monetary Instruments, in violation of Title 18, United States Code, Section 1956(h) (*Defendants 1 through 3 only*)

Maximum Penalty: twenty years in prison; fine of \$500,000 or twice the value of the property involved

Conspiracy to Possess Fifteen or More Unauthorized Access Devices, in violation of Title 18, United States Code, Sections 1029(b)(2), 1029(a)(3), and 1029(c)(1)(A)(i) (*Defendants 1 and 3-7 only*)

Maximum Penalty: five years in prison; fine of \$250,000 or twice the gross gain or loss

AGENCY

United States Secret Service
U.S. Postal Inspection Service

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