UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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                                  :
UNITED STATES OF AMERICA   :   **SEALED INDICTMENT**
                                  :
        - v. -   :   22 Cr.
                                  :
DANIEL ABAYEV,   :
PETER LEYMAN,   :
                                  :   **22 CRIM 655**
                                  :
        Defendants.   :
                                  :
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COUNT ONE
(Conspiracy to Commit Computer Intrusions)

The Grand Jury charges:

Overview of Scheme

1.   From at least in or about September 2019 through in or
about September 2021, DANIEL ABAYEV and PETER LEYMAN, the
defendants, who are U.S. citizens residing in Queens, New York,
and Russian nationals residing in Russia (the "Russian Hackers"),
and others known and unknown, engaged in a scheme (the "Hacking
Scheme") to hack the electronic taxi dispatch system (the "Dispatch
System") at John F. Kennedy International Airport ("JFK"). The
Dispatch System consisted in part of computers connected to the
Internet and was used in or affecting interstate commerce and
communication.

2.   At all times relevant to this Indictment, taxi drivers
who sought to pick up a fare at JFK were required to wait in a

holding lot at JFK before being dispatched to a specific terminal by the Dispatch System. Taxi drivers were frequently required to wait several hours in the lot before being dispatched to a terminal, and were dispatched in approximately the order in which they arrived at the holding lot.

3. Beginning in or about 2019, members of the Hacking Scheme, including DANIEL ABAYEV and PETER LEYMAN, the defendants, explored and attempted various mechanisms to access the Dispatch System, including bribing someone to insert a flash drive containing malware into computers connected to the Dispatch System, obtaining unauthorized access to the Dispatch System via a Wi-Fi connection, and stealing computer tablets connected to the Dispatch System. The members of the Hacking Scheme also sent messages to each other in which they explicitly discussed their intention to hack the Dispatch System. For example, on or about November 10, 2019, ABAYEV messaged the following to one of the Russian Hackers in Russian: "I know that the Pentagon is being hacked[.]. So, can't we hack the taxi industry[?]"

4. For varying intervals of time from at least in or about November 2019 through at least in or about November 2020, members of the Hacking Scheme, including DANIEL ABAYEV and PETER LEYMAN, the defendants, successfully hacked the Dispatch System and used their unauthorized access to the Dispatch System to alter the Dispatch System and move specific taxis to the front of the line,

thereby allowing the drivers of those specific taxis to skip other taxi drivers who had arrived at the holding lot earlier and avoid time waiting in the holding lot.

5.   Members of the Hacking Scheme charged individual taxi drivers $10 each time they were advanced to the front of the line, and individual taxi drivers paid the members of the Hacking Scheme in a variety of ways, including through a mobile payment system or in cash. Taxi drivers learned that they could skip the taxi line by paying $10 to members of the Hacking Scheme through word of mouth, and members of the Hacking Scheme offered some taxi drivers waivers of the $10 fee in exchange for recruiting other taxi drivers to pay the $10 fee to skip the taxi line.

6.   The Hacking Scheme used large group chat threads with taxi drivers:

a.   For example, when the Hacking Scheme had access to the Dispatch System for the day, a member of the Hacking Scheme would message the group chat threads, "Shop open." When the Hacking Scheme's access to the Dispatch System was interrupted, a member of the Hacking Scheme would message the group chat threads, "Shop closed."

b.   In or about November 2019 through March 2020, DANIEL ABAYEV, the defendant, sent the following identical message to large groups of taxi drivers on the chat threads multiple times instructing them how to avoid detection by law enforcement when

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using trips purchased from the Hacking Scheme:

DEAR DRIVERS !!!! PLEASE !!!!

Do not wait at the gas station in JFK

Please do not go around the CTH [Central Taxi Hold]

Lot 👳‍✈️

Please do not wait at Rockway av 👮

You have to be very very carefully👮👮

c.   In order to skip the taxi line, taxi drivers would message their taxi medallion numbers into the group chat threads, and a member of the Hacking Scheme would then message the terminal that the taxi driver should go to in order to skip the taxi line and pick up a fare.

7.   The Hacking Scheme resulted in large numbers of taxi drivers who were successful in skipping the taxi line:

a.   On or about November 29, 2019, DANIEL ABAYEV, the defendant, messaged PETER LEYMAN, the defendant, a spreadsheet showing that the members of the Hacking Scheme charged taxi drivers for an average of 320 trips per day over a three-day period.

b.   On or about December 3, 2019, ABAYEV messaged LEYMAN a spreadsheet showing that the members of the Hacking Scheme charged taxi drivers for 2,463 trips in a single week.

c.   On or about December 9, 2019, ABAYEV sent one of the Russian Hackers a voice note in Russian that stated, in sum

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and substance, "On our end this is absolutely a record. Here we almost have 600. We netted at least 500. This has never happened before. . . . This is exactly the level that I want to have every day. . . Now in the morning we are going to collect the dough."

   d. Over the course of the Hacking Scheme, the Scheme enabled as many as 1,000 fraudulently expedited taxi trips a day.

  8. DANIEL ABAYEV and PETER LEYMAN, the defendants, engaged in the Hacking Scheme from New York, and the Russian Hackers engaged in the Hacking Scheme from Russia. ABAYEV and LEYMAN collected money from the taxi drivers in New York, and subsequently transferred more than $100,000 of the criminal proceeds to the Russian Hackers in Russia. ABAYEV and LEYMAN sometimes described these transfers of the profits of the Hacking Scheme to their banks as "payment for software development" or "payment for services rendered."

STATUTORY ALLEGATIONS

  9. From at least in or about September 2019 through in or about September 2021, in the Southern District of New York and elsewhere, DANIEL ABAYEV and PETER LEYMAN, the defendants, and others known and unknown, willfully and knowingly combined, conspired, confederated, and agreed together and with each other to commit an offense against the United States, to wit, computer intrusions, in violation of Title 18, United States Code, Sections 1030(a)(2)(C) and Section 1030(a)(5)(A).

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10. It was a part and an object of the conspiracy that DANIEL ABAYEV and PETER LEYMAN, the defendants, and others known and unknown, would and did intentionally access a computer without authorization and exceed authorized access, and thereby would and did obtain information from a protected computer, for purposes of commercial advantage and private financial gain, and the value of the information obtained would and did exceed $5,000, in violation of Title 18, United States Code, Sections 1030(a)(2)(C) and 1030(c)(2)(B)(i) & (iii).

11. It was a further part and an object of the conspiracy that DANIEL ABAYEV and PETER LEYMAN, the defendants, and others known and unknown, knowingly would and did cause the transmission of a program, information, code, and command, and as a result of such conduct, intentionally caused damage without authorization to a protected computer, which caused loss to one and more persons during any one-year period aggregating at least $5,000 in value, , in violation of Title 18, United States Code, Sections 1030(a)(5)(A), 1030(c)(4)(A)(i)(I), and 1030(c)(4)(B)(i).

OVERT ACTS

12. In furtherance of the conspiracy and to effect the illegal objects thereof, the following overt acts, among others, were committed in the Southern District of New York and elsewhere:

a. From at least in or about November 2019 through at least in or about September 2021, DANIEL ABAYEV and PETER LEYMAN,

the defendants, repeatedly attempted.to access and did access the Dispatch System, and used that access to move taxis to the front of the line at JFK.

b. On or about November 5, 2019, when attempting to check on the status of the Hacking Scheme, one of the Russian Hackers sent ABAYEV a message in which he said, "if possible, please send me a few [taxi] medallions of those who do not use any services and wait honestly in the general queue."

c. On or about December 18, 2019, ABAYEV sent one of the Russian Hackers a voice message in which ABAYEV stated that he was in Manhattan and was sending LEYMAN to check on the status of the Hacking Scheme at JFK.

(Title 18, United States Code, Section 371.)

COUNT TWO
(Conspiracy to Commit Computer Intrusions)

The Grand Jury further charges:

13. The allegations contained in paragraphs 1 through 8 and 12 of this Indictment are repeated and realleged as if fully set forth herein.

14. From at least in or about September 2019 through in or about September 2021, in the Southern District of New York and elsewhere, DANIEL ABAYEV and PETER LEYMAN, the defendants, and others known and unknown, willfully and knowingly combined, conspired, confederated, and agreed together and with each other

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to commit computer intrusion offenses in violation of Title 18, United States Code, Sections 1030(a)(2)(C) and 1030(a)(5)(A).

15. It was a part and an object of the conspiracy that DANIEL ABAYEV and PETER LEYMAN, the defendants, and others known and unknown, would and did intentionally access a computer without authorization and exceed authorized access, and thereby would and did obtain information from a protected computer, for purposes of commercial advantage and private financial gain, and the value of such information would and did exceed $5,000, in violation of Title 18, United States Code, Sections 1030(a)(2)(C), 1030(c)(2)(B)(i), and (iii).

16. It was a further part and an object of the conspiracy that DANIEL ABAYEV and PETER LEYMAN, the defendants, and others known and unknown, knowingly would and did knowingly cause the transmission of a program, information, code, and command, and as a result of such conduct, intentionally caused damage without authorization to a protected computer, which caused loss to one and more persons during any one-year period aggregating at least $5,000 in value, in violation of Title 18, United States Code, Sections 1030(a)(5)(A), 1030(c)(4)(4)(A)(i)(I), and 1030(c)(4)(b)(i).

(Title 18, United States Code, Section 1030(b).)

FORFEITURE ALLEGATION

17. As a result of committing the offenses alleged in Counts One and Two of this Indictment, DANIEL ABAYEV and PETER LEYMAN, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 1030(i), any and all property, real or personal, constituting or derived from, any proceeds obtained directly or indirectly, as a result of said offenses, and any and all personal property that was used or intended to be used to commit or to facilitate the commission of said offenses, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses.

Substitute Assets Provision

18. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

(a) cannot be located upon the exercise of due diligence;

(b) has been transferred or sold to, or deposited with, a third person;

(c) has been placed beyond the jurisdiction of the Court;

(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) and Title 28, United States Code,

Section 2461(c), to seek forfeiture of any other property of the

defendants up to the value of the above forfeitable property.

(Title 18, United States Code, Section 1030;
Title 21, United States Code, Section 853; and
Title 28, United States Code, Section 2461.)
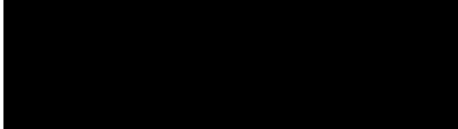
DAMIAN WILLIAMS
United States Attorney

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Form No. USA-33s-274 (Ed. 9-25-58)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

DANIEL ABAYEV,
PETER LEYMAN,

Defendants.

SEALED INDICTMENT

22 Cr.
(18 U.S.C. §§ 371, 1030(b).)

DAMIAN WILLIAMS
United States Attorney

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12/5/22

12-5-22 - Sealed Indictment · ~~Case Assigned to J. Broderick~~

Arrest Warrant issued

Valerie Figueredo
USMJ