

Exhibit 6: Transcript of Grand Jury Testimony

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

v.

SERGIO GIULIANI NITA,
a/k/a "juliensweiss,"
a/k/a "giulonline"

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Federal Grand Jury 19-04
Federal Courthouse
Miami, Florida
February 16, 2021

APPEARANCES:

Christopher B. Browne,
Assistant U.S. Attorney
[REDACTED]
Assistant U.S. Attorney
[REDACTED], Foreperson

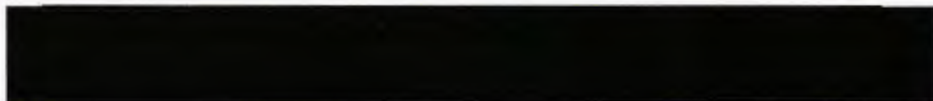
TESTIMONY

OF

SPECIAL AGENT FARAZ IMAN

ORIGINAL

44-741-0000-0000



1 *****

2 THE FOREPERSON: Good morning, sir.

3 Do you solemnly swear that the
4 testimony you're about to give will be the
5 truth, the whole truth, and nothing but
6 the truth, so help you God.

7 THE WITNESS: I do.

8 THE FOREPERSON: You may be seated,
9 sir. Thank you.

10 E-X-A-M-I-N-A-T-I-O-N

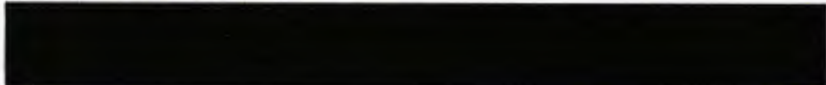
11 BY MR. BROWNE:

12 Q. All right. Special Agent Iman, can
13 you just introduce yourself to the grand jury
14 and tell them what you for a living.

15 A. Certainly. I am a special agent with
16 the Internal Revenue Service, Criminal
17 Investigation Division and my responsibilities
18 include investigating violations of federal
19 criminal law, including Titles 26 and 18, 31
20 and others.

21 Basically we investigate crimes
22 against the IRS and also related financial
23 crimes and white-collar crimes as well.

24 Q. Okay. And today we're going to be
25 talking about both. We're going to be talking



1 about a crime against the IRS and certain
2 financial crimes, including money laundering.


3 Do you have any experience
4 investigating those types of offenses?

5 A. Certainly. I investigated a case in
6 the recent past involving money laundering and
7 the use of cryptocurrency to launder and remit
8 proceeds, both, domestically and abroad and
9 also to disguise the nature and source of said
10 illicit proceeds from law enforcement.

11 Q. And was that case a case that was
12 related to the one that we're going to talk
13 about today?

14 A. Yes, it was related to the case that
15 we're going to talk about today. It was part
16 of the Get Transcript hack which was
17 perpetrated against the IRS in approximately
18 2015, perhaps before but that's when I believe
19 the agency became fully aware of it.

20 Q. And you used the phrase the "Get
21 Transcript" hack, I just want to break that
22 down. Beginning with what is Get Transcript,
23 specifically can you talk about that program
24 and how people like the grand jurors might've
25 used that program in the course of filing or



1 reviewing taxes?

2 A. Certainly. Get Transcript was an
3 online database which would allow tax payers
4 to input their legitimate information and in
5 turn be able to review transcript information
6 -- or tax transcript information related to
7 prior year filings.

8 Sometimes people would need that, for
9 example, with regards to income which have
10 been reported that they received or for
11 example, to look up the adjusted gross income
12 on a prior tax year return. So basically, it
13 was a portal in which you could input
14 information that identified a particular
15 taxpayer and then it would return to your tax
16 data with regards that record.

17 Q. So is some of that information the
18 same information that we have on our W-2s, for
19 example?

20 A. Correct.

21 Q. And specifically, what does a
22 taxpayer need to do to get on the Get
23 Transcript program; is it something they can
24 access online?

25 A. Yes, they would log in online,

1 provide an email account which they had access
2 to, provide personally identifiable
3 information, including Social Security number
4 and date of birth. And then basically go
5 through the verification process which would
6 include questions such as, items about credit
7 card previously opened and/or loans in their
8 names, verification questions as they're
9 generally referred to.

10 Q. Okay. And this is all done for the
11 sake of security, presumably?

12 A. Yes, we wouldn't want unauthorized
13 actors to gain access to tax information of
14 people that wasn't theirs.

15 Q. Right. Because once somebody has
16 that tax information they could, for example,
17 file a tax return in that person's name,
18 right? Without their permission?

19 A. Correct, they can utilize that
20 information to file false and fraudulent tax
21 returns.

22 Q. And isn't that in fact what happened
23 in this case?

24 A. Yes, that's what happened here.


25 Q. So let's talk about what you called

1 the hack part of it. How did the defendant in
2 this case, Sergio Giuliani Nita -- just in
3 broad strokes -- how did he and his partners
4 actually hacked the IRS' Get Transcript
5 system?

6 A. The defendant and his partners
7 basically used a botnet which is a large
8 malware infected network of computers which
9 can run scripts and other remote input
10 directions in order to query and submit
11 information to the portal. And through the
12 use of that device and methodology, they were
13 about to obtain the Get Transcript information
14 of a very large number of taxpayers.

15 Q. Okay. And so once they had all these
16 tax payers' information; how many tax payers
17 are we talking about here? How many victim's
18 identities were stolen to actually submit
19 false data to the IRS?

20 A. I don't recall the full number of the
21 number of victim identities. I do know that
22 in some more generally broad strokes, using
23 that data approximately 17,000 false returns
24 were filed and they sought \$58 million in
25 refunds from the IRS.



1 Q. Okay. So the those 17,000 filings,
2 the actual tax returns that were submitted to
3 the IRS, why do you say that they are false?

4 A. Those filings are false because the
5 individual purported to be filing the return,
6 namely the taxpayer is not an individual who's
7 actually filing said return, nor is it anybody
8 who has that individual's permission or
9 authority.

10 Q. So were these people victims of
11 identity theft?

12 A. Yes.

13 Q. Okay. Let's talk a little bit now
14 about this defendant individually, Sergio
15 Giuliani Nita. Do you know where he was born?

16 A. Romania.

17 Q. Okay. And did he live anywhere else
18 during the time that the crime alleged in the
19 indictment was committed?

20 A. Yes, he lived in Belgium.

21 Q. Okay. We talked a little bit about
22 the Internal Revenue Service, where you work,
23 obviously, that is the Department of the
24 Treasury, correct?

25 A. That is correct.

1 Q. And any refunds that people get after
2 they file their tax returns, that money is
3 coming out of the treasury; is that a fair
4 statement?

5 A. That is a fair statement.

6 Q. Okay. So it's the government's money
7 that is essentially being given back to the
8 tax payers who, for whatever reason, may have
9 paid more taxes than they were supposed to.
10 Is that kind of like a refund works in a
11 nutshell?

12 A. Yes, exactly.

13 Q. Okay. The IRS is of course
14 responsible for administering the tax laws and
15 collecting taxes owed to the United States,
16 right?

17 A. Yes.

18 Q. And part of that, you know, duty is
19 why they have this Get Transcript system
20 available; is it supposed to make it easier
21 for people to pay their taxes accurately?

22 A. Yes.

23 Q. Okay. I think we talked about tax
24 return transcripts, can you just summarize
25 what that actually is?

1 A. Certainly. A tax return transcript
2 would basically be line-by-line items of for
3 example, income, deduction, expenses, adjusted
4 gross income, tax due and owing, a refund if
5 due, basically -- literally a transcript of
6 what a tax return indicates.

7 Q. So like the information that would go
8 on somebody's 1040 is all maintained by the
9 IRS on that Get Transcript system?

10 A. Correct.

11 Q. Okay. We talked a little bit about
12 the security measures that you would have to
13 pass in order to get access to Get Transcript.

14 I'm just going to ask you, did they
15 have to include -- a person trying to get
16 access to the system obviously had to provide
17 their name, correct?

18 A. Correct.

19 Q. What about their Social Security
20 number?

21 A. Yes.

22 Q. What about their date of birth?

23 A. Yes.

24 Q. Their address?

25 A. Yes.

1 Q. And their taxpayer filing status,
2 meaning married, single, et cetera?

3 A. Correct.

4 Q. Okay. And you mentioned already that
5 they would have to also provide an email
6 address. So -- actually, can you explain
7 again why they had to provide an email address
8 when they access the Get Transcript system for
9 the first time?

10 A. Yes, so they would provide the email
11 address and then the system would send an
12 email to that email address to verify that
13 they had access to it.

14 Q. Okay. That's another security
15 mechanism that was in place?

16 A. Correct.

17 Q. All right. Can you tell the grand
18 jury what a prepaid debit card is and how it
19 works?

20 A. Certainly. A prepaid debit card it's
21 a bank product which functions pretty much as
22 the name indicates. It's an account which has
23 funds which are loaded onto it in advance,
24 therefore prepaid and you can use it in the
25 same manner that you would use a debit card.

1 it's important for this investigation?

2 A. Yes. So basically the funds that
3 were loaded onto a Green Dot prepaid debit
4 card could then be utilized for a Bill Pay,
5 which would allow the person who controlled
6 the account to make a payment to another
7 entity, a business entity without actually
8 paying postage and they would be able to
9 accomplish this through the use of the online
10 system.

11 Q. So you could go on your computer and
12 ask, you know, for your utilities company if
13 you had a bill due and owing to them, you
14 could have that money taken out of your Green
15 Dot account and a check mailed using this
16 system to the utility company?

17 A. Yes, that's correct.

18 Q. Okay. Finally, I think everyone is
19 familiar with PayPal but can you just kind of
20 summarize what PayPal does?

21 A. Certainly. PayPal allows people to
22 conduct transactions either between
23 individuals or between business or between any
24 combination of those, it's meant to transmit
25 payments and/or pay back loans or basically to

1 pay for services. It again, it acts similarly
2 to the method that Bill Pay would work, you
3 can pay an outstanding liability or you can
4 pay a company or pay back somebody else,
5 related party or unrelated party as you saw
6 appropriate.

7 Q. So PayPal and Green Dot are financial
8 services companies and Paypal, in particular,
9 focuses on electronic payments.

10 With Green Dot and PayPal, can you
11 set up an account for both of those online?

12 A. Yes, you could.

13 Q. Okay. Finally, what's an IP address
14 or an internet protocol address?

15 A. An IP address is a numerical
16 identifier which basically identifies a
17 particular endpoint connected to a networks
18 and in most cases we're talking about the
19 internet. So when a specific computer
20 connects to the internet it's assigned an IP
21 address which identifies that particular
22 computer.

23 Q. All right. And just by way of
24 example I'm going to show the grand jury now
25 what is a digital grand jury exhibit. We'll

1 just call this Grand Jury Exhibit 1, it's a
2 chart and I'll be making reference to it
3 throughout the presentation.

4 MR. BROWNE: All right. Can
5 everybody at least see the chart?

6 Can someone just tell me, thumbs up
7 or yes if you can actually see the chart
8 on the screen?

9 THE FOREPERSON: Yes.

10 MR. BROWNE: Great.

11 BY MR. BROWN:

12 Q. So Special Agent Iman, could you just
13 go over with the grand jury what is on Grand
14 Jury Exhibit No. 1. What is this chart?

15 A. This chart is basically a flow of the
16 process of the scheme where it identifies
17 fraudulent tax filings which are the left-most
18 column which were loaded onto prepaid debit
19 cards in the names of the identity theft
20 victims, which is the second from left column.

21 And then it follows the flow of funds
22 via spending out of those accounts to the
23 entity KH Multiservices and then follows it
24 ultimately to its destination which is the
25 Dawis Multiservice Limited bank account.

1 Q. Okay. Is it fair to say, Special
2 Agent Iman, just by way of summary, that you
3 are able to identify the defendant through
4 following the money?

5 A. Correct.

6 Q. And does the defendant control the
7 end account that's identified here as Dawis
8 Multiservice Limited at HSBC bank?

9 A. Yes.

10 Q. And that account number ends in 7838?

11 A. Yes.

12 Q. Okay. And the HSBC account that was
13 opened in the name of Dawis Multiservice
14 Limited, where does that bank account exist?

15 A. That bank account in terms of --
16 sorry, could you clarify?

17 Q. So HSBC bank is a --

18 A. Hong Kong bank.

19 Q. It's a Hong Kong bank?

20 A. Correct.

21 Q. Okay. So it's not an American bank
22 that you can just ask them for their records
23 and find out who controls the bank, correct?

24 A. Correct.

25 Q. And specifically with respect to this

1 company Dawis Multiservice Limited, was that a
2 legitimate company?

3 A. No, that's the sham company.

4 Q. What do you mean by a "sham" company
5 because that's a term that we use in the
6 General Allegation section of the indictment.

7 Can you identify for the grand jury
8 what a sham company is in this context?

9 A. Sure. A sham company is basically a
10 company which doesn't exist for any legitimate
11 business purpose and oftentimes sham companies
12 are opened in the names of identity theft
13 victims and solely for the purpose of
14 laundering proceeds, fraud proceeds or other
15 criminal proceeds.

16 Q. So we're also going to talk about
17 this company called KH Multiservices LLC,
18 that's a Bank of America account.

19 Can you tell us whether KH
20 Multiservices LLC is a legitimate company?

21 A. No, KH Multiservices LLC is also a
22 sham company.

23 Q. How do you know that KH Multiservices
24 LLC is a sham company?

25 A. It has no business transactions other

1 than receiving the funds from Green Dot and
2 sending those funds to the Dawis Multiservice
3 entity.

4 Q. And specifically, that company was
5 actually created on paper in the State of
6 California, correct?

7 A. Correct.

8 Q. And the person whose name appears
9 here on the chart, [REDACTED], is that
10 the person who actually controlled that bank
11 account?

12 A. No, Mr. [REDACTED] was interviewed and
13 he indicated that he had no knowledge of any
14 such company and did not have an account in
15 that company.

16 Q. Is it fair to that [REDACTED]
17 was an identity theft victim?

18 A. Yes.

19 Q. Okay. And his identity was used to
20 open up the Bank of America account ending in
21 2753, correct?

22 A. Correct.

23 Q. Was it also used to create a
24 California company called KH Multiservices
25 LLC?

[REDACTED]

1 A. Yes.

2 Q. All right. So let's go back to the
3 beginning of this summary, and I believe you
4 previously explained that this first column
5 refers to an IRS tax filing that was made in
6 the name of an identity theft victim, correct?

7 A. Correct.

8 Q. So let's just go down the list and
9 you can explain to us, just using the first
10 example, [REDACTED] who filed a tax return
11 on 4/16/2014.

12 How was the IRS just in general able
13 to determine that that tax return was filed
14 without his permission?

15 A. The tax return filed without his
16 permission would basically be accomplished
17 through interviewing the named tax payers.

18 Q. And people who had their taxes filed
19 for them and they had not idea that their
20 taxes were being filed?

21 A. Correct.

22 Q. And specifically, what happened once
23 [REDACTED] submitted his tax return on
24 April 16th of 2014, did the IRS actually issue
25 him a refund?

1 A. Yes, they issued a refund to the
2 prepaid Green Dot card.

3 Q. Okay. Let's break that down a little
4 bit. So whoever filed the tax return on
5 behalf of [REDACTED]; it was not [REDACTED]
6 [REDACTED], correct?

7 A. Correct.

8 Q. In fact, during the course of this
9 investigation, were you able to identify that
10 it was Sergio Giuliani Nita and his partners
11 who did this?

12 A. Yes.

13 Q. How were you able to identify that?

14 A. Basically by following the funds, you
15 know, you can see that the refund it's loaded
16 onto the prepaid debit card which then sends
17 funds to the KH Multiservices LLC which then
18 again sends it to the KH Multiservices LLC
19 bank account at Bank of America which then
20 sends the funds to Dawis Multiservice in Hong
21 Kong.

22 Q. Okay. So separate and apart from the
23 fact that the money all ended up in this Hong
24 Kong bank account that longed to Sergio
25 Giuliani Nita, the defendant.

1 Did you review any evidence where
2 Sergio Giuliani Nita actually talks about
3 submitting these fraudulent refunds -- excuse
4 me, fraudulent tax returns to the IRS?

5 A. Yes.

6 Q. So let's walk the grand jury through
7 that part. Can you describe what Sergio
8 Giuliani Nita said about that scheme and who
9 he said it to?

10 A. Certainly. Mr. Giuliani Nita
11 discussed in a encrypted chat on Jabber, which
12 is a chat application favored by hackers with
13 an individual known as [REDACTED].

14 Mr. [REDACTED] is a convicted criminal
15 who faced and was convicted of charges of
16 access device fraud in 2008. He was also
17 charged with access device fraud and identity
18 theft in 2014 in New York. He was charged
19 with identity theft, again, by a separate and
20 different grand jury in the Southern District
21 of Florida in 2018 and fled to Russia.

22 He's a Russian national and he's well
23 known in these circles as someone who
24 participates in fraud schemes to cashout
25 proceeds of fraud schemes.

[REDACTED]

1 Q. All right. So it's a lot of
2 information. So first and foremost, [REDACTED]
3 [REDACTED], the one with the criminal history.

4 A. Correct.

5 Q. You said at some point he discussed
6 this scheme with Sergio Giuliani Nita?

7 A. Yes.

8 Q. Okay. You mentioned that there were
9 some chats that were encrypted using a system
10 called Jabber.

11 Can you just break it down, why do
12 you say that that type of communication is
13 favored by cyber criminal and hackers and
14 people who do this for a living?

15 A. Certainly. Using an encrypted chat
16 application would make it difficult, if not,
17 impossible for law enforcement to try and find
18 out what you discussed. You wouldn't be able
19 to -- well, law enforcement would have a more
20 difficult time finding out what you said as
21 opposed to if you're using a text message or
22 sent it via email, for example.

23 Q. And that system of kind of protecting
24 those communications is known as encryption,
25 correct?

[REDACTED]

1 A. Correct.

2 Q. And just in general terms then, if
3 law enforcement has a hard time reading
4 through encrypted chats, how are they able to
5 read the chats between Sergio Giuliani Nita,
6 the defendant, and Mr. [REDACTED], the
7 Russian hacker you identified?

8 A. As I mentioned, Mr. [REDACTED] was
9 charged in 2014 and he provided information to
10 law enforcement subsequent to being arrested
11 at that time in New York which included
12 searches of his electric devices, so his
13 computer and his cell phone.

14 Q. And these encrypted chats would've
15 appeared on those devices and agents would've
16 had access to them because they searched his
17 devices at that time?

18 A. Yes, correct.

19 Q. Okay. And the individual [REDACTED]
20 was chatting with, did he have a screen name
21 that he used in those Jabber communications?

22 A. Yes, he did.

23 Q. And is that Juliensweiss, the first
24 alias identified in the indictment?

25 A. Yes, it is.

[REDACTED]

1 Q. Okay. So Juliensweiss was
2 communicating with [REDACTED] about this
3 scheme. Just give the grand jury in bullet
4 point format some of the things that they
5 discussed that actually related specifically
6 to the filing of fraudulent tax returns and
7 the money trail that led to Sergio Giuliani
8 Nita?

9 A. Certainly. The two discussed the
10 amounts for which refunds that they sought
11 with [REDACTED] indicating that he generally
12 was around the \$4,000 mark in requesting
13 refunds.

14 And Mr. Nita indicated that himself
15 and his partners generally kept their amounts
16 between \$800 and \$1,900, so that specifically
17 references the filing returns and what amounts
18 you file those returns in to try and avoid too
19 much attention being drawn.

20 The IRS would generally pay a lot of
21 attention the larger the amount of refunds
22 got. So criminals generally try to keep their
23 amounts lower to have a better chance of
24 flying under the radar, so to speak.

25 Q. Okay. Can you talk a little bit



1 about how, if they did, and they discussed how
2 they were going to cashout? Meaning, how they
3 were actually going to get this money from the
4 Treasury Department to their bank accounts?

5 A. Yes, they actually specifically
6 discussed PayPal and Stripe which is another
7 financial services company. They talked about
8 the writing scrips to take the money from
9 Green Dot cards and move them through PayPal
10 and Stripe and into bank accounts that they
11 controlled.

12 Q. And specifically when they were
13 discussing moving the money into PayPal
14 accounts, specifically did they reference --
15 or did Giuliani Nita say he was going to move
16 the money into a PayPal account in the name of
17 this company, KH Multiservices?

18 A. Yes.

19 Q. And did he create any -- and you
20 mentioned a script, what do you mean by that?

21 A. A script is just a sequence of
22 commands that is input which would again allow
23 a computer to take a series of actions, for
24 example, requesting funds being moved.

25 Q. So he created a custom -- is it fair

1 to say he created a computer program to move
2 money from PayPal -- excuse me, from Green Dot
3 into this particular PayPal account?

4 A. Yes, that's correct.

5 Q. Okay. And you said they discussed,
6 both, a services company called Stripe as well
7 as a services company called PayPal, correct?

8 A. Correct.

9 Q. So with respect to the Green Dot
10 accounts that are identified in this second
11 column here.

12 A. Yes.

13 Q. Can you explain how it is that this
14 Green Dot account was set up on April 15th and
15 the tax return wasn't filed until April 16th?

16 What is the point of having the bank
17 account set up before the actual fraudulent
18 tax return in [REDACTED] name is
19 submitted?

20 A. Certainly. You would have to have
21 the account set up so that the tax return,
22 where it asks where you want the refund sent
23 to, once you set up the Green Dot account they
24 would provide you with a routing account an
25 account number then you can put that

[REDACTED]

1 information into the tax return. It's
2 basically -- you would have to have the
3 account because otherwise there's nowhere for
4 you to tell IRS where to send the money.

5 Q. So if Giuliani Nita in this case he
6 was actually directing the IRS to send money
7 to an account that looked like it belonged to
8 the actual taxpayer; is that fair?

9 A. Yes.

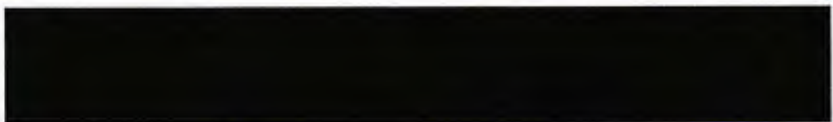
10 Q. And did he explicitly discuss that in
11 his conversations with [REDACTED], how the
12 Green Dot accounts were going to have the same
13 names on them?

14 A. Yes.

15 Q. Okay. And so we talked through one
16 example of a fraudulent tax return. Let's go
17 to the indictment now and let's talk about the
18 movement of money, but are the General
19 Allegations and specifically the Overt Acts
20 identified in the indictment, are they all
21 laid out here in this chart with respect to
22 the tax refunds that were filed as well as the
23 movement through the Green Dot accounts?

24 A. Yes.

25 Q. Great. So let's turn now to -- you



1 have a copy of the indictment in front of you?

2 A. Correct.

3 Q. All right. So let's go to page four
4 of the indictment where it says "Overt Acts."
5 So let's begin with August 9, 2013, and while
6 you look at the indictment I'm going to go now
7 to what I'll mark as Grand Jury Exhibit No. 2.

8 Can you explain what's on the screen
9 there as Grand Jury Exhibit No. 2?

10 A. Yes, it's documentation from the
11 Florida Secretary of State for a company by
12 the name of F.L.V. Mobile Solutions.

13 Q. Okay. Now, we haven't talked about
14 F.L.V. Mobile Solutions yet. Can you explain
15 to the grand jury whether that's a legitimate
16 company or whether it's one of these sham
17 companies as you call them?

18 A. It is a sham company.

19 Q. Okay. And specifically, how does the
20 IRS know that this was a sham company?

21 A. This is a sham company which was
22 controlled by Mr. [REDACTED] and there were
23 documents found on Mr. [REDACTED]'s devices
24 which indicated that he had control of this
25 company.

[REDACTED]

1 Q. So he created this company for what
2 purpose?

3 A. Basically to receive fraudulent
4 proceeds from false tax returns.

5 Q. Did he also open up a bank account in
6 the name of this company?

7 A. Yes.

8 Q. And he created this company online,
9 correct, on August 9th of 2013?

10 A. Yes.

11 Q. But [REDACTED]'s name isn't
12 anywhere on this application, is it?

13 A. No.

14 Q. Who is the supposed managing member
15 of this company, F.L.V. Mobile Solutions?

16 A. An individual by the name of [REDACTED]
17 [REDACTED].

18 Q. Is [REDACTED] the actual managing
19 member of this company that was created by
20 [REDACTED]?

21 A. No, he's not.

22 Q. Is [REDACTED] an identity theft
23 victim?

24 A. Yes, he is.

25 Q. And the IRS interviewed [REDACTED]

[REDACTED]

1 and confirmed that he had nothing to do with
2 this company?

3 A. Yes.

4 Q. And in fact, when IRS searched
5 through the [REDACTED]'s devices, you
6 said that they found documents that showed
7 that [REDACTED] actually had these documents in
8 his computer?

9 A. Yes.

10 Q. And also that he had identity theft
11 information, right? Meaning a driver's
12 license, Social Security number and other
13 things that actually belonged to this victim,
14 [REDACTED]?

15 A. Yes.

16 Q. Okay. So is it fair to say that
17 [REDACTED] in addition to creating that
18 company, also controlled the bank account
19 associated with that company?

20 A. Yes.

21 Q. And how did they use this company and
22 that bank account to facilitate the scheme
23 that we're talking, specifically, how does it
24 relate to Sergio Giuliani Nita?

25 A. The company F.L.V. Mobile Solutions

[REDACTED]

1 also received proceeds from Green Dot cards
2 which were funded by fraudulently filed tax
3 returns. And how it relates specifically to
4 Mr. Nita is some of the subsequent -- some of
5 the transfers to F.L.V. Mobile Solutions were
6 flagged and reversed with the funds being
7 redeposited to the underlying Green Dot cards
8 and then a subset of those funds was then
9 transferred to KH Multiservices.

10 Q. And that was Sergio Giuliani Nita's
11 company, correct?

12 A. Correct.

13 Q. And that he also opened in the name
14 of an identity theft victim?

15 A. Correct.

16 Q. It may be obvious but just so it's
17 clear, why did they bother creating these
18 companies in the names of an identity theft
19 victim?

20 A. They opened these companies in the
21 names of the identity theft victims basically
22 to fusegate the trail of where the money went
23 and who was actually benefitting from the
24 proceeds of fraudulently filed tax returns.

25 Q. Okay. And so we talked about how

1 they were creating these companies but you
2 also said that they were creating Green Dot
3 accounts for the identity theft victims,
4 correct?

5 A. Correct.

6 Q. And again, same type of question, why
7 did they bother creating a Green Dot account
8 in the name of a real person, for example,
9 [REDACTED] identified in the chart.

10 Why did they bother to create a Green
11 Dot account in her name as opposed to some,
12 you know, random name or some other person's
13 name?

14 A. Because that would basically allow a
15 higher chance of the fraudulent refund to be
16 accepted and for the refund to be paid out.
17 If the return received indicates, you know,
18 Ms. [REDACTED], then the general expectation would
19 be that it's a bank account in the name of
20 Ms. [REDACTED].

21 So whether that be a prepaid debit
22 card account or a traditional bank account,
23 the system would still verify, okay, you know,
24 the named tax payer is [REDACTED] and the refund is
25 going into an account in the name of [REDACTED],

[REDACTED]

1 looks okay and fund the refund.

2 Q. So that made it more likely that the
3 IRS was actually going to send this \$857
4 instead of flagging it for fraud?

5 A. Right.

6 Q. Okay. And again, did Sergio Giuliani
7 Nita specifically discuss with [REDACTED]
8 how he was going to set up these Green Dot
9 accounts in the tax payer's names?

10 A. Yes.

11 Q. Okay. So one thing that's worth
12 noting here, there's a city identified in the
13 tax return column; West Palm Beach, Florida;
14 Lake Worth, Florida; West Palm Beach and then
15 there's a different city in some cases
16 identified in the second column. Let's start
17 here with the Green Dot card, the Green Dot
18 accounts. Why is there a city identified in
19 this particular column?

20 What does that City have to do with
21 the creation of these Green Dot accounts
22 online?

23 A. Based on the IP address, that's where
24 these accounts were created from.

25 Q. And so these IP addresses that see

[REDACTED]

1 here beginning with 209, 63 and 12, those are
2 the IP addresses that were used to create
3 these Green Dot accounts, correct?

4 A. Correct.

5 Q. And can you bring it back to that
6 botnet that you were talking about, that
7 program that you described that the hackers
8 used in this case.

9 How is it that they were able to
10 submit a Green Dot application and create an
11 account from South Florida when they were
12 living in Romania and Belgium and Russia?

13 A. Basically the botnet would be
14 somebody, you know, in this location would
15 have clicked a link or opened an email or an
16 attachment and basically had their computer
17 compromised and so the subject and/or his
18 associates would be able to utilize that
19 computer and its related IP address to submit
20 the actual application to open the account.

21 Q. So through the botnet they were able
22 to basically take over these people's
23 computers?

24 A. Yes.

25 Q. And again, what's the point of going

1 through all that trouble. Why bother taking
2 over somebody else's computer? Why didn't
3 they just open up the Green Dot account using
4 their own computer in Belgium or in Russia?

5 A. Well, the company Green Dot, in that
6 case would probably identify it as suspicious
7 and then either not open the account or ask
8 for additional information or slow the process
9 down while someone reviewed the submitted
10 application.

11 Q. Again, silly question, but also from
12 IRS' perspective, is it suspicious that
13 someone is filing a tax return from Romania or
14 Belgium or Russia?

15 A. On it's own necessarily might not be
16 suspicious but if there was somebody filing a
17 return from Romania who every year before had
18 filed from Florida, that would probably cause
19 it to have more eyes look at it. So yes, in
20 summary, yes, it would cause a higher level of
21 review.

22 Q. And importantly, law enforcement
23 obviously, right, because that's how you
24 created this cart but law enforcement has
25 access to these IP addresses. Law enforcement

1 can tell after the fact where the accounts
2 opened, for example, or where the tax return
3 was filed from, correct?

4 A. Correct.

5 Q. Okay.

6 MR. BROWNE: So with respect to these
7 tax returns, we're just going to run
8 through them and we're going to go in the
9 order going back to the indictment, ladies
10 and gentlemen.

11 If you would like I'll keep the chart
12 on the screen but we're going the
13 reference the Overt Acts beginning on page
14 five of the indictment when we talk about
15 the Green Dot accounts and the tax returns
16 from here on out.

17 BY MR. BROWN:

18 Q. So we just looked at [REDACTED]
19 [REDACTED]. Her tax return was filed on
20 April 7th, 2014, correct?

21 A. Correct.

22 Q. And the Green Dot account that
23 received that tax filing was opened on the
24 same date?

25 A. Correct.

1 Q. And it doesn't say the account number
2 on here but just for the record, the Green Dot
3 account that was created in the name of
4 Ms. [REDACTED] ended in 6479, correct?

5 A. Correct.

6 Q. And then the tax return that was
7 filed in her name was filed as we mentioned on
8 the same date on April 7, 2014, correct?

9 A. Correct.

10 Q. All right. So moving on to
11 Mr. [REDACTED] which we previously discussed.
12 His tax return was filed on or about
13 April 15th, correct?

14 A. Correct.

15 Q. And his Green Dot account was opened
16 on or about the a same date, correct,
17 4/15/2014?

18 A. Correct.

19 Q. And specifically, the indictment and
20 Overt Acts No. 4 and 5, they identified those
21 two dates as the respective dates when the
22 Green Dot account was created first and the
23 tax return was submitted the following day,
24 correct?

25 A. Yes.



1 Q. And is that again the pattern that
2 you saw in this case, that the Green Dot
3 account was created shortly before the
4 fraudulent tax filing was actually submitted?

5 A. Yes.

6 Q. And the Green Dot account opened in
7 the name of Mr. [REDACTED], that ended in 6896,
8 correct?

9 A. Correct.

10 Q. All right. So now we're going to go
11 back into Overt Act No. 6, we talked about
12 F.L.V. Mobile Solutions and can you remind the
13 grand jury who actually created and controlled
14 that company?

15 A. [REDACTED].

16 Q. And how is it that [REDACTED]
17 was able to get these fraudulent refunds --
18 excuse me, these fraudulent refunds, the money
19 that the IRS actually sent out.

20 How is it that they were table route
21 that through this fake company called F.L.V.
22 Mobile Solutions?

23 A. Through Bill Pay, through check.

24 Q. Okay. So they would actually
25 automatically create a check that would go to

[REDACTED]

1 a company?

2 A. Correct.

3 Q. And did that company actually receive
4 mail here in South Florida?

5 A. Yes.

6 Q. But in 2015 I believe you said that
7 [REDACTED] was already back in Russia after
8 having fugitated after his arrest in New York,
9 correct?

10 A. Correct.

11 Q. Okay. So in 2015 on March 25th, did
12 Giuliani Nita route a tax refund in the form
13 of a check to F.L.V. Mobile Solutions?

14 A. Yes.

15 Q. And was that Check No. 15482795?

16 A. Correct.

17 Q. Where did that actually get
18 delivered?

19 A. 2637 East Atlantic Boulevard, Unit
20 26227 in Pompano Beach, Florida.

21 Q. And is that here in the Southern
22 District of Florida?

23 A. Yes.

24 Q. And that actually was mailed out by
25 that Bill Pay system that you previously

1 described was a feature of the Green Dot
2 account, correct?

3 A. Correct.

4 Q. So this was one way that the Green
5 Dot money was able to go from the IRS to the
6 Green Dot to the defendant and his
7 co-conspirator, [REDACTED], correct?

8 A. Correct.

9 Q. By the way, you mentioned that [REDACTED]
10 [REDACTED] was charged in 2018, in which
11 district was that?

12 A. This district.

13 Q. Here in the Southern District of
14 Florida?

15 A. Correct.

16 Q. So was he indicted for conduct
17 relating to this scheme that we're talking
18 about today?

19 A. Yes.

20 Q. Okay. And so going back to F.L.V.
21 Mobile Solutions on the same date, March 25,
22 2015, you can tell by the check number that
23 the Bill Pay account relating to the Green Dot
24 account that they sent another check to the
25 same company, correct?

1 A. Correct.

2 Q. In fact, the bill number is just one
3 higher 15482796, correct?

4 A. Yes.

5 Q. And did that bill, that check
6 represent the proceeds of a fraudulent tax
7 refund like the one we just talked about?

8 A. Yes.

9 Q. And did Sergio Giuliani Nita sent
10 that check from the Green Dot account to [REDACTED]
11 [REDACTED]'s shell company, correct?

12 A. Correct.

13 Q. Okay. Next moving on to [REDACTED]
14 who is the tax paper identified as [REDACTED] in
15 Overt Act No. 8 of the indictment.

16 Consistent with our pattern, was the
17 Green Dot account opened prior to the tax
18 return being filed?

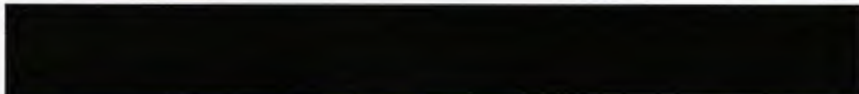
19 A. Yes.

20 Q. When was the Green Dot account
21 opened?

22 A. April 11.

23 Q. And was that Green Dot account ending
24 in 9381?

25 A. Yes.



1 Q. And when was the fraudulent tax
2 return actually submitted?

3 A. Also April 11th but later in time.

4 Q. Later in time to the Green Dot being
5 opened. And again, that's because the IRS
6 actually asks you, right, where you want the
7 refund to be sent?

8 A. Correct.

9 Q. And how do legitimate tax payers do
10 it? What do they usually provide to the IRS
11 when they want their refunds sent to a
12 specific place. Do they have to get a check
13 sent to their home?

14 A. No, they would basically just provide
15 the routing and account number of their bank
16 account.

17 Q. It can be a bank account or it could
18 be debit card, correct?

19 A. Or debit card, yes.

20 Q. Okay. Moving on from [REDACTED] to [REDACTED]
21 [REDACTED]

22 Was a Green Dot opened in
23 Mr. [REDACTED]'s name?

24 A. Yes.

25 Q. From an IP address in the Southern

[REDACTED]

1 District of Florida?

2 A. Yes.

3 Q. In the Florida Keys, correct?

4 A. Yes.

5 Q. When did that happen?

6 A. It happened on April 18th.

7 Q. Of what year?

8 A. 2015.

9 Q. Okay. And was that account ending in
10 8590?

11 A. Yes.

12 Q. And then let's go to return.

13 When was the return filed using

14 Mr. [REDACTED]'s stolen identity?

15 A. Also April 18, 2015, but again later
16 in time than the Green Dot account opened.

17 Q. And in this case it was a refund of
18 \$1,743, correct?

19 A. Correct.

20 Q. And that was deposited directly in
21 Mr. [REDACTED]'s Green Dot account or the account
22 that was purporting to be Mr. [REDACTED]'s
23 account?

24 A. Yes.

25 Q. And that money was ultimately sent

1 where?

2 A. To KH Multiservices LLC.

3 Q. And specifically to what time of
4 account?

5 A. The PayPal account.

6 Q. And is this the PayPal account that
7 Giuliani Nita referenced in his chats with
8 [REDACTED] ?

9 A. Yes.

10 Q. And in fact, all of the tax returns
11 that we're talking about ended up in one of
12 these two KH Multiservices LLC account,
13 correct?

14 A. Correct.

15 Q. All right. Over Acts 12 and 13 also
16 relate to the Bill Pay service. Two checks in
17 April 28, 2015 were sent by Giuliani Nita and
18 his co-conspirators to F.L.V. Mobile
19 Solutions, correct?

20 A. Correct.

21 Q. And those Check numbers were
22 respectably 42640010 and 11, correct?

23 A. Correct.

24 Q. And again, those were actually
25 physically mailed to a mailbox that belonged



1 to the company F.L.V. Mobile Solutions,
2 correct?

3 A. Correct.

4 Q. And that's here in the Southern
5 District of Florida in Pompano Beach?

6 A. Yes.

7 Q. All right. And getting back to the
8 fraudulent tax returns themselves. We see
9 here that the tax return was filed on
10 January 21st of 2016 in name of [REDACTED];
11 do you see that?

12 A. Yes.

13 Q. And that a Green Dot account was
14 opened shortly before that on January 21st of
15 2016 in Ms. [REDACTED] name, correct?

16 A. Yes.

17 Q. And that was -- that account it ended
18 in 7665?

19 A. Yes.

20 Q. Okay. We'll go a little faster now.
21 There was an account that Green Dot
22 opened on April 21, 2016, in the name of
23 [REDACTED], correct?

24 A. Correct.

25 Q. And that account ended in 5735,

[REDACTED]

1 correct?

2 A. Correct.

3 Q. And then the money that went into
4 that Green Dot the \$4,566, that was a result
5 of a tax return that was filed on same day,
6 January 21, 2016?

7 A. Yes.

8 Q. And that tax return was also a
9 fraudulent tax return?

10 A. Correct.

11 Q. Moving on to a Mr. [REDACTED], a Green
12 Dot account was created in his name on
13 February 10, 2016, correct?

14 A. Correct.

15 Q. And that account ended in 4615?

16 A. Correct.

17 Q. And the fraudulent refund or the
18 fraudulently obtained refund that ultimately
19 went into the account, that was issued on the
20 same day, correct?

21 A. Correct.

22 Q. For \$2,301?

23 A. Yes.

24 Q. All right. And finally, we're going
25 to go to the last step of the chain here.

1 Can you tell the grand jury
2 approximately how much money -- and it's not
3 all included in this chart, correct, the money
4 that ultimately went from the IRS to Green Dot
5 to K.H. Multiservices or F.L.V. Mobile
6 Solutions and then ultimately to Giuliani
7 Nita's bank account at Dawis Multiservice in
8 Hong Kong.

9 How much money was that approximately
10 during the time period alleged in the
11 indictment?

12 A. I believe it was approximately
13 \$6 million.

14 Q. Okay. And specifically the time
15 period alleged in the indictment.

16 A. Two million.

17 Q. Two million dollars during the
18 conspiracy period alleged in Counts 1, 2, 3,
19 correct?

20 A. Correct.

21 Q. Okay. So this is obviously not
22 adding up to \$2 million, but is it fair to say
23 that these are selective transactions where
24 the money moved from Giuliani Nita's company
25 called KH Multiservices to his Hong Kong bank

1 account called Dawis Multiservice Limited?

2 A. Correct.

3 Q. Okay. And so with respect to a few
4 of these transactions that are listed in the
5 indictment, on February 9, 2016, there was a
6 \$17,989 international wire transfer, correct?

7 A. Yes.

8 Q. And then eight days later there was a
9 \$19,988 international wire, correct?

10 A. Correct.

11 Q. And then finally, on February 27,
12 2016 -- I'm sorry, the last transaction
13 occurred on February 23, 2016, correct?

14 A. Correct.

15 Q. And then finally the last transaction
16 was on February 27, 2016, correct?

17 A. Correct.

18 Q. And what was the amount of that
19 international wire?

20 A. \$13,979.

21 Q. Okay. With respect to their
22 communications specifically about KH
23 Multiservices LLC, can you explain how you
24 know that Giuliani Nita not only controlled
25 this account at Dawis but specifically how you

1 know that he controlled KH Multiservices LLC
2 at Bank of America?

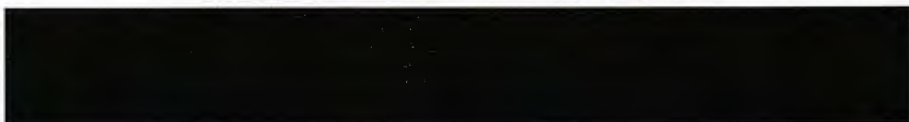
3 A. As I previously mentioned with F.L.V.
4 Mobile Solutions, there was a subset of
5 proceeds which was directed back to Green Dot
6 cards and then a portion of those proceeds
7 were ultimately re-sent to KH Multiservices.
8 And then in addition to that, there was the
9 chat between the two, between Mr. [REDACTED]
10 and Mr. Nita in which they reference the
11 script which also addresses KH Multiservices.

12 And finally, with regard to Dawis
13 Multiservices the Dawis Multiservice through
14 emails was referenced as the main supplier of
15 another entity tied to Mr. Nita known as
16 Kryptar and Mr. Nita also had specific account
17 information for Dawis Multiservice above and
18 beyond what a normal individual would have
19 unless they were the owner or the controller
20 of said bank account.

21 Q. He had the account number, the
22 routing number --

23 A. Zip code and the bank address as
24 well.

25 Q. Okay. And in particular you talked



1 about emails, those are separate and apart
2 from the chat between [REDACTED] and Giuliani
3 Nita where they're discussing this scheme,
4 correct?

5 A. Correct.

6 Q. Did law enforcement execute a search
7 warrant on Giuliani Nita's email address?

8 A. Yes.

9 Q. Were you able to confirm his identity
10 through that email address?

11 A. Yes.

12 Q. Did you find, for example, any photo
13 documentation of him or any picture ID or
14 passport?

15 A. Yes, we found driver's license, a
16 Belgium driver's license, a Belgium
17 identification card, other documents such as
18 that.

19 Q. Any other indication that gave the
20 IRS a sense of where Giuliani Nita was located
21 other than Belgium or Romania where he was
22 born?

23 A. Yes, there was also reference to a
24 rental property in Spain.

25 Q. Okay. And Giuliani Nita executed a

1 rental agreement for that rental property in
2 Spain?

3 A. Correct.

4 Q. Okay. Now, let's go back to the very
5 beginning when we talked about the Get
6 Transcript system.

7 All of these tax returns that were
8 filed by these individuals, was there also a
9 fraudulent Get Transcript account created in
10 their names?

11 A. Yes.

12 Q. So in order to do that, what would
13 Sergio Giuliani Nita, [REDACTED] and
14 their partners have to have, for example, for
15 [REDACTED]?

16 A. Personal identifiable information
17 namely, the name, address, Social Security
18 number, date of birth and then knowledge to be
19 able to answer questions they were asked.

20 Q. And just in general terms, why would
21 it be useful for Sergio Giuliani Nita and his
22 co-conspirators to access that information if
23 they already had the stolen PI, if they
24 already had the stolen Social and the, you
25 know, address and all this other information

1 for these victims. Why did they not just
2 submit the tax return? Why did they bother
3 accessing Get Transcript in the first place
4 and risk detection by the IRS?

5 A. Well, it would allow for a higher
6 success rate if you prepare a fraudulent
7 return which was not too different from the
8 prior legitimate return of said taxpayers.

9 For example, if somebody always
10 worked a W-2 job and they worked at Costco and
11 then in the year that you submit the
12 fraudulent return you're suddenly claiming
13 that they are a CEO of their own company which
14 they never referenced on any of the prior year
15 tax returns, again, it's more likely that the
16 refund would be delayed or some additional
17 verification would be done.

18 So while the returns were fraudulent
19 they tended to sometimes mirror, you know, the
20 activity and the line items which were present
21 on prior year valid tax returns.

22 Q. And that's how these conspirators
23 were able to get \$58 million in refunds
24 issued, correct?

25 A. Correct.



1 Q. Okay. All right. Special Agent
2 Iman, has your testimony today been limited to
3 establishing probable cause for these three
4 proposed charges?

5 A. Yes.

6 Q. And does your testimony today reflect
7 every single fact that law enforcement has
8 learned over the course of this five-year long
9 investigation?

10 A. No.

11 Q. Okay.

12 MR. BROWNE: Thank you very much,
13 Special Agent.

14 You can step outside.

15 THE WITNESS: Thank you.

16 (Witness excused.)

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