

Owner of Used Car Dealership Admits Conspiracy to Steal Payments from U.S.

Department of Defense, Bank Fraud and Money Laundering - GSA Office of Inspector

General
Owner of Used Car Dealership Admits Conspiracy to Steal
Payments from U.S. Department of Defense, Bank Fraud
and Money Laundering

Department of Justice

U.S. Attorney's Office

District of New Jersey

Monday, January 6, 2020

FOR IMMEDIATE RELEASE

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CAMDEN, N.J. – A Burlington County, New Jersey, man today admitted his role in a conspiracy to defraud the U.S. Department of Defense (DoD), U.S. Attorney Craig Carpenito announced.

Hurriyet Arslan, 49, of Willingboro, New Jersey, pleaded guilty before U.S. District Judge Joseph H. Rodriguez in Camden federal court to an information charging him with one count of conspiracy to commit mail, wire and bank fraud, one count of bank fraud and one count of money laundering.

According to documents filed in this case and statements made in court:

Corporation 1 had a contract with the DoD to supply jet fuel to troops operating in southeast Asia. Corporation 1 employed an individual in Fort Lee, New Jersey – identified as “Victim 1” – who was responsible for communicating with the federal government through a government computer system.

Conspirators located overseas designed and deployed on the Internet fraudulent web pages (phishing pages) that resembled the public-facing website of the General Service Administration. From June 2018 through September 2018, the conspirators caused phishing e-mails to be sent to various DoD vendors, including Victim 1, in an attempt to trick the vendors into visiting the phishing pages. These e-mails appeared to be legitimate but were actually fraudulent e-mails that contained electronic links to the phishing pages. Those customers who clicked on the electronic links were directed automatically to the phishing pages, where they saw what appeared to be the GSA's System for Award Management (SAM) website and were prompted for, and entered, their log-in credentials and personal key.

The conspirators caused Victim 1's log-in credentials and personal key to be intercepted and transmitted, not to the GSA, but to computers and e-mail accounts that the conspirators controlled.

Arslan was the owner of Deal Automotive Sales in Florence, New Jersey. At the request of an individual in Germany, he opened a shell company based in New Jersey, with a mobile phone number and bank account. Arslan sent the mobile phone SIM card and bank account information to a conspirator in California. For doing this, Arslan received two wire transfers from someone in Turkey. Due to suspicious activity, the bank shut down the bank account, and the conspirator in California asked Arslan for his account information for Deal _____

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General, which he provided.

On July 27, 2018, DoD awarded Corporation 1 a \$23.5 million contract to provide Aviation JA1 Turbine fuel to troops operating in southeast Asia. The conspirators used Victim 1's log-in credentials to access Corporation 1's government account and changed the bank account information to reflect a bank account controlled by Arslan. The conspirator in California contacted the DoD, identifying himself as Victim 1, and confirmed that Corporation 1's payment method had been changed to the Deal Automotive Sales bank account.

DoD transferred \$23.5 into Arslan's Deal Automotive Sales bank account, which Arslan accessed at a branch in Burlington County and transferred a portion of the money to other accounts he controlled.

The counts of conspiracy and bank fraud to which Arslan pleaded guilty carry a maximum potential penalty of 30 years in prison and a fine equal to the greatest of \$1 million or twice the gross profits received or gross loss from the offense. The count of money laundering carries a maximum penalty of 10 years in prison and a fine of \$250,000 or two times the gross profits received from the offense or two times the gross loss sustained by the victims. Sentencing is scheduled for April 13, 2020.

U.S. Attorney Carpenito credited criminal investigators of the United States Attorney's Office, special agents of the U.S. Department of Defense, Defense Criminal Investigative Service, Northeast Field Office, under the direction of Special Agent in Charge Leigh-Alistair Barzey; special agents of the Department of Homeland Security, Homeland Security Investigations, under the direction of Special Agent in Charge Brian Michael; special agents of the General Service Administration, Office of Inspector General, under the direction of Acting Special Agent in Charge Stephen Lobaugh, with the investigation leading to today's guilty plea.

The government is represented by Assistant U.S. Attorneys Jason M. Richardson and Sara Aliabadi of the U.S. Attorney's Office Criminal Division in Camden.

Source: U.S. Department of Justice [press release](#).