

Agents probing drug site accused of taking online currency

31 March 2015, by Kristin J. Bender And Paul Elias

Two former federal agents are accused of using their positions and savvy computer skills to siphon more than \$1 million in digital currency from the online black market known as Silk Road while they and their agencies operated an undercover investigation into the website.

The pair appears to have acted independently of each other while using sophisticated encryption software, inside knowledge of the investigation and complex offshore banking transfers of digital money called bitcoins and U.S. currency.

Cybersecurity experts said corruption on the Internet appears to be uncommon because there are few [law enforcement agents](#) who have the skills to carry out the type of fraud the agents are accused of committing.

J.J. Thompson, chief executive officer of Rook Security, an Indianapolis-based computer security company, said that as more officers learn the skills, cases of corruption are likely to increase.

"It's really easy to create opportunity in the cyberworld because there are few people to hold you accountable," Thompson said.

Former Drug Enforcement Administration Agent Carl M. Force, 46, was arrested Friday in Baltimore and remained in custody Monday after being charged with wire fraud, theft of government property, money laundering and conflict of interest.

Former U.S. Secret Service Special Agent Shaun W. Bridges, 32, of Laurel, Maryland, appeared in federal court in San Francisco and is free on \$500,000 bond after being charged with wire fraud and [money laundering](#).

Force led part of the multiagency investigation of Silk Road and its now-convicted operator Ross Ulbricht.

Force, working undercover, convinced Silk Road's operator that he was a drug smuggler with global underworld connections. Using the pseudonym "Nob," Force communicated with the operator's online persona using [encryption software](#) and obtained hundreds of thousands of dollars in bitcoin payments as part of a sting operation sanctioned by his supervisors.

But Force is charged with failing to report many of the communications and payments and funneling money received from Silk Road to private accounts.

He is also accused of creating a new online name without his supervisors' knowledge and using it to sell inside information to Silk Road about the investigation. Court records accuse Force of stealing more than \$200,000 from the online drug bazaar.

Authorities say Force accepted a position as chief compliance officer for a bitcoin company while serving with the DEA. He's accused of using his federal position to seize a customer's \$297,000 account and transferring it to his private account. Force resigned last year after a 15-year career, according to court records.

His attorney, Ivan Bates, didn't return a phone call.

Meanwhile, Bridges is charged with using information gleaned during the investigation to hack into the site and steal \$800,000 in January 2013. Bridges served on a special U.S. Secret Service electronic crimes task force and was the technological expert for the investigation.

Bridges sat in on a debriefing of a Silk Road employee cooperating with the probe who gave investigators passwords to access the site as administrators. He is accused of using the information to access Silk Road's finances and funnel the money to private accounts. Bridges "abruptly" resigned on March 18 after a six-year

career with the Secret Service, court documents show.

His attorney, Steven Levin, declined to comment.

Federal authorities arrested the Silk Road operator in San Francisco in October 2013 and shuttered the site. A federal jury convicted Ulbricht of seven charges, and he faces 30 years in prison at his sentencing set for May 15.

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