

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA

v.

1:19-CR-10438-GAO

(1) ERIC MEIGGS and  
(2) DECLAN HARRINGTON,

Defendants

SENTENCING MEMORANDUM OF THE UNITED STATES

On August 12, 2021, defendants Eric Meiggs and Declan Harrington each pleaded guilty to the counts in the Indictment charging them with unauthorized access and wire fraud conspiracy, in violation of 18 U.S.C. § 371 (Count 1); wire fraud, in violation of 18 U.S.C. § 1343 (Counts 2 through 9); unauthorized access to computers (Count 10); and aggravated identity theft, in violation of 18 U.S.C. § 1028A(a)(1) (Count 11). Sentencing is scheduled for October 19, 2022.

The Presentence Investigation Report (“PSR”) for Meiggs assigns him to Criminal History Category I and to an offense level of 26, with a corresponding Guidelines Sentencing Range (“GSR”) of 63 to 78 months on Counts 1 through 4, 9, and 10, plus a 24-month consecutive sentence required because of his conviction for aggravated identity theft. (Meiggs PSR ¶¶ 44, 48).

The PSR for Harrington assigns him to Criminal History Category I and to an offense level of 24, with a corresponding GSR of 51 to 63 months on Counts 1, 5 through 9, and 10, plus

a 24-month consecutive sentence required because of his conviction for aggravated identity theft. (Harrington PSR, ¶¶ 43, 47).

For the reasons stated below, pursuant to the sentencing factors set forth at 18 U.S.C. § 3553(a), and for reasons to be stated at the sentencing hearing, the United States respectfully requests that the Court sentence defendant Meiggs to one day in custody on Counts 1 through 4, 9, and 10, to be followed consecutively by 24 months in custody on Count 11. The United States similarly requests that the Court sentence defendant Harrington to time served on Counts 1, 5 through 9, and 10, to be followed consecutively by 24 months' custody on Count 11. Each defendant should serve 24 months of supervised release on their non-aggravated identity theft convictions and a concurrent term of 12 months supervised release on Count 11. The Court should also order restitution pursuant to 18 U.S.C. § 3663A, payable pro rata to Victims 3, 5 through 7, and 10—the victims who suffered pecuniary harms. In light of the restitution amount and each defendant's apparent inability to pay a fine, the United States does not seek one.

I. Background

Beginning in November 2017, at ages approximately 20 and 17, respectively, defendants Meiggs and Harrington participated with others in a conspiracy to obtain unauthorized access to computer networks and to engage in wire fraud, with the goal of stealing cryptocurrency and gaining control of valuable social media account names from victims. (¶ 9).<sup>1</sup>

The scheme involved “SIM-swapping”, a species of fraud. The scheme tricked cell phone companies into transferring service from a victim's cell phone handset to a new handset that the defendants and others controlled. (The new handset has a new Subscriber Identification

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<sup>1</sup> “¶” references are to the offense conduct described in Meiggs' PSR, which is substantively identical to the offense conduct described in Harrington's PSR.

Module (or “SIM”), thus “SIM-swapping”). Having hi-jacked the victims’ phone service, the defendants and their co-conspirators were able to receive communications intended for the victims, including inbound text or SMS messages. (¶¶ 9-10).

Following the SIM-swapping, the defendants were able to divert password reset links or authentication codes that they caused to be sent to the victims’ phones, thereby giving Meiggs and others the ability to access the victims’ email and social media accounts. (¶ 13).

(Defendant Harrington’s primary role in the scheme was to purchase or possess new phones and SIM cards to which the reset links or authentication codes would be sent. (¶ 12)). With this

access, the defendants and their coconspirators were able to skim through the victims’ digital lives and find and take cryptocurrency currency or control of social media account names.

(¶ 13). The defendants selected targets who were likely to have and to use Bitcoin, such as

Bitcoin entrepreneurs. (¶ 13). The defendants sometimes extorted payment from victims in exchange for giving back control of the accounts (¶ 14), and sometimes fraudulently

impersonated the victims, successfully asking friends and acquaintances for a short-term loan of

Bitcoin, which was never repaid. (¶ 18). The offense caused actual losses of approximately

\$330,000, which the defendants and their coconspirators shared equally. (¶ 13, 25). With

attempted losses included, loss within the meaning of U.S.S.G. § 2B1.1 totaled approximately

\$530,000. (¶ 32).

## II. The Nature and Circumstances of the Offense

The Victim Impact Statement submitted by one of the defendants’ victims provides ample justification for the custodial sentence that the government seeks for each defendant. In

March 2018, Victim 3—who operated a cryptocurrency-related business—lost control of his

AT&T phone service. After three hours on the phone with AT&T, he learned that he had lost access to several online accounts, including his Facebook account. The next day, the victim had to take time off of work to restore his phone service. When Victim 3 arrived home from that experience, he received a message from a Facebook friend who had just sent approximately \$100,000 in Bitcoin in response to Victim 3's purported request for help for his hospitalized mother. (The mother was not in the hospital, and Victim 3 had not requested help).

Victim 3 felt compelled to repay his friend with Bitcoin that he had worked hard to amass over two years, and at significant personal cost to the victim's relationship with his then-wife. Victim 3 (correctly) believes "this is not a victimless crime", and asks that the Court "impose a sentence that makes it clear to the offenders that this crime was serious, and had serious repercussions far beyond the money value of the stolen Bitcoin."

The PSR makes clear that Victim 3's is just one of the many lives that the defendants and their coconspirators impacted negatively with their conduct. Even victims who did not lose money had horrible experiences, like Victim 8, who received threatening messages from defendant Meiggs and others that convinced him to give up a coveted Instagram account name. (¶ 14). The recommended sentence of 24-plus months' imprisonment is warranted, both to recognize the seriousness of the defendants' offense and to deter others from the lure of SIM-swapping, even as other circumstances—such as the defendants' youth and their lack of any criminal history—weigh in the defendants' favor.

### III. The Need to Avoid Unwarranted Sentencing Disparity

The government has reviewed sentencings in other SIM-swapping prosecutions nationally. Representative cases are presented in the table below. For comparable amounts of

money stolen, the sentences of predominantly young men in their late teens and twenties at the time of offense appear to be far lower than the Guidelines Sentencing Ranges for the defendants in this case. The *Abbas* matter in particular, where a defendant received 24 months in custody for stealing approximately \$310,000 in cryptocurrency, appears to be an apt benchmark.

Conversely, defendants in the Eastern District of Michigan who stole between \$7.5 million and \$10 million received sentenced lower than Meiggs' and Harrington's current GSRs.

Jurisdiction	Defendant	Age	Restitution	Sentence
EDMI	Endicott	22	\$121,549.37	10 months
EDMI	Handschumacher	28	\$7,681,570.03	48 months
EDMI	Jurisc	22	\$9,517,129.29	42 months
EDMI	Abbas	22	\$310,791.90	24 months
Ireland	Freeman	22	N/A	36 months
D. CT.	Stevenson	29	N/A	Probation
EDLA	Li	21	\$61,117.50	3 years' Probation
EDLA	Defiore	36	\$2,325 (bribes)	3 months' probation
D. Md.	Bryan	20	\$34,329 (+swatting)	24 months
D. Md.	Milleson	20	\$34,329 (+swatting)	24 months
Santa Clara (Ca.)	Ortiz	20	>\$5,000,000	10 years

#### IV. RISE

Defendant Meiggs participated in and completed the Court's RISE program. The government agreed to his participation with the understanding that it would not recommend the dismissal of Count 11, even if he graduated from the program. For the reasons stated in the RISE committee's report, the United States recommends that the Court credit defendant Meiggs with 14 months off of the low end of the Guidelines range otherwise applicable to him. No other

portion of the government's sentencing recommendation is attributable to defendant Meiggs' participation in RISE.

Defendant Harrington applied to the RISE program, but he was not admitted.

V. Restitution

The government seeks restitution for Victims 3, 5, 6, 7, and 10 in the amounts below.

Victim	VNS Number	Amount	Meiggs PSR ¶
3	6151128	\$100,000	18
5	N/A	\$10,000	19
6	6151131	\$165,167	20
7	6151156	\$35,000	21
10	6151149	\$20,000	16
<b>Total</b>		<b>\$330,167</b>	

VI. Conditions of Supervision

The government seeks as conditions of the defendants' 24 months of supervised release that they be offered mental health testing and treatment at the discretion of the United States Probation Office, and that each defendant's Internet and social media use be subject to monitoring, with the specific requirement that each defendant subscribe to any social media account using only their true name.

VII. Other Factors

The government will address other factors supporting its sentencing recommendation at the sentencing hearing.

Respectfully submitted,

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United States Attorney

By: /s/ Seth B. Kosto  
SETH B. KOSTO  
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Computer Crime and Intellectual Property Section

October 18, 2022

CERTIFICATE OF SERVICE

I certify that this Sentencing Memorandum of the United States was filed on the date listed below through the ECF system, which will provide electronic notice to counsel as identified on the Notice of Electronic Filing.

/s/ Seth B. Kosto  
SETH B. KOSTO  
Assistant United States Attorney

Dated: October 18, 2022