

BREAKING

Scottsdale man indicted in wire fraud using 'snowshoe spamming'

Jerod MacDonald-Evoy The Republic | azcentral.com

Published 3:20 p.m. MT Feb. 9, 2017

A Scottsdale man is facing 10 counts of wire fraud in federal court after officials alleged he used several email addresses to send "well over a million" spam messages across the globe.

Michael Persaud, 36, was arrested last month in Arizona and brought before U.S. Magistrate Judge Susan E. Cox in Chicago. The case was brought to Chicago courts because the server Persaud used was based there, according to the indictment.

A wire-fraud conviction carries a possible sentence of up to 20 years in prison.

From April 2012 through 2015, officials say Persaud sent emails on behalf of "sellers of various goods and services" using his California-based company called Impact Media LLC. Persaud got commission from sales generated by the emails, according to court documents.

Persaud used a specific tactic dubbed "snowshoe spamming," court documents show.

Snowshoe spamming gets its name from the way spam emails are sent. Spammers who use this technique spread their spam messages across several Internet Protocol addresses, distributing it the same way a snowshoe distributes a person's weight to help avoid sinking into the snow.

Spam messages received by this tactic often look like emails from legitimate companies.

The indictment also alleges Persaud illegally transferred and sold "millions of email addresses for the purpose of transmitting spam."

Court records show Persaud would gain access to a person's IP address by saying he would not use their services to send spam and agreed to abide by the terms and services put forth by the provider. Once Persaud was discovered to be in breach, he used fake names along with a fake California driver's license to regain access to the servers.

Officials say the FBI investigated the case.

In his first court appearance in December, Persaud pleaded not guilty and was ordered to be released on his own recognizance. Officials seized his four computers, and Persaud was allowed to return to Arizona under the condition he does not travel out of state except to attend court appearances in Chicago.

His next court appearance is scheduled for Feb. 21 in Chicago.