



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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Former DEA Agent Sentenced for Extortion, Money Laundering and Obstruction Related to Silk Road Investigation

A former Drug Enforcement Administration (DEA) agent was sentenced today to 78 months in prison for extortion, money laundering and obstruction of justice, which crimes he committed while working as an undercover agent investigating Silk Road, an online marketplace used to facilitate the sale and purchase of illegal drugs and other contraband.

Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division, Acting U.S. Attorney Brian Stretch of the Northern District of California, Chief Richard Weber of the IRS-Criminal Investigation (IRS-CI), Special Agent in Charge David J. Johnson of FBI's San Francisco Division, Special Agent in Charge Michael P. Tompkins of the Department of Justice Office of the Inspector General's Washington, D.C., Field Office and Special Agent in Charge James E. Ward of the Department of Homeland Security Office of the Inspector General's Atlanta Field Office made the announcement.

Carl M. Force, 46, of Baltimore, pleaded guilty on July 1, 2015, before U.S. District Court Judge Richard Seeborg of the Northern District of California. In addition to imposing the prison term, the court ordered Force to pay \$340,000 in restitution and serve three years of supervised release following his sentence.

Force was a special agent with the DEA for 15 years. From 2012 through 2013, he was assigned to the Baltimore Silk Road Task Force, a multi-agency group investigating illegal activity on the Silk Road. Force served as an undercover agent and was tasked with, among other things, establishing communications with a target of the investigation, Ross Ulbricht, aka "Dread Pirate Roberts."

In connection with his guilty plea, Force admitted that, while working in an undercover capacity using his DEA-sanctioned persona, "Nob," in the summer of 2013, Force offered to sell Ulbricht fake drivers' licenses and "inside" law enforcement information about the Silk Road investigation. Force admitted that he attempted to conceal his communications with Ulbricht about the payments by directing Ulbricht to use encrypted messaging. Force admitted that he understood the payments from Ulbricht, which were made in bitcoin, were government property, as they constituted evidence of a crime, and that he falsified official reports and stole the funds, which he deposited into his own personal account. Force admitted that, as Nob, he received bitcoin payments from Ulbricht worth more than approximately \$100,000.

In addition, Force admitted that he devised and participated in a scheme to fraudulently obtain additional funds from Ulbricht through another online persona, "French Maid," of which his task force colleagues were not aware. Force admitted that, as French Maid, he solicited and received bitcoin payments from Ulbricht worth approximately \$100,000 in exchange for information concerning the government's investigation into the Silk Road.

Force also admitted that he obstructed justice both by soliciting and accepting bitcoin from Ulbricht and by lying to federal prosecutors and agents who were investigating potential misconduct by Force and others.

In connection with his guilty plea, Force also admitted that, although he did not receive permission from the DEA to do so, he served as the chief compliance officer for CoinMKT, a digital currency exchange company. In this role, in February 2014, Force was alerted by CoinMKT to what the company initially believed to be suspicious activity in a particular account. Force admitted that, thereafter, in his capacity as a DEA agent, but without authority or a legal basis to do so, he directed CoinMKT to freeze \$337,000 in cash and digital currency from the account. Force further admitted that he subsequently transferred approximately \$300,000 of the digital currency into a personal account that he controlled.

The case is being investigated by the FBI's San Francisco Division, the IRS-CI's San Francisco Division, the Department of Justice Office of the Inspector General and the Department of Homeland Security Office of the Inspector General in Washington, D.C. The case is being prosecuted by Assistant U.S. Attorneys Kathryn Haun and William Frentzen of the Northern District of California and Trial Attorney Richard B. Evans of the Criminal Division's Public Integrity Section. Assistant U.S. Attorney Arvon Perteet of the Northern District of California handled the asset forfeiture aspects of the case.

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