Security & Ethics – Aug 2013



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Acting Head : Enterprise Information Risk Security Governance & Compliance Transnet

A Thought....

- "Computer insecurity is inevitable. Networks will be hacked. Fraud will be committed. Money will be lost. People will die".
- Bruce Schneier, master cryptographer

A Thought....



Ethics

- IT has the potential to do good vs potential for harm
- Principles of Technology Ethics
 - Proportionality good outweigh harm
 - Informed Consent those affected understand and accept
 - Justice benefits and burdens should be fairly distributed
 - Minimized risk even if acceptable by other 3 guidelines, must be implemented to avoid risk

Ethics

- Ethics are embodied in codes of professional conduct for IS professionals
 - Eg. Association of IT professionals (AITP), ISACA, ISC2
 - HTTP://WWW.ISACA.ORG.ZA
 - Recognises obligation to employer
 - Avoid conflicts of interest
 - Protect privacy & confidentiality etc.
 - Also obligation to society
 - Ensure products of work used responsibly
 - Support, respect and abide by laws
 - Never use confidential info for personal gain

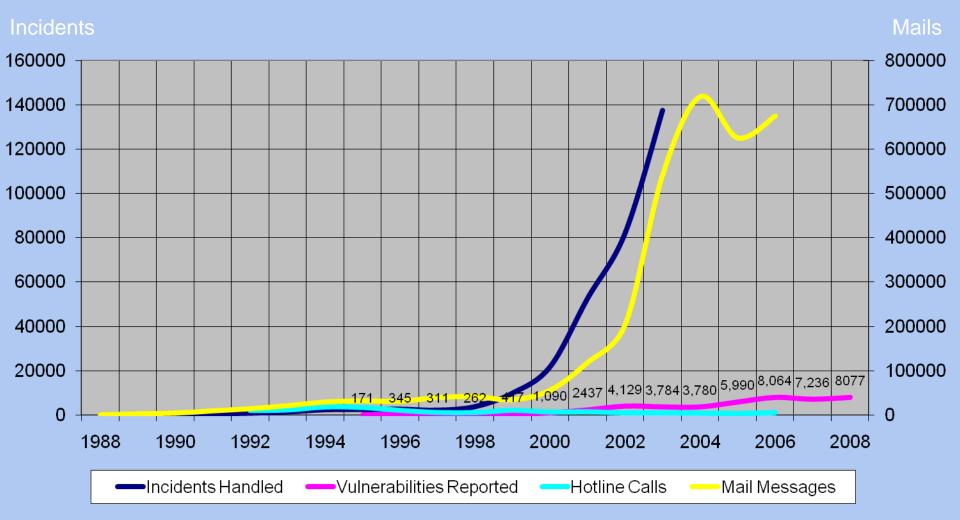
Security Question for the day

How did Osama Bin Laden outsmart the US (and the world's) intelligence agencies for so long?

Answer later

Growth in number of security breaches

Cert Stats to Dec 2008



Selected "key" findings PWC 2011 survey

- Strategic trends in spending
 - Security is on the CFO "protect list"
 - Vulnerable to flavour of the year
 - Splash then diffusion
- Drivers aren't new, but are trending at 4 year lows
- "Client requirements" are a more significant reason for infosec
- Largest increase in risk due to weaker partners and suppliers
- Some firms are allowing capabilities to degrade
- ISO reporting line moved away from CIO to business
- Social networks one of fastest growing areas of risk
- Mitigating consequences of breach through incident response now a leading priority

Drivers of infosec

Page 9

Figure 1: Percentage of respondents who identify the following business issues or factors as the most important drivers of information security spending in their organisation. (1)

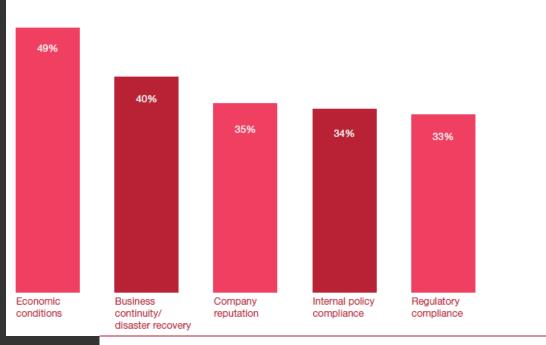


Figure 2: Percentage of respondents who identify the following business issues or factors as the most important drivers of information security spending in their organisation. (2)

	2007	2008	2009	2010	Three-year % change*	
Economic conditions	n/a	n/a	39%	49%	n/a	
Business continuity/disaster recovery	68%	57%	41%	40%	-41%	
Company reputation	44%	39%	32%	35%	-20%	
Internal policy compliance	51%	46%	38%	34%	-33%	
Regulatory compliance	54%	44%	37%	33%	-39%	

Justification of infosec

Figure 3: Percentage of respondents who identify the following factors when asked to reveal how information security is justified in their organisation. (3)

	2007	2008	2009	2010	Three-year % change*	
Legal/regulatory environment	58%	47%	43%	43%	-26%	
Client requirement	34%	31%	34%	41%	+21%	
Professional judgment	45%	46%	40%	40%	-11%	
Potential liability/exposure	49%	40%	37%	38%	-22%	
Common industry practice	42%	37%	34%	38%	-10%	
Risk reduction score	36%	31%	31%	30%	-17%	
Potential revenue impact	30%	27%	26%	27%	-10%	

Social media

- Protecting data across applications, networks and mobile devices is complex enough
 - social networking by employees is presenting organisations with new and growing frontier of risk.
- ► The risks, from an information security perspective
 - the loss or leaking of information
 - statements or information that could damage the company's reputation
 - activity such as downloading pirated material with legal and liability implications
 - identity theft that directly and indirectly compromises the company's network and information; and
 - data aggregation in building up a picture of an individual to mount security attacks through social engineering.
- Few companies are adequately prepared to counter this threat
 - 60% haven't implemented security technologies supporting Web 2.0 exchanges such as social networks, blogs or wikis
 - 77% have not established security policies that address the use of social networks or Web 2.0
 - a critical strategy that costs virtually nothing

EY 2010 Infosec Survey Selected Findings – Borderless Security

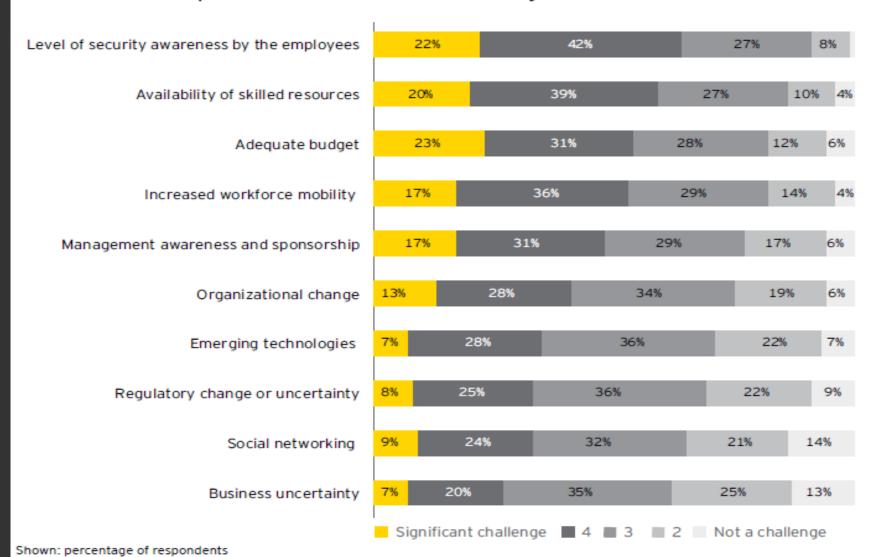
"The trend toward anywhere, anytime access to information will continue changing the business environment, blurring the lines between home and office, co-worker and competitor, and removing traditional enterprise boundaries."

Areas of focus

- Data on the move
 - Mobile workforce
 - Mobile computing risks
 - Plugging the leak
- Processing in the clouds
 - Cloud computing trend
 - Cloud computing risks
 - Securing the cloud
- Web connections
 - Social media
 - Identifying social media risks
 - Securing social behaviour

Data on the move

What is the level of challenge related to effectively delivering your organization's information security initiatives for each of the following?

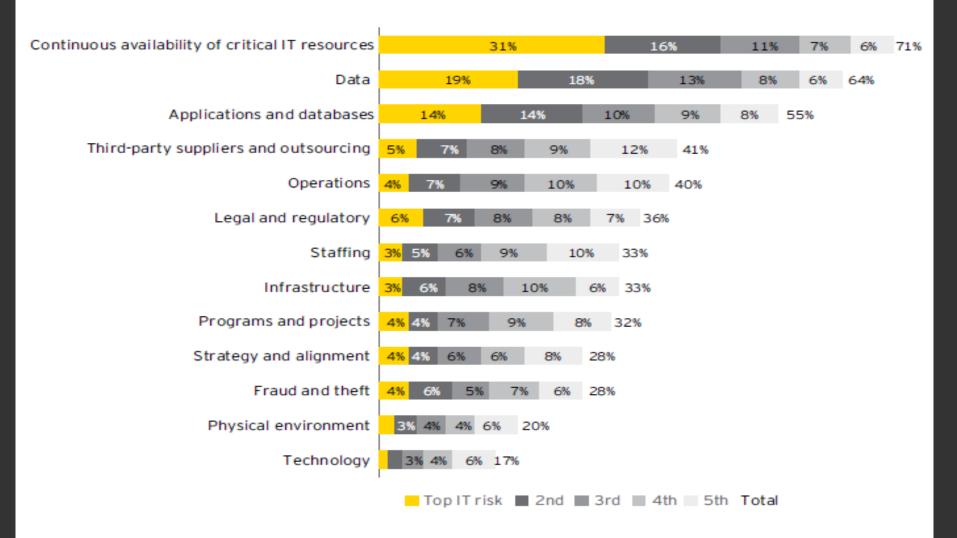


Mobile risk

- The increased use of mobile computing devices for business purposes poses serious risk
- Popularity and widespread use of these devices has led to the unwanted, but predictable results:
 - a target for computer viruses and sophisticated mobile malware
 - due to the small size of the portable devices, simple theft
- The most serious risk of mobile computing is the potential loss or leakage of important business information.
- Survey participants indicated data risk in their top five areas of IT risk
 - ▶ 2nd only to continuous availability

Data is 2nd highest risk

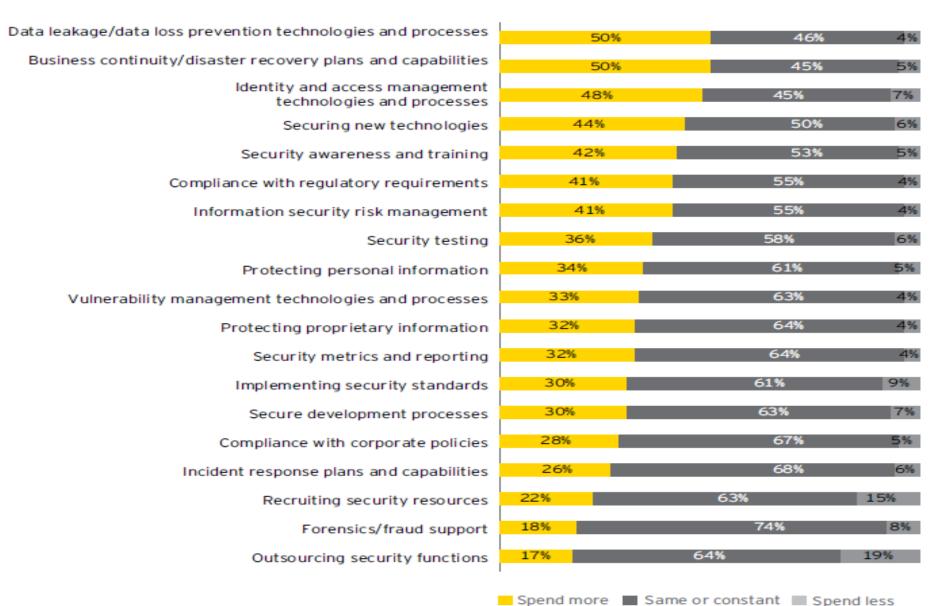
From the following list, which are the top five areas of IT risk for your organization?



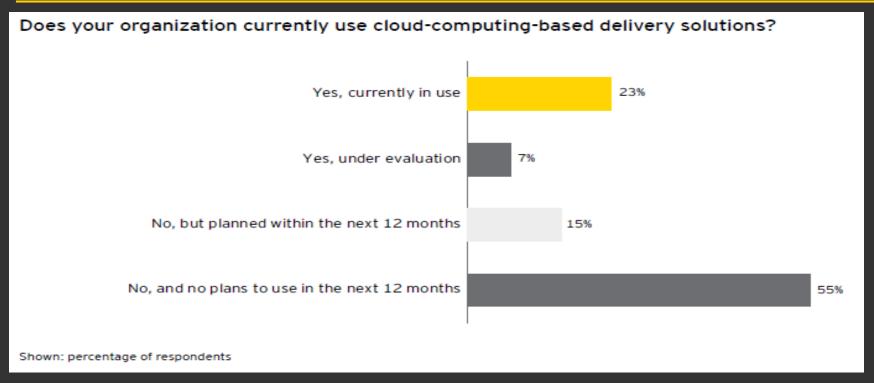
Shown: percentage of respondents

Spend on InfoSec

Compared to the previous year, does your organization plan to spend more, less or relatively the same amount over the next year for the following activities?



Plans for the cloud



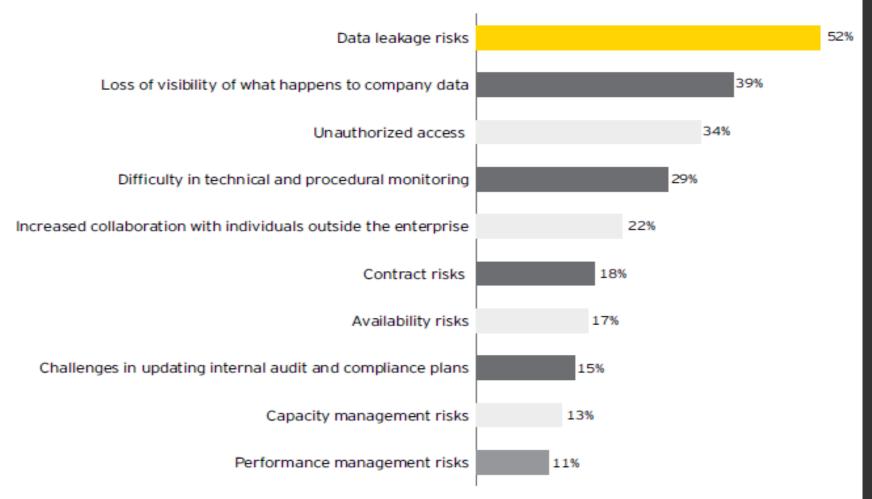
Surprisingly high number

reliability and security level of many cloud services is still unknown.

Despite an unproven track record, we expect cloud services to increase over the next few years as performance and benefits are demonstrated, offerings and capabilities expand, and cost-cutting pressures continue to force companies to look for alternative IT solutions.

Risks of cloud

Which of the following "new" or increased risks have you identified?



Shown: percentage of respondents

Controlling social media

- The simplest way to reduce the risks associated with social networking and Web 2.0 is to restrict or limit the use of such tools in the work environment.
- lt is doubtful that such an approach can be successful
 - it does not prevent the sharing of sensitive information from personal devices or home computers;
 - it could also drive additional unwanted behaviors, such as connecting personal laptops to the business network.

Controlling social media ...

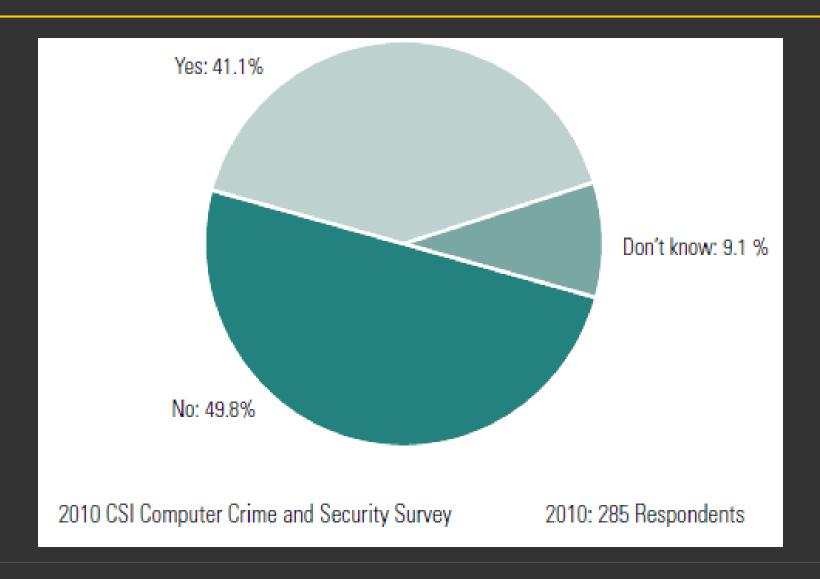
Another downside to such an approach is that the organizations that do not offer or that restrict the use of these tools may be unable to attract and retain the best and brightest from the new generation of workers.

- To create a secure and successful business environment, organizations must involve their people; a technology-savvy workforce will find a way around controls, unless they fully understand the danger of the risks involved.
- By informing every member of the organization on the risks and issues related to social media, information security becomes an expanded function that all employees are fully aware of and have a responsibility to perform.

2010/11 CSI Computer Crime & Security Survey

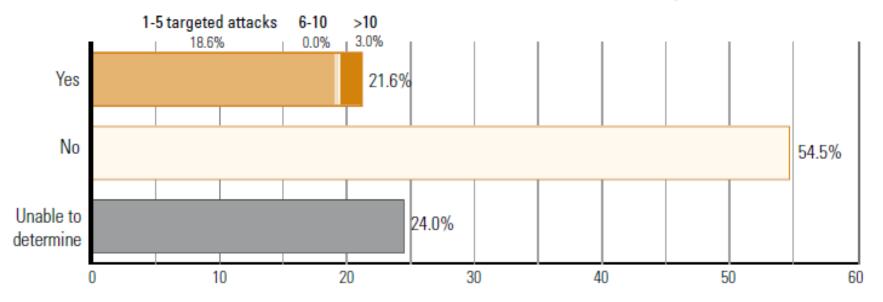
- Malware infection most common attack, 67.1% reported
- Lower financial fraud than in previous years, only 8.7 percent
- Half the respondents experienced at least one incident
 - 45.6% of these were targeted attacks
- Fewer respondents than ever willing to share specific information about financial losses they incurred.
- Regulatory compliance efforts had a positive effect on security programs
- Respondents did not believe malicious insiders accounted for much of their losses due to cybercrime
- 51.1% do not use cloud computing
- Ten percent use cloud computing and have deployed cloud-specific security tools
- 351 computer security practitioners in the USA
- 15th year of survey
- www.gocsi.com

CSI 2010/11 Survey: Experienced Security Incident



CSI 2010/11 Survey: Targeting

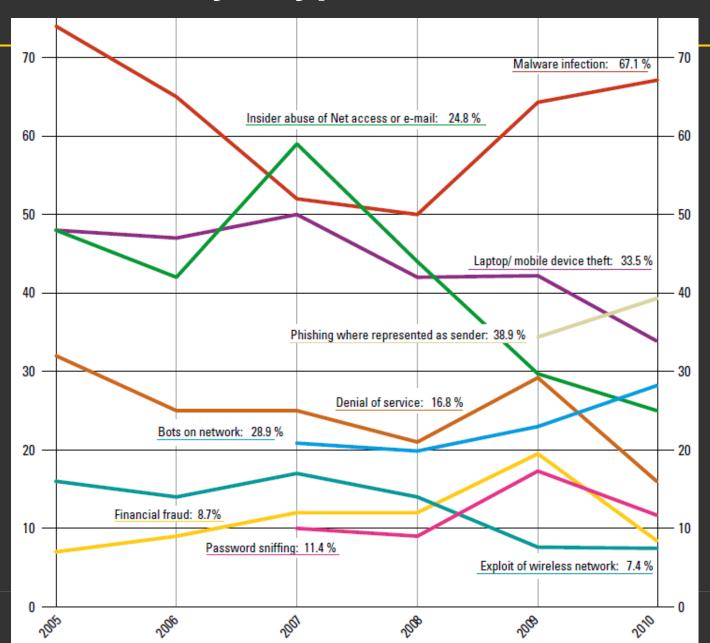
Did Any of These Security Incidents Involve Targeted Attacks?



2010 CSI Computer Crime and Security Survey

2010: 167 Respondents

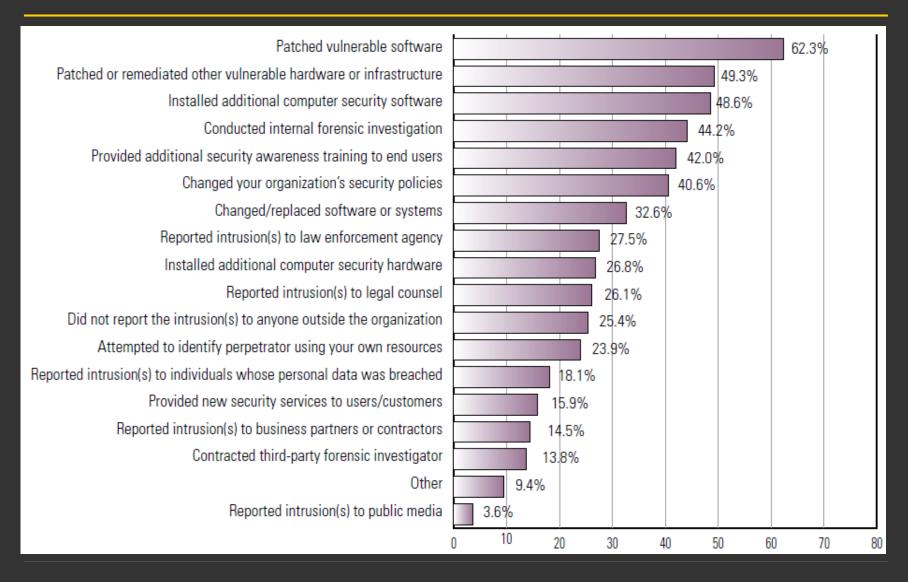
CSI 2010 Survey: Types of attacks



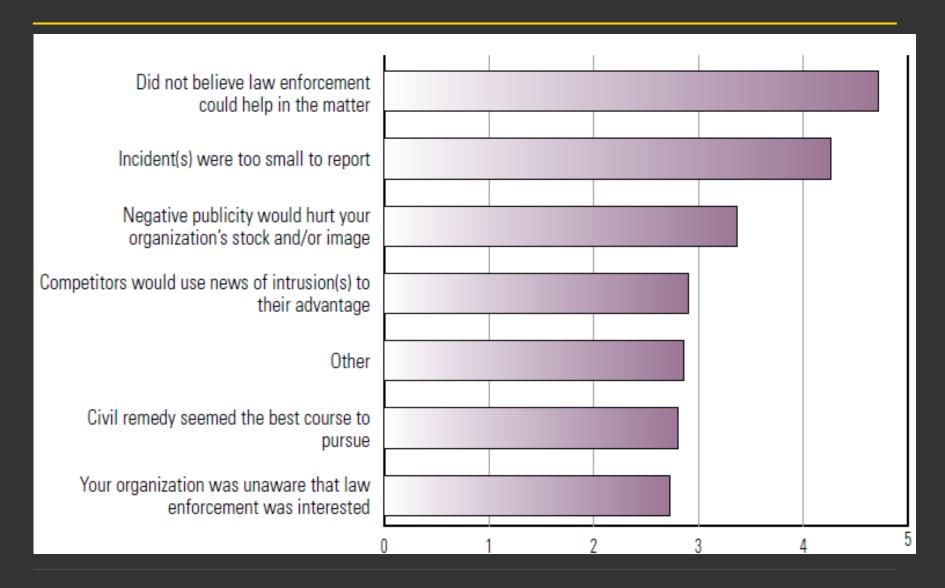
CSI 2010/11 Survey: Types of attacks

Type of Attack	2005	2006	2007	2008	2009	2010
Malware infection	74%	65%	52%	50%	64%	67%
Bots / zombies within the organization	added in 2007		21%	20%	23%	29%
Being fraudulently represented as sender of phishing messages	added in 2007 26			31%	34%	39%
Password sniffing	added in 2007 10%			9%	17%	12%
Financial fraud	7%	9%	12%	12%	20%	9%
Denial of service	32%	25%	25%	21%	29%	17%
Extortion or blackmail associated with threat of attack or release of stolen data	option added in 2009				3%	1%
Web site defacement	5%	6%	10%	6%	14%	7%
Other exploit of public-facing Web site	option altered in 2009				6%	7%
Exploit of wireless network	16%	14%	17%	14%	8%	7%
Exploit of DNS server	added in 2007 6% 8%			7%	2%	
Exploit of client Web browser	option added in 2009				11%	10%
Exploit of user's social network profile	option added in 2009				7%	5%
Instant messaging abuse	added in 2007		25%	21%	8%	5%
Insider abuse of Internet access or e-mail (i.e. pornography, pirated software, etc.)	48%	42%	59%	44%	30%	25%
Unauthorized access or privilege escalation by insider	option altered in 2009				15%	13%
System penetration by outsider	option altered in 2009				14%	11%
Laptop or mobile hardware theft or loss	48%	47%	50%	42%	42%	34%

CSI 2010/11: Actions taken after incident



CSI 2010 Survey: Why not report



Cost of computer security breaches

- ▶ 80% of organisations acknowledged financial loss as a result of a computer breach. (2008)
- 44% were willing and/or able to quantify their financial loss
- Most serious financial loss as a result of theft of proprietary information and financial fraud
 - Theft of proprietary information and financial fraud account for 2/3 of financial losses
 - Yet, only 20% report incidents of theft of proprietary info and only 12% report incidents of financial fraud

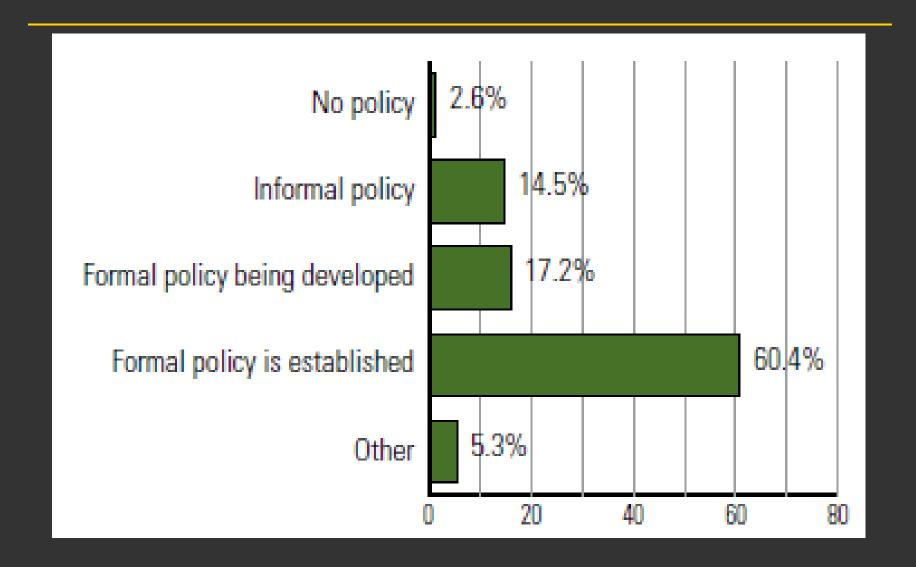
Cost of computer security breaches ...

- Trend moved downwards (per CSI/FBI)
 - Insufficient data to report in 2010/11
 - ▶ \$289k average incident loss (2008), still down from early 2000's
 - Highest Average loss \$3,149k in 2001

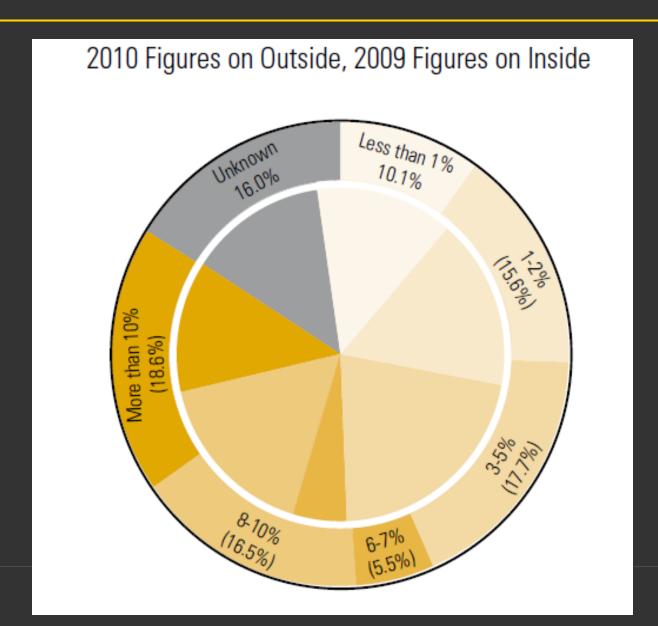
Other

- ► In South Africa, the average loss per incident is over R575 000 (from KPMG's 2002 security survey)
- RIAA won \$1million settlement from IIS employees ran INTERNAL server for MP3's
- ▶ Biggest concern is reputation damage (Ernst & Young 2008 survey)

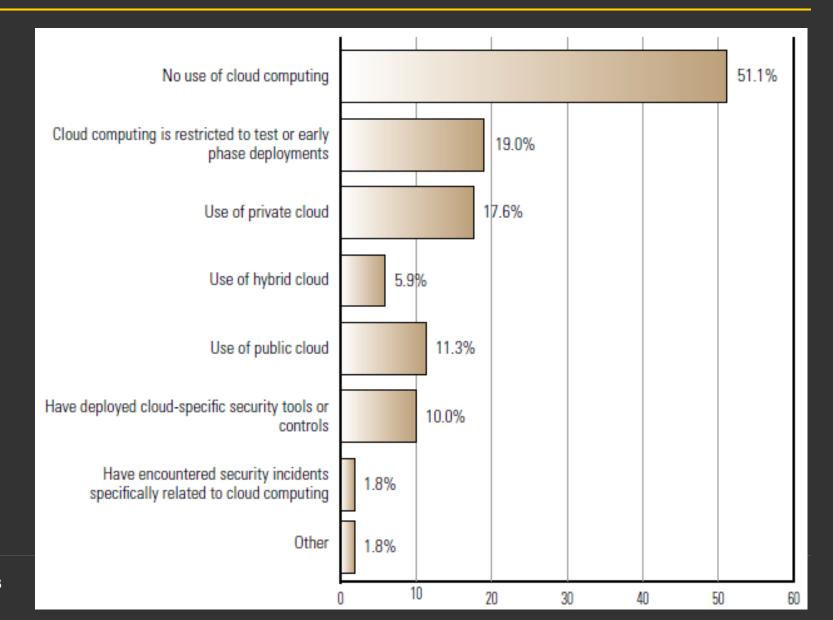
CSI 2010/11: Security Policy?



CSI 2010/11: Budget spend on security



CSI 2010/11 : Use of cloud





"The virus was contained in an e-mail warning about the virus . . ."

Current happenings

What's going on out there In the REAL world

Right NOW!

Could it be the biggest infosec failure of the decade?

Who is it?





Sony: The Company That Kicked the Hornet's Nest



Biggest failure of the decade?

- An April hacking incident that targeted its PlayStation and Sony Online Entertainment networks
- ▶ 100 million people use to play video games, watch movies, and listen to music online.
- The attack resulted in the second-largest data breach in U.S. history, exposing records including credit-card numbers and
- forcing Sony to pull the plug on the networks indefinitely.
- Sony hopes to have them back online by the end of May.
- A full accounting of the disaster, both in dollar terms and in damage to the PlayStation brand, will take months, if not years.

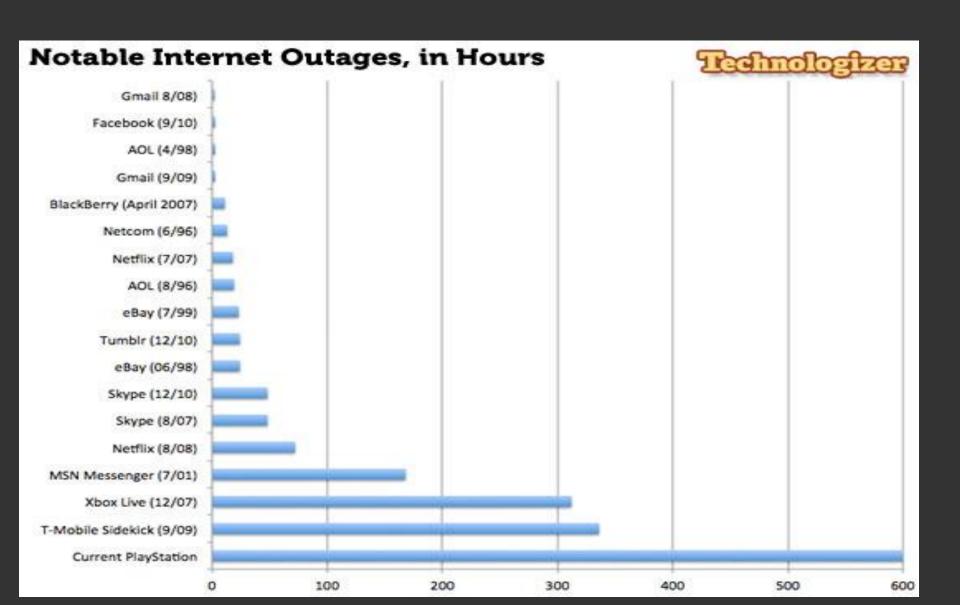
How they feeling



SECURITY

Some days it just feels that way...

Comparative outages



The Streisand effect

"It happens when a person or company tries to suppress a piece of information and, in so doing, unintentionally popularizes it."

- A site hosted picture of the house of Barbara Streisand nobody really cared
- She unsuccessfully sued for removal
- The publicity drew many more people to the pictures than ever would have otherside

Source : Bloomberg Business Week

The Sony Effect

- In the future, a blowback in the realm of cybersecurity might be known as the Sony Effect.
- Sony may have unintentionally brought the crisis on itself
- other tech companies have worked to establish an uneasy truce with hackers
 - Sony has antagonized them with lawsuits and prosecutions
 - At the same time, security experts say Sony essentially left the keys in the car
 - ailing to adequately protect or even monitor crucial parts of its server infrastructure

"They appeared to be operating in an environment where no one had really assessed the risks," says Eugene H. Spafford in his congressional hearing.

How it started?



Mr George Hotz (GeoHot)

- Geohot hacked the iphone when he was 17
 - Apple and hackers been in cat and mouse game ever since with each new release of iOS
- PS3 was unhackable, Sony was arrogant
- GeoHot claimed everything is hackable
- The world laughed
- He hacked the PS3, met with disbelief
 - ► How?
 - Intentional hardware glitch

- Sony responds by removing OtherOS (Linux) from the PS3, prompting global outrage and lawsuits
- GeoHot promises a hacked firmware to bring it back but never delivers
- GeoHot found other vulnerabilities, published them online
 - Sony sued him to take down
 - Seized his computers, twitter account, PayPal records

- "Trying to sue a member in good standing out of existence didn't do them any favours" says Dave Aitel, white-hat hacker.
- Anonymous vows to retaliate
 - They are the hacker collective that brought down the websites of MasterCard and other payments processors in December
- German police raid apartment of Alexander Egorenkov, another hacker who distributed software that let PlayStation consoles run homemade games
- Other tech companies found ways to channel hackers
 - Microsoft after initial wobbly let hackers play with Kinect
 - Google pays for bugs found in it's software
- Sony wasn't very good at listening about flaws in it's systems
- Sony settled with GeoHot on 31 March 2011, very biased settlement against Geohot

- Penetration scanning software began scanning Sony's PlayStation Network at 7:09 a.m. on Mar. 3.
 - McDanel knows this because Sony left one of its server logs, which record all the activity performed by a machine, completely unguarded on the open Web
- the probers used an off-the-shelf program that is easy to obtain and not very stealthy
- Anyone checking the server logs would have been able to recognize its tell-tale signs and prevent the break-in
- Sony was "negligent" for not doing so
- On Apr. 15, after six weeks of scanning, the penetration software suddenly stopped
- most likely because "they found what they had been looking for, a vulnerability in the network,"
- Four days later, Sony noticed the first signs of a break-in

- Company spokesman
 - "Sony was the victim of a highly sophisticated attack and that the company's network had multiple security measures in place."
- No one has taken credit for the attack
 - Sony executives told Congress that they found a file left by the hackers
 - reads "We are legion"—the motto of Anonymous.

Whoever the culprit may be, Sony now has good reason to familiarize itself with the mechanics of the Streisand Effect. After all, it owns Streisand's label.

The bottom line: Security experts say Sony should have recognized the warning signs of an impending attack, which compromised 100 million accounts.

Amazon hacked Sony!

- Amazon's Web Services cloud computing unit was used by hackers in last month's attack against Sony's online entertainment systems, according to a person with knowledge of the matter
 - using an alias signed up to rent a server through Amazon's EC2 service
 - launched the attack from there
 - Hackers didn't break into Amazon's servers, just signed up using fake information
- sheds light on how hackers used the so- called cloud to carry out the second-biggest online theft of personal information to date
- The FBI will likely subpoena Amazon or try get a search warrant
- Drew Herdener, a spokesman for Seattle-based Amazon, declined to comment. Amazon didn't respond to a request to speak with Chief Executive Officer Jeff Bezos
- "The use of a hijacked or rented server to launch attacks is typical for sophisticated hackers. The proliferation of server farms around the globe has made such misdirection easier." E.J. Hilbert, president of Online Intelligence, former FBI cyber-crime investigator.

Source: Bloomberg.net

More on hacking with Amazon

- German hacker used rented computing resources to crack a secure hashed password
- Used GPU-based rentable resource to brute crack SHA1 hashes
 - used in SSL, Transport Layer Security and S/MIME protocols)
- used the Cuda-Multiforcer tool
- Cost just \$2
- All 1-6 character passwords cracked in 49m (on the fly, not using rainbow tables)
 - Used to take distributed computing projects worldwide months
- Moxie Marlinspike's online Wi-Fi password-cracking service (WPAcracker.com)
 - \$17-a-time service to crack Wi-Fi password in around 20m
 - 120 hours for dual-core PC to do same
- More details here: http://stacksmashing.net/2010/11/15/cracking-inthe-cloud-amazons-new-ec2-gpu-instances

President apologises



President and CEO Kazuo Hirai (center,) senior vp Shiro Kambe (left) Shinji Hasejima (right), start of press conf May 1 at the Sony Corp. headquarters in Tokyo. They bowed in apology for a security breach in the company's PlayStation Network that caused the loss of personal data of some 77 million accounts on the online service

What is the impact of the hack?

- Financial on Sony development partners
 - Q-Games' Dylan Cuthbert (PixelJunk) tells Industry Gamers the outage "definitely" impacts his studio financially, and says he believes Sony is "running around patching holes," but that it may be several weeks before the company has "something more concrete to say."
 - Activision warned that it expects quarterly revenue to dip year-on-year because of a smaller product lineup, but also because of "the expected loss of high-margin revenue due to the temporary PlayStation Network shutdown."
 - it costs Capcom "hundreds of thousands, if not millions of dollars in revenue

Will Sony compensate developers?

Q-Games' Cuthbert hopes so, telling Industry Gamers he has a "feeling" Sony's thinking about it, lest they "lose developers which of course is pretty bad for them."

Source: PC World

Impact of hack continued ...

- Sony compensates users
 - 2 free games to every Playstation 3 user
 - 2 free games to every PSP user
 - ▶ 1 month free premium service (or 1 month extension) to all users
- USA users only
 - offer a \$ 1 million insurance policy per user
 - covering legal expenses,
 - identity-restoration costs and
 - lost wages that occur after data is stolen
 - Subscribers have until June 18 to sign up for Debix's AllClear ID Plus protection program
- The rest of us?

Impact of hack continued ...

- Sony could face heavy penalties if falls foul of UK data standards
- "Under the Data Protection Act, there are principles that regulate how companies that collect personal data should manage and use that data, and one of them is that they have to take appropriate technological safeguards to protect that data," Simon Halberstam, partner at London law firm Kingsley Napley LLP
- "If they fell below what's regarded as best practice in terms of the technological safeguards that they took, they would be in breach of the Data Protection Act."
- "In that case, they are potentially liable, and they could be fined by the Information Commision accordingly."
- Maximum fine is £500,000
- The UK's Information Commissioner's Office confirmed it is taking the PSN breach "seriously" and is due to talk to Sony

Recovery started

- Recovery started on a phased rollout over late June
 - Had to be taken down at times as servers overloaded
 - Was not working in SA despite mails sent out providing details on the recovery
 - Still only partially operational on inconsistent basis
- Japanese government prevent system coming back online in Japan pending further investigation and assurances

More bad news for Sony

- A URL password exploit was identified and corrected after rollout
- Servers had to be taken offline during rollout as they couldn't cope
- Servers in Thailand were identified as delivering phishing code against Italian CC company
 - "We know you're not supposed to kick somebody when they are down, but we just found a live phishing site running on one of Sony's servers.." F-Secure's Mikko Hypponen
- Thousands of dollars in credits stolen from over a thousand customers' accounts
- CNET reports PS3 tradein's up 200% and people are swapping them for XBOX 360's

Wow. Anybody else got a confession?

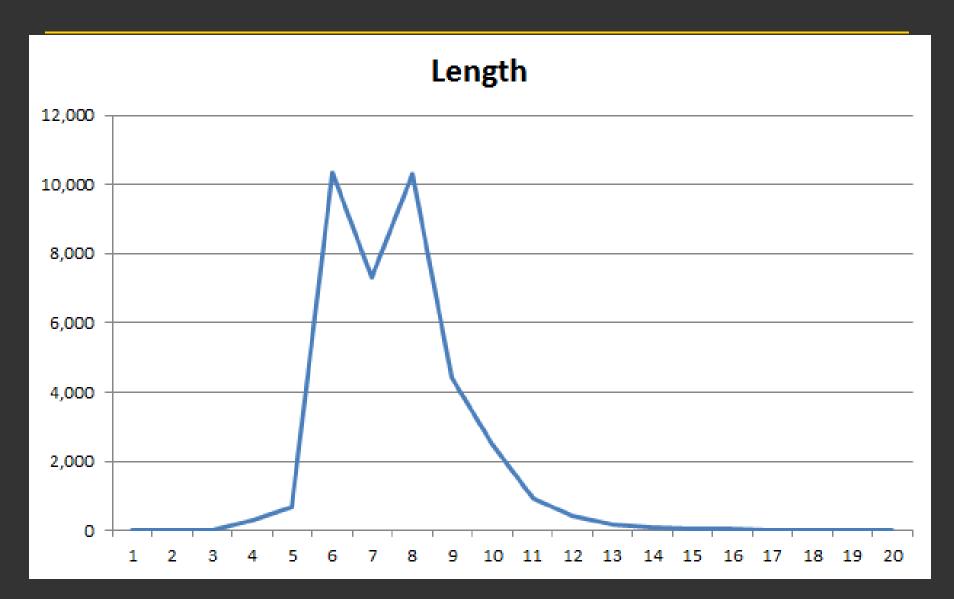
- 12th May Eido and Deus Ex website hacked
 - a splinter group of the hacker organisation Anonymous broke through Square Enix security
 - stole personal data of > 80,000 registered users
 - ▶ IRC logs show debate to released SRC (4 games?)
- eHarmony (dating site)
 - Hacked and notified in december
 - Argentinian hacker (also hacked PlentyOfFish.com)
 - Hacker and research contacted admins, no response
 - ▶ In Feb user database up for sale on Carder.biz
 - Price? \$2000 \$3000
 - ▶ 10th Feb eHarmony tell users to change passwords?

But wait, there is more

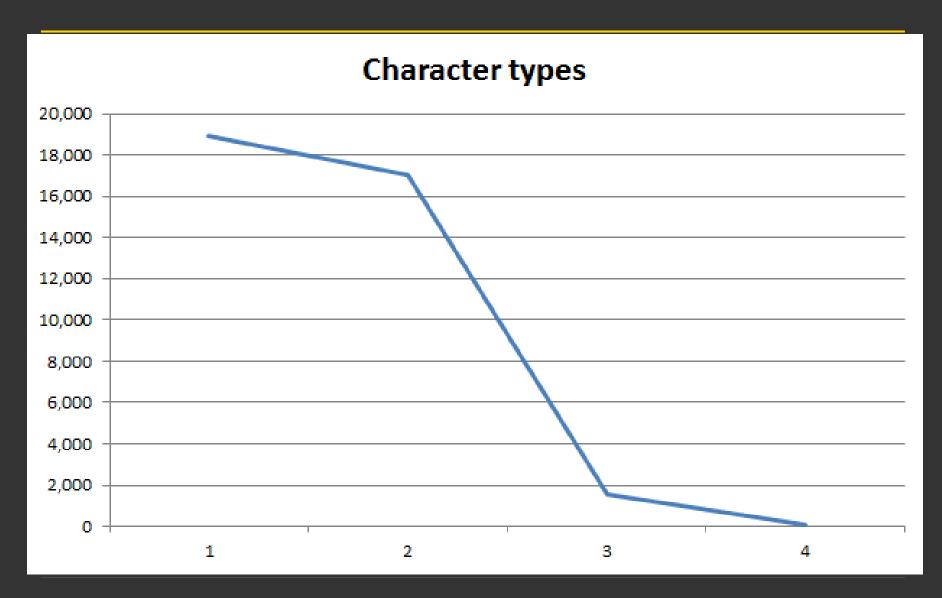
Analysis of hacked passwords

- Troy Hunt analysed password released by Anonymous
- Looked at :
 - Length
 - Variety of Character types
 - Randomness
 - Uniqueness

Password Length

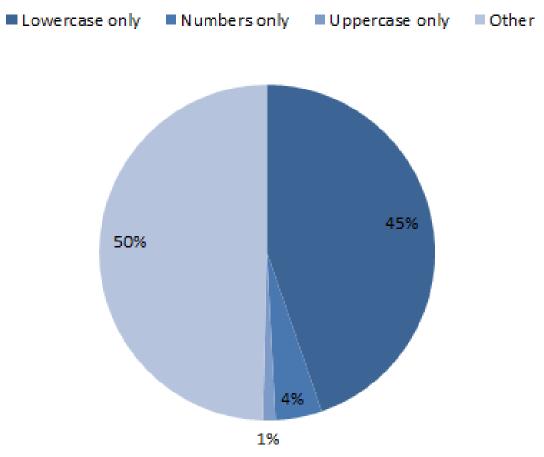


Character Types



Character Type Exclusivity





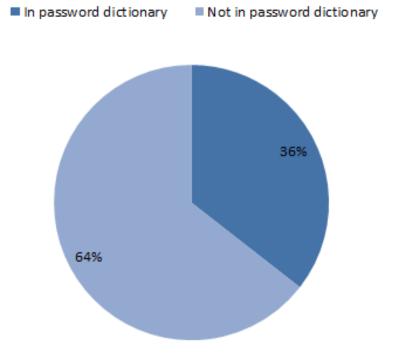
Randomness

▶ Top 25 passwords

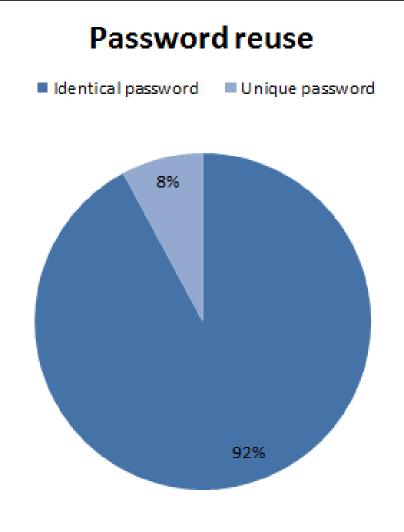
seinfeld, password, winner, 123456, purple, sweeps, contest, princess, maggie, 9452, peanut, shadow, ginger, michael, buster, sunshine, tigger, cookie, george,

summer, taylor, bosco, abc123, ashley, bailey

Prevalence of password in dictionaries



Uniqueness (across Sony)



Summary

- Not surprising but alarming
- Passwords too short, simple, predictable, shared across systems
 - ► Generally < 10 characters
 - Only using alphanumeric
 - Generally shared

Who is LulzSec?

- For 50 days until <u>it disbanded</u>, the group's unique blend of humour, taunting and <u>unapologetic data theft</u> made it notorious. (June 2011)
- Extracts from Interview with "Sabu"
 - http://www.newscientist.com/ article/dn20649-exclusive-firs t-interview-with-key-lulzsec-h acker.html?full=true





Despite adopting a gentlemanly character from the popular Rage Comics as their mascot, incorporating the Nyan Cat meme into their exploits, and claiming a motive of "doing it for the lulz," the Lulz Security hacker collective has no allegiance to Anonymous.

May 7th: "X Factor"



The Target: Upcoming US version of talent and variety show The X Pactor.

The Damage: LuizSec published the names, birthdates, phone numbers, and email addresses of an estimated 250,000 contestants.

Grade

Sood execution Baring Target

 \mathcal{B}

May 10: Fox.com

Lagressie



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May 10: Fox.com

Lagressie

May 10: Fox.com



The Target: Pox.com.

The Damage: Pox.com's internal site configuration was revealed, along with a database of 407 sales contacts including their names, email addresses, passwords, and other senitive data.

Impressive targeting of sales contacts for maximum domage



May 15th: UK ATMs



The Target: UK ATM Database

The "Damage": LulzSec published a database of 3134 ATMs in the UK, including their ID #s, the companies that owned them, their locations, the machine type, and how much each charges. what do you expect to do with this?



May 23rd: Sony Music Japan



The Target: Sony Music Japan

The Damage: A small and unimportant snippet of Sony Japan's internal data was published.

Embarassing broach of security, but little damage

May 30th: PBS



The Target: PB5

The Damage: Main site defaced with Nyan Cut, false article about Tupac still being alive published to look like PBS, entire DNS map and server configuration revealed, and databases of staffers, authors, and pressroom leaked. Wilariaus, stylish, and well-evecuted



June 2nd: "Sownage"

Lulufec begins naming their operations and issuing press

Absolutely Densitating

June 2nd: "Sownage"

Lulufec begins naming their operations and issuing press releases. Absolutely Denustating

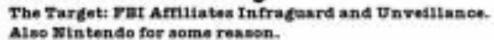


The Target: SonyPictures International and Sony BMG

The Damage: LuizSec published user databases for various promotions and properties including AutoTrader, Restles Beauty, Del Boca Vista Sweepstakes, and private partner and admin data.



June 3rd: "Fuck FBI Friday"



Poorly Represented. No damgage done to actual FRT.

The Dumage: The emails addresses, user names, and passwords of 180 clients of PBI accredited security firm Infraguard were comprimised, in addition to the name and home address of Unveillance CBO Karim Hijazi, and webserver configuration data for Nintendo.com.

B

4-

June 6th: "Sownage Part 2"

SONY



The Target: Sony Computer Entertainment Developer Network

The Damage: Scedev.net source code and Sony BMG internel network map published.

Well-enecuted, but domings is difficult to ussess.

C

June 10th: Pron.com



The Target: Registered users of pornography site Pron.com

영화 프리스(이라이트) 경영 프로그램 프로그램 이번 2012년 11일 교육 전에 이 5시간이 모양되어 있다.

More entertaining than most hacks.

June 10th: Pron.com

pron.com

The Target: Registered users of pornography site Pron.com

The Damage: Over \$6,000 email addresses and passwords were leaked, including those belonging to a handful of government and military personnel. More entertaining than most hacks

A

June 13th: Titanic Takeover Tuesday



The Target: The United States Senate. Also video game company Bethesda Softworks

The "Damage": LuizSec published so-called "internal data" from a webserver used only for PUBLIC USE. Although the act garnered much press attention, nothing of any value was comprimised.

The civily impressive part was the press generated, but the hack was crops



June 14th: Various DDoS Attacks



The Targets: EVE Online, League Of Legends, The Escapist, and Minecraft servers.

The Damage: Lots of gamers were unable to play their favorite games.

30o5 attacks are not hacking. 2 have Meecraft. You guys suck!



June 15th: Hack Request Line Open



The Targets: Lulzec begins taking requests.

CIA.gov DDočed Luizšec openly mocks 4chan.

Factions of Anonymous begin to attack LuizSec-related sites.

Challenging Anonymous: You have my full attention.

How it was done

- Mainly through
 - SQL Injection
 - Cross Site Scripting
 - Remote Server Includes (Seldom used by other hackers)

Who is "Sabu"

► I'm a man who believes in human rights and exposing abuse and corruption. I generally care about people and their situations. I'm into politics and I try my best to stay on top of current events.



We've seen you cast as everything from the greatest of heroes to the most evil of villains.

How would you characterise yourself?

▶ It is hard for me to see myself as either. I am not trying to be a martyr. I'm not some cape-wearing hero, nor am I some supervillain trying to bring down the good guys. I'm just doing what I know how to do, and that is counter abuse.

How did you get involved with Anonymous?

When I found out about what happened to Julian Assange, his arrest in the UK and so on, I found it absolutely absurd. So I got involved with Anonymous at that point.

What would you say to people think Antisec/ Anonymous/LulzSec are just troublemakers?

Would you rather your millions of emails, passwords, dox [personal information] and credit cards be exposed to the wild to be used by nefarious dealers of private information? Or would you rather have someone expose the hole and tell you your data was exploitable and that it's time to change your passwords? I'm sure we are seen as evil for exposing Sony and others, but at the end of the day, we motivated a giant to upgrade its security.

But what about hacks that were done "for lulz"?

▶ Yes, some hacks under LulzSec were done for the lulz, but there are lessons learned from them all. In 50 days, you saw how big and small companies were handling their user data incorrectly. You saw the US federal government vulnerable to security issues that could have just as easily been exploited by foreign governments. You saw affiliates of the US government handling sensitive emails and they themselves ignored the FBI's better practice manuals about password re-use.

So what would an Antisec "win" look like?

There is no win. There's just change and education.

Are you afraid of being caught?

There is no fear in my heart. I've passed the point of no return. I only hope that if I am stopped, the movement continues on the right path without me

He was caught ... and turned

- Sabu was arrested on 7 June 2011
 - Hector Xavier Monsegur, age 28, single father of two
- Began assisting the FBI secretly
- Gave evidence to FBI which resulted in Anonymous and Lulz members being arrested
- March 2012 identity leaked and he declared a snitch
- Pleaded guilty to a slew of crimes
- He then started working for the US Government
- Feb 2013 he should have been sentenced but mysteriously was not ...



Arrests

Anonymous

- 3 arrested in Spain (Barcelona, Valencia & Almeria), all in their 30's
- 32 in Turkey (police raids across 12 provinces)
 - 9 were minors and have been released
- 6 arrested in the UK
 - 5 in Jan and 1 in April
 - Three teenagers (15,16,19) others in 20's
 - Amazon, the <u>Bank of America</u>, Mastercard, PayPal and Visa's website in December 2010
- USA issued 40 warrants for arrest in Feb 2011

LulzSec

 21 June 2011 – 19 year old Ryan Cleary arrested in Essex – LulzSec claim he isnt part of them, just an assistant

- The authorities keep investigating
- The hackers keep hacking

Mid July

- Lulz comes out of retirement to hack Rupert Murdoch's servers
 - Took down all News International's DNS Servers
 - Redirected UK Sun tabloid readers to fake news story proclaiming Murdoch's death
 - After Sun IT regained control, hacked again to redirect to Lulz Twitter account

Tweets

- "We had joy, we had fun, we have messed up Murdoch's Sun"
- For all you new people that are watching us right now: This is what we do, how we do it. High-quality entertainment for you"

- ► FBI Arrests more "anonymous" members
 - NPR Article: "FBI Tries to Send Message with Hacker arrests"
 - "We want to send a message that chaos on the internet is unacceptable, [even if] hackers can be believed to have social causes, it's entirely unacceptable to break into websites and commit unlawful acts."

Lulz & Anonymous issue a statement

- Hello thar FBI and international authorities
- The statements made seem to be directed at Anonymous and Lulz, we are happy to provide a response
- Let us be clear here, Mr Chabinsky, you may find breaking into websites unacceptable, here is what we find unacceptable
 - Governments lying to their citizens and inducing fear and terror to keep them in control by dismantling their freedom bit by bit
 - Corporations aiding and conspiring with governments while taking billions for federal contracts they can't fulfil
 - Lobby conglomerates who push own agenda for higher profits, deeply involved in government to corrupt and keep status quo
 - These governments and corporations are our enemy we will continue to fight them through all methods including hacking and exposing lies

The game continues

- Lulz/Anonymous statement continued...
 - We are not scared, your arrests are meaningless as you cannot arrest an idea, and attempting to do so will make your citizens angry until they roar in one gigantic choir
 - Let me ask you good sir, when was the internet not the Wild Wild West? Do you really believe you were in control of it at any point? You were not.
 - That does not mean everyone behaves like an outlaw. You see, most people do no behave like bandits if they have no reason to
 - We have become bandits on the internet because you have forced our hand.
 - The Anonymous bitchslap rings through your ears like hacktivism movements of the 90s
 - We're back and we're not going anywhere. Expect us.

More?

- Italian police hacked 25/7/2011
 - Cybercrime division CNAIPIC hacked
 - 8 Gig of data taken
 - Internal documents
 - External parties: Exxon Mobil, US Dept of Agriculture, Australian Ministry of Defence
 - Management structures, pictures of CNAIPIC staff
 - Part of #AntiSec movement, revenge for arrests
- Austrian TV license feel collection authority 22/7/2011
 - > 214,000 files
 - 96,000 contain sensitive bank information
 - GIS has started informing customers about lost data
 - Done by AustrAnon, linked to Anonymous

More?

- 28/7/11 More than 500mb of NATO data leaked
- 29/7/11 Info from FBI contractor ManTech and emails from Department of Homeland Security leaked
- 30/7/11 Info on Miss Scotland contestants posted from The Sun
- 6/8/11 10Gig of data from 76 rural US Sheriffs offices leaked online in retaliation for arrests last month
- 7/8/11 Personal info of 45000 police officers in Ecuador after Ecuador government threatens Anonymous
- ► 14/8/11 BART is hacked and info of users (names, passwords, personal info why stored in cleartext??) retaliation for comms shutdown
- ► 17/8/11 BART police officer details (names, home addresses, email addresses, passwords) released in further retaliation

- The authorities keep investigating
- The hackers keep hacking

- Will it ever stop?
 - The wave may slow but the hackers will never stop

The ANC YL

Again and again 2011

First – March 2011



LATEST ANCYL NEWS

Julius Malema to Step Down as Youth League President

29 March 2011

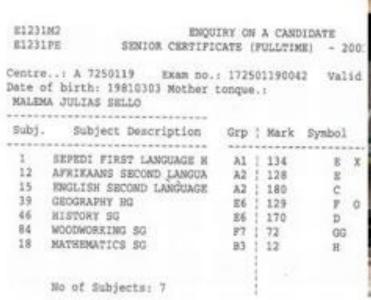
After much thought I Julius Malema have decided to step down as ANC Youth league President.

There are a few reasons why this is essential, namely:

- I have brought my party the ANC in to disripute
- I have disrespected my elders and have made a fool out of myself
- I promote Nationalization even though i have no concerpt of how it works or its blacklash to the economy
- I promote my own agenda over my country's and parties
- I promote the singing racist songs to promote violence and un-rest in the country
- I do not consider youth issues

Second – May 2011

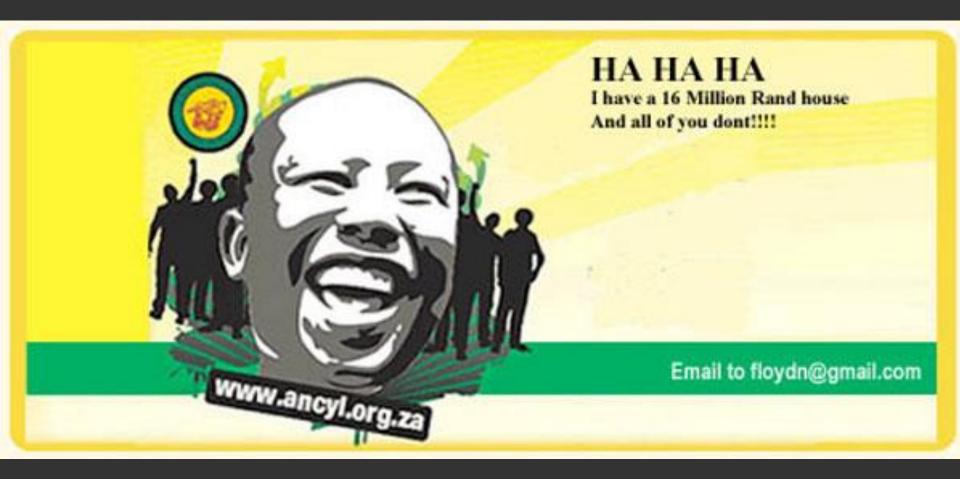
All white people are racists? FUCK YOU JULIAS MALEMA!!!



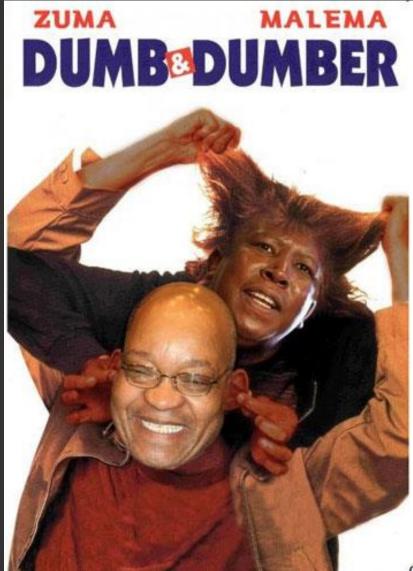




Third – 24 July 2011



Fourth – 26 July 2011



Computer science is NOT on his matric results!

Fifth – 26 August 2011

"You will see my conrades (sic) nothing will happen to me. I Dare the ANC, Jacob Zuma, Hawks, Public Protector or the Police to come after me. "I will bury you"

"Letter of the President of the ANCYL".

But an irate league ANCYL spokesman Floyd Shivambu rejected it as fake.

"We've been hacked before, but this time it's really bad. We are determined that this time the police must catch the hackers. We must put a stop to this kind of thing," said Shivambu.

Sixth- 2 May 2012

- Julius' name was removed from the ANCYL website
- The president position just had "blank" next to it

The league's response to the hack is below:

The ANCYL has learnt with shock that its website has been tampered with. Such tampering is condemned and we hope that there will be no future repetition of such interference as information of the ANCYL belongs to the ANCYL and not individuals who believe otherwise.

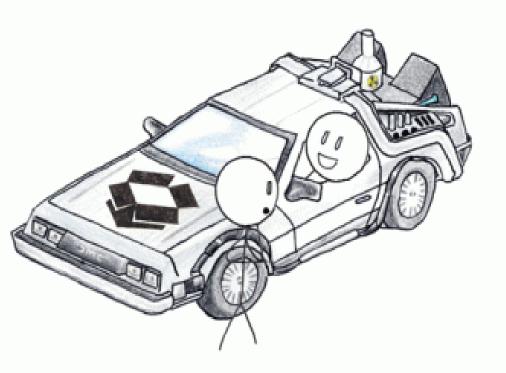
We do expect that such wrongdoings will never be repeated by those who advance a malicious agenda. All information has been restored and the website has returned to its original state.

The ANCYL does wish to apologise for the perception that has been created by those who aim at derailing and dividing the struggle for Economic Freedom In Our Lifetime. The ANCYL remains united behind the resolutions and decisions of the 24th National Congress.

The ANCYL will not be taking any further enquiries on the matter.

Issued by the ANCYL Magdalene Moonsamy

Dropbox lied to customers?



Your stuff is safe

Dropbox protects your files without you needing to think about it.

- Dropbox keeps a one-month history of your work.
- Any changes can be undone, and files can be undeleted.
- All transmission of file data occurs over an encrypted channel (SSL).
- All files stored on Dropbox are encrypted (AES-256).



The allegations

- Soghoian alleges Dropbox falsely claimed :
 - Your files are AES256 encrypted
 - Even our employees can't access your files
- Dropbox responds
 - "We believe this complaint is without merit, and raises old issues that were addressed in our blog post on April 21, 2011," company spokeswoman Julie Supan

However

- ▶ On the 13th April Dropbox changed their website :
 - "All files stored on Dropbox servers are encrypted (AES256) and are inaccessible without your account password" to
 - "All files stored on Dropbox servers are encrypted (AES 256)"
- And
 - "Dropbox employees aren't able to access user files, and when troubleshooting an account, they only have access to file metadata (filenames, file sizes, etc. not the file contents)." to
 - "Dropbox employees are prohibited from viewing the content of files you store in your Dropboxaccount, and are only permitted to view file metadata (e.g., file names and locations)."
- Why the big deal about this?
 - users at risk of government searches, rogue Dropbox employees, and even companies trying to bring mass copyright-infringement suits

Who got hacked in 2012

- Postbank (South Africa)
 - January 2012
 - R42 million stolen
 - Accounts opened in December
 - Accessed computer of employee in Rustenburg Post Office
 - Withdrawals from ATM's across the country in a 3 day sting
 - Cybercrime syndicate
 - The Hawks Successfully tracked down some of the gang
 - One man sentenced to 15 years in jail
 - Recovered some of the money
- Linkedin hacked
 - June 2012
 - 161 million users
 - 6 million accounts password hashes disclosed (unsalted)
 - Unclear how many were actually
 - At first they didn't know how it was done and took >7 hours to acknowledge

Who got hacked in 2012 part 2

- eHarmony (dating site)
 - June 2012 1.5 million password hashes stolen
 - System unknowingly converted user passwords to upper case
 - eHarmony played it down, saying is only a small fraction of its users
- Drop Box (again) August 2013
 - Usernames and passwords stolen from LinkedIn, eHarmony and Last.fm used to access Dropbox accounts
 - Stolen password accessed Dropbox employee account
 - Dropbox denied for few days before coming clean
- South Carolina Social Security records
 - October 2012
 - > 3.6 million social security records, 78% of population of state
 - Included 670 000 businesses
 - > 3 weeks to come to light, after being reported to US Secret Service
- Nationwide Mutual
 - December 2012
 - 1.1 million records: names, social security numbers, date of birth, employers name, gender, marital status
 - Hackers thought to be outside of the USA

Who got hacked in 2013

- South African Police Services
 - Press briefing 22/5/2013 No confidential information leaked
 - Corporate systems hosted in Pretoria CBD, Website hosted by SITA
 - Lt General Ngubane : Info hackers got was all public
- However
 - When challenged on clearly private information leaked?
 - SITA general manager Daniel Mashao admitted it was an oversight
 - Should have changed the system to be more secure
 - Should have encrypted the data
- "What concerns us is that there are cases where people provided information [on potential crimes],"



Who got hacked in 2013

- South African Police Services
 - @DomainerAnon was the hacker
 - A simple SQL injection attack was all that was needed, poor web design



- Back in late 2012 I tweeted the fact that I believed the SAP servers were vulnerable to attack
- The attack on the SAPS website on Friday (17 May 2013) was in retaliation for "the lack of adequate justice for the slaughtered miners" at Marikana.
- Highlighted fact that SAP's own duty of care, security of information on its servers is questionable
- Domainer wasn't worried about being caught by the SAPS
- despite Ngubane stating that an investigation by Crime Intelligence Division had already yielded some results
- "Crime Intelligence?" Domainer quipped. "Sorry I had to laugh. They have nothing... just pretending that they are doing their job."

Spy vs Spy

Who is watching you?

- USA
- United Kingdom
- France
- China
- India
- New Zealand
- Australia
- Israel
- Germany

Who else??



Spy vs Spy: USA

StuxNet

- The official start of the Cyberwar?
- Signed off by Obama or started under Bush?
- Joint effort by USA & Israel: targeted Iranian nuclear prog

PRISM

- Info leaked by Edward Snowden
- Confirmation of what suspected : Massive snooping

X-KeyScore

- designed to collect against entire global telecomms network
- all digital communications
- Realtime "big data" analysis



Spy vs Spy: United Kingdom



- Member of the Five Eyes electronic eavesdropping alliance
- USA paid UK Spy Agency (GCHQ) 100 million pounds over 3 years
- 7,000% increase in personal data available to GCHQ over five years
- GCHQ wants to 'exploit any phone, anywhere, anytime
- Tapped more than 200 global fibre optic cables (operation Tempora)
- 10 gigabits of data per second (entire British library 192x / day)
- Phone calls, email messages, Facebook entries & access to websites
- Handling 600 million "telephone events" per day
- 550+ analysts from UK & USA sifting data
- ▶ 850 000 NSA employees and contractors can access the data

"As a general rule, so long as you have any choice at all, you should never route through or peer with the UK under any circumstances" Edward Snowden, NSA whistleblower

Spy vs Spy: USA's Five Eye Partners



- Agencies have connected parts of their top-secret and secret networks to allow for communication
- Jointly banned Lenovo computers since 2006 (reported, then denied)
- Banned ZTE & Huawei on spying concerns (US House of representatives Oct 2012)

"International efforts are coordinated by the NSA's Foreign Affairs Directorate (FAD). The FAD has full cooperation with its so-called "Five Eye partners" in the UK, Australia, New Zealand, and Canada, and these agencies are even better or worse (depending on your viewpoint) at collecting data. Typically, these countries practice "full take" scooping every bit of data and storing it for later perusal. "Snowden

Spy vs Spy: China

- Nine in 10 APT tools made in China (FireEye : Infosec 2013)
- China behind 96% of cyber espionage campaigns seen in the last year (Verizon 2013)
- ▶ 19% of breaches linked to Chinese government and aimed to steal intellectual property (Verizon 2013)
- APT1 (codename) working for People's Liberation Army and other Chinese APT teams tracked by Mandiant for over a decade
- Backdoors in Chinese tech : ZTE, Huawei

Spy vs Spy: France

- Vast surveillance programme similar to Prism
- Spied on French public
- emails, text messages, phone records, accessing of Facebook and Twitter, and internet activity
- Intercepted signals from computers and phones in France as well as between France and other countries
- Secret, "outside any serious control" and illegal
- Probably the biggest information centre in Europe after the English

Spy vs Spy

Just who can you trust?



Maybe Switzerland?

- 300 year strong reputation for Swiss bank accounts
- Not part of the EU
- Strong privacy and data protection legislation
- Privacy culture
- Access to data requires Swiss court order proving guilt or liability



The question

How did OSAMA do it?

How Osama did it?

- No phone, no internet connection
- Typed up messages on a disconnected computer
- Save to flash disk
- Trusted courier to internet café
 - Send outgoing messages
 - Save incoming messages
- Drive back to Osama
- US Navy Seals seized roughly 100 flash memory drives when they killed bin Laden at his Abbottabad, Pakistan, compound a week and a half ago.
- Officials told the AP they "appear to archive the back-and-forth communication between bin Laden and his associates around the world."

Source: TheRegister.co.uk

2 Case Studies

EFT System End User Computing

Why test?

Hundreds of millions of rands of payments being made every year

Scenario:

A multinational company approachedus to assess the security of their EFT infrastructure from the perspective of a malicious employee on the local network.

⊙ Objective :

Gain access to and process transactions on the EFT system.

Occident to the contract of the contract of

The work was commissioned by senior management without the knowledge of IT

• Purpose :

To gain understanding of the true current state and validate whether the position put forward by IT was a true reflection of reality

Outcome :

- Gained full access to the mainframe based
 EFT application with supervisor and signatory privileges
- This would have allowed us to fraudulently process transactions, alter account details and severely disrupt the company's accounting system
- Organisation failed test

- Used company phone list to identify financial staff.
- Obtained access to key workstations, allowing us to install key loggers, download sensitive data, obtained client software used to connect to EFT system.
- Obtained access to the Windows NT domain allowing us to crack 98.8% of domain passwords.

How It Was Done Continued :

- Accessed E-mail infrastructure with NT domain passwords. This allowed us to intercept sent email describing EFT signatories, limits etc.
- Network eavesdropping allowed us to intercept all network traffic between the EFT system and workstations, including usernames & passwords.

• Results:

- Accessed the EFT system.
- With the information obtained above it was trivial to log onto the EFT system as a privileged user and process transactions.
- We were not detected.
- The route we followed to achieve our objectives indicates the importance of a comprehensive security architecture.

Why test?

Determine the likelihood of and impact of the compromise of **users** through use of non-technical means

Scenario:

A prominent financial services group approached us to perform a social engineering exercise to test the level of security awareness of their employees.

Objective:

To obtain unauthorized access to employees workstations/network access. Specifically senior management was targeted.

Occident to the contract of the contract of

The work was commissioned by senior management of a business division, with the knowledge of IT executives.

• Purpose :

To gain an understanding of the general level of security awareness within the organisation.

Outcome :

- We were able to collect usernames and passwords from 9/10 employees targeted
- Gained access to network and workstations of these key personnel (Secretary of director, Senior managers)
- Organisation failed the test

O How It Was Done :

- Used company phone list to identify senior management staff and select targets
- Used the switchboard to "spoof" and hide the origin of our calls. All our calls appeared to be from internal.

O How It Was Done Continued :

- Pretended a dangerous virus was present and all data could be lost
- Informed user that automatic update had failed and updated must be done manually
- Employees "panicked" and simply gave us their usernames and passwords.

• Results:

- 9 employees' workstations and network access was compromised.
- 1 employee was alert and did not compromise the organisation
- Employees did not adhere to company policy.
- The information obtained through social engineering could be used to further infiltrate the organisation.

- Other social engineering methods:
 - Handing out memory sticks
 - Facebook / Linkedin / Twitter

Current observations and future predictions

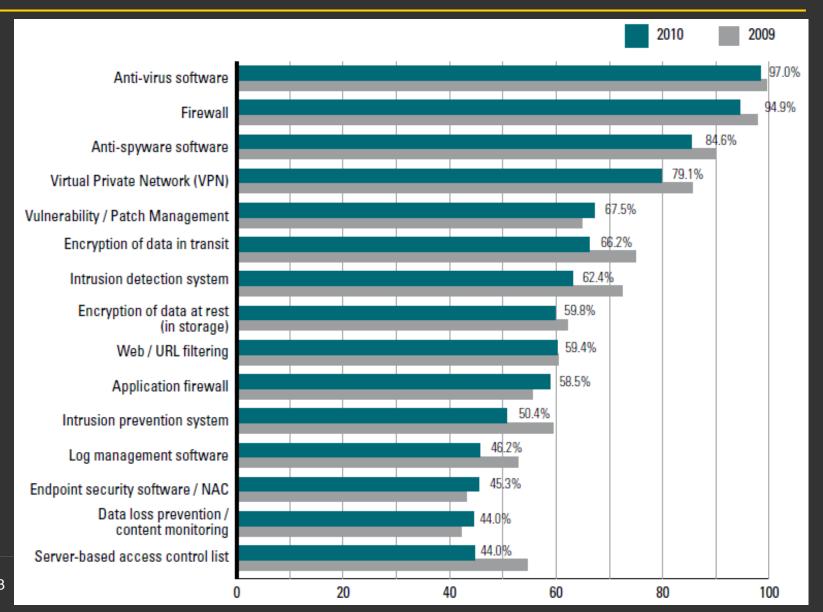


SECURITY
Some days it just feels that way...

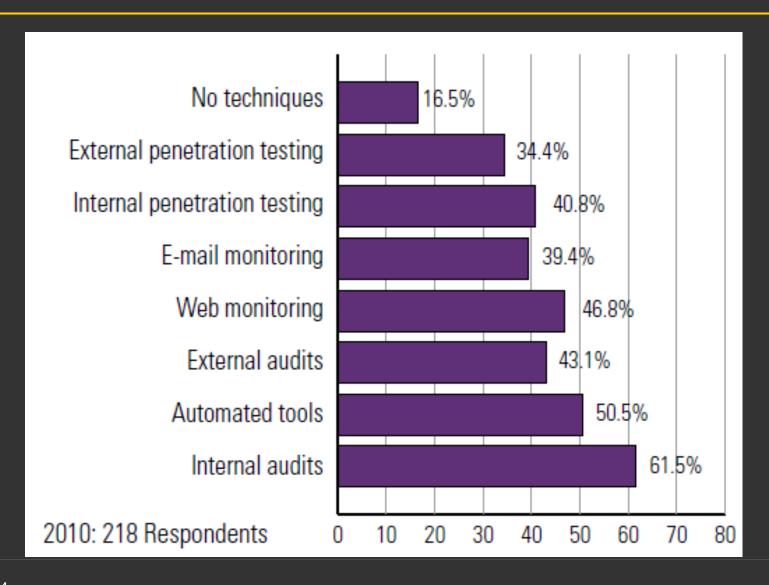
Observations

- Attitude towards security is improving significantly
 - Appointment of security officers
 - Moving beyond policy, procedure and standards
 - More than just operating systems
 - Scorecards & dashboards
 - Big data and monitoring systems (Security Analytics)
 - Self assessment
 - Ongoing compliance testing
 - Protecting reputation and brand become a significant driver
- Privacy has been identified as requiring action
 - Protection of personal information act/bill
 - Will be enacted in March 2013, big implications

CSI 2010/11 Survey: Technology used



CSI 2010/11 Survey: Evaluating Technology



Biggest Issues for South African Companies

- Strategic
 - Privacy Protection of Personal Information an Act shortly (Mar 2013)
 - Protection of reputation and brand
 - King 3 compliance
- Technical
 - Patch management
 - Secure Solution Selection and implementation
 - Complexity of environment (and trust)
 - User environment (Workstations) not secured
 - Data moving to the cloud
 - Skills, cost of skills and cost of technology solutions
 - Monitoring & Big Data
- Procedural
 - Ongoing compliance
 - Poor administrative practices
 - User Education

Watch what is going on



Next big things

Smart code

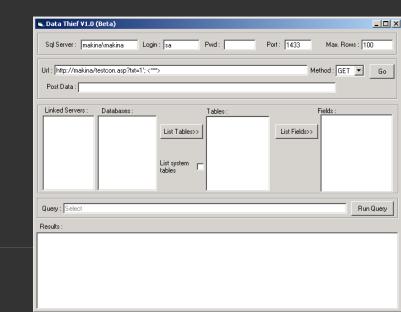
- Trojans / worms bypass current security measures
- Embedding the code in the web browser
 - Commits actions on behalf of user (withdraw funds)
 - Changes what is displayed (fraudulent transactions eliminated)
- Exploits end user applications : Windows Media Player, Winamp, Mirc or any others
- Machines "protected" by corporate firewalls are accessible to hackers on the outside

Cloud computing

- Ownership and data security
- Business continuity
- Ability to switch service providers

Next big things

- Hacking "other" Network devices
 - Printers
 - Routers, switches, gateways
 - PABX Systems
 - Voice over IP
 - Mobile devices (Blackberry etc)
- Higher application layers
 - Databases
 - Automated tools already available to attack databases and web based applications (Eg. DataThief)
 - Application specific attacks eg. Recent SCADA attacks



Participating further

- ISACA KZN Chapter
 - WWW.ISACA.ORG.ZA
- ISG Africa / Whitehat
 - Regular meetings at UKZN : <u>WWW.ISGAFRICA.ORG</u>
- Institute of Internal Auditors IT SIG
 - ► WWW.IIA.ORG.ZA
- Podcasts
 - WWW.DISCUSSIT.CO.ZA
- Follow me on twitter : jjza



Questions??

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