



UNITED STATES ATTORNEY'S OFFICE *Southern District of New York*

FOR IMMEDIATE RELEASE
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<http://www.justice.gov/usao/nys>

CONTACT: U.S. ATTORNEY'S OFFICE
Press Office
(212) 637-2600

FBI
Press Office
(212) 384-2100

SIX HACKERS IN THE UNITED STATES AND ABROAD CHARGED FOR CRIMES AFFECTING OVER ONE MILLION VICTIMS

*Four Principal Members of "Anonymous" and "LulzSec" Are Charged with Computer Hacking,
and a Fifth Member Pleads Guilty*

*"AntiSec" Member is Also Arrested and Charged with Stealing Confidential Information From
Approximately 860,000 Clients and Subscribers of Stratfor*

Five computer hackers in the United States and abroad were charged today, and a sixth pled guilty, for computer hacking and other crimes. The six hackers identified themselves as aligned with the group Anonymous, which is a loose confederation of computer hackers and others, and/or offshoot groups related to Anonymous, including "Internet Feds," "LulzSec," and "AntiSec."

RYAN ACKROYD, a/k/a "kayla," a/k/a "lol," a/k/a "lolspoon," JAKE DAVIS, a/k/a "topiary," a/k/a "atopiary," DARREN MARTYN, a/k/a "pwnsauce," a/k/a "raepsauce," a/k/a "networkkitten," and DONNCHA O'CEARRBHAIL, a/k/a "palladium," who identified themselves as members of Anonymous, Internet Feds, and/or LulzSec, were charged in an Indictment unsealed today in Manhattan federal court with computer hacking conspiracy involving the hacks of Fox Broadcasting Company, Sony Pictures Entertainment, and the Public Broadcasting Service ("PBS"). O'CEARRBHAIL is also charged in a separate criminal Complaint with intentionally disclosing an unlawfully intercepted wire communication.

HECTOR XAVIER MONSEGUR, a/k/a "Sabu," a/k/a "Xavier DeLeon," a/k/a "Leon," who also identified himself as a member of Anonymous, Internet Feds and LulzSec, pled guilty on August 15, 2011 in U.S. District Court to a 12-count information charging him with computer hacking conspiracies and other crimes. MONSEGUR'S information and guilty plea were unsealed today. The crimes to which MONSEGUR pled guilty include computer hacking conspiracy charges initially filed in the Southern District of New York. He also pled guilty to the following charges: a substantive hacking charge initially filed by the U.S. Attorney's Office in the Eastern District of California related to the hacks of HBGary, Inc. and HBGary Federal LLC; a substantive hacking charge initially filed by the U.S. Attorney's Office in the Central District of California related to the hack of Sony Pictures Entertainment and Fox Broadcasting

Company; a substantive hacking charge initially filed by the U.S. Attorney's Office in the Northern District of Georgia related to the hack of Infragard Members Alliance; a substantive hacking charge initially filed by the U.S. Attorney's Office in the Eastern District of Virginia related to the hack of PBS, all of which were transferred to the Southern District of New York, pursuant to Rule 20 of the Federal Rules of Criminal Procedure, in coordination with the Computer Crime and Intellectual Property Section ("CCIPS") in the Justice Department's Criminal Division.

Late yesterday, JEREMY HAMMOND, a/k/a "Anarchaos," a/k/a "sup_g," a/k/a "burn," a/k/a "yohoho," a/k/a "POW," a/k/a "tylerknowsthis," a/k/a "crediblethreat," who identified himself as a member of AntiSec, was arrested in Chicago, Illinois and charged in a criminal Complaint with crimes relating to the December 2011 hack of Strategic Forecasting, Inc. ("Stratfor"), a global intelligence firm in Austin, Texas, which may have affected approximately 860,000 victims. In publicizing the Stratfor hack, members of AntiSec reaffirmed their connection to Anonymous and other related groups, including LulzSec. For example, AntiSec members published a document with links to the stolen Stratfor data entitled: "Anonymous LulzSec rooting you proud" on a file sharing website.

The following allegations are based on the Indictment, the Information, the Complaints and statements made at MONSEGUR's guilty plea:

Hacks by Anonymous, Internet Feds, and LulzSec

Since at least 2008, Anonymous has been a loose confederation of computer hackers and others. MONSEGUR and other members of Anonymous took responsibility for a number of cyber attacks between December 2010 and June 2011, including denial of service ("DoS") attacks against the websites of Visa, MasterCard, and PayPal, as retaliation for the refusal of these companies to process donations to Wikileaks, as well as hacks or DoS attacks on foreign government computer systems.

Between December 2010 and May 2011, members of Internet Feds similarly waged a deliberate campaign of online destruction, intimidation, and criminality. Members of Internet Feds engaged in a series of cyber attacks that included breaking into computer systems, stealing confidential information, publicly disclosing stolen confidential information, hijacking victims' email and Twitter accounts, and defacing victims' Internet websites. Specifically, ACKROYD, DAVIS, MARTYN, O'CEARRBHAIL, and MONSEGUR, as members of InternetFeds, conspired to commit computer hacks including: the hack of the website of Fine Gael, a political party in Ireland; the hack of computer systems used by security firms HBGary, Inc. and its affiliate HBGary Federal, LLC, from which Internet Feds stole confidential data pertaining to 80,000 user accounts; and the hack of computer systems used by Fox Broadcasting Company, from which Internet Feds stole confidential data relating to more than 70,000 potential contestants on "X-Factor," a Fox television show.

In May 2011, following the publicity that they had generated as a result of their hacks, including those of Fine Gael and HBGary, ACKROYD, DAVIS, MARTYN, and MONSEGUR formed and became the principal members of a new hacking group called "Lulz Security" or "LulzSec." Like Internet Feds, LulzSec undertook a campaign of malicious cyber assaults on the websites and computer systems of various business and governmental entities in the United States and throughout the world. Specifically, ACKROYD, DAVIS, MARTYN, and

MONSEGUR, as members of LulzSec, conspired to commit computer hacks including the hacks of computer systems used by the PBS, in retaliation for what LulzSec perceived to be unfavorable news coverage in an episode of the news program "Frontline"; Sony Pictures Entertainment, in which LulzSec stole confidential data concerning approximately 100,000 users of Sony's website; and Bethesda Softworks, a video game company based in Maryland, in which LulzSec stole confidential information for approximately 200,000 users of Bethesda's website.

The Stratfor Hack

In December 2011, HAMMOND conspired to hack into computer systems used by Stratfor, a private firm that provides governments and others with independent geopolitical analysis. HAMMOND and his co-conspirators, as members of AntiSec, stole confidential information from those computer systems, including Stratfor employees' emails as well as account information for approximately 860,000 Stratfor subscribers or clients. HAMMOND and his co-conspirators stole credit card information for approximately 60,000 credit card users and used some of the stolen data to make unauthorized charges exceeding \$700,000. HAMMOND and his co-conspirators also publicly disclosed some of the confidential information they had stolen.

The Hack of International Law Enforcement

In January 2012, O'CEARRBHAIL hacked into the personal email account of an officer with Ireland's national police service, the An Garda Siochana (the "Garda"). Because the Garda officer had forwarded work emails to a personal account, O'CEARRBHAIL learned information about how to access a conference call that the Garda, the FBI, and other law enforcement agencies were planning to hold on January 17, 2012, regarding international investigations of Anonymous and other hacking groups. O'CEARRBHAIL then accessed and secretly recorded the January 17 international law enforcement conference call, and then disseminated the illegally-obtained recording to others.

* * *

MONSEGUR, 28, of New York, New York, pled guilty to three counts of computer hacking conspiracy, five counts of computer hacking, one count of computer hacking in furtherance of fraud, one count of conspiracy to commit access device fraud, one count of conspiracy to commit bank fraud, and one count of aggravated identity theft. He faces a maximum sentence of 124 years and six months in prison.

ACKROYD, 23, of Doncaster, United Kingdom, DAVIS, 29, of Lerwick, Shetland Islands, United Kingdom, MARTYN, 25 of Galway, Ireland, each are charged with two counts of computer hacking conspiracy. Each conspiracy count carries a maximum sentence of 10 years in prison.

O'CEARRBHAIL, 19, of Birr, Ireland is charged in the Indictment with one count of computer hacking conspiracy, for which he faces 10 years in prison. He is also charged in the Complaint with one count of intentionally disclosing an unlawfully intercepted wire communication, for which he faces a maximum sentence of five years in prison.

HAMMOND, 27, of Chicago, Illinois, is charged with one count of computer hacking conspiracy, one count of computer hacking, and one count of conspiracy to commit access device fraud. Each count carries a maximum sentence of 10 years in prison.

DAVIS is separately facing criminal charges in the United Kingdom, which remain pending, and ACKROYD is being interviewed today by the Police Central e-crime Unit in the United Kingdom. O'CEARRBHAIL was arrested today by the Garda.

The case is being prosecuted by the U.S. Attorney's Office for the Southern District of New York. The investigation was initiated and led by the FBI, and its New York Cyber Crime Task Force, which is a federal, state and local law enforcement task force combating cybercrime, with assistance from the PCeU; a unit of New Scotland Yard's Specialist Crime Directorate, SCD6; the Garda; the Criminal Division's CCIPS; and the U.S. Attorneys' Offices for the Eastern District of California, the Central District of California, the Northern District of Georgia, and the Eastern District of Virginia; as well as the Criminal Division's Office of International Affairs.

The charges contained in the Indictment and Complaints are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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TIMELINE

4 June 2011 – First passing mention of ANTISEC in relation to Anonymous is made on LulzSec twitter (<http://goo.gl/cwO2G>)

7 June 2011 – SABU visited by FBI and arrested quietly

8 June 2011 – By 10AM this day, SABU was fully cooperating with feds

19 June 2011 – AFTER arrest, SABU resumes tweeting after a prolonged break (last recorded tweets being random in March and May of 2011 -- <http://goo.gl/frJpR>).

His first tweet is to announce the formation of ANTISEC (<http://goo.gl/725mr>). He announces ANTISEC as "The biggest, unified operation amongst hackers in history." <-- Does "unified" = conspiracy?

Original ANTISEC Release Statement – <http://pastebin.com/9KyA0E5v>

20 June 2011 – LulzSec announces Tango Down of site for UK's Serious Organised Crime Agency (SOCA.gov.uk) "in the name of #ANTISEC" (<http://goo.gl/RdbnM>) <-- Note, Topiary would later be arrested and charged with DDOS attack on SOCA website

22 June 2011 – LulzSec tweets "official ANTISEC theme song" (<http://goo.gl/dfTiw>).

23 June 2011 – LulzSec releases Chinga La Migra on AZ law enforcement in protest of AZ SB1070 (<http://goo.gl/9s2dG>). Both release and tweeted announcement referenced #ANTISEC (<http://goo.gl/f558l>)

23 June 2011 – SABU tweets "Friday will be beginning of #ANTISEC dumps. Big ups to all hackers involved in this massive project!" <http://goo.gl/6IJA>

24 June 2011 – Logs from IRC channel #pe are leaked publicly. SABU appears as an authority figure. Are they leaked with a purpose of

establishing him even more in the Anonymous community as a leader? <http://gu.com/p/3v5c5>

24 June 2011 – ANTISEC releases a call to arms video (<http://www.youtube.com/watch?v=dNaAaPvyYqI>). Video includes the provocative statement, "Top priority is to steal and leak any classified government information, including email spools and documentation. Prime targets are banks and other high-ranking establishments."

25 June 2011 – LulzSec announces its dissolution and the end of the 50 Days of Lulz (<http://pastebin.com/1znEGmHa>; <http://goo.gl/EZvkQ>).

26 June 2011 – LulzSec twitter encourages "all future #ANTISEC enthusiasts" to join the #ANTISEC channel on the Anonops IRC and to "follow @AnonymousIRC" (<http://goo.gl/aZcSZ>).

26 June 2011 – SABU tweets, "We are working under the #ANTISEC flag now gentlemen" (<http://goo.gl/fwJfh>).

26 June 2011 – SABU laughs off dox attempts that name him as "Hector Montsegur" [sic] (<http://goo.gl/NOst1>).

26 June 2011 – SABU uses his influence to funnel people into the #ANTISEC channel on Anonops IRC (<http://goo.gl/Bo0DA>).

27 June 2011 – @AnonymousIRC announces "the LulzBoat and its crew will now sail under the #ANTISEC banner" (<http://goo.gl/rLKNQ>).

28–29 June 2011 – ANTISEC makes its first release (<http://thepiratebay.se/torrent/6502765>). Relevant tweets (<http://goo.gl/2GcYG> | <http://goo.gl/Va3eS>) claiming ANTISEC responsibility.

29 June 2011 – SABU incites Brasil to "rise up" in ANTISEC and again funnels people to #ANTISEC channel on Anonops IRC (<http://goo.gl/liwSi>).

30 June 2011 – ANTISEC hacks and released more info on AZ law enforcement (<http://pastebin.com/4L6emvnC>) and tweets responsibility from ANTISEC (<http://goo.gl/qBo5D>).

30 June 2011 – SABU tweets that www.fpoe.at is Tango Down "for its obvious racism" (<http://goo.gl/2LDat>).

30 June 2011 – SABU again funnels Anons into #ANTISEC channel on Anonops IRC (<http://goo.gl/5z7JY>).

1 July 2011 – SABU again funnels Anons into #ANTISEC channel on Anonops IRC (<http://goo.gl/8znEx>).

11 July 2011 – SABU tweets multiple times, hinting at foreknowledge of the Booz Allen Hamilton hack that would occur later on 11 July (<http://goo.gl/AaTUQ> | <http://goo.gl/ppbXQ> | <http://goo.gl/5TJ9D>).

11 July 2011 – ANTISEC hacks and releases ~90,000 military email/pw combos in Military Meltdown Monday from Booz Allen Hamilton (<http://thepiratebay.se/torrent/6533009>). Announces via Twitter (<http://goo.gl/akXSN>).

15 July 2011 – SABU tweets veiled threat to federal contractors (<http://goo.gl/ykkrC>).

18 July 2011 – LulzSec reemerges and hacks The Sun (<http://goo.gl/0J4Cr>).

19 July 2011 – FBI arrests 14 suspected Anonymous participants in California, New York, Florida and New Jersey in a nationwide investigation.

22 July 2011 – ANTISEC leaks 8GB of internal data from Italian Police's National Centre for Computer Crime and the Protection of Critical Infrastructure (<http://goo.gl/0cUuJ>)

27 July 2011 – ANTISEC issues "official communique from Anonymous and Lulz Security" regarding FBI arrests of alleged Anonymous participants (<http://goo.gl/p3kjt>).

27 July 2011 - Alleged LulzSec spokesman Topiary / Jake Davis arrested (<http://www.bgr.com/?p=98072>)

28 July 2011 - +500mb of NATO data was leaked by ANTISEC (<http://goo.gl/a6CFU>)

29 July 2011 - 390MB internal docs from FBI-DoD cyber-security contractor Mantech leaked by ANTISEC (<http://thepiratebay.se/torrent/6571301->)

3 August 2011 - SABU solicits BitCoins via Twitter (<http://goo.gl/PGGFP>).

6 August 2011 - +10G of data from 76 rural U.S. Sheriff's offices leaked in ANTISEC's "Shooting Sheriff's Saturday" (<http://goo.gl/Tl8dN>). Release included statement saying, "A recent DHS bulletin has called us "script kiddies" that lack "any capability to inflict damage to critical infrastructure" yet we continue to get in and out of any system we please, destroying and dropping dox on the mightiest of government systems that are supposed to be protecting their sick nightmare of "law and order". GIVE UP. You are losing the cyberwar, and the attacks against the governments, militaries, and corporations of the world will continue to escalate."

6 August 2011 - Syrian MOD hacker solicited by SABU to join ANTISEC to "disrupt govt communication systems" (direct quote).

9 August 2011 - SABU works fervently to cast doubt and hurt credibility of AnonPlus website. Was it disinfo propagated by feds with the intention to kill the site? (<http://goo.gl/evvF7> | <http://goo.gl/iZkr6> | <http://goo.gl/WZL0B>)

10 August 2011 - SABU trumpets the Brasil ANTISEC Santiagraha release on Twitter (<http://goo.gl/Pw877>).

15 August 2011 - SABU guilty plea hearing in US Federal District Court. Full transcript: <http://goo.gl/b4bxz>

15 August 2011 – SABU gets into Twitter spat with Mike Virus, each accuse the other of being an informant (<http://goo.gl/VakSX> | <http://goo.gl/V4OwH> | <http://goo.gl/XlxYd>).

16 August 2011 – FUCKING HILARIOUS. SABU tweets, "If god forbid I am arrested, I'll admit to my crimes, and take myself down. I do not believe in brining others down for my own sins." (<http://goo.gl/eKnFb>)

17 August 2011 – SABU goes on month-long hiatus from Twitter. His final tweet: "The greatest trick the devil ever pulled was convincing the world he did not exist. And like that... he is gone." (<http://goo.gl/E8atm>)

22 August 2011 – ANTISEC releases 1GB of personal data from Vanguard Defense Industries, a Texas-based aerospace and defense firm (<http://pastebin.com/PjiXmwNk>).

22 August 2011 – Alleged LulzSec hacker Recursion / Cody Kretsinger arrested for Sony Hack (<http://goo.gl/r17Ow>)

29 August 2011 – Private logs show just how SABU mined Anons and affiliated-individuals for information on ops (<http://pastebin.com/HBzGqKja>)

17 September 2011 – SABU returns to Twitter after a month-long hiatus (<http://goo.gl/C9vxD>). Upon return, he works again to funnel Anons into #ANTISEC channel on Anonops IRC (<http://goo.gl/ju5MS>).

21 September 2011 – SABU uses influence to kill Anonymous attempts to DDoS Wall Street firms (<http://goo.gl/kDRxS> | <http://goo.gl/oU9ur>).

23 September 2011 – SABU engages in an IAMA marathon on Reddit (<http://redd.it/kpfsp>).

Notable Questions and Responses include:

Q: What advice would you give new hackers?

A: Stick to yourselves. If you are in a crew – keep your opsec up 24/7. Friends will try to take you down if they have to.

Q: What does being apart of Anonymous mean to you?

A: No leaders. No hierachy. No cointelpro drama. And we are a living, moving mass of like-minded individuals. Powerful2me.

Q: Do you have a 'normal' online persona with a 'normal' Facebook profile and Twitter account and the AnonymouSABU is like a double life no one knows about?

A: Honestly I really have no online persona. I'm so burnt out with the internet from the last decade that I dont need one.

16 October 2011 – SABU incites people to take back their rights "by any means necessary" (<http://goo.gl/vJn1M>).

26 October 2011 – SABU calls on ANTISEC and other hackers worldwide to respond to police...and to visit the #ANTISEC channel in Anonops IRC (<http://goo.gl/iDpsy>).

18 November 2011 – To protest police brutality at Occupy, ANTISEC (1) hacks and dumps International Association of Chiefs of Police and (2) defaces Boston, Massachusets Police website (<http://goo.gl/lZhJP>)

18 November 2011 – SABU pushes ANTISEC #FFF dump on Twitter (<http://goo.gl/yuXSk> | <http://goo.gl/MHfZI>).

December 2011 – Talk spreads among Anons that Sabu is actively recruiting people into ANTISEC. One such account, as published in the NYT after the SABU revelations last week: <http://bits.blogs.nytimes.com/?p=101319>

3 December 2011 – SABU incites hackers to focus on specific surveillance companies as targets (<http://goo.gl/f7DcK> | <http://goo.gl/AYtsn>).

8 December 2011 – SABU issues Twitter threat to federal contractors (<http://goo.gl/qazvf>). Fear-mongering?

12 December 2011 – SABU defines ANTISEC (<http://goo.gl/5Fcd0>).

20 December 2011 – SABU decries snitches as "a cancer in our society" (<http://goo.gl/iCSD7>) <-- LOL!

23 December 2011 – SABU repeatedly solicits leaks/vulns/data from people via Twitter (<http://goo.gl/eJ6pr> | <http://goo.gl/yQsov> | <http://goo.gl/VR7CQ>).

24–26 December 2011 – As part of LulzXmas festivities, ANTISEC claim hack of US global thinktank Stratfor. 860,000 e-mail addresses, 75,000 unencrypted credit card numbers stolen and later released publicly (<http://pastebin.com/f7jYf5Wd> | <http://pastebin.com/q5kXd7Fd> |) Deface mirror: <http://zone-h.org/mirror/id/16416728>

27 December 2011 – SABU takes full credit for HBGary hack on Twitter (<http://goo.gl/qcRnT>).

29 December 2011 – ANTISEC hacks and dumps data of law enforcement supplier SpecialForces.com (<http://pastebin.com/QSX0XYiD>)

1 January 2012 – ANTISEC hacks and dumps California State Law Enforcement Association (CSLEA). Mirror: <http://www.zone-h.org/mirror/id/16495620>. Also hacks and dumps New York State Association of Chiefs of Police (<http://pastebin.com/gZ9pm207>).

1 January 2012 – SABU threatens whitehats and law enforcement agencies (LEAs) on Twitter (<http://goo.gl/OW0Pw>).

6 January 2012 – SABU encourages people to mirror and spread the Norton src leaks (<http://goo.gl/dnwsa>).

16 January 2012 – SABU inciting cyberwar (<http://goo.gl/v6cEa>).

20 January 2012 – SABU incites people to focus not on tango downs, but more serious hacks, including: online ordering, shops, ad-servers, CDN servers (<http://goo.gl/eQxH2>).

20 January 2012 – SABU incites people to unlawful downloading and copyright violations via illegal downloads (<http://goo.gl/7srEg>).

21 January 2012 – SABU names anti-piracy sites and similar organisations as "targets" (<http://goo.gl/8A9uq>).

30 January 2012 – SABU incites "hackers around the world" to use their "skills to disrupt the governments communications" (<http://goo.gl/oLfps>).

3 February 2012 – ANTISEC defaces site of Puckett and Faraj law firm to protest Haditha massacre verdict. Law firm mail is leaked (<http://goo.gl/7XWVk>). Mirror: <http://zone-h.org/mirror/id/16859533>

3 February 2012 – ANTISEC releases an intercepted FBI conference call on Anonymous investigation (<http://www.youtube.com/watch?v=pl3spwzUZfQ&feature=youtu.be>).

17 February 2012 – ANTISEC hacks and pwns FTC websites (<http://pastebin.com/2qfEqS1p>)

21 February 2012 – SABU tweets, "While we burn down their banks, we will burn down their websites. MinistryOfJustice.gr" (<http://goo.gl/YrinH>).

22 February 2012 – SABU spreads possible disinfo about Anonymous Austria (<http://goo.gl/NlyLI> | <http://goo.gl/Jfnwf> | <http://goo.gl/R4do>)

24 February 2012 – SABU provides unsolicited FTP credentials and root access for 6 Brazilian government websites to AntiSec hackers (<http://pastebin.com/pqimeV3n>)

6 March 2012 – Six alleged Anonymous and LulzSec hackers arrested:

- (1) Ryan Ackroyd / Kayla
- (2) Jake Davis / Topiary
- (3) Darren Martyn / pwnsauce
- (4) Donncha O'Cearrbhail / palladium
- (5) Jeremy Hammond / Anarchaos/sup_g
- (6) Hector Monsegur / Sabu

Relevant Court Filings to 6 March Arrests:

- (1) Indictment against Hector Xavier Monsegur filed in the United States District Court Southern District of New York: <http://goo.gl/liy9z>**
- (2) Hector Xavier Monsegur waiver of indictment in return for cooperation with government: <http://goo.gl/LQlrs>**
- (3) Indictments filed in the United States District Court Southern District of New York against Ryan Ackroyd, Jake Davis, Darrent Martyn, and Donncha O'Cearrbhail: <http://goo.gl/Onl0G>**
- (4) Amended complaint against Donncha O'Cearrbhail: <http://goo.gl/4aUqY>**
- (5) Sealed complaint against Jeremy Hammond: <http://goo.gl/U9VEr>**

18FMMONP Plea
1 UNITED STATES DISTRICT COURT
1 SOUTHERN DISTRICT OF NEW YORK
2 -----x
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3 UNITED STATES OF AMERICA,
3

4 v.
4

11 Cr. 666 (LAP)

5 HECTOR XAVIER MONSEGUR,
5

6 Defendant.
6

7 -----x
7

8 New York, N.Y.
8 August 15, 2011
9 4:40 p.m.
9

10 Before:
10

11 HON. LORETTA A. PRESKA,
12

12 District Judge
13

13
14 APPEARANCES
14

15 PREET BHARARA
15 United States Attorney for the
16 Southern District of New York
16 JAMES J. PASTORE, JR.
17 THOMAS G.A. BROWN
17 Assistant United States Attorneys
18

18 PEGGY CROSS
19 PHILIP WEINSTEIN
19 Attorneys for Defendant
20

21 ALSO PRESENT: CHRISTOPHER TARBELL, FBI
22
23
24
25

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1 (Case called)

2 MR. PASTORE: James Pastore and Thomas Brown for the
3 United States. Joining us at counsel table is special agent
4 Christopher Tarbell.5 MS. CROSS: The Federal Defenders of New York by Peggy
6 Cross and Philip Weinstein for Mr. Monsegur. Good afternoon,
7 your Honor.

8 THE COURT: Good afternoon.

9 Mr. Monsegur, would you stand and raise your right
10 hand.11 Forgive me, sir. I think there was something that was
12 going to go before you.13 MR. PASTORE: Yes, your Honor. For the reasons that
14 we discussed at our last conference, the government has moved
15 to seal the courtroom. We have received the necessary
16 approvals from the Department of Justice, the defense counsel
17 and the defendant joins in the request for sealing. And we
18 make it for the same reasons that we set forth on the record in
19 our previous conference.20 THE COURT: For the reasons stated previously, the
21 courtroom is ordered to be sealed, particularly in light of the
22 danger to defendant.23 Mr. Monsegur, would you stand and raise your right
24 hand.

25 (Defendant sworn)

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1 THE COURT: Do you understand that you are now under
2 oath and if you answer my questions falsely, your answers may
3 later be used against you in a prosecution for perjury or the
4 making of a false statement?

5 THE DEFENDANT: I do.

6 THE COURT: Sir, have you received a copy of the
7 superseding information against you, S1 11 Cr. 666?

8 THE DEFENDANT: Yes, I have, your Honor.

9 THE COURT: Have you gone over it with your attorney?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you understand that you have the right
12 to have your case presented to the grand jury for indictment?

13 THE DEFENDANT: Yes.

14 THE COURT: And do you understand that you are under
15 no obligation to waive that right?

16 THE DEFENDANT: Yes.

17 THE COURT: And do you understand that if you do not
18 waive that right, if the government wishes to prosecute you,
19 the government would have to present your case to the grand
20 jury, which might or might not indict you?

21 THE DEFENDANT: Yes.

22 THE COURT: And do I correctly understand that after
23 conferring with your attorneys you've decided that it's in your
24 best interests on this occasion to waive indictment?

25 THE DEFENDANT: Yes.

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1 THE COURT: And am I correct, sir, that you did so in
2 this document which I'm holding up, which is dated August 15,
3 2011?

4 THE DEFENDANT: Yes.

5 THE COURT: And is that your signature, sir, on the
6 top line?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: I find that Mr. Monsegur has knowingly and
9 voluntarily waived his right to indictment.

10 Sir, would you remind me, again, how old you are?

11 THE DEFENDANT: I'm 27.

12 THE COURT: And where were you born?

13 THE DEFENDANT: I was born in New York City.

14 THE COURT: So you're a citizen of the United States?

15 THE DEFENDANT: Yes, your Honor.

16 THE COURT: How far did you go in school?

17 THE DEFENDANT: I went to college.

18 THE COURT: And you read, write, speak, and understand
19 English. Is that right?

20 THE DEFENDANT: Yes.

21 THE COURT: Are you currently or have you recently
22 been under the care of a doctor or a psychiatrist?

23 THE DEFENDANT: No.

24 THE COURT: Have you been hospitalized or treated
25 recently for alcoholism, narcotic addiction, or any other type

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2 THE DEFENDANT: No.

5 THE DEFENDANT: No.

10 THE DEFENDANT: No.

13 THE DEFENDANT: Yes.

17 THE DEFENDANT: Yes.

21 MR. PASTORE: Yes, your Honor. The superseding

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1 First, that there exists some sort of agreement or implicit
2 understanding between two or more people to violate a law of
3 the United States; second, that the defendant knowingly and
4 willingly joined in the unlawful agreement; and, third, any one
5 member of the conspiracy committed at least one overt act in
6 furtherance of the conspiracy.

7 In this case, the object of the objects of the
8 conspiracies charged in the first three counts is to violate
9 Title 18, United States Code, Section 1030(a)(5)(A), which
10 involves unauthorized computer access or computer hacking. A
11 violation of that statute has three elements: First, that the
12 defendant knowingly caused the unauthorized transmission of a
13 program, information, code, or command to a protected computer;
14 second, that the defendant caused such transmission with the
15 intent to damage or deny services to a computer or computer
16 system; and, third, that the defendant thereby caused damage.
17 In this case, because we are charging felonies, the amount of
18 loss that would have to be involved is at least \$5,000, and
19 that's alleged in the information.

20 Counts Four through Eight each charge a substantive
21 violation of Title 18, United States Code, Section
22 1030(a)(5)(A). As I mentioned, each of these is a felony
23 because the loss amount is alleged to be at least \$5,000. The
24 elements of each of these offenses are the same as the object
25 of the conspiracy, so I won't set them forth again.

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1 Count Nine charges substantive computer hacking in
2 furtherance of fraud, in violation of Title 18, United States
3 Code, Section 1030(a)(4). There are three elements to this
4 offense: First, that the defendant knowingly accessed a
5 protected computer without authorization; second, that the
6 defendant acted with the intent to defraud; and, third, that in
7 furtherance of the scheme to defraud the defendant obtained
8 something of value which is described in the information.

9 Count Ten charges the defendant with participating in
10 a conspiracy to commit access device fraud, in violation of
11 Title 18, United States Code, Section 1029(b). It has two
12 elements: First, the existence of the conspiracy as alleged in
13 the information and, second, that the defendant knowingly and
14 willfully joined in the conspiracy. Here, the object of the
15 conspiracy was to violate Title 18, United States Code, Section
16 1029(a)(5), which is essentially access device fraud.

17 It has five elements: First, that the defendant
18 possessed account access information issued to a person or
19 persons other than himself; second, that the account access
20 information is in fact an access device; third, that the
21 defendant effected transactions within a one-year period using
22 the account information and obtained anything of value equal to
23 or greater than a thousand dollars in any single year; fourth,
24 the defendant acted knowingly and with the intent to defraud;
25 and, fifth, that interstate or foreign commerce was affected by

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1 the defendant's actions.

2 Count Eleven charges a bank fraud conspiracy in
3 violation of Title 18, United States Code, Section 1349. As
4 I've already set forth, the general elements of conspiracy,
5 there are two: First, that the conspiracy as charged existed;
6 second, that the defendant knowingly and willingly joined that
7 conspiracy.

8 With respect to the object here, it was bank fraud, in
9 violation of Title 18, United States Code, Section 1344. It
10 has three elements: First, that there was a scheme either to
11 defraud a bank, that is, a pattern or course of conduct
12 designed to deceive a bank into releasing property with the
13 intent to cause the bank to suffer an actual or potential loss,
14 or the scheme can be to obtain property owned by a bank or
15 property under the custody or control of a bank by means of
16 false or fraudulent pretenses, representations, or promises;
17 second, that the defendant executed or attempted to execute the
18 scheme with the intent to defraud the bank, that is, knowingly,
19 willfully, and with specific intent to defraud the bank; and,
20 third, at the time of the execution of the scheme the bank's
21 deposits were insured by Federal Deposit Insurance Corporation.

22 Count Twelve charges aggravated identity theft, in
23 violation of Title 18, United States Code, Section 1028(A).
24 With respect to the elements of this crime, it requires the
25 government to show that in connection with the access device

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1 fraud and bank fraud conspiracies charged in Counts Ten and
2 Elven of the information that the defendant knowingly
3 transferred or possessed or used without lawful authority a
4 means of identification of another person. And here those
5 means of identification are set forth in the information.

6 The government would have to prove each of those
7 elements beyond a reasonable doubt, and we would also have to
8 prove venue by a preponderance of the evidence.

9 THE COURT: Thank you.

10 Mr. Monsegur, do you understand that those are the
11 elements that the government would have to prove if you went to
12 trial on these charges?

13 THE DEFENDANT: Yes.

14 THE COURT: Have you told your attorneys everything
15 you know about the matters set out in the superseding
16 information?

17 THE DEFENDANT: Yes.

18 THE COURT: You have not held anything back from them,
19 have you, sir?

20 THE DEFENDANT: No.

21 THE COURT: Counsel, do I correctly understand that
22 there is an agreement between the defendant and the government,
23 which is dated August 15, 2011 and which is signed August 15,
24 2011?

25 MS: CROSS: Yes, your Honor.

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1 MR. PASTORE: Yes, your Honor. I should add that in
2 this case, with respect to the government, it applies not only
3 to the United States Attorney's Office for the Southern
4 District of New York, but also to each of the other United
5 States Attorney's Offices in the other 93 judicial districts,
6 which is a little unusual.

7 THE COURT: And I note that there is authorization
8 attached to the cooperation agreement to enter into a global
9 plea agreement. Correct?

10 MR. PASTORE: Yes, your Honor.

11 THE COURT: Would you be kind enough to summarize the
12 terms and conditions of the agreement, please, Mr. Pastore.

13 MR. PASTORE: Yes, your Honor. This agreement with
14 respect to the superseding information obviously resolves that,
15 but, as the Court is aware and has set forth on the first page
16 of the cooperation agreement, four other informations are also
17 effectively being resolved by the plea today. Those
18 informations are set forth.

19 The first information was filed in the Eastern
20 District of California. It's under the docket number 2:11 Cr.
21 332 (MCE). And that was transferred pursuant to Rule 20. In
22 fact, each of the informations that I am going to mention were
23 transferred pursuant to Rule 20 to the Southern District of New
24 York.

25 The second information is a two-count information
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1 originally filed in the Central District of California under
2 the docket number 11 Cr. 766.

3 The third information is a one-count information
4 initially filed in the Northern District of Georgia under
5 docket number 1:11 Cr. 379.

6 And, finally, a one-count information initially filed
7 in the Eastern District of Virginia under docket number 1:11
8 Cr. 381.

9 Each of those informations, as I mentioned, have been
10 transferred here and have been assigned, respectively, docket
11 numbers 11 Cr. 693, 694, 695, and 696.

12 Pursuant to this agreement, at sentencing the
13 government will move to dismiss any open counts against the
14 defendant and will also file a nolle with respect to each of
15 those informations which are currently pending in the Southern
16 District of New York.

17 The terms of the agreement then set forth the maximum
18 penalties as to each of the 12 counts. I am not sure if the
19 Court would like me to go through those, but I assume that
20 would be part of the Court's allocution, so I will not.

21 With respect to the total maximum sentence, it is 122
22 and one half years' imprisonment with a mandatory minimum
23 sentence of two years' imprisonment to be served consecutively
24 to any other term imposed on any other count.

25 The defendant understands that he is going to be

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1 making restitution as well as forfeiture. The defendant as
2 part of this agreement has to truthfully cooperate with the
3 government, has to testify if asked, and has to cooperate with
4 not only this office but the other United States Attorneys
5 Offices that are identified in this document and indeed any
6 office which the United States Attorney's Office for the
7 Southern District of New York requests his cooperation.

8 This agreement does not cover any criminal tax
9 violations, and the immunities are set forth on pages 6, 7, and
10 8 of this agreement.

11 And the Court and the defendant will observe that it
12 includes some conduct that is not specifically identified in
13 any of the informations that have been filed.

14 Your Honor, may I have a moment?

15 THE COURT: Yes, sir.

16 MR. PASTORE: Your Honor, the remainder of the
17 agreement essentially sets forth two things: One, the various
18 rights that the defendant is waiving, which I'm happy to go
19 through in any level of detail the Court would like me to; and,
20 second, the consequences of the defendant's failure to
21 essentially live up to the cooperation agreement together with
22 the understanding that if he does live up to the cooperation
23 agreement, the government at sentencing will be filing a motion
24 that the defendant be sentenced in light of the factors set
25 forth in Section 5K1.1 of the guidelines. And, second, a

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1 motion, pursuant to Title 18, United States Code, Section
2 3553(e), that would allow the Court to sentence the defendant
3 without regard to the otherwise applicable mandatory minimum
4 term of imprisonment with respect to Count Twelve of the
5 information. Thank you.

6 THE COURT: Thank you.

7 Mr. Monsegur, are those the terms and conditions of
8 the agreement as you understand them?

9 THE DEFENDANT: Yes.

10 THE COURT: Have you had enough time to review the
11 agreement and to go over it with your attorneys and to have all
12 of your questions answered?

13 THE DEFENDANT: Yes, your Honor.

14 THE COURT: And do you understand, sir, that among
15 your obligations under this agreement are to truthfully and
16 completely disclose all information about your activities and
17 any other matter that you're inquired about.

18 Do you understand that, sir?

19 THE DEFENDANT: Yes.

20 THE COURT: Do you also understand that it's your
21 obligation to cooperate fully with all branches of law
22 enforcement as set forth here?

23 THE DEFENDANT: Yes.

24 THE COURT: You also understand, sir, that it is your
25 obligation to commit no further crimes whatsoever?

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1 THE DEFENDANT: Yes.

2 THE COURT: And do you understand that it's your
3 obligation to truthfully testify when required?

4 THE DEFENDANT: Yes.

5 THE COURT: Thank you, sir.

6 Now, I'm holding up the original of the agreement and
7 turning to the last page. Is that your signature over there on
8 the left-hand side under the words agreed and consented to?

9 THE DEFENDANT: Yes.

10 THE COURT: And do I correctly understand that your
11 willingness to offer to plead guilty is in part a result of
12 this agreement between you and the government?

13 THE DEFENDANT: Yes.

14 THE COURT: Counsel, are there any additional
15 agreements between the defendant and the government that are
16 not set forth in the written plea agreement?

17 MR. PASTORE: No, your Honor.

18 MS. CROSS: No, your Honor.

19 THE COURT: Ms. Cross, did you wish me to allocute the
20 defendant as to any other portions of the agreement?

21 MS. CROSS: I don't think that's necessary, your
22 Honor. We thoroughly reviewed it.

23 THE COURT: Yes, ma'am. Thank you.

24 The agreement is acceptable to the Court.

25 Mr. Monsegur, let me ask you this, sir. Have you been

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1 induced to offer to plead guilty as a result of any fear,
2 pressure, threat, or force of any kind?

3 THE DEFENDANT: No.

4 THE COURT: Have you been induced to offer to plead
5 guilty as a result of any statement by anyone other than in
6 your written plea agreement to the effect that you would get
7 special treatment or special leniency or some kind of special
8 consideration if you pleaded guilty rather than going to trial?

9 THE DEFENDANT: No.

10 THE COURT: And do you understand that you have the
11 right to enter a plea of not guilty to the superseding
12 information and to proceed to trial?

13 THE DEFENDANT: Yes.

14 THE COURT: And do you understand that if you do not
15 plead guilty, you have a right to a speedy and public trial
16 before a jury of 12 persons?

17 THE DEFENDANT: Yes.

18 THE COURT: Do you understand that you have the right
19 to be represented by an attorney at trial and at every stage of
20 the proceedings, including an appeal, and if you cannot afford
21 an attorney, one will be appointed to represent you free of
22 charge?

23 THE DEFENDANT: Yes.

24 THE COURT: Do you understand that if your plea of
25 guilty is accepted, there will be no further trial of any kind?

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1 THE DEFENDANT: Yes.

2 THE COURT: Do you understand that if you pleaded not
3 guilty and went to trial, that upon such a trial you would be
4 presumed innocent unless and until the government proved your
5 guilt beyond a reasonable doubt to all 12 jurors?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you understand that upon such a trial
8 you would have the right to confront and cross-examine all of
9 the witnesses called by the government against you?

10 THE DEFENDANT: Yes.

11 THE COURT: Do you understand that at such a trial you
12 could remain silent and no inference could be drawn against you
13 by reason of your silence, or, if you wanted to, you could take
14 the stand and testify in your own defense?

15 THE DEFENDANT: Yes.

16 THE COURT: Do you understand that at such a trial you
17 would have the right to subpoena witnesses and evidence for
18 your own defense?

19 THE DEFENDANT: Yes.

20 THE COURT: And do you understand that if your offer
21 to plead guilty is accepted, you give up these rights with
22 respect to this charge against you and the Court may impose
23 sentence just as though a jury had brought in a verdict of
24 guilty against you?

25 THE DEFENDANT: Yes.

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1 THE COURT: Do you understand that if you wanted to
2 and if the government agreed, you could have a trial before a
3 judge without a jury, in which event the burden of proof would
4 still be on the government, and you would still have the same
5 constitutional rights?

6 THE DEFENDANT: Yes.

7 THE COURT: Do you understand, sir, that upon your
8 plea of guilty to Counts One through Eight the Court has the
9 power to impose upon you as to each count a maximum sentence of
10 ten years' imprisonment, a maximum period of supervised release
11 of three years, a maximum fine of the greatest of \$250,000,
12 twice the gross pecuniary gain derived from the offense or
13 twice the gross pecuniary loss resulting from the offense,
14 together with a \$100 mandatory special assessment?

15 THE DEFENDANT: Yes.

16 THE COURT: Do you understand, sir, that upon your
17 plea of guilty to Count Nine, the Court has the power to impose
18 upon you a maximum sentence of five years' imprisonment, a
19 maximum period of supervised release of three years, a maximum
20 fine of the greatest of \$250,000, twice the gross pecuniary
21 gain derived from the offense, or twice the gross pecuniary
22 loss resulting from the offense, together with a \$100 mandatory
23 special assessment?

24 THE DEFENDANT: Yes.

25 THE COURT: Do you understand, sir, that upon your
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1 plea of guilty to Count Ten, the Court has the power to impose
2 upon you a maximum sentence of seven and a half years'
3 imprisonment, a maximum period of supervised release of three
4 years, a maximum fine of the greatest of \$250,000, twice the
5 gross pecuniary gain derived from the offense, or twice the
6 gross pecuniary loss resulting from the offense, together with
7 a mandatory \$100 special assessment?

8 THE DEFENDANT: Yes.

9 THE COURT: Do you understand, sir, that upon your
10 plea of guilty to Count Eleven the Court has the power to
11 impose upon you a maximum sentence of 30 years' imprisonment, a
12 maximum period of supervised release of five years, a maximum
13 fine of the greatest of \$1 million, twice the gross pecuniary
14 gain derived from the offense or twice the gross pecuniary loss
15 resulting from the offense, together with a mandatory \$100
16 special assessment?

17 THE DEFENDANT: Yes.

18 THE COURT: And, sir, do you understand that upon your
19 plea of guilty to Count Twelve the Court has the power to
20 impose upon you a mandatory sentence of two years' imprisonment
21 to run consecutive to any other sentence imposed upon you,
22 together with a maximum period of supervised release of one
23 year, a maximum fine of the greatest of \$250,000, twice the
24 gross pecuniary gain derived from the offense, or twice the
25 gross pecuniary loss resulting from the offense, together with

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1 a mandatory \$100 special assessment?

2 THE DEFENDANT: Yes.

3 THE COURT: Finally, sir, do you understand that the
4 total maximum sentence of incarceration on all counts that may
5 be imposed as a result of your guilty plea is 122 and one half
6 years' imprisonment with a mandatory minimum sentence of two
7 years' imprisonment that will run consecutive to any other
8 sentence imposed?

9 THE DEFENDANT: Yes.

10 THE COURT: Sir, do you also understand that in this
11 agreement you have agreed and the Court has the power to order
12 you to make restitution and to forfeit certain amounts to the
13 government?

14 THE DEFENDANT: Yes.

15 THE COURT: Do you understand, sir, that if the terms
16 and conditions of supervised release are violated, you may be
17 required to serve an additional period of imprisonment which is
18 equal to the period of supervised release with no time off or
19 no credit for time already spent on supervised release?

20 THE DEFENDANT: Yes.

21 THE COURT: Have you discussed the sentencing
22 guidelines with your attorney?

23 THE DEFENDANT: Yes, your Honor.

24 THE COURT: And do you understand that the Court will
25 not be able to determine exactly what guideline applies to your

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1 case until after a presentence report has been completed and
2 you and your attorneys and the government have a chance to
3 review it and to challenge the facts that are set out by the
4 probation officer?

5 THE DEFENDANT: Yes.

6 THE COURT: Do you also understand, sir, that in
7 determining a sentence it's the Court's obligation to calculate
8 the applicable sentencing guidelines range and then to consider
9 that range, possible departures from that range under the
10 sentencing guidelines, and other sentencing factors set out in
11 the statute, 18, United States Code, Section 3553(a)?

12 THE DEFENDANT: Yes.

13 THE COURT: Do you also understand, sir, that under
14 some circumstances you or the government might have the right
15 to appeal whatever sentence is imposed?

16 THE DEFENDANT: Yes.

17 THE COURT: And do you also understand that parole has
18 been abolished, so if you are sentenced to prison you will not
19 be released on parole?

20 THE DEFENDANT: Yes.

21 THE COURT: Do you understand that you will not be
22 able to withdraw your plea on the ground that your lawyer's
23 prediction or anybody else's prediction as to the applicable
24 guidelines range or as to the actual sentence turns out not to
25 be correct?

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1 THE DEFENDANT: Yes.

2 THE COURT: Do you understand that the offenses to
3 which you are pleading guilty are felonies?

4 THE DEFENDANT: Yes.

5 THE COURT: And are you fully satisfied with the
6 advice, counsel, and representation given to you by your
7 attorneys, Ms. Cross and Mr. Weinstein?

8 THE DEFENDANT: Yes, your Honor.

9 THE COURT: And do I understand that you are offering
10 to plead guilty because you are in fact guilty?

11 THE DEFENDANT: Yes.

12 THE COURT: If you wish to plead guilty, sir, I am
13 going to ask you to tell me what you did. And as you can see,
14 your answers will be made in the presence of your attorneys and
15 the answers will be recorded on the record.

16 I remind you that you're still under oath. So if you
17 answer falsely, your answers may later be used against you.

18 Do you understand, sir?

19 THE DEFENDANT: Yes, your Honor.

20 THE COURT: Do you still wish to plead guilty?

21 THE DEFENDANT: Yes.

22 THE COURT: Tell me what you did, sir.

23 MS. CROSS: Your Honor, we have prepared a brief
24 preliminary statement that applies to all the counts. He will
25 start with that and then he can go through count by count.

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1 THE COURT: Yes, ma'am. Thank you.

2 MS. CROSS: It applies to Counts One through Eight,
3 your Honor.

4 THE COURT: Thank you.

5 THE DEFENDANT: All of the illegal conduct I am about
6 to admit took place between 2010 and 2011. All of the conduct
7 also involved the use of a computer located in Manhattan. I
8 was not authorized to gain access to any of the computer
9 systems involved in my offense conduct. For the conduct
10 referred to in Counts One to Eight it was my intent to cause
11 damage to these systems. As a result of this conduct, damages
12 of \$5,000 occurred in each instance.

13 THE COURT: That was 5,000 or more. Right, sir?

14 THE DEFENDANT: Yes.

15 THE COURT: Thank you, sir.

16 THE DEFENDANT: With Count One, I agreed with others
17 to participate in a scheme, and I personally participated in a
18 DoS attack on computer systems, PayPal, MasterCard, and Visa.
19 I also participated in those attacks against computer systems
20 of Tunisia and Algeria. In addition, I attempted to obtain
21 information from the EAGLE server of Zimbabwe. I knew my
22 conduct was illegal.

23 Count Two.

24 THE COURT: Ms. Cross.

25 MS. CROSS: Yes, your Honor. Just for the court

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1 reporter, and I apologize that we didn't have a prepared copy
2 for him, but the term was DoS, capital D, lower case o, capital
3 S, and it stands for denial of service.

4 THE COURT: Thank you, Ms. Cross.

5 Sir.

6 THE DEFENDANT: To Count Two, I agreed with others and
7 personally participated in cyber attacks on the computer
8 systems of HBGary and Fox.

9 THE COURT: Capital H, capital B, capital G, all
10 together; a-r-y, lower case, and Fox.

11 THE DEFENDANT: I knew my conduct was illegal.

12 Count Three. I agreed with others to participate in
13 the scheme and personally participated in obtaining access to a
14 PBS Web site and defaced it.

15 As part of this agreement I also participated to
16 gaining access to computer systems used by Sony Pictures and
17 stole confidential information.

18 I also participated in a cyber attack on the systems
19 of Infraguard-Atlanta.

20 THE COURT: I-n-f-r-a-g-u-a-r-d hyphen Atlanta.

21 THE DEFENDANT: And I knew my conduct was illegal.

22 Count Four. I agreed with others and personally
23 participated in cyber attacks on the systems of HBGary and Fox
24 resulting in a loss of more than \$5,000, and I knew my conduct
25 was illegal.

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1 I think I reread the same.

2 In Count Four, in Sacramento County, California, out
3 of Manhattan, New York, I used a computer to gain access to the
4 computer systems of HBGary in Sacramento to steal confidential
5 information. I knew my conduct was illegal.

6 Count Five. I used my computer to gain access to
7 servers of Fox located in Los Angeles, California. I knew my
8 conduct was illegal.

9 Count Six. I used my computer to issue commands to
10 gain access to the computer systems of Sony Pictures in El
11 Segundo, California. I knew my conduct was illegal.

12 Count Seven. I used my computer to gain unauthorized
13 access to computer systems of PBS, located in Alexandria,
14 Virginia, to steal confidential information. I knew my conduct
15 was illegal.

16 Count Eight. I used my computer to gain access to
17 Infraguard-Atlanta to steal confidential information. I knew
18 my conduct was illegal.

19 Count Nine. I gained unauthorized access to the
20 computer systems of an auto supply company with the intent to
21 defraud the company and fraudulently caused about \$3,456 worth
22 of automobile motors to be shipped to myself. I knew the
23 conduct was illegal.

24 Count Ten. I agreed with others to obtain and use
25 access devices issued to others without permission.

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1 With the use of my computer I obtained dozens of
2 credit card numbers of other people from an online site which
3 provided stolen credit card numbers. I also hacked into the
4 computers of two companies. I used these credit card numbers
5 without authorization to pay my own bills as well as gave them
6 to others to make fraudulent purchases. More than \$1,000 in
7 charges resulted from the use of these stolen numbers over the
8 course of a one-year period. I knew my conduct was illegal.

9 Count Eleven. I agreed with others to participate in
10 a scheme to defraud an financial institution insured by FDIC.
11 In furtherance of the scheme I obtained account information by
12 gaining access to the computer systems of the financial
13 institution. Among the information I obtained were the names,
14 Social Security numbers, and addresses of accounts and account
15 holders. I transmitted this information to others knowing that
16 they would use this information to obtain money that they were
17 not entitled to obtain, and I knew this conduct was illegal.

18 Count Twelve. When I transferred the identification
19 information to other people referred to in Counts Five and
20 Six -- they changed the numbers. It's not Five and Six. It's
21 Ten and Eleven. I apologize.

22 THE COURT: Yes, sir.

23 THE DEFENDANT: I knew the information would be used
24 to commit other felonies. And I knew my conduct was illegal.

25 Sorry. Correction. When I transferred identification

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1 we are going to ask now for if the Court would inquire --

2 THE COURT: Would you like to ask him a clarifying
3 question?

4 MR. PASTORE: Yes. If we can put on the record how
5 the information was actually obtained by Mr. Monsegur.

6 THE DEFENDANT: Yes. I downloaded the PDFs of
7 TurboTax returns that were publicly accessible over Google, and
8 that's it. And due to the downloading of the PDFs, I had
9 access to the bank account information, Social Security
10 numbers, names, and all of that.

11 THE COURT: Of course of these other people, so you
12 used those, right, sir?

13 THE DEFENDANT: Yes, your Honor.

14 THE COURT: Mr. Pastore.

15 MR. PASTORE: That's sufficient. No further questions
16 from the government.

17 THE COURT: Does the government represent that it has
18 sufficient evidence to make a prima facie case?

19 MR. PASTORE: Yes, your Honor.

20 THE COURT: Ms. Cross, do you know of any valid legal
21 defense that would prevail if Mr. Monsegur went to trial?

22 MS. CROSS: No, your Honor.

23 THE COURT: Do you know of any reason why he should
24 not plead guilty?

25 MS. CROSS: No, your Honor.

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1 THE COURT: Very well. Then the plea is accepted.
2 It's the finding of the Court in the case of the United States
3 against Hector Xavier Monsegur that the defendant is fully
4 competent and capable of entering an informed plea and that his
5 plea of guilty is knowing and voluntary and is supported by an
6 independent basis in fact containing each and every essential
7 element of the offense. My findings are based upon the
8 defendant's allocution and, in addition, upon my observation of
9 him here in court today. The plea of guilty is accepted and
10 shall be entered. The defendant is now adjudged to be guilty
11 as charged.

12 Mr. Monsegur, as you know, eventually you will be
13 required to meet with the probation officer and to give the
14 officer certain information to be included in the presentence
15 report. Your attorneys may be present with you when you meet
16 with the probation officer if you so desire, but certainly both
17 you and they and the government will have a chance to read the
18 presentence report prior to sentencing.

19 Sentence will be on February 15, 2012, at 10:30.

20 Is there anything further today, counsel?

21 MR. PASTORE: Nothing, your Honor.

22 Just with respect to bail, for the reasons that we set
23 forth at the last conference, the government continues to
24 believe, notwithstanding that we are now under the Section
25 3143, that bail is appropriate for the reasons we previously

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1 set forth.

2 MS. CROSS: We join in that request.

3 THE COURT: So ordered.

4 Did you wish anything further as to the matters to be
5 filed under seal? These documents would be filed under seal
6 under the John Doe description, correct?

7 MR. PASTORE: Yes, your Honor.

8 MS. CROSS: Yes, your Honor.

9 THE COURT: Anything else?

10 MR. PASTORE: Nothing from the government.

11 MS. CROSS: Not from us, your Honor. Thank you.

12 THE COURT: Thank you, ladies and gentlemen. Good
13 afternoon, sir.

14 Thank you, counsel.

15 It may be docket the under John Doe, United States v.
16 John Doe under each of the docket numbers that have been
17 recited.

18 (Discussion off the record)

19 THE COURT: For the reasons stated in the initial
20 sealing, both by the magistrate judge and by this Court last
21 week, we will continue with delayed docketing.

22 In addition to the reasons already stated, the facts
23 here are sufficiently unique that it is possible that this
24 defendant could be identified and, thus, be in great personal
25 danger. Accordingly, we will continue the delayed docketing.

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1 Anything else today, counsel?
2 MR. PASTORE: Nothing from the government.
3 THE COURT: Thank you, counsel. Good afternoon.
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