

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - -X

UNITED STATES OF AMERICA :

SEALED INDICTMENT

- v. - :

14 Cr.

LAURI LOVE, :

a/k/a "nsh," :

a/k/a "peace," :

a/k/a "shift," :

a/k/a "route," :

a/k/a "Smedley Butler," :

Defendant.

:

- - - - -X

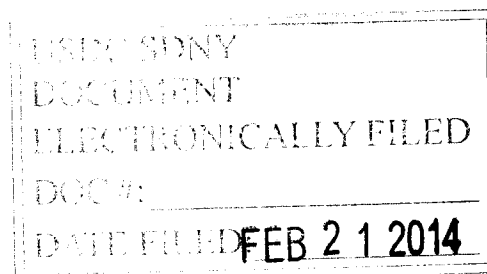
COUNT ONE

(COMPUTER HACKING)

The Grand Jury charges:

The Defendant

1. At all times relevant to this Indictment, LAURI LOVE, a/k/a "nsh," a/k/a "peace," a/k/a "shift," a/k/a "route," a/k/a "Smedley Butler," the defendant, was a sophisticated and prolific computer hacker residing in the United Kingdom. LOVE worked with other computer hackers around the world to secretly infiltrate the computer networks of private companies and Government entities in order to steal and then publicly disseminate confidential information found on those networks, including personally identifiable information ("PII").



The Federal Reserve

2. The Federal Reserve System ("Federal Reserve") fulfills several roles in the national economy, including managing the nation's money supply through monetary policy, supervising and regulating banking institutions, and generally overseeing the stability of the financial system.

The Chat Room

3. LAURI LOVE, a/k/a "nsh," a/k/a "peace," a/k/a "shift," a/k/a "route," a/k/a "Smedley Butler," the defendant, communicated with other computer hackers by, among other methods, using a restricted online "chat room" (the "Chat Room") where users could send messages to each other using Internet Relay Chat ("IRC") -- a method of online group communication that, among other things, allows multiple parties in a discussion forum to send typed messages to each other about a particular topic. LOVE and the other hackers in the Chat Room obscured their real identities by, among other things, using various online monikers. LOVE, for example, used the nicknames "nsh," "peace," "shift," and "route," among others.

4. LAURI LOVE, a/k/a "nsh," a/k/a "peace," a/k/a "shift," a/k/a "route," a/k/a "Smedley Butler," the defendant, and other hackers using the Chat Room searched the Internet for computer servers that were running a particular software program (the "Program"). LOVE and the other hackers were aware that the

Program contained a vulnerability that they could use to gain unauthorized access to those servers.

The Federal Reserve Hack

5. In or about October 2012, LAURI LOVE, a/k/a "nsh," a/k/a "peace," a/k/a "shift," a/k/a "route," a/k/a "Smedley Butler," the defendant, determined that certain of the servers that were running the Program belonged to the Federal Reserve. Thereafter, LOVE used a particular hacking method called a sequel injection to exploit the vulnerability in the Program and gain unauthorized access to certain Federal Reserve servers, including servers associated with the Federal Reserve Bank of New York. LOVE used his unauthorized access to locate and steal certain confidential information residing on the Federal Reserve servers, including the names, e-mail addresses, and phone numbers of users of the Federal Reserve computer system. LOVE then disseminated that information publicly by, among other things, posting the information to a website that previously had been hacked and that he controlled.

6. LAURI LOVE, a/k/a "nsh," a/k/a "peace," a/k/a "shift," a/k/a "route," a/k/a "Smedley Butler," the defendant, openly discussed his hack of the Federal Reserve servers in the Chat Room. For example:

a. On or about December 30, 2012, LOVE, using the moniker "peace," sent a series of electronic communications

to the other members of the Chat Room, in which LOVE stated, in substance and in part, that he controlled the server for the Federal Reserve Bank of Chicago.

b. On or about December 31, 2012, LOVE, using the moniker "peace," sent a series of electronic communications to the other members of the Chat Room, in which LOVE stated, in substance and in part, that he had "shelled" (infiltrated) the Federal Reserve computer system, and that he controlled several Federal Reserve websites. LOVE further discussed possible options for exploiting the intrusion, including but not limited to, defacing the Federal Reserve website and sending fake e-mails to users of the Federal Reserve computer system.

c. On or about January 3, 2013, LOVE, using the moniker "peace," sent a series of electronic communications to the other members of the Chat Room, in which LOVE boasted that he had been able to obtain information from the Federal Reserve computer system, including PII for Federal Reserve employees.

d. On or about February 4, 2013, LOVE, using the moniker "peace," sent a series of electronic communications to the other members of the Chat Room, in which LOVE stated that he intended to "d0x" users of the Federal Reserve computer system -- i.e., publicly disseminate the users' PII, including passwords and phone numbers.

e. On or about February 8, 2013, LOVE, using the moniker "peace," sent a series of electronic communications to the other members of the Chat Room, in which LOVE stated, in substance and in part, that he was about to "drop another little federal reserve bomb" -- i.e., disclose additional PII that he had obtained from the Federal Reserve computer system. Shortly thereafter, LOVE stated, in substance and in part, that he had "dropped" (disclosed) the data on a particular website, unrelated to the Federal Reserve, which previously had been hacked and which he controlled.

STATUTORY ALLEGATIONS

7. From at least in or about October 2012, up to and including at least in or about February 2013, in the Southern District of New York and elsewhere, LAURI LOVE, a/k/a "nsh," a/k/a "peace," a/k/a "shift," a/k/a "route," a/k/a "Smedley Butler," the defendant, willfully and knowingly caused the transmission of a program, information, code and command, and, as a result of such conduct, intentionally caused and attempted to cause damage without authorization, to a protected computer, which caused and attempted to cause a loss (including loss resulting from a related course of conduct affecting one and more other protected computers) aggregating to at least \$5,000 to one and more persons during any one year period, to wit, LOVE gained unauthorized access to computer systems used by the

Federal Reserve, stole confidential information from the Federal Reserve computer network, including personally identifying information for users of the Federal Reserve computer system, and then publicly disclosed that information.

(Title 18, United States Code, Sections 1030(a)(5)(A), 1030(b), 1030(c)(4)(B)(i), 1030(c)(4)(A)(i)(I), and 2).

COUNT TWO

(AGGRAVATED IDENTITY THEFT)

The Grand Jury further charges:

8. The allegations in paragraphs 1 through 6 of this Indictment are repeated and realleged as though fully set forth herein.

9. From at least in or about October 2012, up to and including at least in or about February 2013, in the Southern District of New York and elsewhere, LAURI LOVE, a/k/a "nsh," a/k/a "peace," a/k/a "shift," a/k/a "route," a/k/a "Smedley Butler," the defendant, willfully and knowingly did transfer, possess, and use, without lawful authority, a means of identification of another person, during and in relation to a felony violation enumerated in Title 18, United States Code, Section 1028A(c), to wit, LOVE transferred, possessed, and used, among other things, names, phone numbers, and addresses of other persons in connection with the computer hacking offense charged in Count One.

(Title 18, United States Code, Sections 1028A and 2.)

FORFEITURE ALLEGATION

10. As a result of committing the offense alleged in Count One of this Indictment, LAURI LOVE, a/k/a "nsh," a/k/a "peace," a/k/a "shift," a/k/a "route," a/k/a "Smedley Butler," the defendant, shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(2)(B), any property constituting, or derived from, proceeds obtained directly or indirectly as a result of said offense, including but not limited to a sum of money representing the amount of proceeds obtained as a result of said offense.


SUBSTITUTE ASSETS PROVISION

11. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:
- a. cannot be located upon the exercise of due diligence;
 - b. has been transferred or sold to, or deposited with, a third person;
 - c. has been placed beyond the jurisdiction of the Court;
 - d. has been substantially diminished in value; or
 - e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 18 U.S.C. § 982(b)(1) and 21 U.S.C. § 853(p), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Sections 982(a)(2)(B) and (b)(1), and Title 21, United States Code, Section 853(p).)


FOREPERSON


PREET BHARARA
United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

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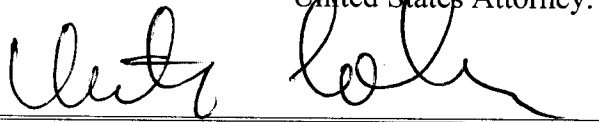
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(18 U.S.C. §§ 1030(a)(5)(A), 1030(b),
1030(c)(4)(B)(i), 1030(c)(4)(A)(i)(I),
1028A, and 2.)

Preet Bharara
United States Attorney.



*12/21/14 - Filed Sealed Indictment
JC
4/10 issued.
Judge (for now)
USMD*