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MANHATTAN U.S. ATTORNEY CHARGES OPERATOR OF MASSMODZ.COM FOR SELLING HACKED CABLE MODEMS

PREET BHARARA, the United States Attorney for the Southern District of New York, and JOSEPH M. DEMAREST JR., Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), announced that MATTHEW DELOREY was arrested today on wire fraud and conspiracy charges relating to his sale of hacked cable modems. The cable modems had been modified to permit a user to hide his or her identity and steal service from Internet service providers. DELOREY was arrested this morning at his New Bedford, Massachusetts residence by agents of the FBI.

According to the criminal Complaint unsealed today in Manhattan federal court:

DELOREY operated a website called MASSMODZ.com, which among other things, sold cable modems which were hacked and reconfigured to allow them to be used for free, untraceable access to the Internet.

Cable modems are network adapters typically used to allow computers to access the Internet over cable television networks through an Internet service provider. Most network adapters have a Media Access Control ("MAC") address assigned by the manufacturer of the adapter that is designed to be a unique identifying number. Unlike a device's Internet Protocol ("IP")address that often changes each time a device connects to the Internet, a MAC address is fixed, which allows for proper routing f communications on a local area network and may be used for other purposes, such as identification and authentication of customers by some network service providers. Additionally, the

fixed address can allow law enforcement to identify whether communications sent or received at different times are associated with the same adapter.

Modems can be reconfigured to allow the user to change the MAC address assigned to the modems to any value designated by the user (to "spoof" the MAC address). A cable modem with a "spoofed" MAC address may allow the modem's user to access the Internet using the identity of another modem or a fictitious modem, thus allowing the user to hide his or her identity from the Internet service provider and obtain Internet access for free. Such a "spoofed" MAC Address would also allow the user to hide from law enforcement, which could facilitate criminal conduct.

DELOREY, through MASSMODZ.com, sold such hacked modems to various customers, including a customer in Bronx, New York. He also sold two hacked modems to an undercover FBI agent posing as a customer. Subsequent forensic analysis of those modems showed that they had been reconfigured to allow them to "spoof" MAC addresses.

DELOREY marketed his hacked modems in a Craigslist post advertising "Massmodz Free Internet - Get free untraceable internet." DELOREY also appeared in instructional videos he placed on YouTube, including videos entitled "Massmodz.com How to Get Free Internet Free Cable Internet Comcast or any Cable ISP 100% works"; "Massmodz.com How to bypass Comcast registration page with premod cable modem SB5100, SB 5101"; "Massmodz.com Cable Modem Hack Cable Modem Mod"; and "Massmodz.com How to get back online Comcast new secure area with cable modem premod, Comcast ready."

DELOREY, 26, is charged with one count of conspiracy to commit wire fraud and one count of wire fraud. If convicted, he faces a maximum sentence on each count of 20 years in prison and a maximum fine of $250,000, or twice the gross gain or loss from the offense.

DELOREY is expected to be presented today in Boston, Massachusetts federal court.

Mr. BHARARA praised the work of the New York Office of the FBI's Cyber Branch in this case, and said the investigation is continuing.

Assistant United States Attorney RYAN P. POSCABLO is in charge of the prosecution.

The charges in the criminal Complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.