NEWS RELEASE

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WYOMING MAN CHARGED WITH INFECTING THOUSANDS OF COMPUTERS WITH 'TROJAN' THAT HE USED TO COMMIT FRAUD

In the first case of its kind in the nation, a Wyoming man has been charged with using modified peer-to-peer software to infect computers and create "botnets" – armies of compromised computers numbering from 5,000 to 15,000 machines – that he exploited to obtain credit card and banking information.

In documents filed late yesterday in United States District Court in Los Angeles, Jason Michael Milmont, 19, of Cheyenne, Wyoming, agreed to plead guilty to a federal felony charge of unauthorized access to a computer to further a fraud. The case against Milmont relates to his development of the Nugache Worm, which he developed to infect computers running the Windows operating system and is the first time a person has been prosecuted for using peer-to-peer software as a delivery mechanism for malicious computer code.

The criminal information and plea agreement filed Thursday outline how Milmont developed malicious computer code – commonly called malware – and distributed that code to vulnerable computers. Milmont modified Limewire peer-to-peer software to work as "trojan" software that carried a hidden payload and then posted his modified version of Limewire on the Internet for victims to download. Milmont also used instant messaging spam to surreptitiously download infected files to victims' computers. After victims downloaded the software, Milmont gained control of their computers, allowing him to obtain credit card and banking information from the compromised computers. He also used used the

compromised computers to carry out an Internet attack on an online business in Southern California. Because the users of those compromised computers were unaware that their computers had been turned into “zombies,” they continued to use their computers to engage in online banking and purchases.

Milmont has agreed to appear in federal court in Cheyenne to be arraigned in the case in the coming weeks. He will be allowed to enter his guilty plea before a District Court judge in Cheyenne, even though the case was filed in Los Angeles. Once he pleads guilty to the charge, Milmont will face a statutory maximum sentence of five years in federal prison and a fine of $250,000. Milmont has agreed to pay restitution in the amount of $73,866.

This case was investigated by the Federal Bureau of Investigation.

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