Department of Justice
U.S. Attorney's Office
Southern District of Texas
Donald J. DeGabrielle Jr. • United States Attorney

FOR IMMEDIATE RELEASE	**ANGELA DODGE**
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FORMER EMPLOYEE INDICTED FOR INTENTIONAL DAMAGE TO WEBHOSTING DATA

(HOUSTON, Texas) – Cliff L. Wade, a former employee of hostgater.com, has been arrested in Atlanta, Ga., following the return of a federal indictment in Houston, United States Attorney Don DeGabrielle and FBI-Houston Special Agent in Charge Andrew R. Bland III, announced today. The indictment, returned June 16, 2008, charges Wade with computer intrusion allegedly committed in October 2007.

Wade, 37, was arrested Thursday, June 19, by FBI agents in Atlanta and is expected to make an initial appearance before a U.S. Magistrate judge in Atlanta, where bond determination will be made.

According to allegations in the indictment, in early October 2007, Wade, a support technician employed at the Houston-based web hosting company, moved to Atlanta and began working for a competing company without ever notifying Hostgator that he had ended his employment status. Web-hosting companies, such as Hostgator, provide server space, web services and maintenance for web sites of individuals or companies that do not have their own web servers. The government alleges Wade gained access into the Hostgator system and then knowingly executed several command and code functions to intentionally impair the integrity of the customer support network. Hostgator never authorized the execution or transmission of these commands. As a result of the intrusion, the defendant caused Hostgator to incur a loss in excess of $5,000 during October 2007. The government alleges Hostgator's losses include a significant loss of revenue and financial loss due to the damage assessments and restoration of the data and programs.

The criminal intrusion charge carries a maximum punishment of 10 years imprisonment upon conviction and a maximum fine of $250,000.

The investigation leading to the charges is the result of an investigation conducted by the

Houston office of the FBI and is being prosecuted by Special Assistant U.S. Attorney Bret W. Davis.

An indictment is a formal accusation of alleged criminal conduct, not evidence. Each defendant is presumed innocent unless convicted through due process of law.

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