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Two Kazakhstan Citizens Accused Of Breaking Into Bloomberg L.P.'s Computer and

Extortion Are Extradited

JAMES B. COMEY, the United States Attorney for the Southern District of New York, and KEVIN P. DONOVAN, the Assistant Director In Charge of the New York Field Office of the FBI, announced that OLEG ZEZOV, a/k/a "Oleg Zezev," a/k/a "Oleg Dzezev," a/k/a "Alex," and IGOR YARIMAKA, Kazakhstan citizens, have been extradited by England to the United States on charges of breaking into Bloomberg L.P.'s ("Bloomberg") computer system in Manhattan in an attempt to extort money from Bloomberg.

ZEZOV and YARIMAKA were arrested on August 10, 2000, in London. They were arraigned late yesterday in Manhattan federal court before United States Magistrate Judge THEODORE H. KATZ, who ordered them detained. United States District Judge KIMBA M. WOOD is assigned to the case.

ZEZOV and YARIMAKA are both charged in a four-count Superseding Indictment with one count of unauthorized computer intrusion; one count of conspiracy; one count of interfering with commerce by using extortion; and one count of extortion of a corporation using threatening communications.

According to the Complaints filed in this case, ZEZOV gained unauthorized access to the internal Bloomberg Computer System from computers located in Almaty, Kazakhstan. In the Spring of 1999, Bloomberg provided database services, via a system known as the "Open Bloomberg," to Kazkommerts Securities ("Kazkommerts") located in Almaty, Kazakhstan.

ZEZOV is employed by Kazkommerts and is one of four individuals at Kazkommerts associated with Kazkommerts' contract with Bloomberg.

In addition, according to the Complaints, ZEZOV sent a number of e-mails to Michael Bloomberg, the company's founder, under the name "Alex," demanding that Bloomberg pay him $200,000 in exchange for Zezov's telling Bloomberg how he was able to infiltrate Bloomberg's computer system.

According to the Complaints, in e-mail communications to Michael Bloomberg, ZEZOV demanded that $200,000 be deposited into an offshore account, and Bloomberg opened an account at Deutsche Bank in London and deposited $200,000 into the account.

As described in the Complaint against YARIMAKA, YARIMAKA and ZEZOV flew from Kazakhstan to London, and on August 10, 2000, YARIMAKA and ZEZOV met with Bloomberg L.P. officials, including Michael Bloomberg, and two London Metropolitan police officers, one posing as a Bloomberg L.P. executive and the other serving as a translator. At the meeting, YARIMAKA allegedly claimed that he was a former Kazakhstan prosecutor and explained that he represented "Alex" and would handle the terms of payment. According to the Complaint, YARIMAKA and ZEZOV reiterated their demands at the meeting. Shortly after the meeting YARIMAKA and ZEZOV were arrested in London. The United States sought their extradition from England and, after being extradited, YARIMAKA and ZEZOV arrived in the United States on May 17, 2002.

If convicted, YARIMAKA and ZEZOV each face up to 5 years in prison on the conspiracy charge, up to 20 years in prison on the interference with commerce by using extortion charge; 2 years in prison for the extortion of a corporation using threatening communications charge; and 1 year in prison for the unauthorized computer intrusion charge. Each defendant faces a maximum fine of $250,000, twice the gross gain or loss resulting from the crime for each count.

Mr. COMEY praised the investigative efforts of the Federal Bureau of Investigation, the London Metropolitan Police of the New Scotland Yard and the Kazakhstan authorities. Mr. COMEY expressed his appreciation to Michael Bloomberg and Bloomberg, L.P. for their cooperation. The investigation is continuing.

Mr. COMEY stated: → We take hacking crimes very seriously. This case demonstrates that hackers can run but they can't hide.→

Mr. DONOVAN stated: → The arrest of these defendants is a result of the diligent work of the FBI and the U.S. Attorney's Office, and the cooperation of the British authorities. But it is also due in large part to the type of law enforcement/business community cooperation that is so essential to a successful resolution of such cases. Bloomberg LLP and Michael Bloomberg promptly notified us of the attempted cyber-extortion, and they cooperated fully with the investigation.→

OLEG ZEZOV, 28, and IGOR YARIMAKA, 38, live in Almaty, Kazakhstan.

Assistant United States Attorney PAUL B. RADVANY is in charge of the prosecution.

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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