

The Federal Crimes Watch Daily

When The FBI Comes Calling...\*

Federal Criminal Defense Lawyers

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# Alleged Sony Entertainment Computer Hacker From LulzSec Arrested by FBI

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 9:32 AM September 23, 2011

Bloomberg on September 22, 2011 released the following:

"A Phoenix man alleged to be a member of the LulzSec hacking group was arrested by the FBI on charges he broke into Sony Pictures Entertainment Inc.'s computer systems in May and June.

Cody Kretsinger was arrested yesterday, the Federal Bureau of Investigation said in an e-mailed statement. Kretsinger, 23, belonged to Lulz Security, or LulzSec, a group of "elite computer hackers" that undertook cyber attacks on the computer systems of businesses and government entities in the U.S. and around the world, according to an indictment unsealed yesterday in federal court in Los Angeles. Kretsinger, who used the alias

"Recursion," and other unidentified hackers probed the Sony Inc. unit's computer systems for vulnerabilities and obtained confidential information that was posted on a LulzSec website and on the group's twitter account, according to the indictment.

LulzSec is affiliated with an international hackers group called "Anonymous," the FBI said in the statement.

Kretsinger faces as long as 15 years in prison if convicted of conspiracy and unauthorized impairment of a protected computer, the FBI said. The name of Kretsinger's lawyer wasn't immediately available.

LulzSec Posted Statements LulzSec in June posted statements online saying it had broken into SonyPictures.com and downloaded unencrypted personal information, including passwords, e-mail addresses and dates of birth from 1 million user accounts.

The attack followed earlier ones this year in which Tokyo- based Sony had said more than 100 million accounts were compromised after hackers broke into its networks. Sony suspended operation of the PlayStation Network in the U.S. and Europe for six weeks after the earlier attacks.

Sony said in May there was some evidence linking Anonymous to the PlayStation hack. There have been no arrests in that case.

LulzSec, following the attack on Sony Pictures' systems, posted customer information online from what appeared to be sweepstakes and loyalty-program databases, including one tied to the longrunning soap opera "The Young and the Restless." The group also took information from Sony music operations in Belgium and the Netherlands, it said. The group, which has also claimed credit for hacking into websites of the U.S. Senate and Central Intelligence Agency, said later in June that it was ending its cyber attacks. The CIA's public website was taken down on June 15. Hacker activist groups gained attention after Anonymous, made up of hundreds of members in several countries, in December targeted EBay Inc. (EBAY)'s PayPal unit, Visa Inc. and other companies deemed hostile to WikiLeaks, an organization that posts secret documents on the Web.

U.S. prosecutors in July arrested and charged 14 people with involvement in the PayPal attacks.

The case is U.S. v. Kretsinger, 11-848, U.S. District Court, Central District of California (Los Angeles)."

To find additional federal criminal news, please read <u>Federal Crimes Watch Daily</u>. Douglas McNabb and other members of the U.S. law firm practice and write and/ or report extensively on matters involving Federal Criminal Defense, INTERPOL Red Notice Removal, International Extradition and OFAC SDN Sanctions Removal.

The author of this blog is Douglas McNabb. Please feel free to contact him directly at

mcnabb@mcnabbassociates.com or at one of the offices listed above.

## Maggie Ahmaogak Indicted by a Federal Grand Jury in Anchorage for Alleged Wire Fraud, Theft, and Misapplication of Funds from an Organization Receiving Federal Grant Funds and Money Laundering

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

#### Submitted at 11:24 AM September 23, 2011

The Federal Bureau of Investigation (FBI) on September 22, 2011 released the following:

"Barrow Woman Indicted by Federal Grand Jury for Misapplication of Funds from Federally Funded Program ANCHORAGE— United States Attorney Karen L. Loeffler announced that a Barrow woman was indicted by a federal grand jury in Anchorage for wire fraud, theft, and misapplication of funds from an organization receiving federal grant funds and money laundering.

On September 22, 2011, Maggie Ahmaogak, 61, of Barrow, Alaska, was named in a four-count indictment. According to the indictment, Ahmaogak was the executive director for the Alaska Eskimo Whaling Commission (AEWC) from 1990, until her termination in April 2007. AEWC is a non-profit organization formed in 1976, for the following purposes: to protect Eskimo subsistence whaling of bowhead whales; to protect and enhance the Eskimo culture, traditions, and activities associated with bowhead whales and subsistence bowhead whaling; and to undertake research and education related to bowhead whales.

AEWC receives funding from several sources, with the majority coming from grants issued by the United States Department of Commerce, National Oceanic and Atmospheric Administration (NOAA) to AEWC to promote its purposes. Between 2004 and April 2007, AEWC received federal grant funds from NOAA totaling approximately \$2.3 million.

The indictment further alleges that from at least 2004, to April 2007, Ahmaogak stole, obtained by fraud, and misapplied approximately \$475,000 of AEWC funds



### MAGGIE

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for her personal use.

The indictment alleges that Ahmaogak did so by using the AEWC credit card for personal expenses and cash advances; writing checks to herself on AEWC accounts; taking payroll advances that were never repaid; withdrawing cash from AEWC accounts; and making a wire transfer to her personal account from an AEWC account. It is alleged that Ahmaogak used the money to pay for gambling activities for herself and a family member in Washington State, New Orleans, Louisiana, and Las Vegas Nevada, as well as to purchase three snow machines for her personal use and to make a down payment on a Hummer vehicle for her personal use, among other things. Assistant United States Attorneys Aunnie Steward and Joe Bottini, who presented the case to the grand jury, indicated that the law provides for a maximum total sentence of 20 years in prison, a fine of \$250,000 or both on each count. Under the federal sentencing statutes, the actual sentence imposed would be based upon the seriousness of the offenses and the prior criminal history, if any, of the

#### defendant.

The IRS-Criminal Investigation, the FBI, and the Department of Commerce Office of Inspector General conducted the investigation leading to the indictment in this case.

An indictment is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt."

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