



U.S. Department of Justice



*United States Attorney
Southern District of New York*

*The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007*

May 23, 2013

By Email

Elizabeth M. Fink, Esq.
36 Plaza Street
Brooklyn, NY 11238
emf@fkolaw.com/atticuslex@aol.com

Re: United States v. Ryan Ackroyd et al. (Jeremy Hammond)
S2 12 Cr. 185 (LAP)

Dear Ms. Fink:

On the understandings specified below, the Office of the United States Attorney for the Southern District of New York ("this Office") will accept a guilty plea from Jeremy Hammond ("the defendant") to the above-referenced Superseding Information (the "Information").

The Information charges the defendant with conspiracy to engage in computer hacking from in or about June 2011 to in or about March 2012 – namely, a hack of the computer systems used by Strategic Forecasting, Inc. ("Stratfor") and public dissemination of information obtained through this hack – in violation of Title 18, United States Code, Section 1030(b). This charge carries a maximum sentence of 10 years' imprisonment, a maximum term of three years' supervised release, a maximum fine, pursuant to Title 18, United States Code § 3571, of the greatest of \$250,000, twice the gross pecuniary gain derived from the offense, or twice the gross pecuniary loss to a person other than the defendant as a result of the offense, and a mandatory \$100 special assessment. The Court must order restitution as specified below.

The defendant also hereby admits as relevant conduct to be considered at the time of sentencing his involvement in the following criminal conduct:

1. The hack of computer systems used by the Arizona Department of Public Safety ("Arizona DPS"), a state law enforcement agency in Arizona, which maintained the website "azdps.gov," including the theft and dissemination of confidential information stored on those computer systems and website, in or about June 2011;
2. The hack of computer systems used by the Federal Bureau of Investigation's Virtual Academy, which maintained the website "fbiva.fbiacademy.edu," including the theft and

dissemination of confidential information stored on those computer systems and website, in or about June 2011;

3. The hack of computer systems owned by Brooks-Jeffrey Marketing, Inc., a company based in Mountain Home, Arkansas, which maintained various websites, including brooksjeffrey.com and various law enforcement-related websites, including the theft and dissemination of confidential information stored on those computer systems and websites, in or about July 2011;
4. The hack of computer systems used by Special Forces Gear, a company based in California, which maintained the website "SpecialForces.com," including the theft and dissemination of confidential information stored on those computer systems and website, in or about August 2011;
5. The hack of computer systems used by Vanguard Defense Industries, a company based in Texas, which maintained the website "vanguarddefense.com," including the theft and dissemination of confidential information stored on those computer systems and website, in or about August 2011;
6. The hack of computer systems used by the Jefferson County, Alabama Sheriff's Office, which maintained the website "jeffcosherriff.com," including the theft and dissemination of confidential information stored on those computer systems and website, in or about October 2011;
7. The hack of computer systems used by the Boston Police Patrolmen's Association, an organization based in Massachusetts, which maintained the website "BPPA.org," including the theft and dissemination of confidential information stored on those computer systems and website, in or about October 2011; and
8. The hack of computer systems used by the Combined Systems, Inc., a company based in Pennsylvania, which maintained the website "combinedsystems.com," including the theft and public dissemination of confidential information stored on those computer systems and website, in or about February 2012.

In consideration of the defendant's plea to the above offense, including his admission of the relevant conduct set forth above, the defendant will not be further prosecuted criminally by (a) this Office; (b) the United States Attorney's Offices for each of the other 93 judicial districts of the United States; or (c) the Criminal Division of the United States Department of Justice for any crimes (except for criminal tax violations as to which this Office cannot, and does not, make any agreement) for his involvement between in or about January 2011 and March 2012 in computer hacking and unauthorized computer intrusion activities as follows: (1) as set forth in the Information; (2) as set forth as relevant conduct above; (3) based on evidence obtained from the laptop computer seized from the defendant at the time of his arrest on March 5, 2012; or (4) based on evidence obtained from his communications with a cooperating witness in the course of the Government's investigation of the instant offense conduct, including but not limited to the

hacking activities specified above, which the defendant will admit to at the plea allocution hearing, it being understood that this agreement does not bar the use of such conduct as a predicate act or as the basis for a sentencing enhancement in a subsequent prosecution including, but not limited to, a prosecution pursuant to 18 U.S.C. §§ 1961 *et seq.* Attached as Exhibit A is a copy of the letter to Preet Bharara, United States Attorney for the Southern District of New York, from Mythili Raman, Acting Assistant Attorney General, Criminal Division, Department of Justice, authorizing this agreement.

In addition, at the time of sentencing, the Government will move to dismiss any open Counts against the defendant. The defendant agrees that with respect to any and all dismissed charges he is not a “prevailing party” within the meaning of the “Hyde Amendment,” Section 617, P.L. 105-119 (Nov. 26, 1997), and will not file any claim under that law.

It is understood that all of the conduct set forth above constitutes either relevant conduct, pursuant to United States Sentencing Guidelines (“U.S.S.G.” or “Guidelines”) § 1B1.3, or other conduct of the defendant, pursuant to U.S.S.G. § 1B1.4, that the Court may consider at the time of sentencing.

The defendant further agrees to make restitution in an amount not to exceed \$2.5 million in accordance with 18 U.S.C. §§ 3663, 3663A, and 3664. This amount shall be paid according to a plan established by the Court.

In consideration of the foregoing and pursuant to United States Sentencing Guidelines (“U.S.S.G.” or “Guidelines”) Section 6B1.4, the parties hereby stipulate to the following:

A. Offense Level

1. The applicable Guidelines manual is the version in effect as of November 1, 2012.
2. Section 2B1.1 is used to determine the offense level pursuant to § 2X1.1.
3. The base offense level is 6 pursuant to U.S.S.G. § 2B1.1(a)(2) because the offense of conviction has a statutory maximum of fewer than 20 years.
4. The offense level is increased by 16 levels pursuant to U.S.S.G. § 2B1.1(b)(1)(I) because a reasonable estimate of the loss involved in the offense, including relevant conduct, is more than \$1 million but less than \$2.5 million.¹
5. The offense level is increased by 6 levels pursuant to U.S.S.G. § 2B1.1(b)(2)(C) because the offense, including relevant conduct, involved 250 or more victims.

¹ The parties understand that the loss and restitution figures set forth in this Agreement are not intended to be binding on any other district during any current or future prosecutions of other individuals for related conduct.

6. The offense level is increased by 2 levels pursuant to U.S.S.G. § 2B1.1(b)(10)(C) because the offense, including relevant conduct, involved sophisticated means.
7. The offense level is increased by 2 levels pursuant to U.S.S.G. § 2B1.1(b)(16) because the defendant will be convicted of an offense under 18 U.S.C. § 1030 and the offense, including relevant conduct, involved an intent to obtain personal information or the unauthorized public dissemination of personal information.
8. The offense level is increased by 2 levels pursuant to U.S.S.G. § 2B1.1(b)(17)(A) because the offense, including relevant conduct, involved a computer system used by or for a government entity in furtherance of the administration of justice.
9. Assuming the defendant clearly demonstrates acceptance of responsibility, to the satisfaction of the Government, through his allocution and subsequent conduct prior to the imposition of sentence, a two-level reduction will be warranted, pursuant to U.S.S.G. § 3E1.1(a). Furthermore, assuming the defendant has accepted responsibility as described in the previous sentence, an additional one-level reduction is warranted, pursuant to U.S.S.G. § 3E1.1(b), because the defendant gave timely notice of his intention to enter a plea of guilty, thereby permitting the Government to avoid preparing for trial and permitting the Court to allocate its resources efficiently.

In accordance with the above, the applicable Guidelines offense level is 31.

B. Criminal History Category

Based upon the information now available to this Office (including representations by the defense), the defendant has the following criminal history:

1. On or about April 9, 2004, the defendant was arrested for criminal defacement. This arrest was stricken off with leave to reinstate by the Cook County (IL) Circuit Court. This arrest and disposition yields no criminal history points.
2. On or about November 28, 2004, the defendant was arrested for possession of cannabis. This arrest was stricken off with leave to reinstate by the Cook County (IL) Circuit Court. This arrest and disposition yields no criminal history points.
3. On or about June 10, 2005, the defendant was sentenced to one year of probation for a conviction for battery in Cook County (IL) Circuit Court based on an arrest that took place on or about June 27, 2004. This conviction and sentence yields one criminal history point, pursuant to U.S.S.G. § 4A1.1(c).
4. On or about September 12, 2005, the defendant was arrested for disorderly conduct. This arrest was stricken off with leave to reinstate by the Cook County (IL) Circuit Court. This arrest and disposition yields no criminal history points.

5. On or about January 11, 2006, the defendant was arrested for domestic battery. This arrest was disposed of via *nolle prosequi* by the Cook County (IL) Circuit Court on or about February 9, 2006. This arrest and disposition yields no criminal history points.
6. On or about May 11, 2006, the defendant was arrested for criminal trespass. This arrest was stricken off with leave to reinstate by the Cook County (IL) Circuit Court. This arrest and disposition yields no criminal history points.
7. On or about June 8, 2006, the defendant was arrested pursuant to a warrant issued by the Du Page County (IL) State's Attorney's Office, resulting in a conviction upon a plea of guilty to disorderly conduct and a disposition via a conditional discharge on or about October 12, 2006. This arrest yields no criminal history points pursuant to U.S.S.G. § 4A1.2(c).
8. On or about December 7, 2006, the defendant was sentenced to 24 months' imprisonment to be followed by three years' supervised release, for a conviction based on a plea of guilty in the Northern District of Illinois to Accessing a Protected Computer and Obtaining Information, in violation of Title 18, United States Code, § 1030(a)(2), based on an arrest that took place on or about May 31, 2006. The term of supervised release was terminated on or about May 20, 2011. This conviction and sentence yields three criminal history points, pursuant to U.S.S.G. § 4A1.1(a).
9. On or about March 24, 2010, the defendant was sentenced to four days' imprisonment for a conviction for disorderly conduct in Cook County (IL) Circuit Court, based on an arrest that took place on or about November 23, 2009. This conviction and sentence yields no criminal history points, pursuant to U.S.S.G. § 4A1.2(c)(1).
10. On or about November 29, 2010, the defendant was sentenced to 18 months' probation, for a conviction for mob action in Cook County (IL) Circuit Court, based on an arrest that took place on or about September 29, 2009. This conviction and sentence yields one criminal history point, pursuant to U.S.S.G. § 4A1.1(c).
11. On or about December 4, 2010, the defendant was arrested on a parole violation warrant filed by the Cook County (IL) State's Attorney's Office, which was disposed of via a *nolle prosequi* on or about December 21, 2010. This arrest and disposition yields no criminal history points.
12. The term of probation referenced in ¶ 10 above ended on or about May 29, 2012. Because the defendant committed the instant offense while under a criminal justice sentence, two points are added pursuant to U.S.S.G. § 4A1.1(d).

In accordance with the above, the defendant has seven criminal history points and his Criminal History Category is IV.

C. Sentencing Range

Based upon the calculations set forth above, with an adjusted offense level of 31 and a Criminal History Category of IV, the defendant's applicable Guidelines range is 151 to 188 months' imprisonment (the "Stipulated Guidelines Range"). However, because the statutory maximum of the offense of conviction is 10 years, the defendant's stipulated Guidelines sentence is 120 months (the "Stipulated Guidelines Sentence"). In addition, after determining the defendant's ability to pay, the Court may impose a fine pursuant to U.S.S.G. § 5E1.2. At Guidelines level 31, the applicable fine range is \$15,000 to \$150,000.

The parties agree that neither a downward nor an upward departure from the Stipulated Guidelines Sentence set forth above is warranted. Accordingly, neither party will seek any departure or adjustment pursuant to the Guidelines that is not set forth herein. Nor will either party suggest that the Probation Office consider such a departure or adjustment under the Guidelines, or suggest that the Court *sua sponte* consider any such departure or adjustment.

The parties agree that either party may seek a sentence different from the Stipulated Guidelines Sentence, suggest that the Probation Office consider a sentence different from the Stipulated Guidelines Sentence, and suggest that the Court *sua sponte* consider a sentence different from the Stipulated Guidelines Sentence, based upon the factors to be considered in imposing a sentence pursuant to Title 18, United States Code, Section 3553(a).

Except as provided in any written Proffer Agreement that may have been entered into between this Office and the defendant, nothing in this Agreement limits the right of the parties (i) to present to the Probation Office or the Court any facts relevant to sentencing; (ii) to make any arguments regarding where within the Stipulated Guidelines Range (or such other range as the Court may determine) the defendant should be sentenced and regarding the factors to be considered in imposing a sentence pursuant to Title 18, United States Code, Section 3553(a); (iii) to seek an appropriately adjusted Guidelines range if it is determined based upon new information that the defendant's criminal history category is different from that set forth above; and (iv) to seek an appropriately adjusted Guidelines range or mandatory minimum term of imprisonment if it is subsequently determined that the defendant qualifies as a career offender under U.S.S.G. § 4B1.1. Nothing in this Agreement limits the right of the Government to seek denial of the adjustment for acceptance of responsibility, *see* U.S.S.G. § 3E1.1, regardless of any stipulation set forth above, if the defendant fails clearly to demonstrate acceptance of responsibility, to the satisfaction of the Government, through his allocution and subsequent conduct prior to the imposition of sentence. Similarly, nothing in this Agreement limits the right of the Government to seek an enhancement for obstruction of justice, *see* U.S.S.G. § 3C1.1, regardless of any stipulation set forth above, should it be determined that the defendant has either (i) engaged in conduct, unknown to the Government at the time of the signing of this Agreement, that constitutes obstruction of justice or (ii) committed another crime after signing this Agreement.

It is understood that pursuant to U.S.S.G. § 6B1.4(d), neither the Probation Office nor the Court is bound by the above Guidelines stipulation, either as to questions of fact or as to the determination of the proper Guidelines to apply to the facts. In the event that the Probation Office or the Court contemplates any Guidelines adjustments, departures, or calculations different from those stipulated to above, or contemplates any sentence different from the Stipulated Guidelines Sentence, the parties reserve the right to answer any inquiries and to make all appropriate arguments concerning the same.

It is understood that the sentence to be imposed upon the defendant is determined solely by the Court. It is further understood that the Guidelines are not binding on the Court. The defendant acknowledges that his entry of a guilty plea to the charged offense authorizes the sentencing court to impose any sentence, up to and including the statutory maximum sentence. This Office cannot, and does not, make any promise or representation as to what sentence the defendant will receive. Moreover, it is understood that the defendant will have no right to withdraw his plea of guilty should the sentence imposed by the Court be outside the Guidelines range set forth above.

It is agreed (i) that the defendant will not file a direct appeal; nor bring a collateral challenge, including but not limited to an application under Title 28, United States Code, Section 2255 and/or Section 2241; nor seek a sentence modification pursuant to Title 18, United States Code, Section 3582(c), of any sentence at or below the Stipulated Guidelines Sentence of 120 months' imprisonment, and (ii) that the Government will not appeal any sentence at the Stipulated Guidelines Sentence. This provision is binding on the parties even if the Court employs a Guidelines analysis different from that stipulated to herein. Furthermore, it is agreed that any appeal as to the defendant's sentence that is not foreclosed by this provision will be limited to that portion of the sentencing calculation that is inconsistent with (or not addressed by) the above stipulation. The parties agree that this waiver applies regardless of whether the term of imprisonment is imposed to run consecutively to or concurrently with the undischarged portion of any other sentence of imprisonment that has been imposed on the defendant at the time of sentencing in this case. The defendant further agrees not to appeal any term of supervised release that is less than or equal to the statutory maximum. The defendant also agrees not to appeal any fine that is less than or equal to \$150,000, and any restitution amount that is less than or equal to \$2.5 million, and the Government agrees not to appeal any fine that is greater than or equal to \$15,000, and any restitution amount that is greater than or equal to \$1 million.

The defendant hereby acknowledges that he has accepted this Agreement and decided to plead guilty because he is in fact guilty. By entering this plea of guilty, the defendant waives any and all right to withdraw his plea or to attack his conviction, either on direct appeal or collaterally, on the ground that the Government has failed to produce any discovery material, *Jencks* Act material, exculpatory material pursuant to *Brady v. Maryland*, 373 U.S. 83 (1963), other than information establishing the factual innocence of the defendant, and impeachment material pursuant to *Giglio v. United States*, 405 U.S. 150 (1972), that has not already been produced as of the date of the signing of this Agreement.

It is further agreed that should the conviction following the defendant's plea of guilty pursuant to this Agreement be vacated for any reason, then any prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this agreement (including any counts that the Government has agreed to dismiss at sentencing pursuant to this Agreement) may be commenced or reinstated against the defendant, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement or reinstatement of such prosecution. It is the intent of this Agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this Agreement is signed.

It is further understood that this Agreement does not provide any protection against prosecution for any crimes except as set forth above. It is understood that this Agreement binds (a) this Office; (b) the United States Attorney's Offices for each of the other 93 judicial districts of the United States; and (c) the Criminal Division of the United States Department of Justice, but does not bind any state or local prosecuting authority.

Apart from any written Proffer Agreement that may have been entered into between this Office and defendant, this Agreement supersedes any prior understandings, promises, or

Elizabeth M. Fink, Esq.
May 23, 2013
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conditions between this Office and the defendant. No additional understandings, promises, or conditions have been entered into other than those set forth in this Agreement, and none will be entered into unless in writing and signed by all parties.

Very truly yours,

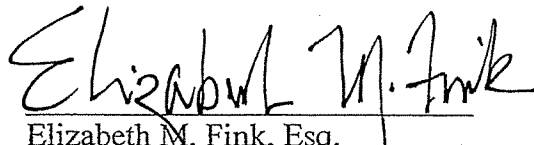
PREET BHARARA
United States Attorney

AGREED AND CONSENTED TO:


JEREMY HAMMOND

5/28/2013
DATE

APPROVED:


Elizabeth M. Fink, Esq.
Attorney for JEREMY HAMMOND

5/28/13
DATE



U.S. Department of Justice

Criminal Division

Assistant Attorney General

Washington, D.C. 20530

MAY 21 2013

The Honorable Preet Bharara
United States Attorney
Southern District of New York
The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007

Attention:

Re: Global Plea Agreement for Jeremy Hammond

Dear Mr. Bharara:

This is in response to your request for authorization to enter into a global plea agreement with defendant Jeremy Hammond.

I hereby approve the terms of the Plea Agreement, including the provisions on pp. 2-3, through which the United States agrees not to initiate further criminal proceedings against Hammond for the conduct at issue, with the exceptions and conditions noted within those paragraphs and elsewhere within the Plea Agreement.

You are authorized to make this approval a matter of record in this proceeding.

Sincerely,

Mythili Raman
Acting Assistant Attorney General

DAVID BITKOWER
DEPUTY ASSISTANT ATTORNEY GENERAL
CRIMINAL DIVISION