

FOR IMMEDIATE RELEASE:

Contact: James Hallinan

May 24, 2018

(505) 660-2216

AG Balderas Expands Investigation of Technology Used in Child Exploitation; Requests Cooperation & Information from Giganews

Albuquerque, NM – This morning, New Mexico Attorney General Hector Balderas announced his office is expanding its investigation of the use of technology to distribute child pornography and has requested the cooperation of Giganews to provide information that will aid in the investigation. Last week, Deputy Attorney General for Criminal Affairs Sharon Pino sent a letter to Giganews CEO Ronald B. Yokubaitis demanding answers about the company and users' practices regarding child exploitation.

“Protecting New Mexico’s children from horrific sexual violence and exploitation is the number one priority of our Internet Crimes Against Children Unit, and I am fully expecting Giganews to cooperate with our expanding investigation,” Attorney General Hector Balderas said. “Our office continues to battle child exploitation and human trafficking in New Mexico and large, out-of-state corporations operating in New Mexico have an obligation to contribute to this vital mission for public safety.”

The letter states, “For example, our office spearheads the Internet Crimes Against Children (ICAC) Task Force and Human Trafficking Task force both consisting of statewide law enforcement agencies committed to investigating and combating exploitation of children and adults in New Mexico. As part of this work, we have successfully partnered with the National Center for Missing and Exploited Children in union with Google, Facebook, Microsoft, Instagram, and numerous other electronic service providers and databases to protect the integrity of their business and prevent illicit misuse by users.”

“Further, the OAG demands that Giganews immediately report any individuals engaging in the illegal trade of contraband images of child exploitation to the OAG and the NCMEC and provide a list of IP addresses regardless of the status of the user’s subscription status,” concludes the letter.

Attorney General Balderas oversees the New Mexico ICAC Task Force and created the New Mexico Human Trafficking Task Force which he also oversees. To report suspected child exploitation please call the Office of the Attorney General at (505) 717-3500, or 1-800-THE-LOST (1-800-843-5678) or www.missingkids.com.

Please see attached for a copy of the letter sent to Giganews.

###

STATE OF NEW MEXICO
OFFICE OF THE ATTORNEY GENERAL



HECTOR H. BALDERAS
ATTORNEY GENERAL

TANIA MAESTAS
Deputy of Civil Affairs

SHARON PINO
Deputy of Criminal Affairs

May 17, 2018

Ronald B. Yokubaitis
Chief Executive Officer
Giganews
1044 Liberty Park Dr.
Austin, TX 78746-6943

Dear Mr. Yokubaitis,

The Attorney General of the State of New Mexico is committed to protecting vulnerable populations in New Mexico from human trafficking, online exploitation and other illegal activities. As such, the office investigates and prosecutes online activities that violate criminal and civil law. For example, the office spearheads the Internet Crimes Against Children Task Force and Human Trafficking Task force both consisting of statewide law enforcement agencies committed to investigating and combating exploitation of children and adults in New Mexico. As part of this work, we have successfully partnered with the National Center for Missing and Exploited Children in union with Google, Facebook, Microsoft, Instagram, and numerous other electronic service providers and databases to protect the integrity of their business and prevent illicit misuse by users. The office and our federal partners within the task force investigate online predators searching for contraband to prevent illegal manufacture, distribution, and possession of exploitative imagery in New Mexico. Additionally, my Consumer Protection Division enforces civil laws that serve to protect New Mexicans from unscrupulous and illegal business practices.

As technology evolves, we strive to protect New Mexicans by partnering with entities offering free and for-profit services in New Mexico. We have identified certain services offered by Giganews that may be subject to misuse by users that could result in harm to New Mexicans. Additionally, we are reviewing areas of Giganews' business practices and representations to ensure they are not materially misleading or deceptive in violation of New Mexico law.

As you may be aware, users are known to use your services and software for illegal purposes, including sharing copyright protected material and child pornography and other material that contribute to the exploitation of children and adults in New Mexico. We are concerned that Giganews does not appear to be independently monitoring and reporting illegal searches, contraband, or misuse, but rather advising users that "The laws of the United States legally restrict us from reviewing questionable materials on Usenet," and thereby relying on users to report child pornography to a third party called the Internet Watch Foundation. Relying on users to report the trade of child exploitation imagery poses a high risk of abuse by users especially if that is the only apparatus of removal or reporting to law

enforcement. Where storage capabilities exist, a host or provider is capable of monitoring and removing illicit content and reporting illegal misuse to law enforcement. Attached for your review are search terms indicating contraband that can be obtained utilizing Giganews from usenet users seeking to engage in the trade, manufacture, and distribution of child exploitation imagery.

In addition to monitoring search terms, many electronic media hosts and providers currently and independently utilize hash value technology in order to ensure that users who misuse the technology are reported to law enforcement and the National Center for Missing and Exploited Children (NCMEC) by the host or provider. We have had great success working with similarly situated online entities who provide cybertips to law enforcement and NCMEC to remove child pornographers from their host site and report their illegal conduct to our office.

Because of this, we are asking Giganews to provide information to the Office of the New Mexico Attorney General regarding its current steps to prevent and prohibit illegal use of Giganews and immediately inform the OAG of any steps that Giganews plans to take to monitor its users to remove and prevent misuse. Specifically, the OAG requests that Giganews provide the following information:

1. The number of independent subscribers in the State of New Mexico.
2. The number of subscribers in the State of New Mexico by outsourced service.
3. The number of subscribers in the State of New Mexico for service including VPN storage, cloud storage access, or VyprVPN or "Dump Truck."
4. Current advisories for subscribers in the State of New Mexico prohibiting the sharing, downloading, or requesting of images of child sexual abuse.
5. Current protocols used by Giganews to monitor misuse of Giganews by removal of users.
6. Current protocols used by Giganews to report misuse of Giganews and possible criminal activity by users.
7. Records indicating the number of removed users and the frequency of removal of users who violate Giganews Terms of Use and End User License Agreement.
8. Current utilization of hash value technology to monitor, prevent, and report exchange of child exploitation imagery.

Further, the OAG demands that Giganews immediately report any individuals engaging in the illegal trade of contraband images of child exploitation to the OAG and the NCMEC and provide a list of IP addresses regardless of the status of the user's subscription status.

Sincerely,



Sharon L. Pino
Deputy Attorney General
Criminal Affairs

Enclosures: Pages of search terms