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KEVIN V. RYAN (CSBN 118321)
United States Attorney

FILED
JAN 29 PM 3:22
U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

OAKLAND DIVISION

CR 04 40018

CW

UNITED STATES OF AMERICA,

Plaintiff,

v.

EMMET G. J. WILLIAMS and
DEMARCUS HICKS,

Defendants.

No.

VIOLATIONS: 18 U.S.C. §§ 1030(a)(2)(C)
& 1030(c)(2)(B)(i), 1030(c)(2)(B)(iii) –
Unauthorized Access to a Protected
Computer; 18 U.S.C. § 1029(a)(2) –
Fraudulent Use of an Unauthorized Access
Device; 18 U.S.C. §§ 1029(b)(1) &
1029(a)(2) – Attempted Fraudulent Use of
an Unauthorized Access Device

OAKLAND VENUE

INDICTMENT

Background

At all times relevant to this Indictment:

1. The Mortgage Guaranty Insurance Corporation (“MGIC”) was a Wisconsin corporation that sells private mortgage insurance, a financial guaranty that insured lenders against defaults by borrowers who made a down payment of less than 20 percent of the value of mortgaged properties. MGIC’s headquarters were located in Milwaukee, Wisconsin. MGIC had a branch office located at 1390 Willow Pass Road, Suite 900, in Concord, California.

2. MGIC utilized a loan processing system called Atlas. Among other things, Atlas had a credit link to Fannie Mae’s Mornet Plus Network, which provided authorized MGIC

INDICTMENT

1 employees and agents access to personal credit information compiled by the credit reporting
2 service Equifax. Credit requests made by MGIC employees in its Concord, California branch
3 office traveled by wire to an MGIC server in Milwaukee, Wisconsin, before being sent to
4 computers maintained by the Mornet Plus Network and Equifax.

5 3. MGIC assigned its employees usernames and confidential passwords to access
6 credit information of individuals using Atlas. MGIC employees were authorized to access credit
7 information through the Atlas system only for MGIC's legitimate business purposes, not for
8 personal gain.

9 4. To make a request for an individual's credit information using Atlas, MGIC
10 employees were first required to identify an MGIC loan number. MGIC assigned loan numbers
11 only after certain personal information had been entered into the Atlas database, including a
12 potential customer's name, address and social security number.

13 5. MGIC maintained a credit ordering table that reflected every credit request made
14 by each of its employees using Atlas. MGIC also maintained a deletion table that reflected every
15 instance in which a MGIC loan number had been deleted by an employee.

16 6. Defendant EMMET G. J. WILLIAMS was employed by MGIC as a Customer
17 Service Specialist, performing certain data entry and loan processing tasks in MGIC's Concord
18 office. MGIC assigned defendant WILLIAMS a username and password to access its on-line
19 credit report system for legitimate business purposes.

20 COUNTS ONE THROUGH TWENTY-THREE: (18 U.S.C. §§ 1030(a)(2)(C) &
21 1030(c)(2)(B)(i), 1030(c)(2)(B)(iii) —
22 Unauthorized Access to a Protected
Computer)

23 7. The allegations in paragraphs 1-6 are realleged and incorporated herein as if set
24 forth in full.

25 8. On or about the dates set forth below, in the Northern District of California and
26 elsewhere, the defendant

27 EMMET G. J. WILLIAMS

28 did intentionally access a computer, to wit, the Atlas computer system maintained by Mortgage

1 Guaranty Insurance Company in Milwaukee, Wisconsin, which computer system allowed access
 2 to credit information through Fannie Mae's Mornet Plus Network and Equifax, without
 3 authorization and in excess of authorized access, and thereby obtained information from a
 4 protected computer. to wit, credit information of individuals as set forth below, the value of
 5 which exceeds \$5,000 and which was obtained for purposes of commercial advantage and private
 6 financial gain. and such conduct involved an interstate and foreign communication:

COUNT	DATE	VICTIMS OF UNAUTHORIZED ACCESS
1	June 17, 2002	8 individuals
2	June 19, 2002	1 individual
3	June 20, 2002	2 individuals
4	July 3, 2002	3 individuals
5	August 23, 2002	4 individuals
6	August 26, 2002	1 individual
7	August 30, 2002	3 individuals
8	September 5, 2002	1 individual
9	September 11, 2002	1 individual
10	September 13, 2002	1 individual
11	September 26, 2002	5 individuals
12	October 2, 2002	4 individuals
13	October 9, 2002	1 individual
14	October 10, 2002	7 individuals
15	October 11, 2002	2 individuals
16	October 29, 2002	2 individuals
17	October 30, 2002	1 individual
18	November 4, 2002	10 individuals
19	November 5, 2002	1 individual
20	November 6, 2002	1 individual
21	November 8, 2002	1 individual
22	November 11, 2002	2 individuals
23	November 19, 2002	3 individuals

1 All in violation of Title 18, United States Code, Sections 1030(a)(2)(C) and
2 1030(c)(2)(B)(i), 1030(c)(2)(B)(iii).

3 COUNT TWENTY-FOUR: (18 U.S.C. § 1029(a)(2) – Fraudulent Use of an Unauthorized
4 Access Device)

5 9. The allegations in paragraphs 1–6 are realleged and incorporated herein as if set
6 forth in full.

7 10. Between on or about November 27, 2002, and December 17, 2002, in the
8 Northern District of California, and elsewhere, the defendant

9 DEMARCUS HICKS

10 did knowingly and with intent to defraud use an unauthorized access device, to wit, account
11 number 6879 4501 2900 3656 223 at Dell, Inc., and by such conduct obtained things of value
12 aggregating at least \$1,000 within a one-year period, to wit, a computer and other merchandise
13 from Dell, Inc., such use affecting interstate commerce, in that merchandise was shipped by Dell,
14 Inc. from Texas and Tennessee to Elk Grove, California, in violation of Title 18, United States
15 Code, Section 1029(a)(2).

16 COUNT TWENTY-FIVE: (18 U.S.C. §§ 1029(b)(1) & 1029(a)(2) – Attempted Fraudulent
17 Use of an Unauthorized Access Device)

18 11. The allegations in paragraphs 1–6 are realleged and incorporated herein as if set
19 forth in full.

20 12. On or about January 8, 2003, in the Northern District of California, and elsewhere,
21 the defendant

22 DEMARCUS HICKS

23 did knowingly and with intent to defraud attempt to use an unauthorized access device pertaining
24 to an individual, to wit, an access device from MBNA bank obtained through the Web site of
25 Gateway, Inc., to obtain something of value aggregating at least \$1,000 within a one-year period,
26 in violation of Title 18, United States Code, Sections 1029(b)(1) and 1029(a)(2).

1 COUNT TWENTY-SIX: (18 U.S.C. §§ 1029(b)(1) & 1029(a)(2) – Attempted Fraudulent
2 Use of an Unauthorized Access Device)

3 13. The allegations in paragraphs 1–6 are realleged and incorporated herein as if set
4 forth in full.

5 14. Between on or about November 24, 2002, and January 15, 2003, in the Northern
6 District of California, and elsewhere, the defendant

7 DEMARCUS HICKS

8 did knowingly and with intent to defraud attempt to use at least one unauthorized access device
9 pertaining to an individual, to wit, an access device from Dell, Inc. and an access device from
10 MBNA bank through the Web site of Gateway, Inc., to obtain something of value aggregating at
11 least \$1,000 within a one-year period, in violation of Title 18, United States Code, Sections
12 1029(b)(1) & 1029(a)(2).

13 DATED:

A TRUE BILL.

14 *Jan. 29, 2004*

15 *K. Merrille*
16 _____
FOREPERSON

16 KEVIN V. RYAN
United States Attorney

17 *Ross W. Nadel*
18 _____

19 ROSS W. NADEL
Chief, Criminal Division

20
21 (Approved as to form: *Waldinger*)

AUSA WALDINGER