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**From:** CyberScoop <news@cyberscoop.com>  
**Sent:** Thursday, December 15, 2016 12:05 PM  
**To:** Haley, Nikki  
**Subject:** That's right, billion with a "B"

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CyberScoop

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**THURSDAY**

**December 15, 2016**

*Lol, guys, what isn't going on at this point? Intelligence has reportedly tied the DNC hacks to Putin. Yahoo announced another a data breach. Yes, another one. History looks like its being made, only its not really, uh, what's the word we're searching for? Ah yes, it's not really \*good.\* This is CyberScoop for Thursday, December 15.*

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**HE KNEW:** A new report from NBC News claims that Russian president Vladimir Putin personally knew and orchestrated the leak of stolen material from the Democratic National Committee. Two senior intelligence officials told NBC they have a “high level of confidence” that Putin directed how the hacked material would be used. The report claims Putin’s motive was initially to pursue a vendetta against Democratic presidential nominee Hillary Clinton, but the mission soon morphed into an effort to undermine U.S. credibility as a global leader. [Greg has more](#) and the rest of the team will probably have more over the next few days.

**YES, YOU READ THAT NUMBER RIGHT:** Yahoo disclosed Wednesday another security incident that is twice as large as incidences the company has previously announced, affecting more

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than a billion users. Among the data taken were names, email addresses, telephone numbers, dates of birth, hashed passwords (using MD5) and, in some cases, encrypted or unencrypted security questions and answers. The investigation indicates that the stolen information did not include passwords in clear text, payment card data, or bank account information. Additionally, the company found that an “unauthorized third party accessed the company’s proprietary code to learn how to forge cookies,” which allowed account access without a password. Yahoo believes that activity was carried out by the same state-sponsored actor believed to be responsible for the breach previously disclosed this year. [Greg has more.](#)

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## EVENT

**DATA SECURITY IN FOCUS:** The need for agencies to meet regulations and fulfill unfunded mandates will continue into the next administration. Federal IT shops are going to be saddled with protecting their data, which is only going to grow in volume. During this webinar on Jan. 18, experts will explain how agencies can embrace new forms of encryption without the worry that it will break their systems. Experts from government and HPE will take a look at how format-preserving encryption can allow for agencies to conduct their work without systems slowing down or breaking altogether. [REGISTER HERE.](#)

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**PASSING ON PUBLIC SERVICE:** President-elect Donald Trump’s rise to the White House may have a detrimental effect on the U.S. intelligence community’s ability to both recruit new talent and retain career professionals, former intelligence officials said Wednesday during a panel discussion at the CATO Institute. The concern is that Trump’s disparaging comments about U.S. intelligence agencies — for example, his characterization of the FBI and CIA as politically motivated institutions — is already beginning to have an impact on whether young recruits will choose public service over jobs in

Silicon Valley or Wall Street. “When the mantra is ‘Drain the Swamp’ and you’re coming out of graduate school ... my gut, if I were advising one of these people, if they’re trying to decide between the national security community and one of those other jobs ... I would be hard pressed to advise them to join [the intelligence community],” said Olsen. [Chris Bing has more](#).

**BE CAREFUL:** The only sitting member in the House of Representatives to have served in the CIA is advising fellow lawmakers to tread carefully with the information they collect during ongoing investigations focused on Russian hacking related to the recent presidential campaign. Rep. Will Hurd, R-Texas, worked in the CIA for 9 years, spending time as an undercover intelligence officer in both Afghanistan and Pakistan. [He recently told Chris](#) that human intelligence — agents on the ground — would likely be necessary to make an accurate assessment concerning the motivation and intention of those individuals who ordered a digital break in at the Democratic National Committee. “Having some of this evidence declassified, I think we need to be really careful because we’re talking about people’s lives. Whatever we decide, whatever we declassify, Russian intelligence will be studying it very closely,” Hurd said.

**MILLIONS FROM MADISON:** When the FTC goes after companies who've had customer data hacked, they don't generally seek monetary penalties, but rather enforceable undertakings about improved security for consumers in the future. But in the case of AshleyMadison.com, the adulterous hook-up site, officials say, they wanted to ensure that the company didn't profit from its misrepresentations about security and privacy — or its use of fake female user profiles to entice customers to sign up . But, [as Shaun](#)

[Waterman reports](#), the agency ended up suspending about 90 percent of the \$17.5 million settlement it reached with the site's owners, because of their "inability to pay."

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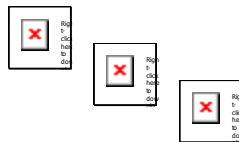
## TWEET OF THE DAY



Our dear editor will keep asking the hard hitting questions.

In the meantime, how about tossing your favorite new website a follow on [Twitter](#) and a like on [Facebook](#)? Click those shiny social buttons below to get the best we have to offer across the social web.

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