



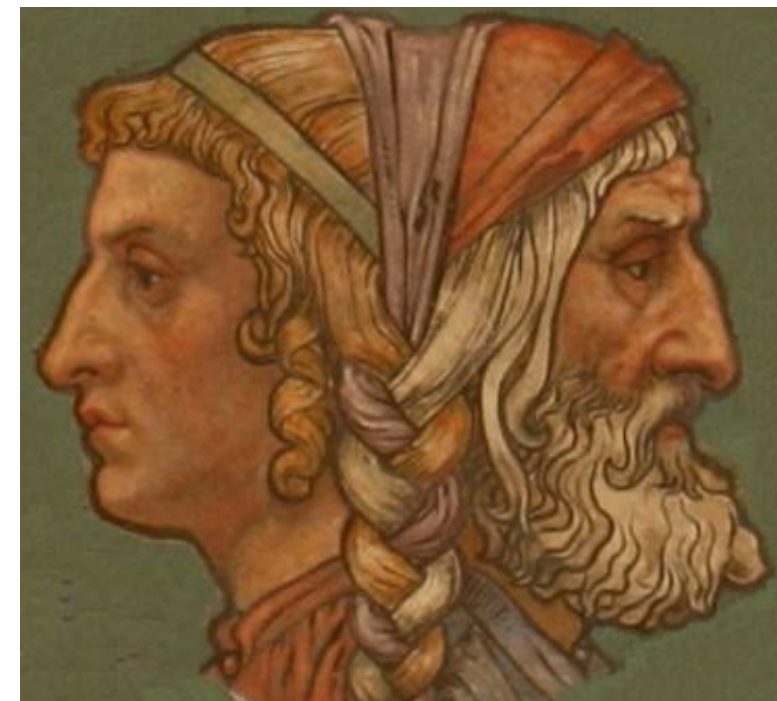
# What I've Learned

Stories from 30 years of hacking  
Anthony S. Clark

# Who am I?

---

- Anthony S. Clark
  - **Work:**
    - Boldend, CTO
    - Attack Research, Owner & formerly CEO
    - Audeo Technical Advisors, President/Owner
  - **Speaker:**
    - Blackhat
    - Defcon
    - Source
    - B-Sides

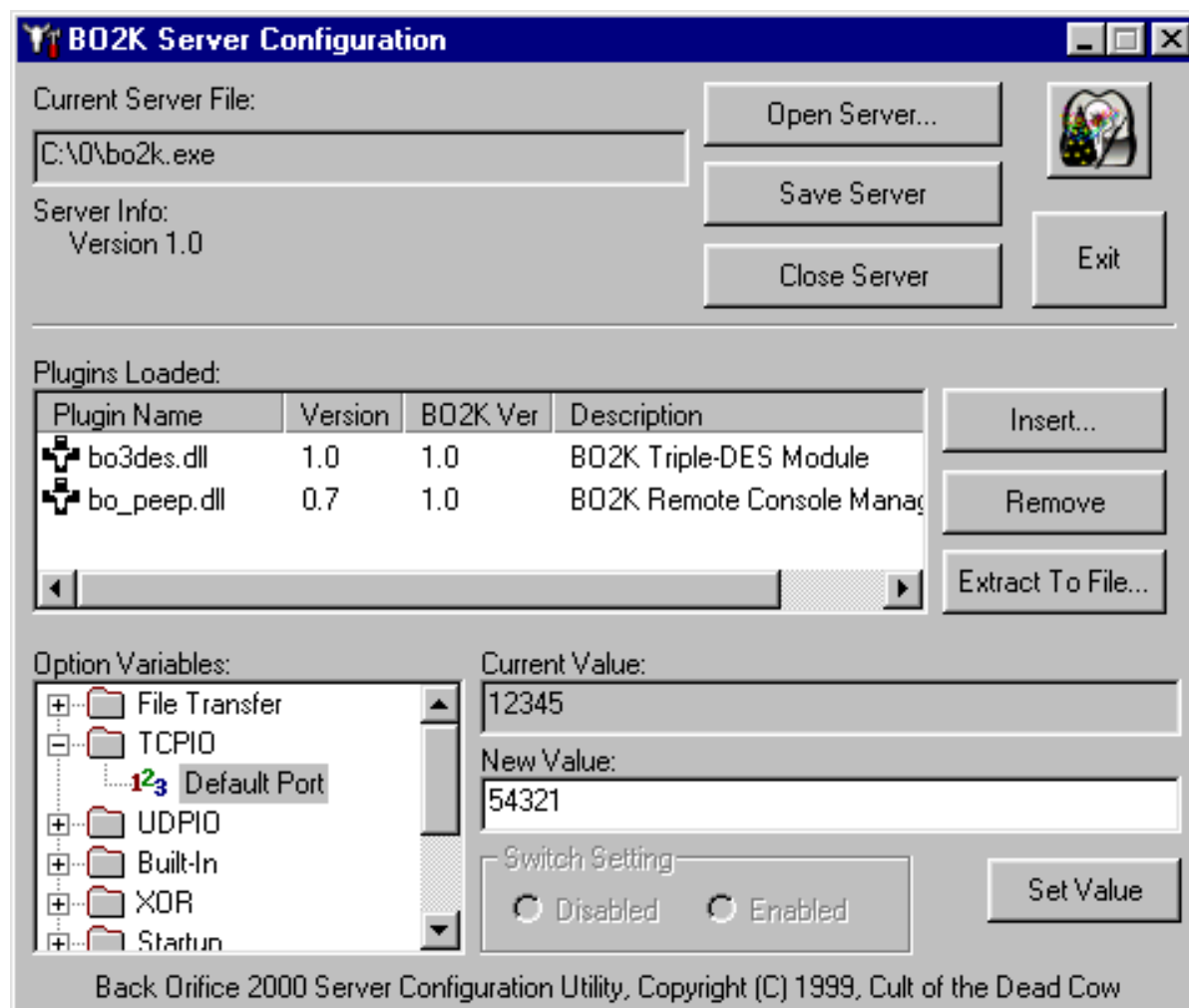


# Cult of the Dead Cow



One of the first RATs

- Remote control
  - GUI
- Camera capture
- Encryption



# Metasploit



## Premier Pen Testing Tool:

- Exploits for tons of platforms
- Meterpreter
- Encoders
- Evasions



# Offensive Computing

The screenshot shows the Offensive Computing website. At the top, there's a navigation bar with the site logo and name. Below it, there are several sections: a Malware Search section with a search box and statistics; a Malware Upload section with a warning and a form; a Malware analysis section for 'Nailuj sys file' with a detailed description and a link to download a paper; a Symantec Virtual machine paper section with a link to a PDF; and a User login section with fields for username and password. There are also navigation and search menus on the right side.

**Offensive Computing**

**Malware Search**

Search for sum or name

Search

Total Malware: 41143  
Last Malware:  
W32/Bagle.DP@mm  
Win32.Bagle.BR

**Support OC**

**WARNING: This site contains samples of live malware. Use at your own risk.**

**MALWARE UPLOAD:**

Malware to Upload:  No file chosen

Upload an unknown or suspicious file here for analysis. Upload Windows PE (Portable Executable) files and DLL's only. All files uploaded here will be imported into the Offensive Computing Malware database. By using this service, you certify that you are not uploading any copyrighted software and you consent to unconditional dissemination.

**Malware analysis: Nailuj sys file**

Submitted by ZaiRoN on Tue, 2007-02-06 08:15. **Malware**

Lately a lot of malwares are using rootkit techniques. Private and antivirus companies are trying to develop tools against malwares but, despite the fact that most of the techniques are well documented around the net, only a few companies are getting positive results. This particular malware is a perfect example because when it came out only a few tools were able to recognize its nasty operations. Don't know what you think but that's sound a little bit strange for me.

Hello.  
Nothing new, nothing special... just a malware analysis from me.

**Download the paper from here**

[» read more | ZaiRoN's blog | 3 comments](#)

**Symantec Virtual machine paper**

Submitted by valsmith on Mon, 2007-02-05 15:16. **Research**

I highly recommend you read this:

[http://www.symantec.com/avcenter/reference/Virtual\\_Machine\\_Threats.pdf](http://www.symantec.com/avcenter/reference/Virtual_Machine_Threats.pdf)  
Its a very comprehensive paper on Virtual Machines and their issues. As a bonus they cite an Offensive Computing paper in the references :)

V.

**User login**

Username: \*

Password: \*

- [Create new account](#)
- [Request new password](#)

**Navigation**

- [About Us](#)
- [Getting Started](#)
- [Consulting Services](#)
- [Contact](#)
- [Major Contributors](#)

- [Malware](#)
- [Research](#)
- [Tools](#)
- [Press](#)

**Navigation**

- [archive](#)
- [blogs](#)
- [forums](#)
- [polls](#)

**Search**

One of the first:

- Automated Malware Analysis
- Sandbox
- Shared disassembly
- Multiple AV scanner
- Collaborative RE

# Los Alamos National Laboratory

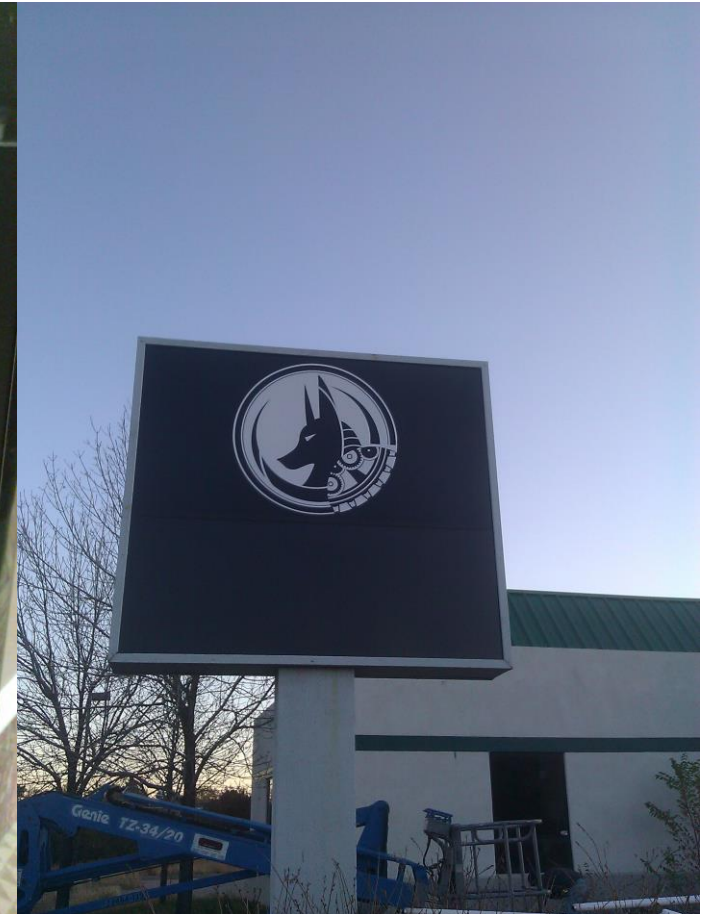
- Research Scientist 4
  - Nuclear Weapons Division
  - CSIRT/Red Team
  - Non-Proliferation



# Attack Research

## Published Research

- Tactical Exploitation
- Tactical Response  
MetaPhish, PDF Infection, & Tor Backdoor
- Balancing the Pwn Trade Deficit
- Carnal0wnage Blog
- Blackhats Always Win
- From Internet to SCADA
- Dissecting Web Attacks
- ERP Forgotten Worlds
- Wolves Still Among Us
- The Internet
- The Nuclear Option
- Meta-Post Exploitation
- Inside the World of Malicious Blog Spam
- Legacy Systems (DARPA)



# Beginning

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- 1982 Tandy Color Computer
- 7<sup>th</sup> Birthday
- No storage allowed
- 2000 lines of code
- Start over on power off





# Would you like to play a game?

- 1983 Wargames came out
  - Emulated it on the Tandy
  - No modem
  - Pretended to launch missiles
  - Scared the hell out of my friends
  - Parents freaked out
  - Grounded





# 1<sup>st</sup> Lesson

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**Human Psychology is a Vulnerability**  
(& adults don't understand computers)

# External Hacking

- Radio Shack display computers
  - Autoexec.bat
    - 10 PRINT "HACKED!"
    - 20 GOTO 10
- Walmart display computers
  - Security software
  - Bad directory permissions
  - Safe mode
  - Delete & Reboot





# 2nd Lesson

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**If you don't physically control the computer,  
you can't expect security**  
(even if you purchase a product to do so)

# Imposter Syndrome

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- Got a job at the Lab
  - Was like winning the lottery
  - No formal education
  - Surrounded by PHDs
  - Assumed I was too dumb
  - Terrified I'd get fired
  - Took on projects I didn't know how to do
    - Crypto
    - De-obfuscation
    - Supercomputers & Genome
  - Worked 8 hours every night
  - Became a research scientist





# 3rd Lesson

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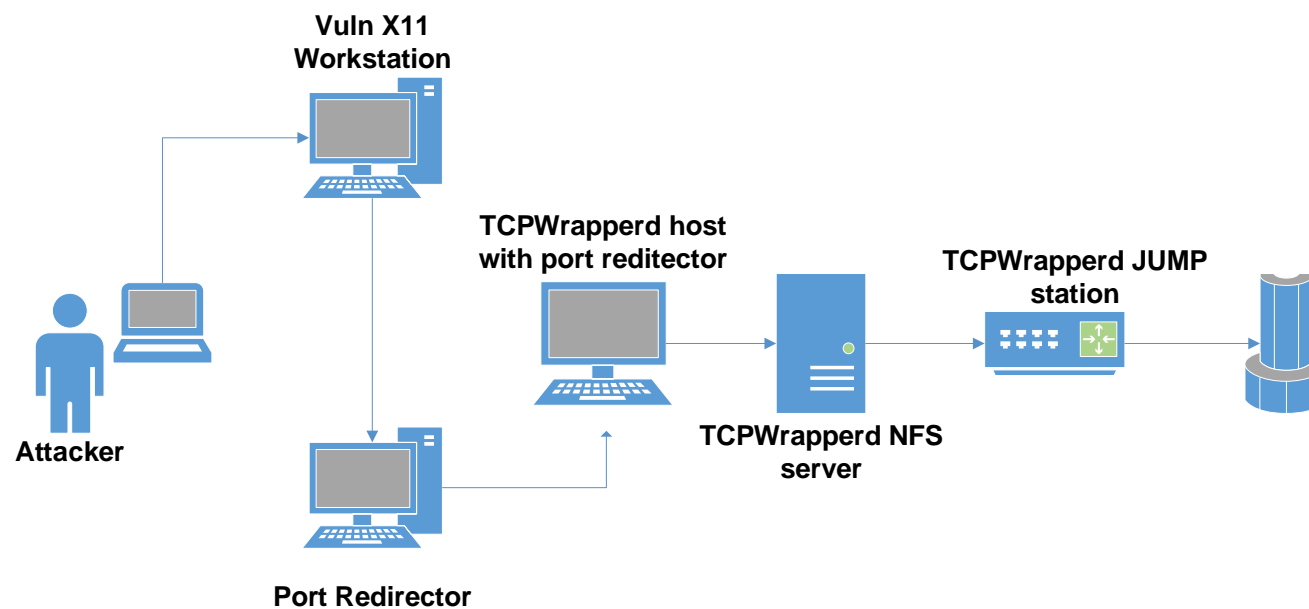
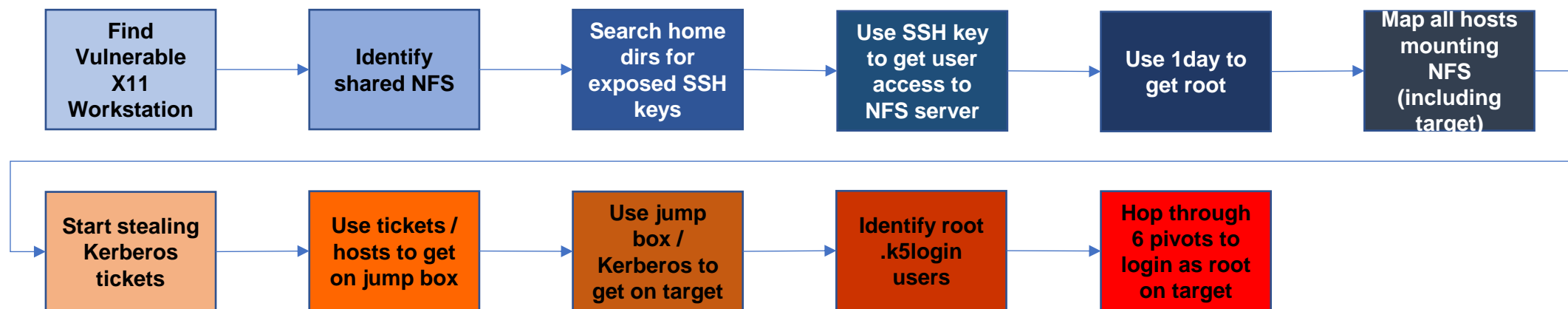
**Take the opportunity & work hard**  
(everyone is winging it)

# Hard Hacks – Super Computer

- **Task:**
  - Try to hack the fastest computer in the world
- **Protections:**
  - TCPWrappers
  - Kerberos
  - Log aggregation & analysis
  - SSH
  - Jump stations
  - 2FA



# Hard Hacks – Super Computer



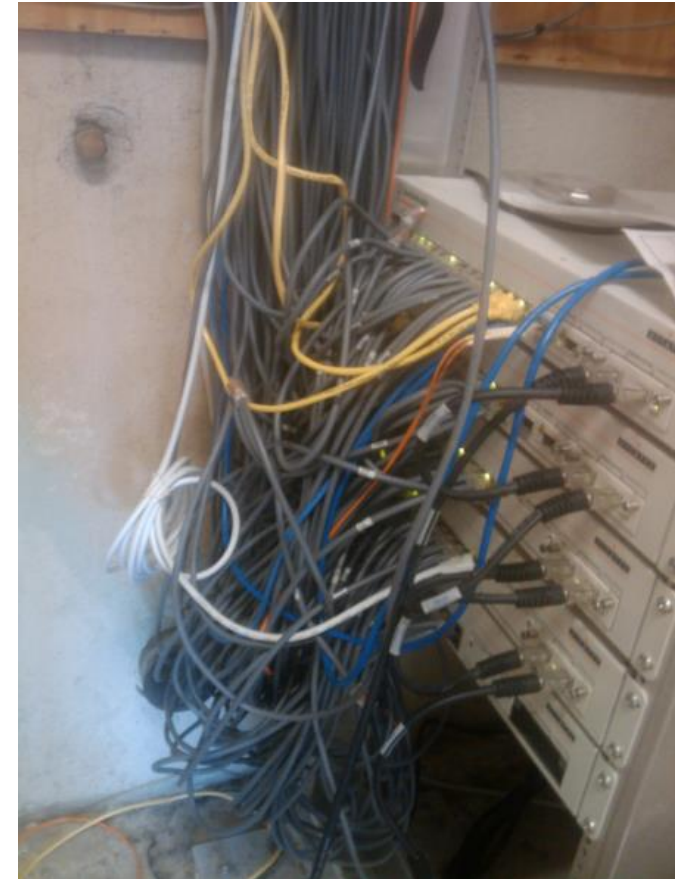


# Hard Hacks - SCADA

- **Task:**
  - Hack “air-gapped” SCADA systems
- **Protections:**
  - Physical Security
  - “Air-gapped”
  - Not well known technology
  - Firewalls
  - Atypical network protocols

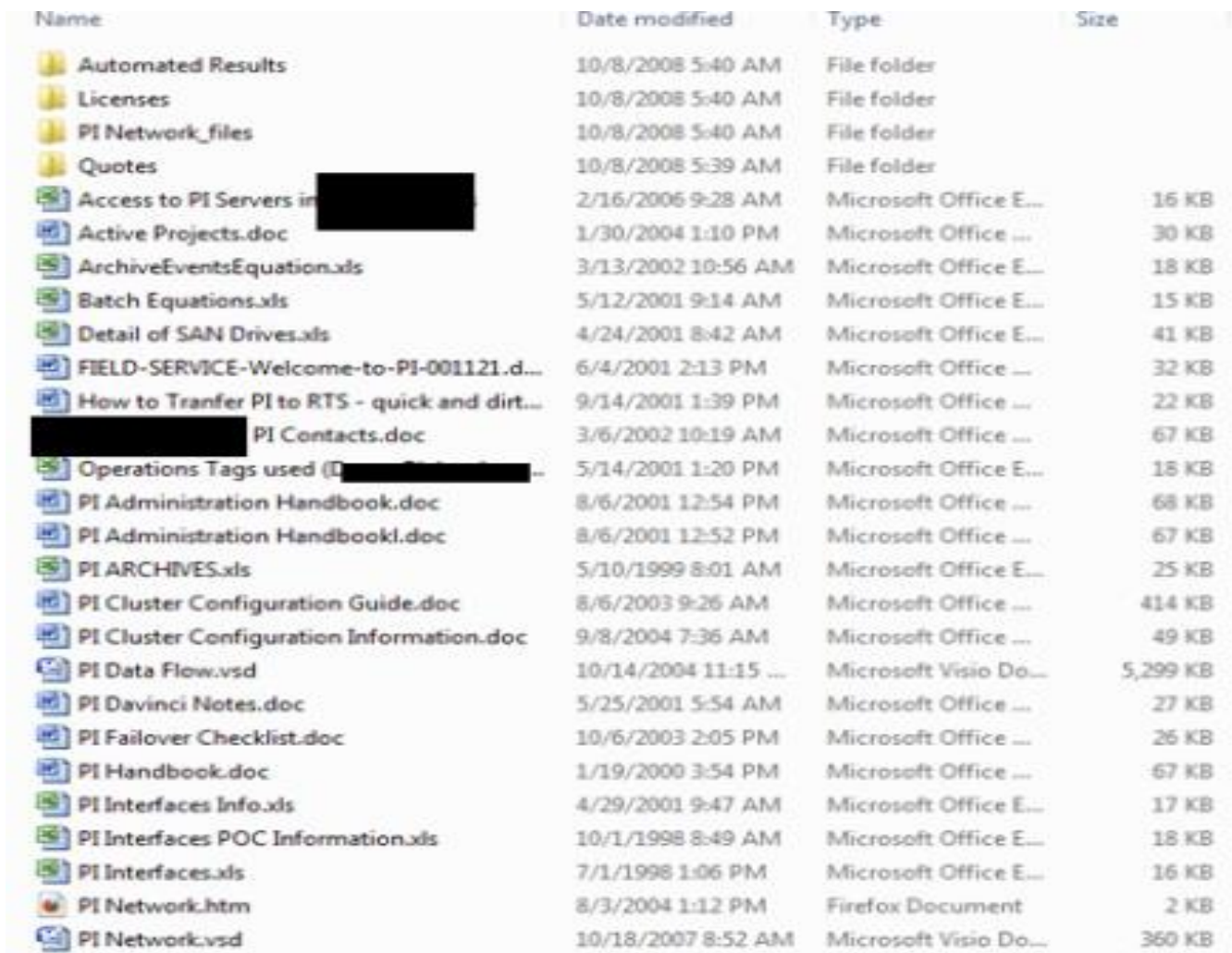


# Hard Hacks - SCADA



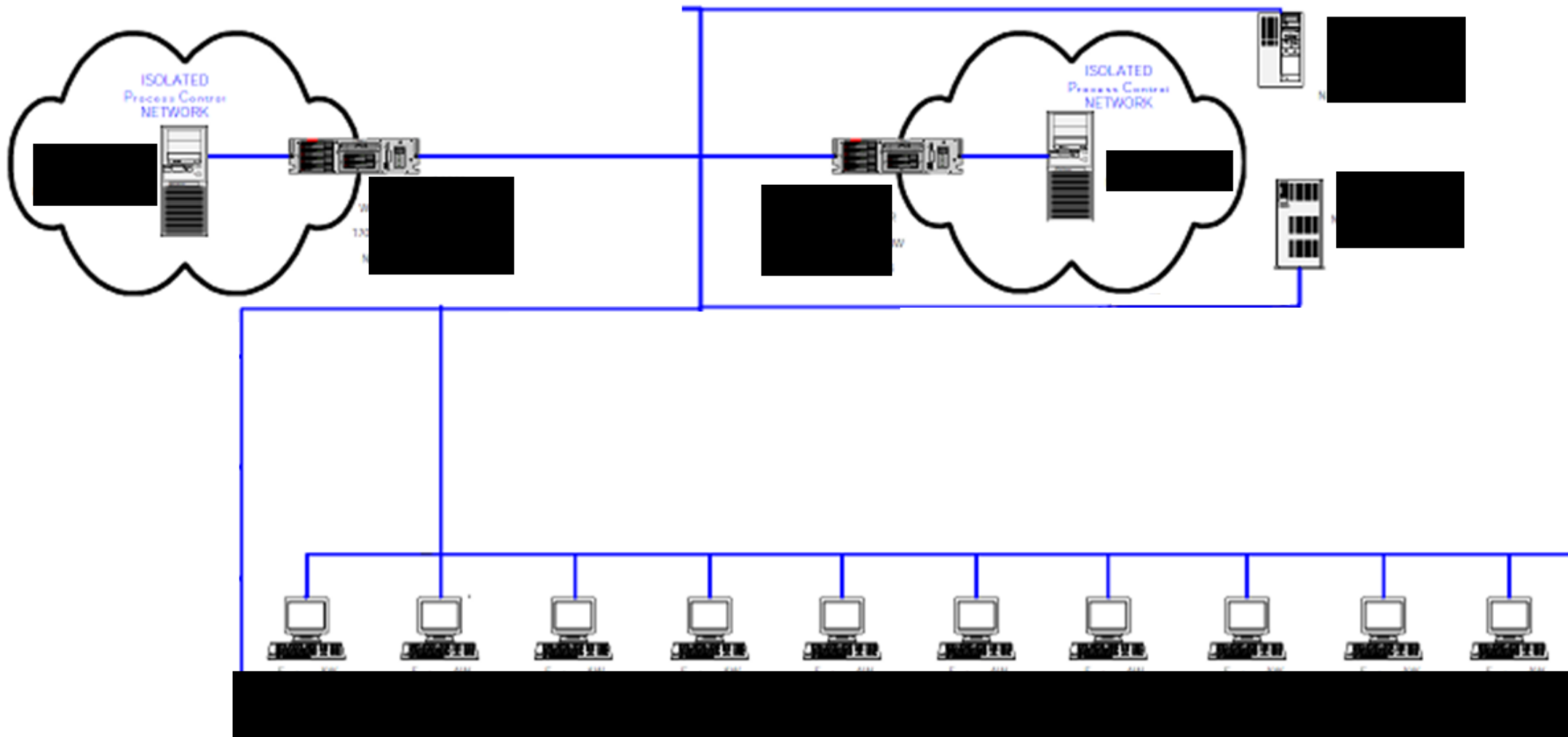
# Hard Hacks - SCADA

SCADA system manuals, procedures, and access info on a compromised hosts desktop



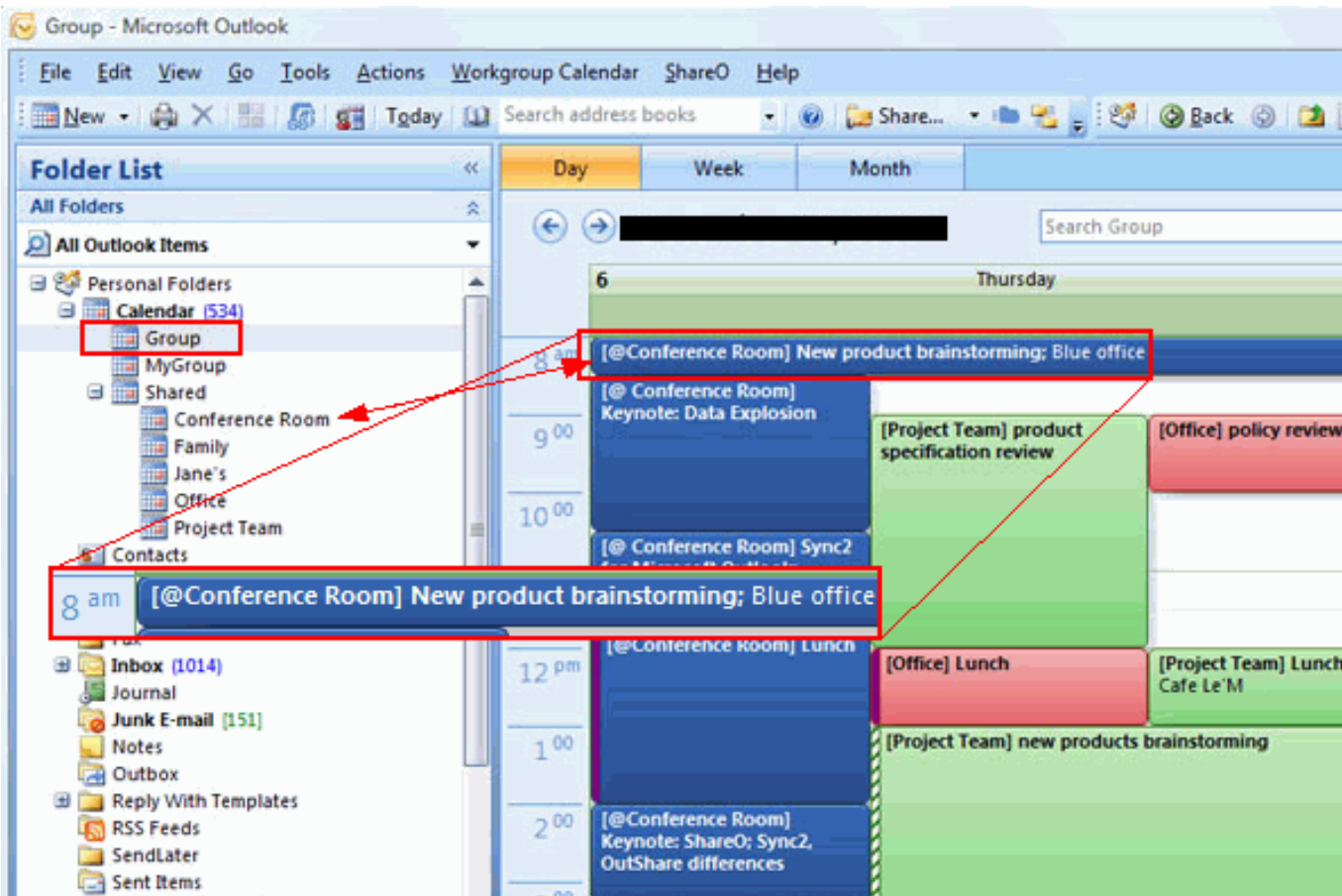
Name	Date modified	Type	Size
Automated Results	10/8/2008 5:40 AM	File folder	
Licenses	10/8/2008 5:40 AM	File folder	
PI Network_files	10/8/2008 5:40 AM	File folder	
Quotes	10/8/2008 5:39 AM	File folder	
Access to PI Servers in [REDACTED]	2/16/2006 9:28 AM	Microsoft Office E...	16 KB
Active Projects.doc	1/30/2004 1:10 PM	Microsoft Office ...	30 KB
ArchiveEventsEquation.xls	3/13/2002 10:56 AM	Microsoft Office E...	18 KB
Batch Equations.xls	5/12/2001 9:14 AM	Microsoft Office E...	15 KB
Detail of SAN Drives.xls	4/24/2001 8:42 AM	Microsoft Office E...	41 KB
FIELD-SERVICE-Welcome-to-PI-001121.d...	6/4/2001 2:13 PM	Microsoft Office ...	32 KB
How to Transfer PI to RTS - quick and dirt...	9/14/2001 1:39 PM	Microsoft Office ...	22 KB
[REDACTED] PI Contacts.doc	3/6/2002 10:19 AM	Microsoft Office ...	67 KB
Operations Tags used ([REDACTED] ...	5/14/2001 1:20 PM	Microsoft Office E...	18 KB
PI Administration Handbook.doc	8/6/2001 12:54 PM	Microsoft Office ...	68 KB
PI Administration Handbook1.doc	8/6/2001 12:52 PM	Microsoft Office ...	67 KB
PI ARCHIVES.xls	5/10/1999 8:01 AM	Microsoft Office E...	25 KB
PI Cluster Configuration Guide.doc	8/6/2003 9:26 AM	Microsoft Office ...	414 KB
PI Cluster Configuration Information.doc	9/8/2004 7:36 AM	Microsoft Office ...	49 KB
PI Data Flow.vsd	10/14/2004 11:15 ...	Microsoft Visio Do...	5,299 KB
PI Davinci Notes.doc	5/25/2001 5:54 AM	Microsoft Office ...	27 KB
PI Failover Checklist.doc	10/6/2003 2:05 PM	Microsoft Office ...	26 KB
PI Handbook.doc	1/19/2000 3:54 PM	Microsoft Office ...	67 KB
PI Interfaces Info.xls	4/29/2001 9:47 AM	Microsoft Office E...	17 KB
PI Interfaces POC Information.xls	10/1/1998 8:49 AM	Microsoft Office E...	18 KB
PI Interfaces.xls	7/1/1998 1:06 PM	Microsoft Office E...	16 KB
PI Network.htm	8/3/2004 1:12 PM	Firefox Document	2 KB
PI Network.vsd	10/18/2007 8:52 AM	Microsoft Visio Do...	360 KB

# Hard Hacks - SCADA



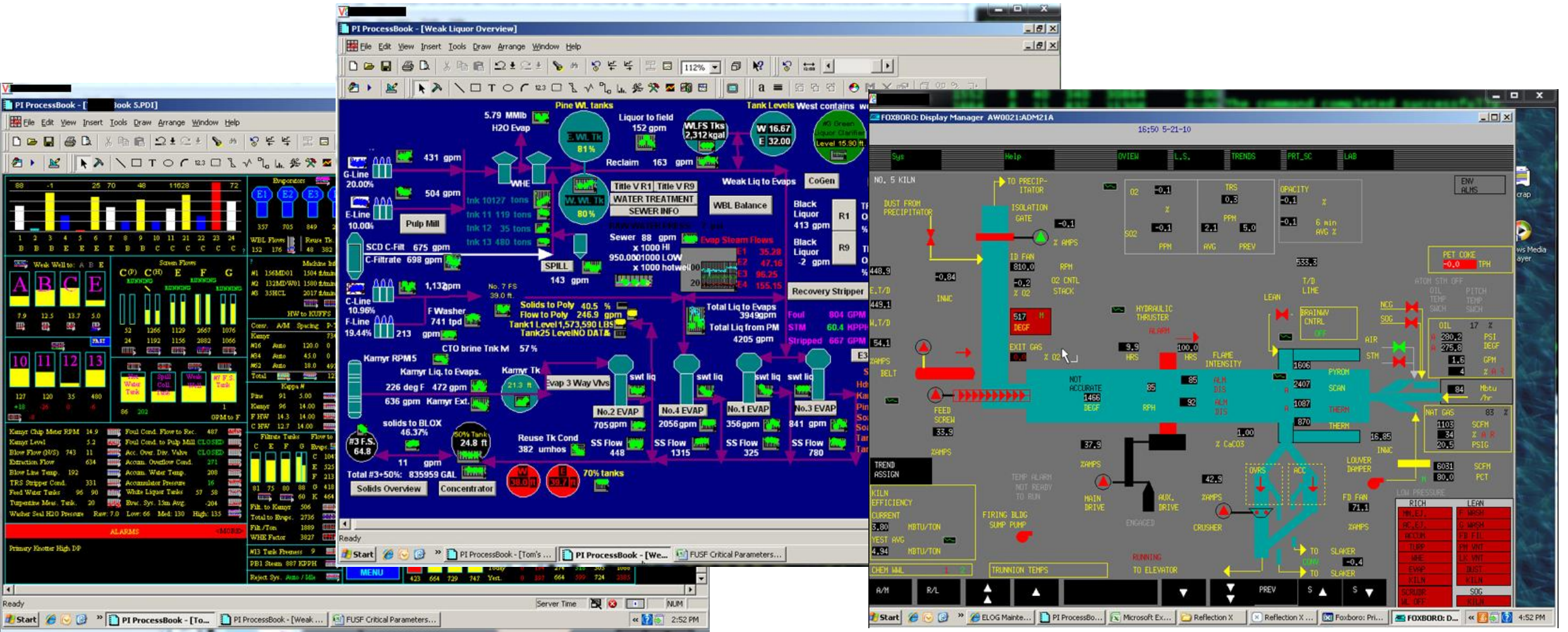
# Hard Hacks - SCADA

- Access to victim Outlook
  - Including Calendar
  - Engineers used VNC to connect to SCADA systems
    - (and left them connected)
  - Wait for PLC engineer to go to a meeting
  - Take over his box and use his GUI SCADA apps to cause havoc





# Hard Hacks - SCADA





# 4th Lesson

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**Everything is hackable**  
(no matter how crazy)



# I Want to be a Pen Tester

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- Well over 200,000 computers compromised
- Hack once, come back the next year, same vulnerabilities exist
- Problems never change
  - Bad IT operations
  - Weak passwords
  - Unpatched systems
- Could write the report without doing the test and be 90% right
- Basically patch management validation
- Good pentesters always win





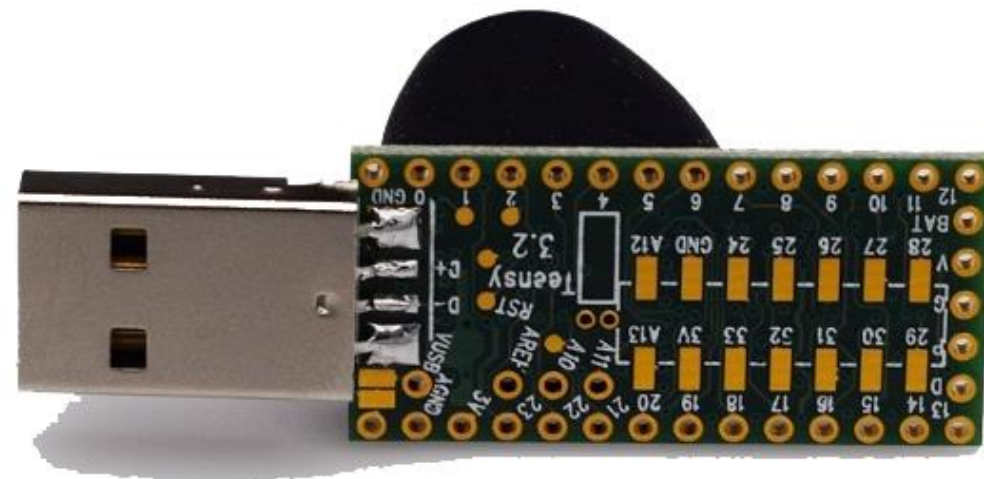
# 5th Lesson

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**Many Organizations Don't Benefit from  
Penetration Testing**  
(and the market devoured itself)

# Ethics & Business Decisions

- Individual stole sensitive info using USB
- We investigated
- Built a tool to detect where key had been used
  - And if others had
- Were told to delete the tool
- Protect Business Interests



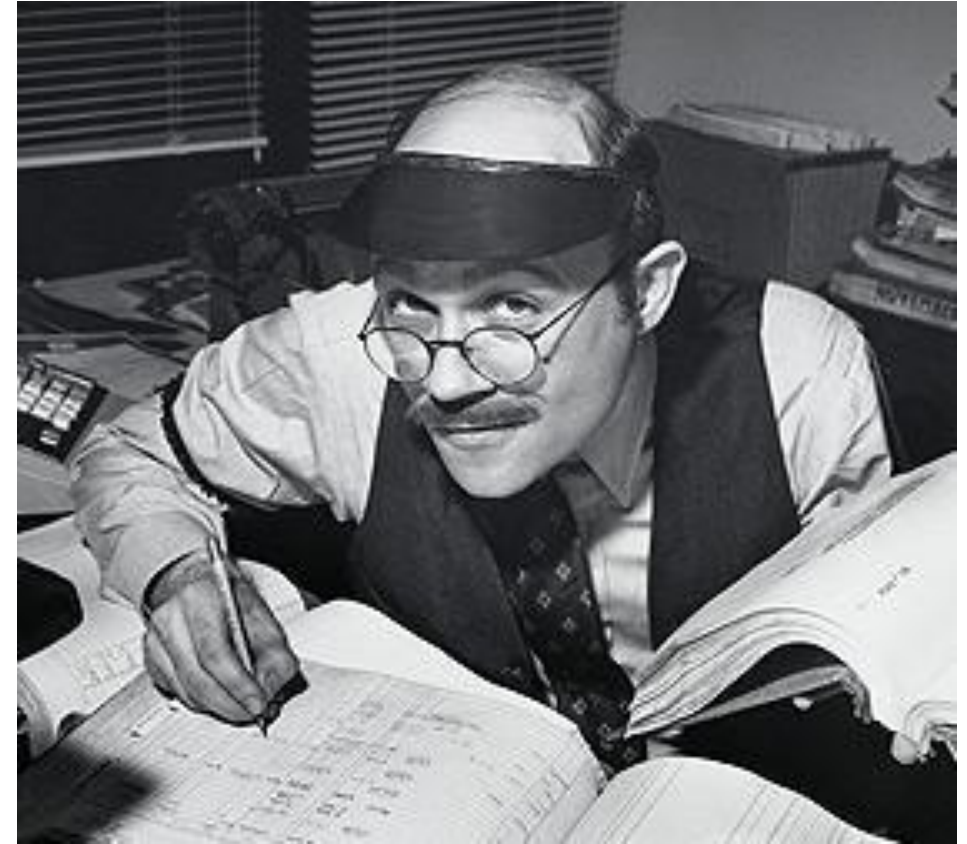
# Ethics & Business Decisions

- High revenue customer
- InfoSec vs Management
  - **InfoSec:** “Our mission is to protect company data”
  - **Management:** “We need them to provide metrics for acquisition’s due diligence, but not find too much”
- Management thought they had 15 security people
  - 1 EA, 1 Sr. Advisor, 1 DBA, 3 SysAdmins, 2 managers, 1 DevOps, 1 Coder, etc.
  - 1 Sr. security engineer (quitting), 1 Jr. security engineer



# Ethics & Business Decisions

- Transportation Technology Customer
  - PCI requirements didn't fit
  - Still had to be compliant
  - “Enabled” audit passing
  - Put real focus into product security
  - Provided actual security value to customers while working around PCI requirements



# Ethics & Business Decisions

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- Energy customer
- Multiple compromises
- We put advanced IR / RE in place
  - Expensive with low value return
  - What does attribution buy you?
- Instead, they ensured they could completely rebuild any system, anywhere in the world, in less than 4 hours
  - Requires strong inventory / architecture





# 6th Lesson

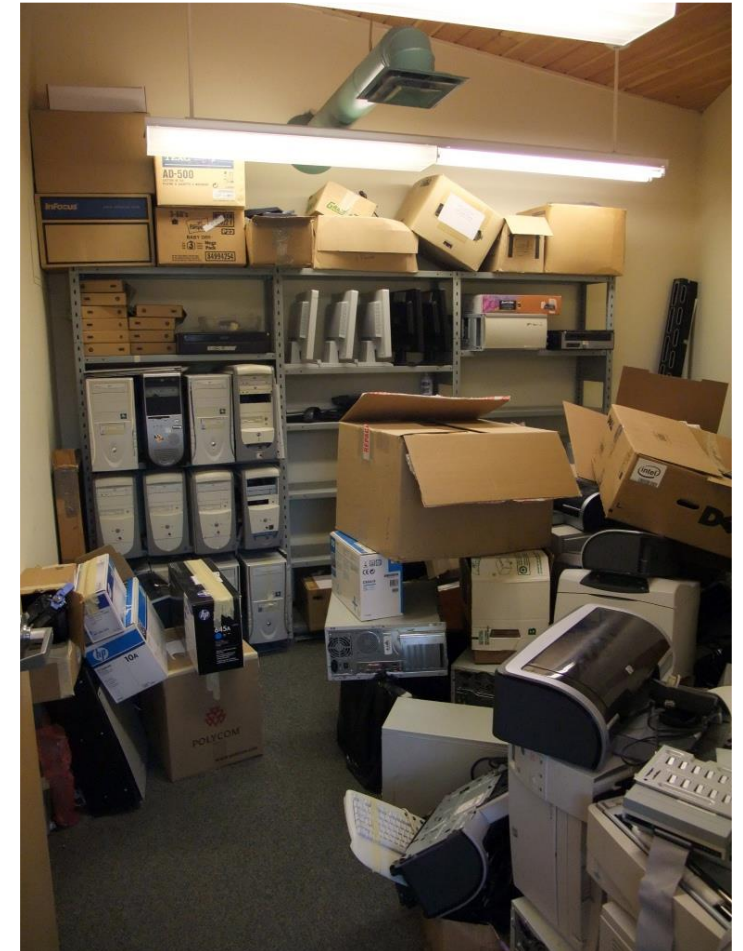
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## **Valid Business Decisions Can Contradict Conventional Security Wisdom**

(I didn't know everything)

# Stacks of Security Products

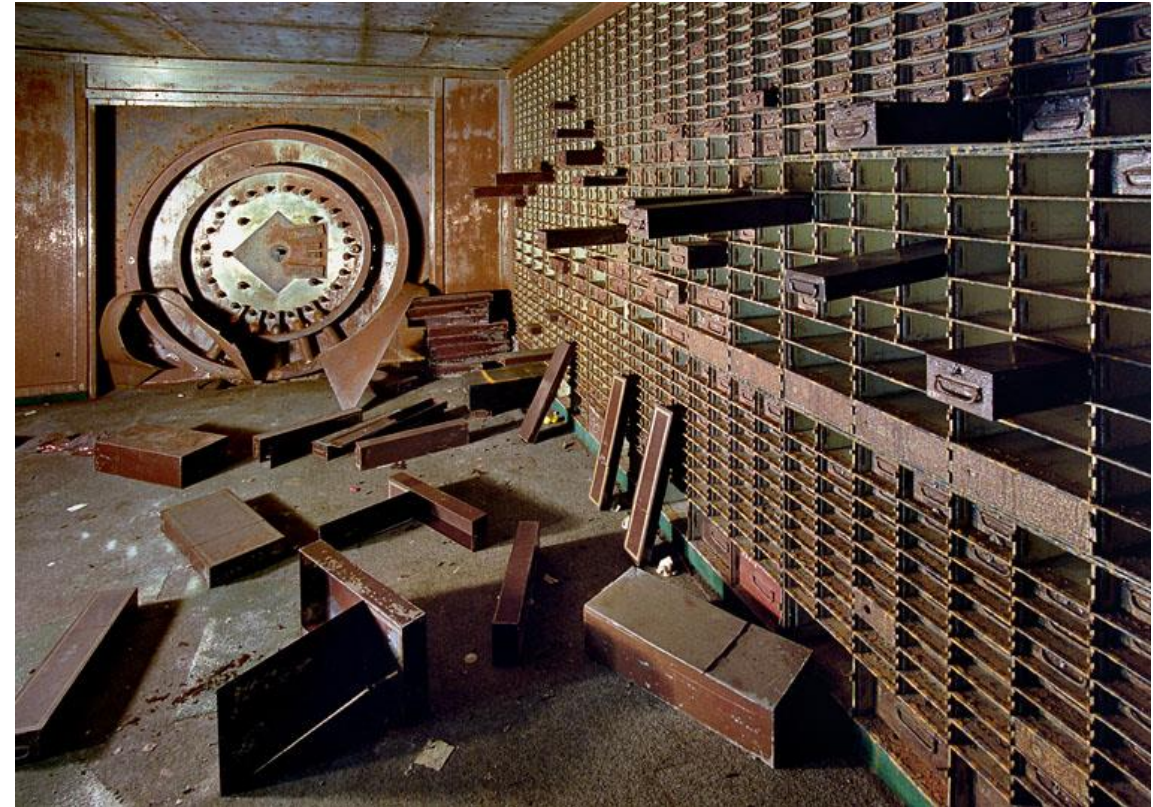
- Transportation Tech Client
  - Purchased all kinds of security products
    - AV
    - IPS/IDS
    - Firewalls
    - Anti-malware
    - Log Aggregation / SEIM
    - Threat Intelligence
  - Not enough staff to deploy / monitor
  - Appliances sat stacked in boxes for years
  - Still got hacked multiple times





# DLP

- Large Hedge Fund
- **Task:**
  - Test several top DLP products
- **Protections:**
  - Keyword detection & alerting
  - Network protocol analysis
  - “Secret” endpoint agents
  - Traffic monitoring
- Every single one was compromised / bypass in 1 day





# An Inconvenient AV Truth

## • How to most AV's work?

- Disclaimer: This is an over-simplification
- OP Code / Hex Byte Signature matching
  - Each file is read on disk (not executed)
  - The file is parsed
  - The AV searches for a known sequence of bytes

```
0074240: 5365 7276 6963 6520 4465 7363 7269 7074 Service Descript
0074250: 696f 6e00 4d69 6372 6f73 6f66 7420 4465 ion.Microsoft De
0074260: 7669 6365 204d 616e 6167 6572 0000 0000 vice Manager....
0074270: 6874 7470 3a2f 2f77 7777 2e78 7878 2e63 http://www.xxx.c
0074280: 6f6d 2f69 702e 6a70 6700 0000 0000 0000 om/ip.ipg.....
0074290: 0c00 0000 0000 0000 0000 0000 0000 0000 .....
00742a0: 9001 0000 0000 0001 0201 0000 4d69 6372 .....Micr
00742b0: 6f73 6f66 7420 5361 6e73 2053 6572 6966 osoft Sans Serif
```



# An Inconvenient AV Truth

---

- **Evasion Example Part 1**

- Example string in a file used by AV for detection:

- “fatal: cracking requires a username”

- String in bytes, aka rough AV signature:

```
66 61 74 61 6C 3A 20 63 72 61 63 6B 69 6E 67 20 72 65 71 75 69 72 65 73 20 61 20 75 73 65 72 6E 61 6D 65 0A 00
```

- Attacker changes a few bytes to change the string and evade the signature using a binary / hex editor

```
66 61 74 61 6C 3A 20 63 72 61 63 6B 69 6E 67 20 72 65 71 75 69 72 65 73 20 61 20 75 73 65 72 6E 61 6D 65 0A 00
```

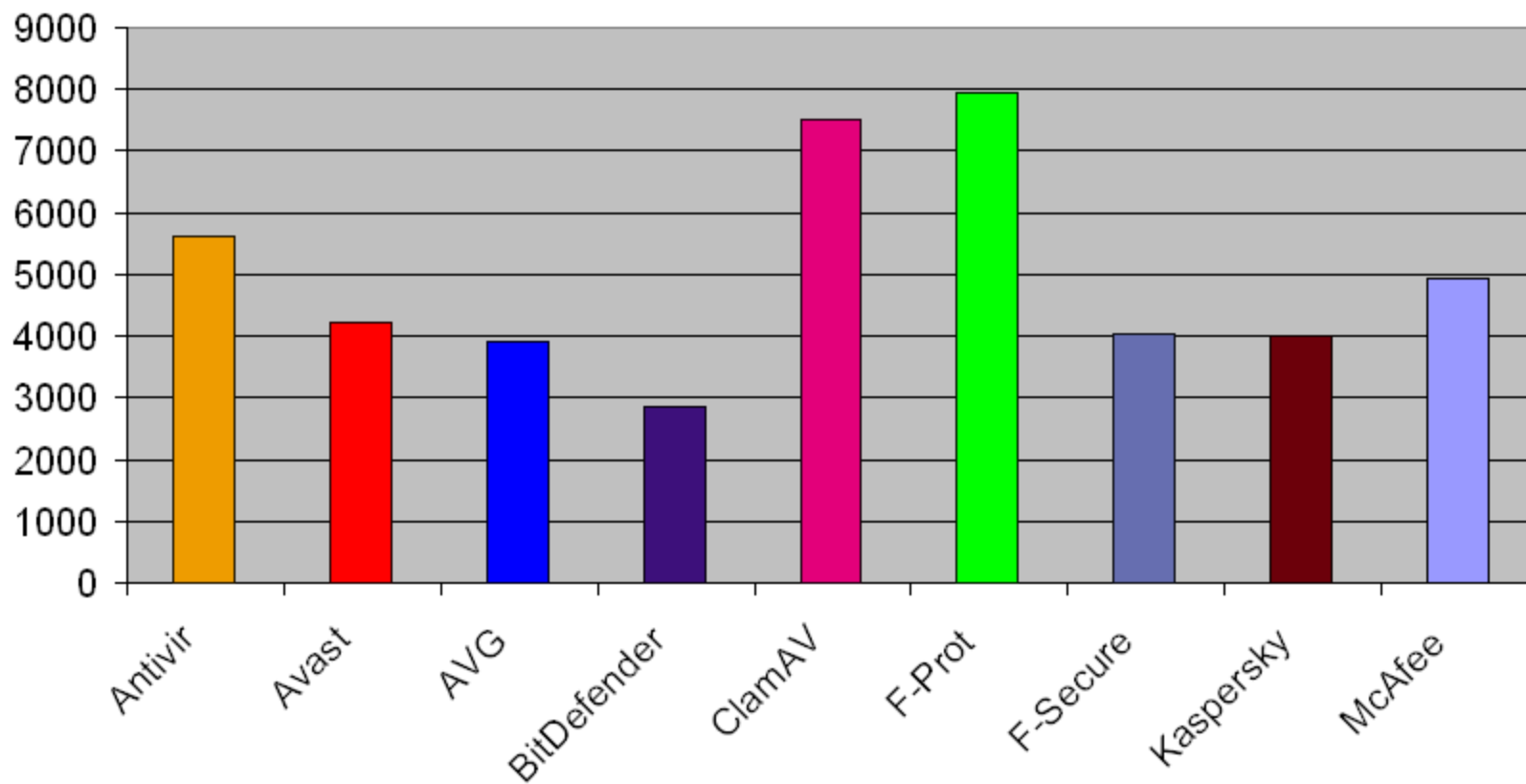
- Becomes:

```
66 61 74 61 6C 3A 20 62 72 65 62 6B 69 6E 67 20 72 65 71 75 69 72 65 73 20 61 20 75 73 65 72 6E 61 6D 65 0A 00
```



# An Inconvenient AV Truth

Undetected Files by AV Vendor Out of 31996 Samples



40% efficacy rate common



# 7th Lesson

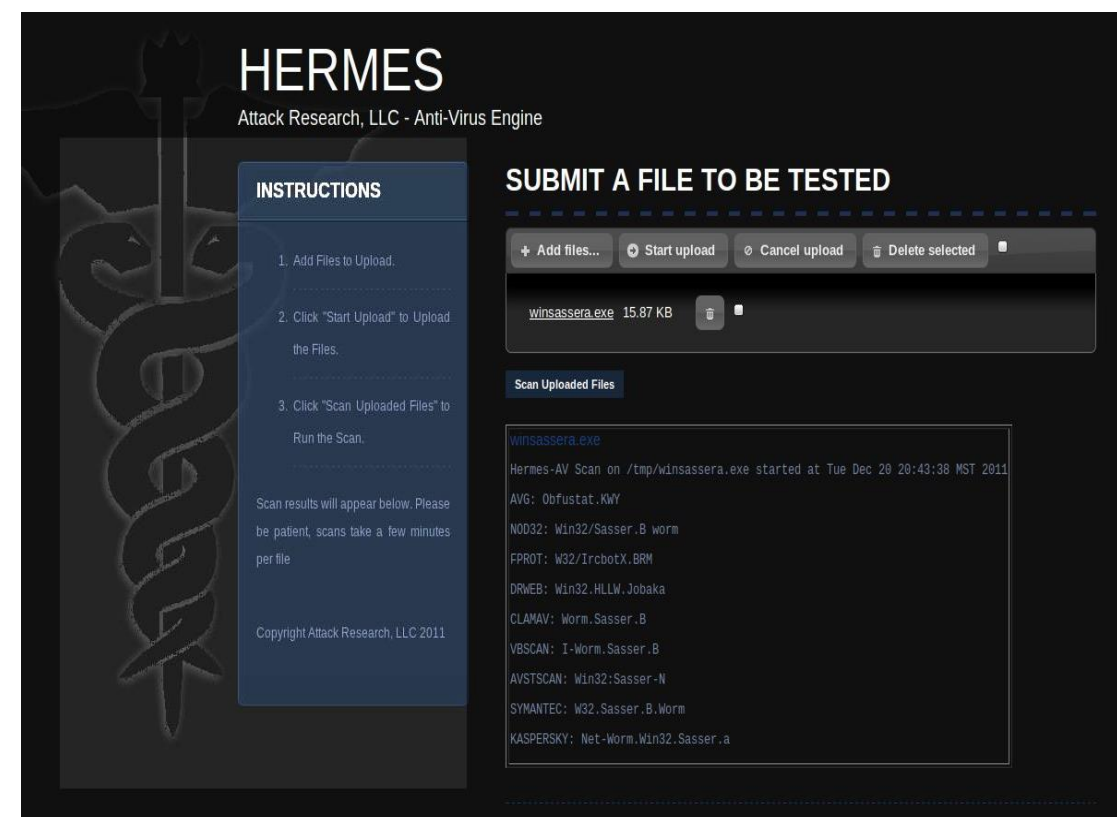
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## **Security Products Don't Work** (but you still probably need them)



# Malware Analysis

- I developed, built, submitted patent for a RE replacement
  - Dynamic / Static analysis
  - Machine Learning
  - Multi-AV Scanner
  - IOC extraction
  - Imports extraction
  - Anti-anti-analysis
- Several years of development
- ~100 customer max market



# Con Talks

- One of my first con talk slides

**HACKING** **MALWARE**


### Anti-Anti-Debugger

- Find call and jz instruction to the anti-debugger function:

```
loc_411A8C: jmp     ds:IsDebuggerPresent      sub_411A40
```

**IsDebuggerPresent**

jz rel = 0x74  
jmp rel = 0xEB



```
.text:00411A60      call     ds:IsDebuggerPresent
.text:00411A66      cmp     esi, esp
.text:00411A68      call   sub_4113B1
.text:00411A6D      test    eax, eax
.text:00411A6F      jz     short loc_411A80
.text:00411A71      push   offset aYouDieNow ; "YOU DIE NOW!\n"
.text:00411A76      call   sub_41149C
.text:00411A7B      add    esp, 4
.text:00411A7E      jmp    short loc_411A8D
.text:00411A80      push   offset aRunEvilMalware ; "Run Evil Malware Normally\n"
```

- Find location in hex editor and change to a *jmp*:

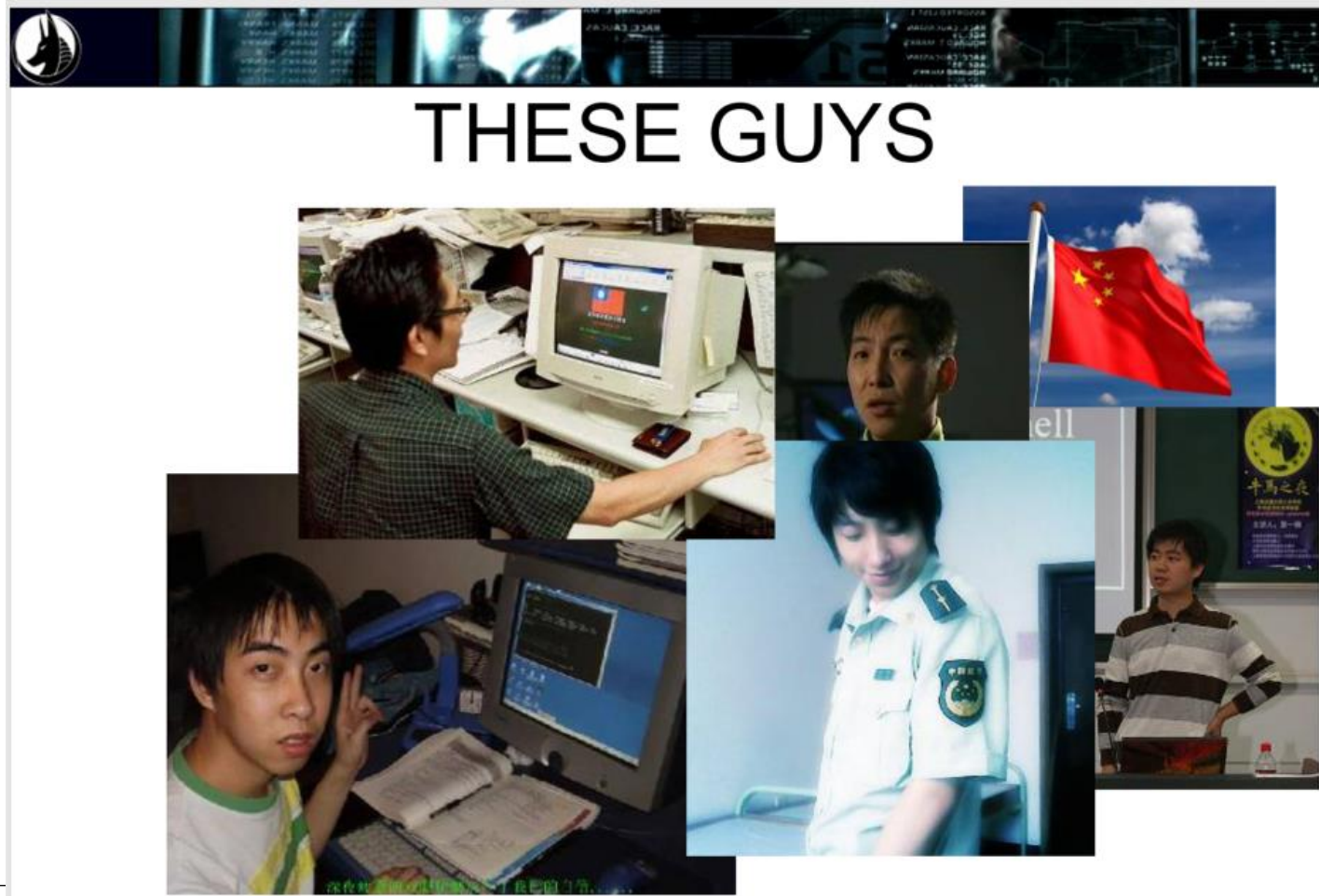
```
.text:00411A50  FF FF B9 30 00 00 00 B8-CC CC CC CC F3 AB 8B F4 " |0...+!!!!=>4i ("
.text:00411A60  FF 15 80 A1 42 00 3B F4-E8 44 F9 FF FF 85 C0 74 " $ÇiB.;(FD· à+t"
.text:00411A70  OF 68 E8 40 42 00 E8 21-FA FF FF 83 C4 04 EB 0D "mhF@B.F!· â-□d"
.text:00411A80  68 C8 40 42 00 E8 12 FA-FF FF 83 C4 04 33 C0 5F "h+@B.F□· â-□3+_"
```

9/19/2017 Slide#: 27



# Con Talks

- One of my last con talk slides





# Con Talks

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- Guess which one was more popular / higher rated?
  - Other researchers (maybe 20-40 people?) liked and respected the first set of slides
  - Everyone else assumed I was smart, but couldn't really take my research back to work with them and apply it on real business security problems
  - Other researchers didn't care about my last set of slides
  - Most of the audience found real value in the material
  - I learned to simplify and speak about concepts with broad impact rather than highly technical niche hacks



# 8th Lesson

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## **What You Think is Cool is Not Necessarily What Everyone Thinks is Cool**

(and there may be no market for it)

((but it still may have value in ways you never considered))



# Program Death

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- Worked in a 30mil \$ security program
  - Massive morale problems, non-competitive pay, no internal capability investment
  - Four core staff proposed program restructuring and solutions
  - CEO: “I couldn’t fix this if I wanted to, not a business priority”
  - Top management: “Deal with it, you won’t go anywhere, do more with less”
  - All four staff left and within one year the program completely collapsed
  - Massive unintended consequences
  - Organization is now desperately trying to rebuild it



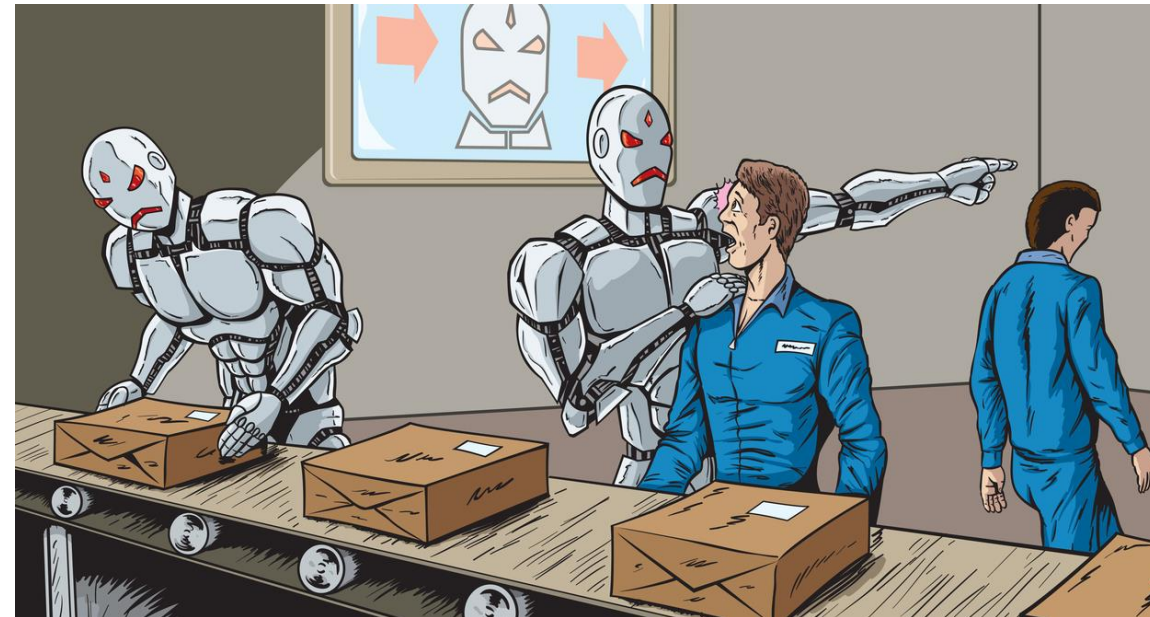
# Most Secure Client Ever

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- Major Social Media client had a best-in-class security team of over 20 people
- We conducted a 6 week attack simulation using 0days, C2 in China, hardware implants, custom tools
  - We got caught (we never get caught)
  - Within 4 hours of detection they knew everything we had done
  - Tons of custom, in-house written tools, effectively deployed products, training, monitoring staff, etc.
- A competitor hired away the entire team
- We went back three years later and they couldn't detect or stop us, nor could they determine what we had done

# Outsourcing FTW

- Major Oil Client
  - Security team of 15 people
  - Paid us for 1 year to build and automate security processes
  - The whole team quit
  - Monitoring and maintenance of what we built was outsourced to 3<sup>rd</sup> world country for 15\$ an hour
  - They have not been hacked



# Outsourcing FTW

---

- Large Hedge Fund
  - IT team of 100s
  - Very high standards for all groups (except IT)
  - Hacked everything
  - Vulnerabilities found were due to IT's failures
  - They fired and replaced ALL of IT in 1 year
  - Security increased 10x





# 9th Lesson

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## **Good Security Programs Depend on People and Can Die Quickly**

(Hold on to your key, linchpin staff)

((With deep enough pockets and strong IT, people can be replaced))

((((be careful what you recommend, they might listen to you)))





# Putting It Together

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- I have founded and run multiple security companies
- Built and operated enterprise security programs
- Consulted for Fortune 10 clients
- Reverse engineered, tracked, and analyzed countless APT and criminal attacks
- Penetrated 100's of 1000's of computers
- Built and tried to sell security products
- Trained 100s of security professionals
- What is the main lesson I have learned?



# 10<sup>th</sup> Lesson

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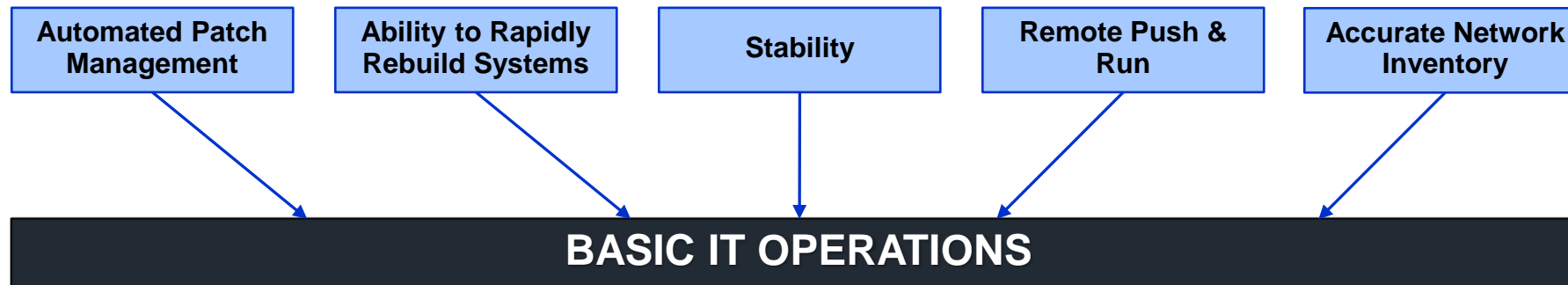
## **Strong Basic IT Operations Matter More Than Almost Any Other Security Factor**

(getting the basics done is more important than “cool”)



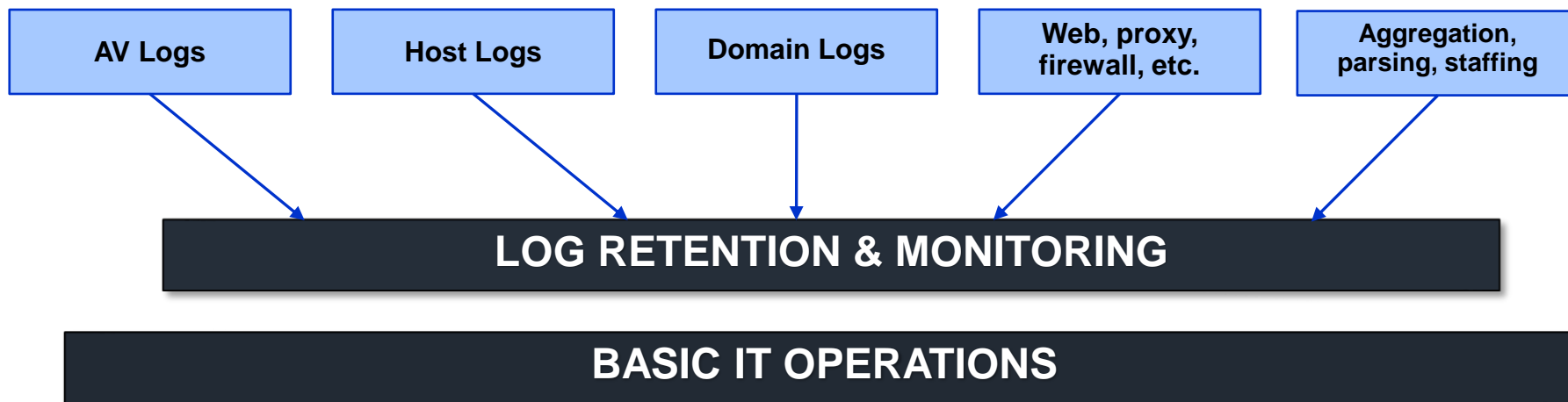
# Security Pyramid

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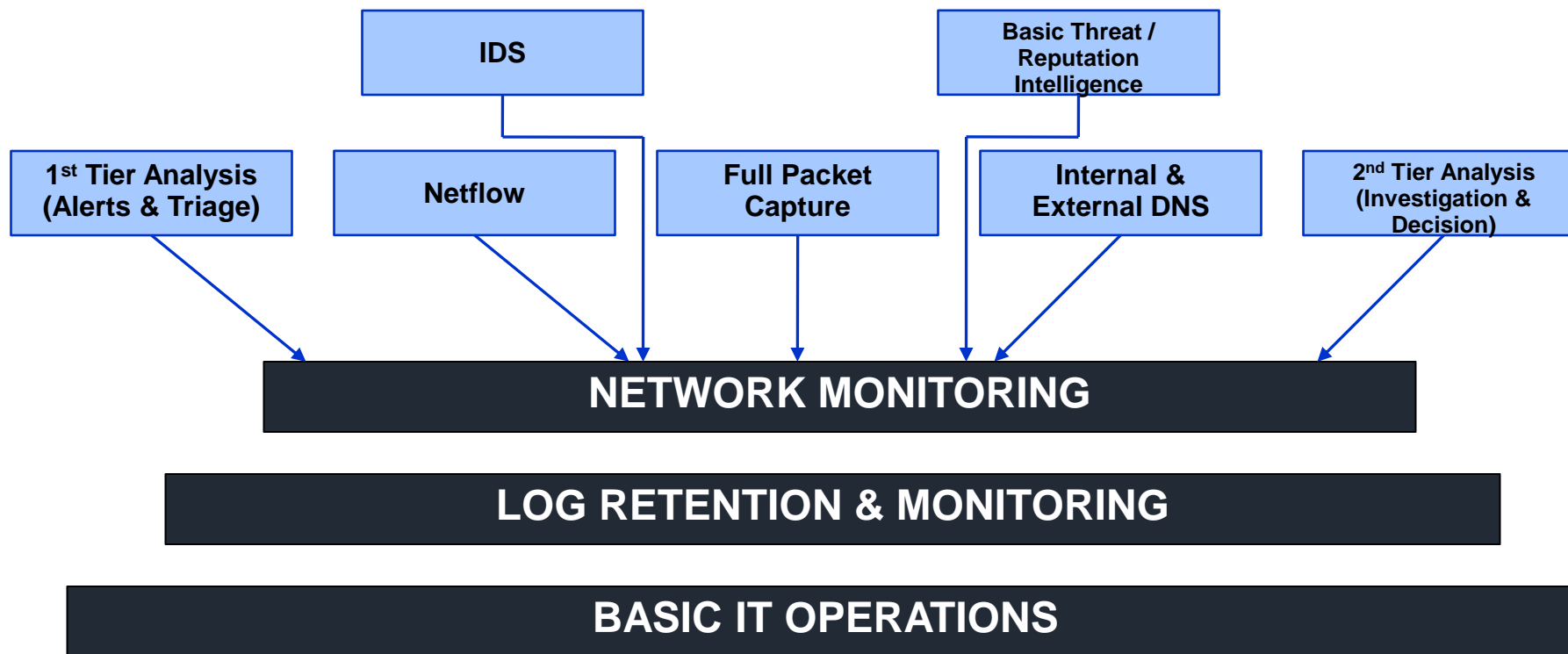


# Security Pyramid

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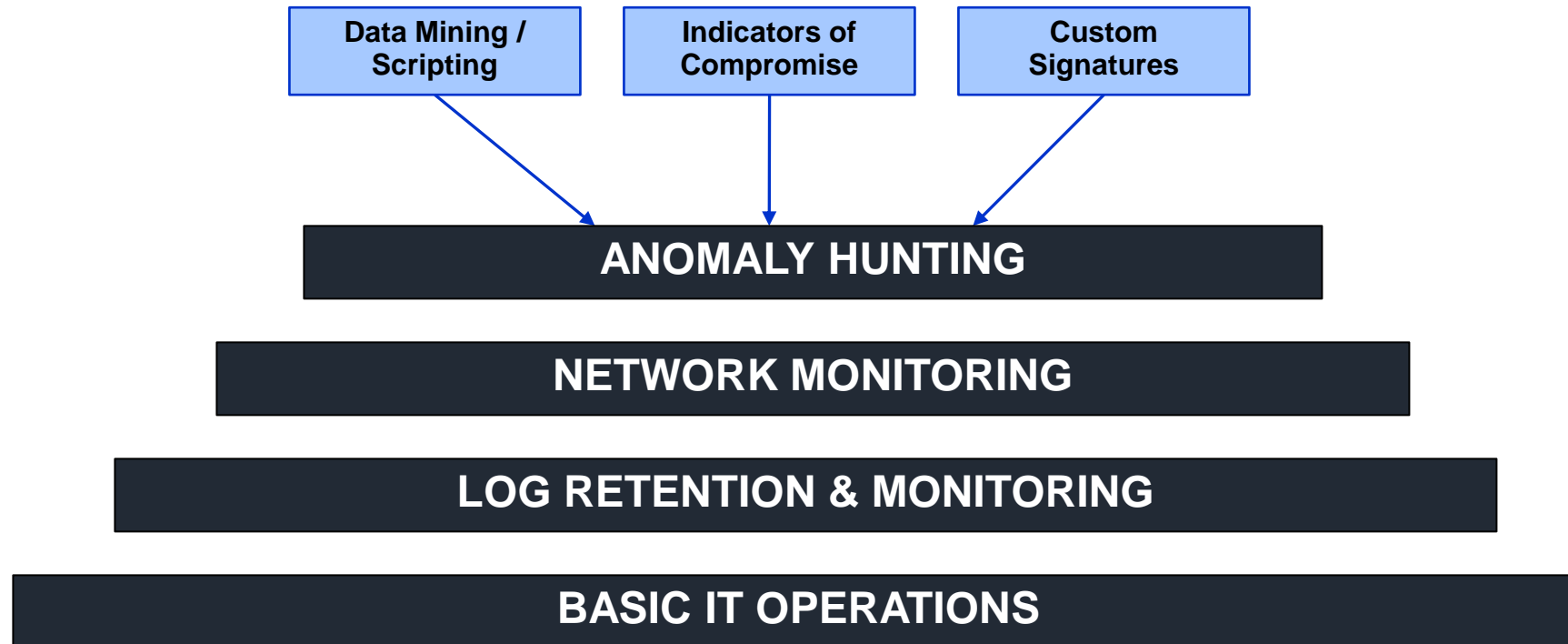


# Security Pyramid



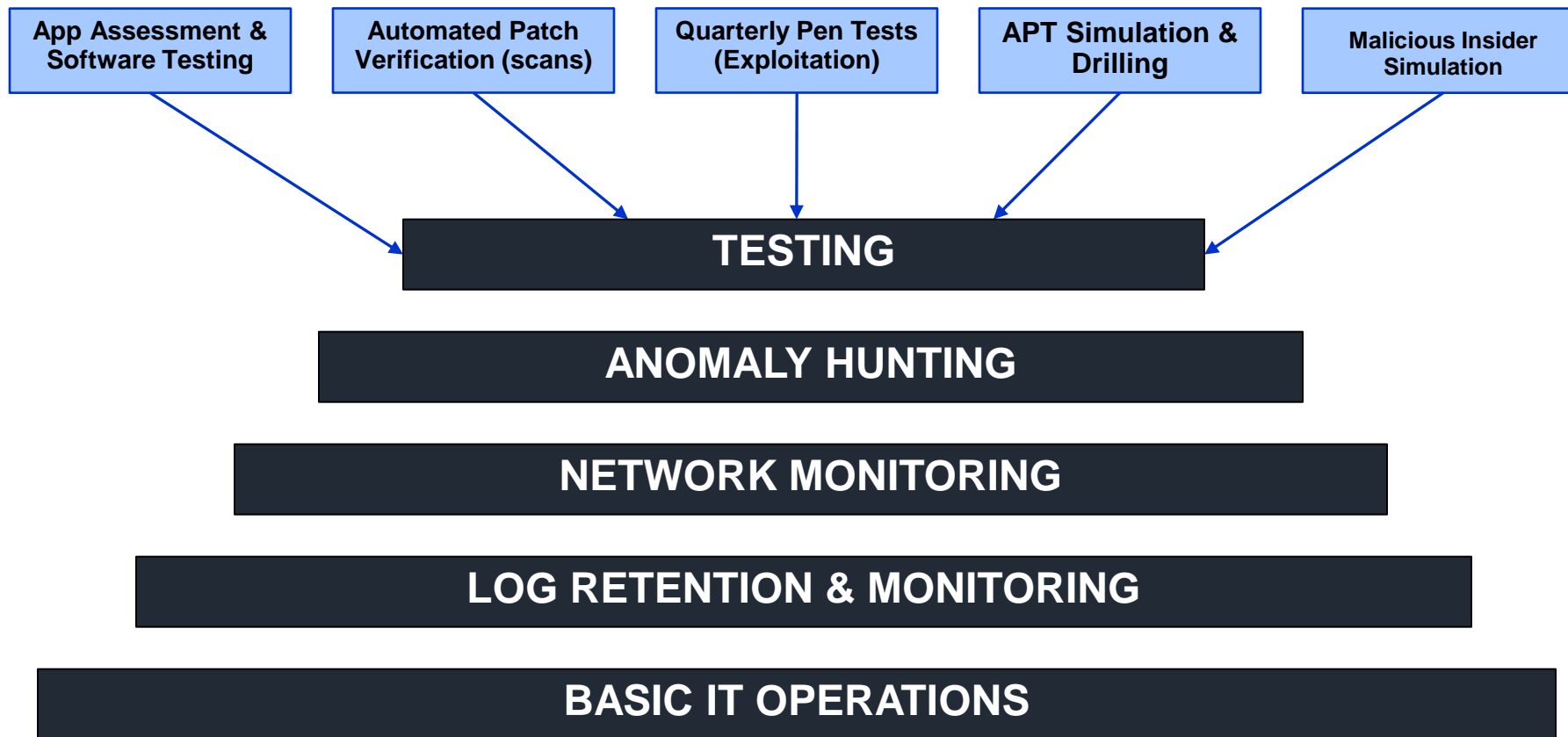
# Security Pyramid

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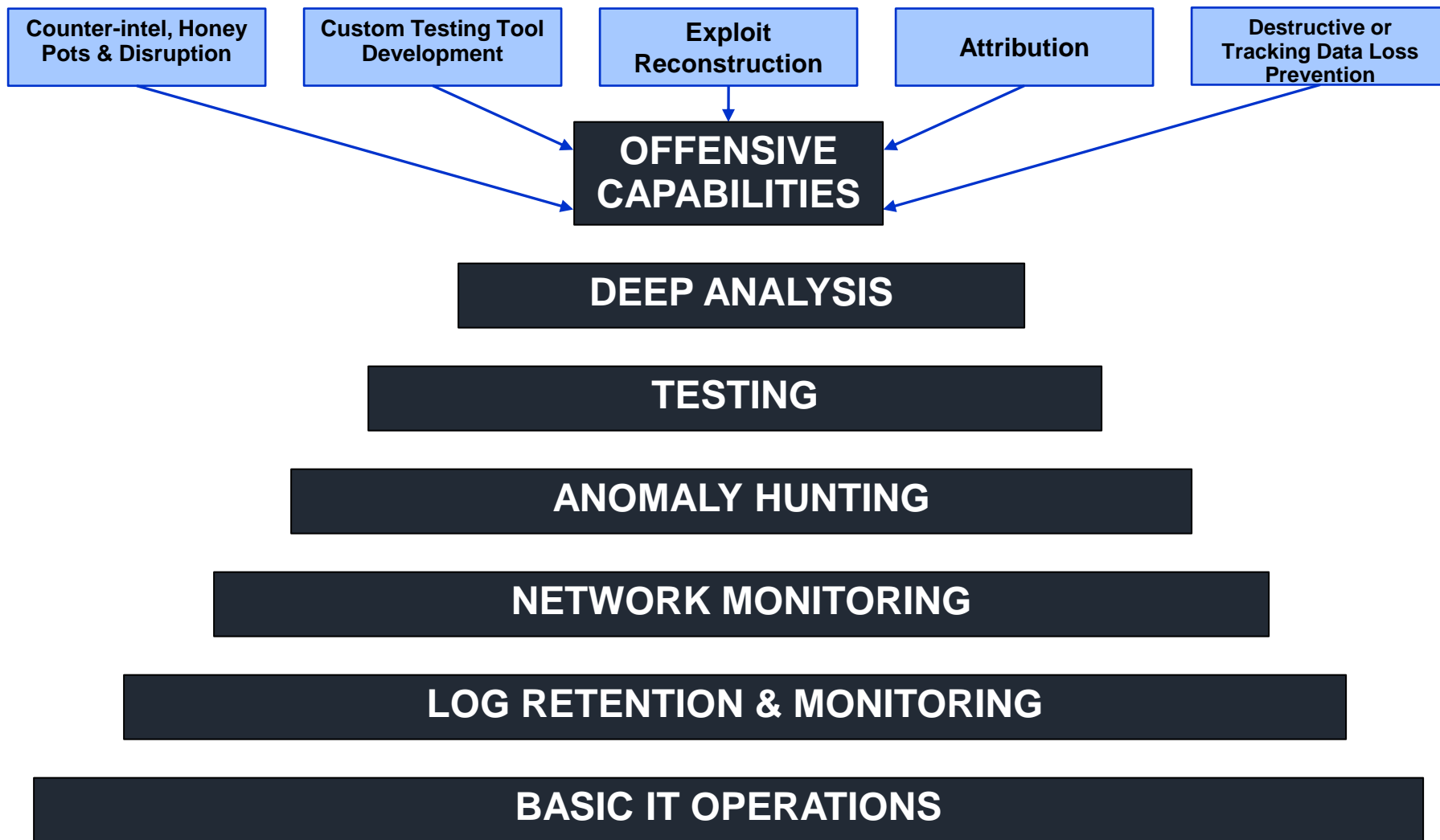


# Security Pyramid

(may belong lower down if you are a product company)



# Security Pyramid







# Lessons Recap

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- 1. Human Psychology is a Vulnerability**
- 2. If you don't physically control the computer, you can't expect security**
- 3. Take the initiation & work hard**
- 4. Everything is hackable / hacked**
- 5. Many Organizations Don't Benefit from Penetration Testing**
- 6. Valid Business Decisions Can Contradict Conventional Security Wisdom**
- 7. Security Products Don't Work**
- 8. What You Think is Cool is Not Necessarily What Everyone Thinks is Cool**
- 9. Good Security Programs Depend on People and Can Die Quickly**
- 10. Strong Basic IT Operations Matter More Than Almost Any Other Security Factor**



# Additional Lessons

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- Not all security companies / researchers are ethical
- Publicity and cons can be overrated
- Exploits / 0day are a bad return on investment
- Threat intelligence is mostly snake oil unless it includes a human component
  - Threat reduction is where its at
- Everybody is hacked but its not the end of the world (usually)
- Don't beat up security companies that get hacked too hard, there are reasons for certain vulnerabilities (ex. Lack of email encryption)
- Sales and project manager staff translate to more revenue than technical staff
- Security researchers aren't finishers
- Hire / surround yourself with people smarter than you
- IR should be drilled and treated like a routine job (3 shifts, no freakout emergencies)



# Questions?

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