



| ISS – X-Force Professional Security Services

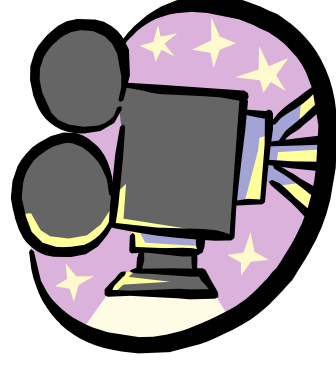
Malware: Just How Safe are You!



- Martin Overton
- Malware/Anti-Malware SME

British Computing Society - October 22nd 2009

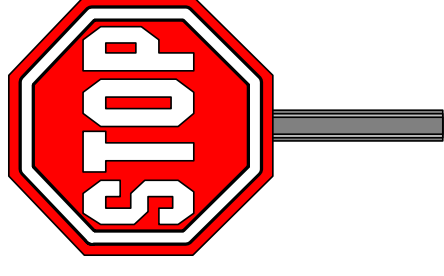
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Agenda

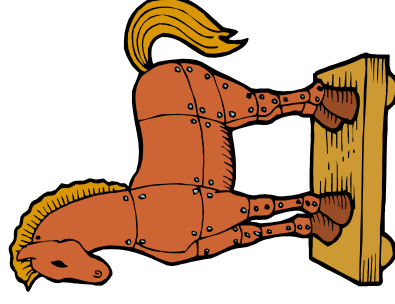
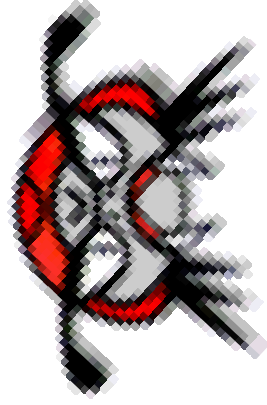
- **The Problem**
 - Malware, what it is and how it works
 - Identity Theft, Bots, Extortion & Mules
- **What can I do about it?**
- **Conclusions**
- **Questions**

Disclaimer


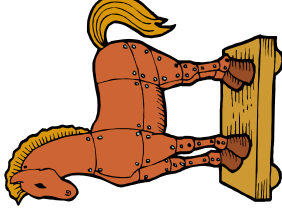
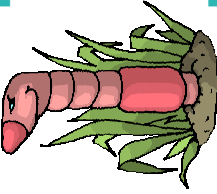


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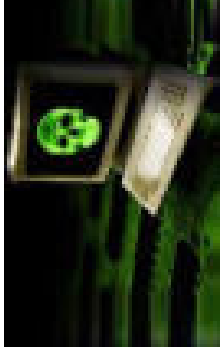
The Problem...Malware



Definitions:-

- 
 - **Virus**
"A computer program that can infect other computer programs or [system areas] by modifying them to include a copy (possibly modified) of itself." - Dr. Frederick Cohen, Computer Virus Theory & Experiments.
- 
 - **Trojan**
"A Trojan Horse is a program that does something that its programmer intended but the user is not expecting."
"Viruses must replicate to be classed as viruses and Trojans don't replicate."
- 
 - **Worm**
"A worm is a program that makes copies of itself. It may do damage and compromise the security of the computer, but it doesn't replicate by changing a hosts code or files." - "Viruses infect, worms infest"
- **Malware***
"Code that causes unwanted effects: Such as viruses, Trojans (including Remote Access Trojans (RATS)), worms and the side-effects thereof."

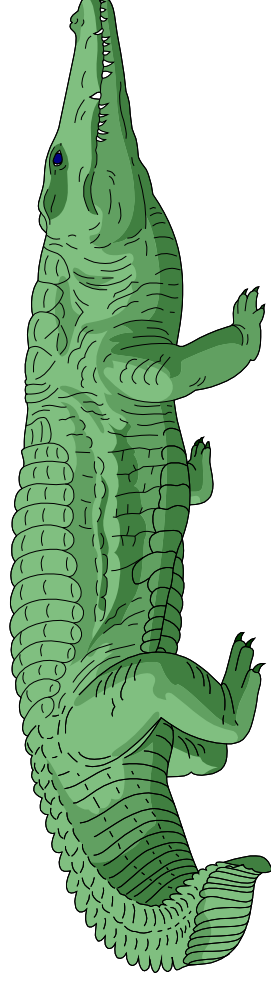
*Malicious Software



Definition:- Virus

“Viruses are an 'Urban Myth', just like the alligators that live in the New York sewers.”

Peter Norton 1988





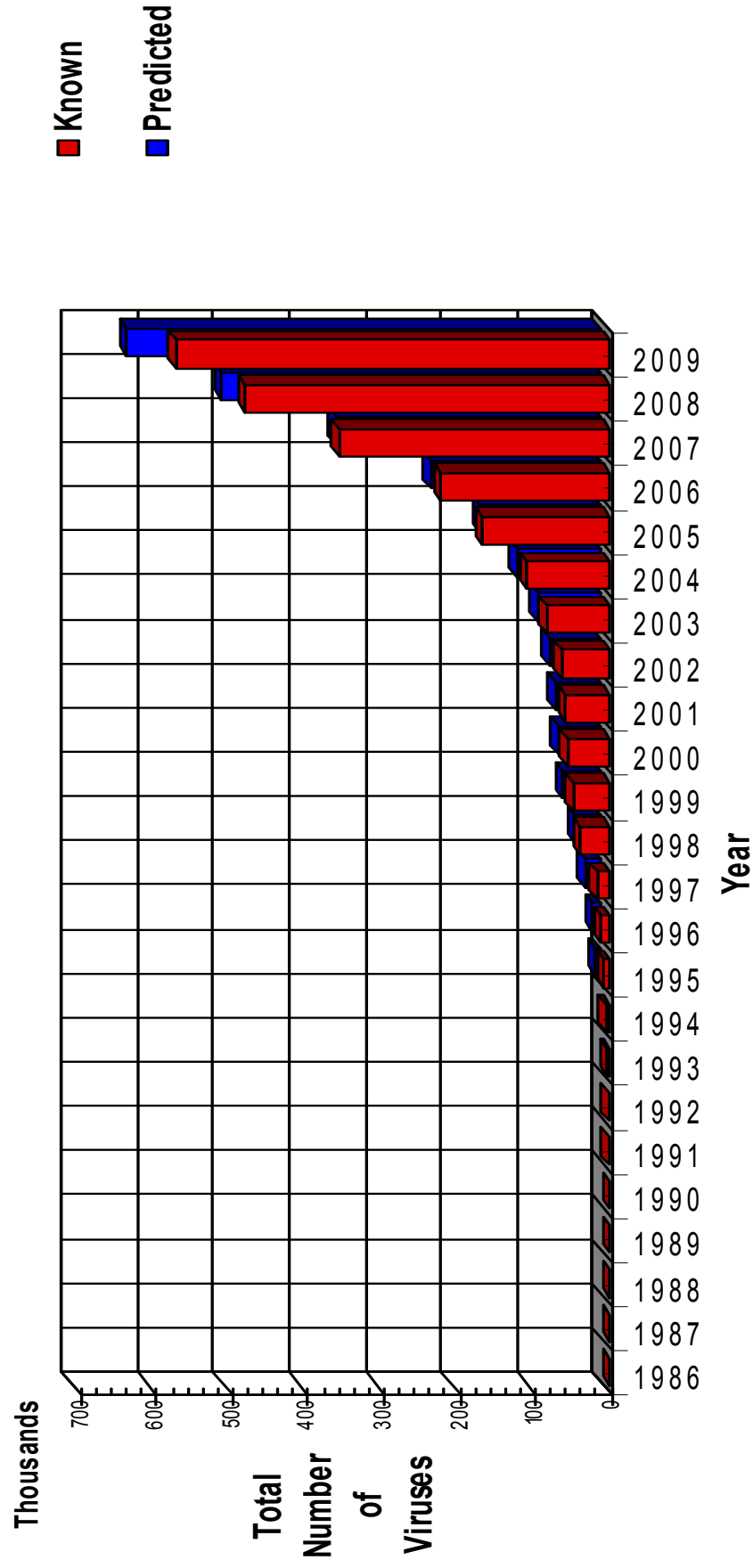
More Definitions:

- **Backdoor aka RAT**:- “A program that is installed on a victims PC to allow remote access and full control of the victims PC. They are classified as a sub-class of Trojans as they are frequently installed without the knowledge of the victim”
 - Think of it as a ‘remote control’ for the victims computer!
- **Blended threat**:- “Malware which use multiple methods (vectors) and techniques (methodologies/exploits/payloads) to propagate and attack systems and networks. (Also known as Cocktail Malware)”
 - Examples include: CodeRed and family, Nimda, Goner, Gokar, Scalper, Slapper, Klez, Yaha, etc



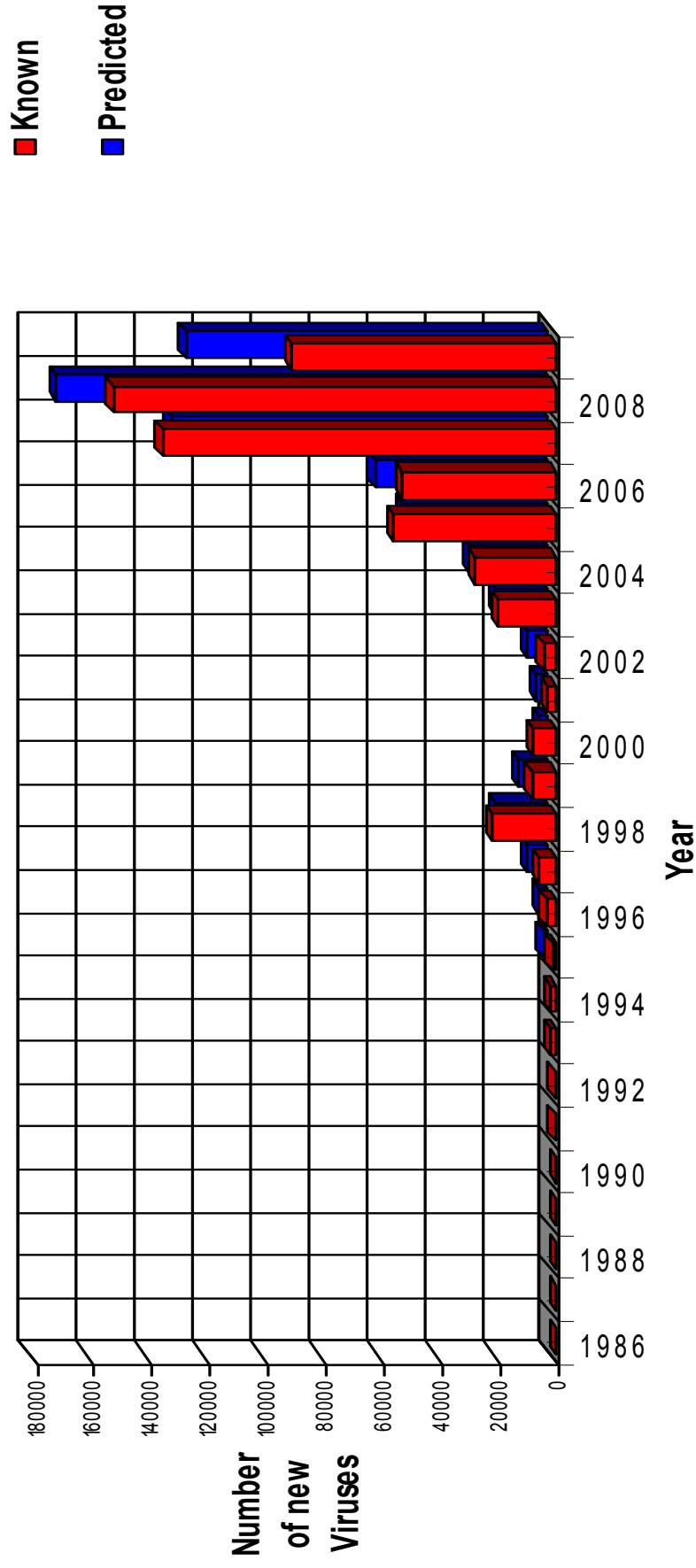


Virus Growth - Running Total (by year: actual and predicted)



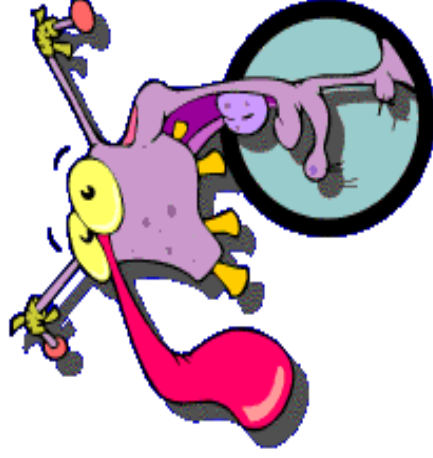


Virus Growth (Actual) (by year: actual and predicted)



The Changing Face of the Threat

- It was easy when everything was a virus...
 - File infectors
 - Boot infectors
 - Multipartite (File/Boot)
 - Macro
 - Script
- Now viruses are just one category of Malware ...
 - Viruses
 - Worms
 - Trojans
 - Backdoors
 - Bots, Zombies
 - Adware
 - Spyware
 - Blended Threats
 - Applications, Security/Hacking Tools
 - Key loggers
 - Rootkits



Why create malware?



How do they arrive or get on my PC?

- **Email (links and attachments)**
- **Websites (downloads, or via exploits)**
- **Instant Messaging (downloads, or via exploits)**
- **Social Engineering**
- **Social Networking (Twitter, Facebook, XING, LinkedIn)**
- **USB devices (including phones and ipods)**
- **Windows shares, poor passwords, exploits**
- **Floppy discs and infected files (almost any file type now, including PDFs!)**





What do they do on, and to my PC?

- **Install themselves**
- **Often disable security tools in place (anti-malware & personal firewall)**
- **Invite other malware in to party on your PC**
- **Steal data (credit card information, bank details, software keys, etc.)**
- **Install a backdoor to allow remote access/control**
- **Look for other systems to infect**
- **Join a botnet**
- **Send Spam, participate in a DDoS attack, host Phishing or Malware files or website, used to store stolen or illegal material, and so on...**
- **Delete files, registry keys, format the HD, corrupt files, hold files to ransom...**



Latest Stats



- **233% growth in the number of malicious sites in the last six months and a 671% growth during the last year.**
- **77% of Web sites with malicious code are legitimate sites that have been compromised.**
- **95% of comments to blogs, chat rooms and message boards are spam or malicious.**
- **57% of data-stealing attacks are conducted over the Web.**
- **85.6% of all unwanted emails in circulation contained links to spam sites and/or malicious Web sites.**

Virus Payload Animations

DISK DESTROYER · A SOUVENIR OF MALTA

I have just DESTROYED the FAT on your Disk !!
However, I have a copy in RAM, and I'm giving you a last chance
to restore your precious data.

WARNING: IF YOU RESET NOW, ALL YOUR DATA WILL BE LOST - FOREVER !!
Your Data depends on a game of JACKPOT

CASINO DE MALTE JACKPOT



CREDITS : 3

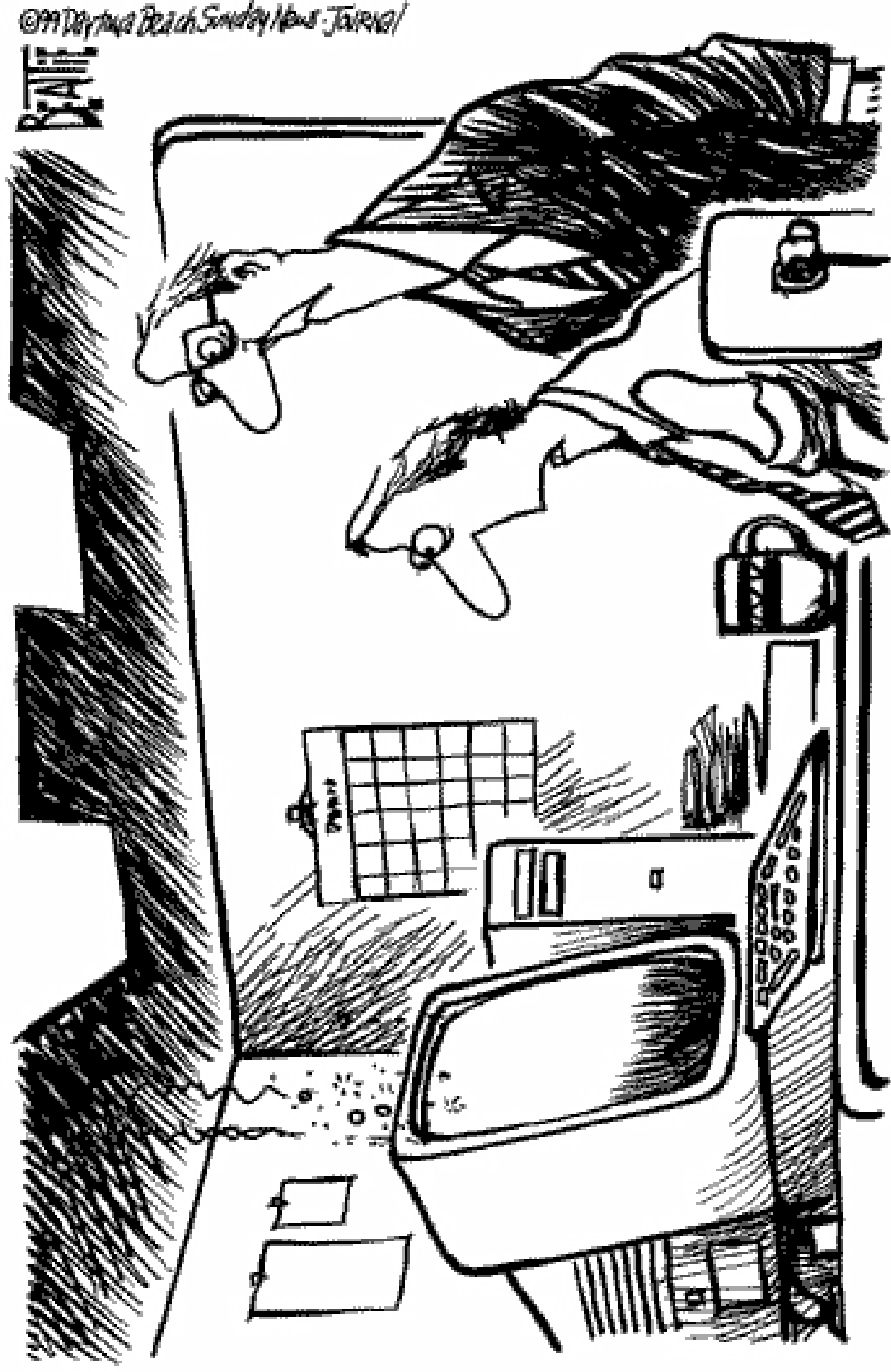
!!! = Your Disk
??? = My Phone No.

ANY KEY TO PLAY

Other Virus Screenshots



Image Copyright © F-Secure Corporation



"The virus was contained in an e-mail warning about the virus . . ."

Swen

Microsoft Critical Patch - Message (HTML)

File Edit View Insert Format Tools Actions Help

Reply Reply to All Forward Print Stop

From: MS Program Security Section [ejoyk-fyewxlm@technet.msn.com] Sent: Sat 2/18/2003 10:46 PM
 To: Customer
 Cc:
 Subject: Microsoft Critical Patch

Microsoft Customer

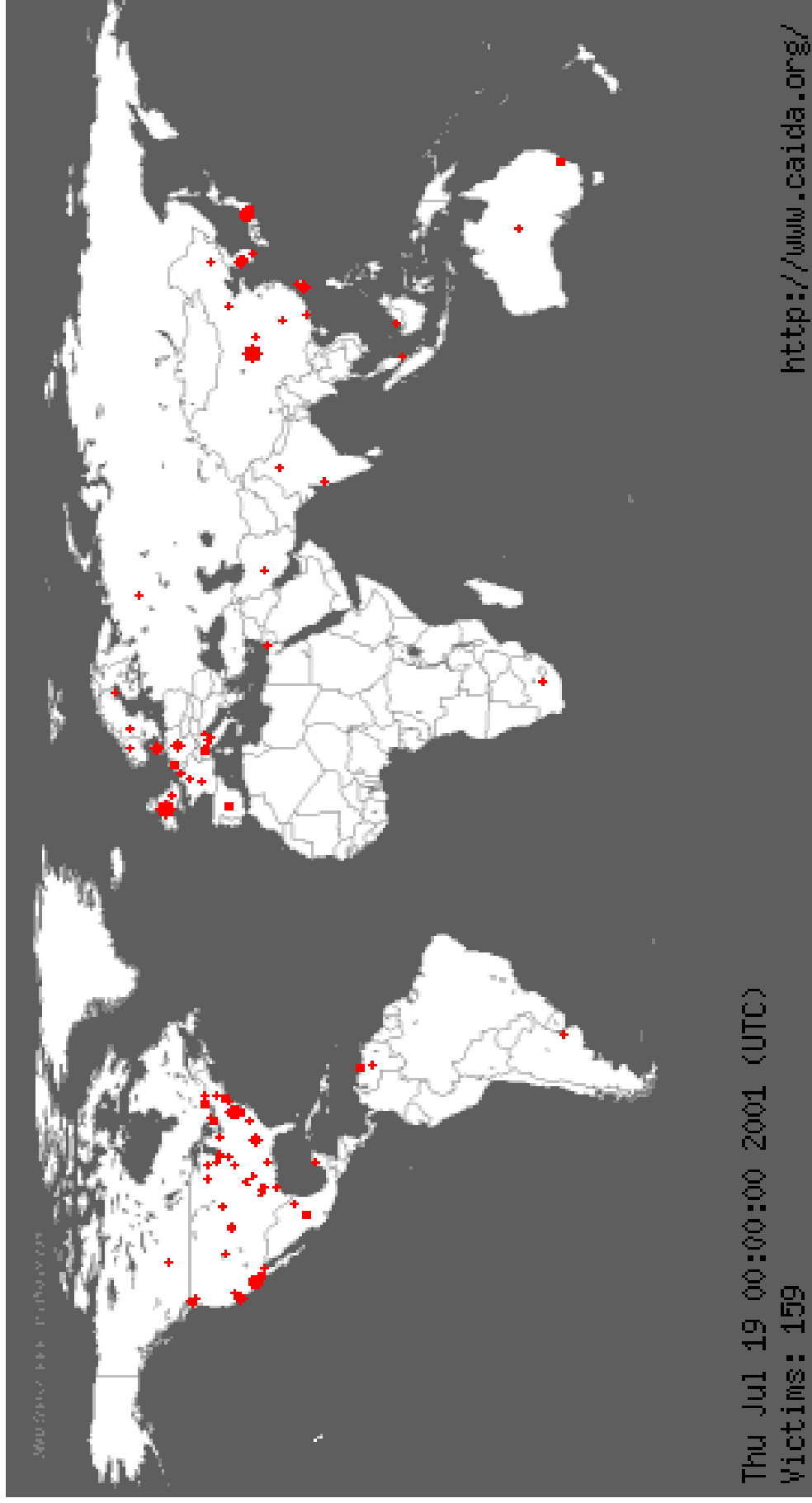
This is the latest version of security update, the "February 2003, Cumulative Patch" update which eliminates all known security vulnerabilities affecting MS Internet Explorer, MS Outlook and MS Outlook Express as well as three newly discovered vulnerabilities. Install now to maintain the security of your computer from these vulnerabilities, the most serious of which could allow an malicious user to run code on your system. This update includes the functionality of all previously released patches.

System requirements	Windows 95/98/Me/2000/NT/XP
This update applies to	MS Internet Explorer, version 4.01 and later MS Outlook, version 6.00 and later MS Outlook Express, version 4.01 and later
Recommendation	Customers should install the patch at the earliest opportunity.
How to install	Run attached file. Choose Yes on displayed dialog box.
How to use	You don't need to do anything after installing this item.

Microsoft Product Support Services and Knowledge Base articles can be found on the [Microsoft Technical Support](#) web site. For security-related information about Microsoft products, please visit the [Microsoft Security Advisories](#) web site or [Contact Us](#).

InstallB.exe (142KB)

CodeRed Spread

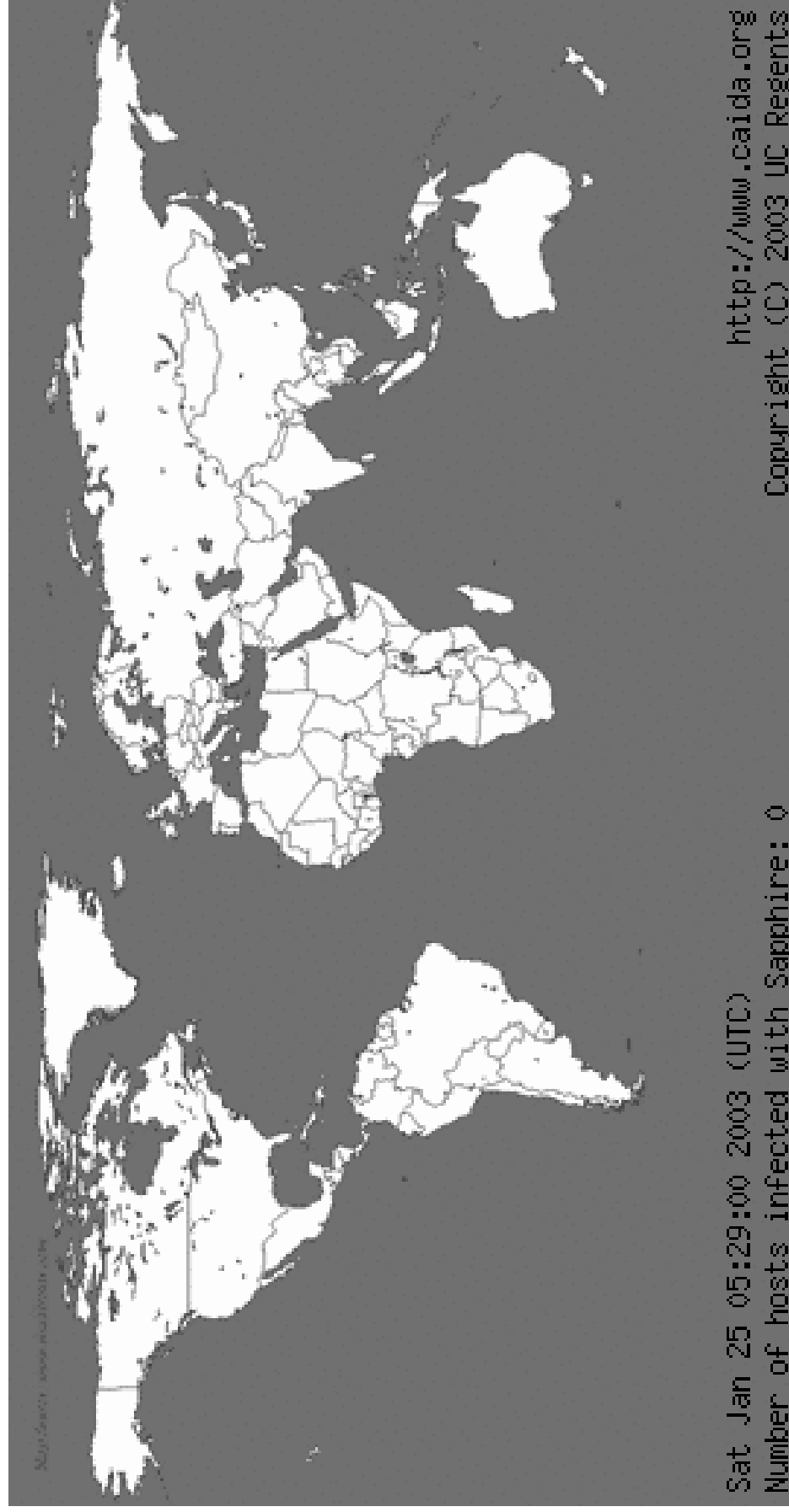


The Slammer Worm

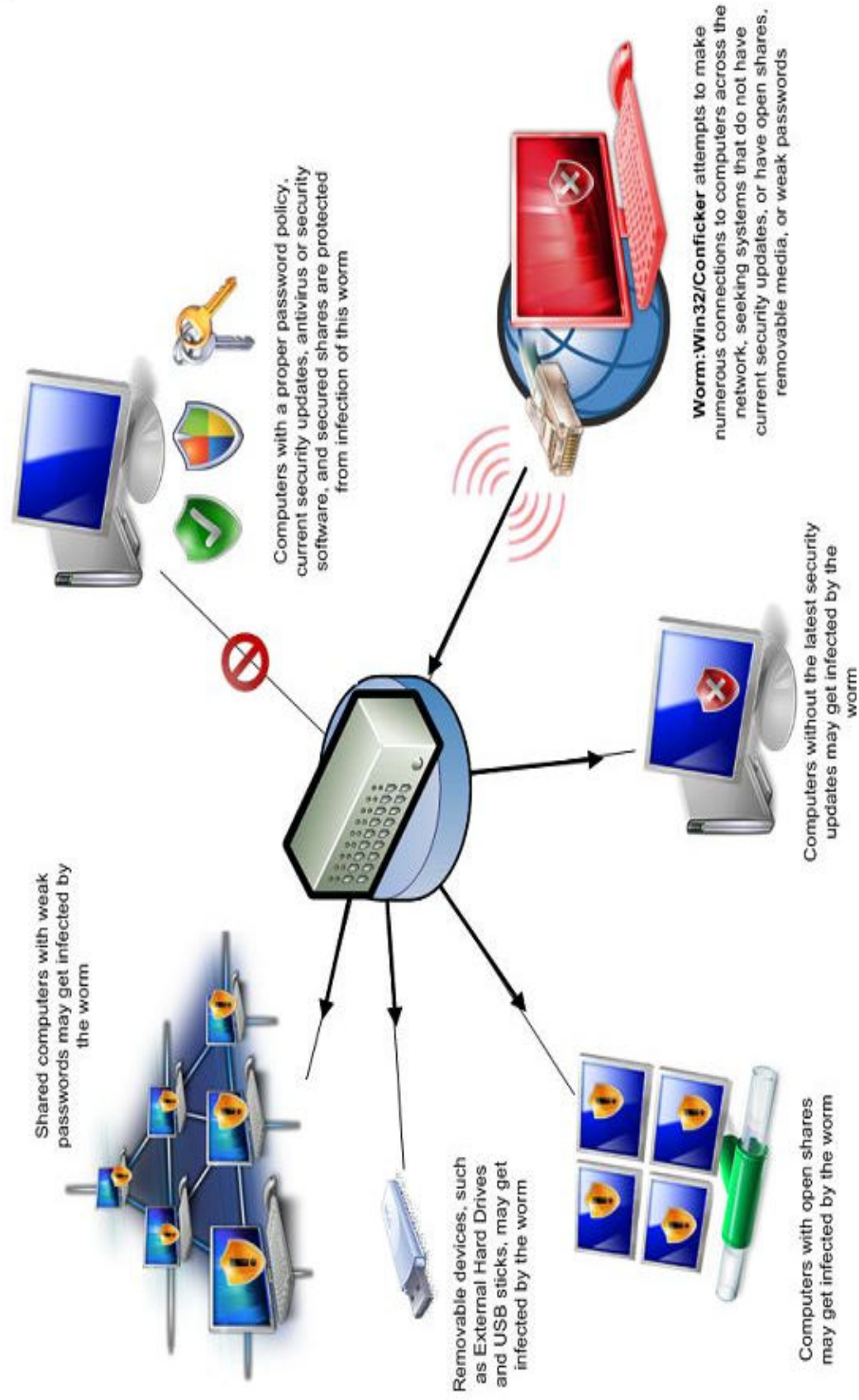
- **Exploited a well-known Windows bug for which a patch already existed**
- **If a vulnerable box receives a single infected 376-byte packet, it becomes infected**
- **Once a machine is infected, it uses all available bandwidth to fire out infected packets to random addresses**
 - 100 Mb connection = 30,000 infected packets per second
- **Most vulnerable machines infected within ten minutes**
- **Slammer carried no payload**
 - Mayhem caused by the traffic levels it generated
 - Brought down ATM machines
 - Grounded airliners
 - Caused power outages (allegedly)



Slammer Spread

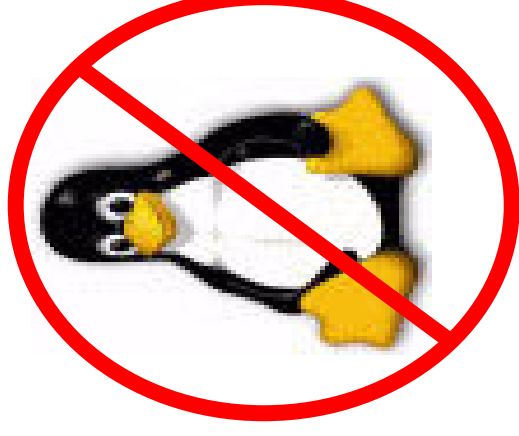


Converged Threat – Conficker (aka Downadup)



Linux Viruses

- **Fastest growing operating system**
 - Linux OS gaining popularity
 - Increased Linux deployment
- **Linux virus growth increase**
 - 50 known viruses in 2001
 - Over 5,000 current known viruses (source: Trend Micro)
- **Protection more complex than WinXX**
 - OS kernel level consistency (RTS)
 - AV vendor reluctance to support multiple and easily modified kernels





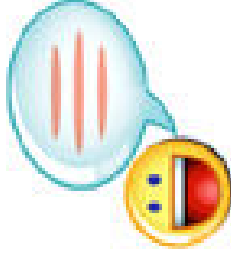
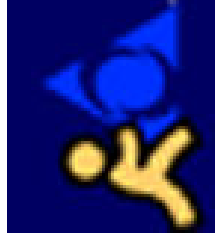
OSX/Leap-A aka OSX/Ooempa-A

- Infects Mac OS X Operating System.
- The worm makes use of the Spotlight search program, included in OSX, and will run each time the machine boots.
- Uses iChat to send the infected file – latestpics.tgz – to all contacts on the infected user's buddy list.



Instant Messaging & Internet Relay Chat

- Many malware now include IM as an infection vector
- Most use port 80, which is next to impossible to restrict unauthorized outbound traffic.
- Many bots now spread via IM.
- Bypasses Gateway AV.
- Vulnerable to hackers.
- Weak (or no) encryption.
- Mainly rely on Social-Engineering

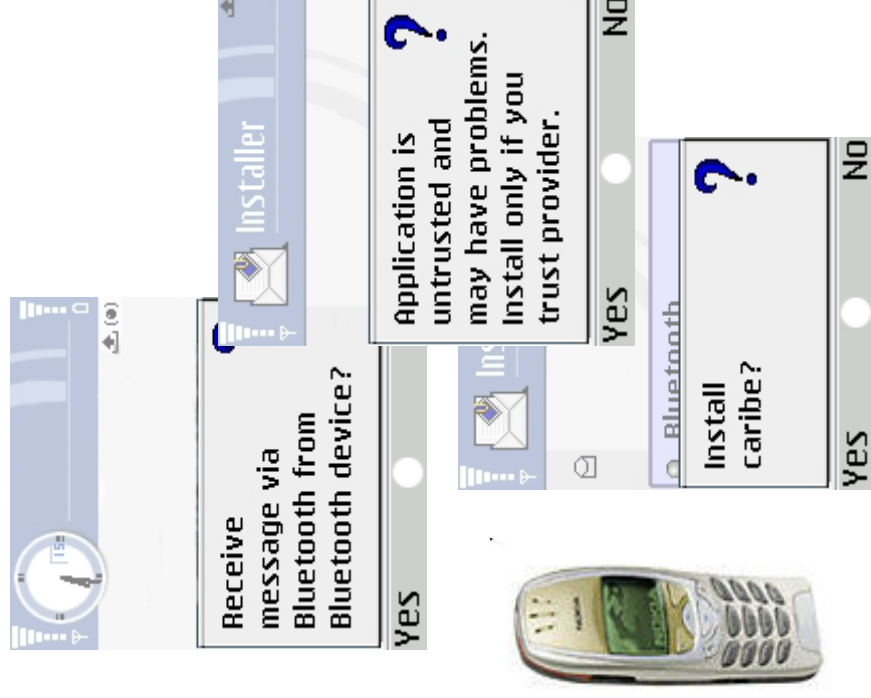


Mobile/Cabir

- This proof-of-concept worm spreads through BLUETOOTH-enabled devices.
- When it arrives, a series of messages appear. These messages warn the user of the possible malicious nature of the file before finally being installed.

This worm has its Product ID set to (0x101F6F88), which basically targets Series 60 v0.9. The said setting is the most common and conservative choice for a basic application because it is compatible to all existing Series 60 devices.

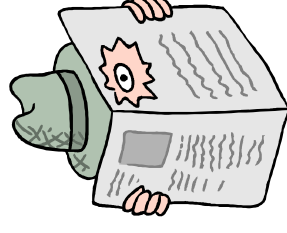
Marib – Cabir with MMS functionality too...



Some Series 60 devices are as follows:

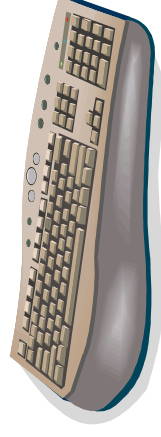
Phones based on Nokia Series 60 Developer Platform 2.0 (Nokia 7610, Nokia 6620, Nokia 6600, Panasonic X700)

Phones based on Nokia Series 60 Developer Platform 1.0 (Nokia 7650, Nokia 3650, 3600, Nokia 3660, 3620, Nokia N-Gage, Siemens SX1, Sendo X)

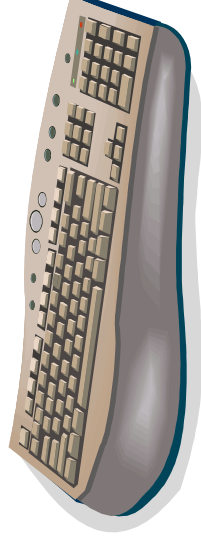


More Definitions:

- **Spyware:**- the generic name for any application that may track your online and/or offline PC activity and is capable of locally saving or transmitting those findings for third parties sometimes with but more often without your knowledge or consent.
 - Spyware comes in many forms including adware, key loggers, Trojans, browser hijackers, and diallers.
- **Keylogger:**- a type of system monitor that has the ability to record all keystrokes on your computer. Therefore, a keylogger can record and log your e-mail conversations, chat room conversations, instant messages, and any other typed material. They have the ability to run in the background, hiding their presence.



Spyware - Key Logger - Example

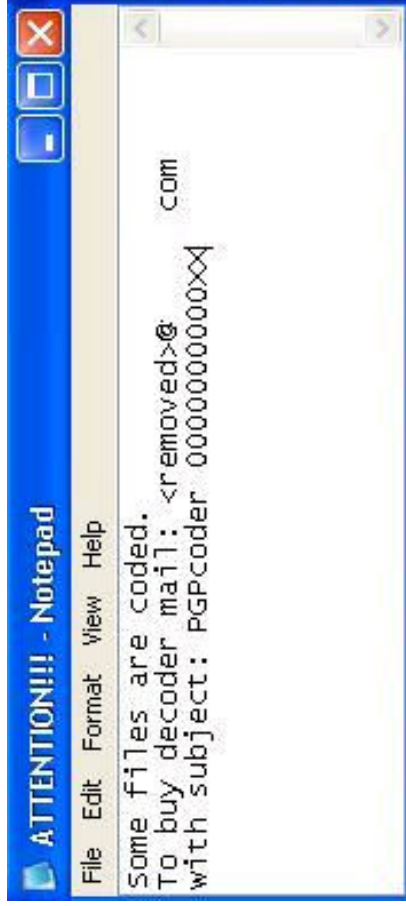


What a great program!

This was just an outstanding program. I've had no problems with it running, and had no problems installing it. This program ran in the background under stealth mode and let me catch my cheating husband in the act of sending emails and instant messages to his mistress. He never even suspected the program was on the computer.

I highly recommend this program if, like me, you are looking to catch a two-timing rat. We are now divorced, and needless to say, the program has paid for itself many, many times over.

Malware extortion





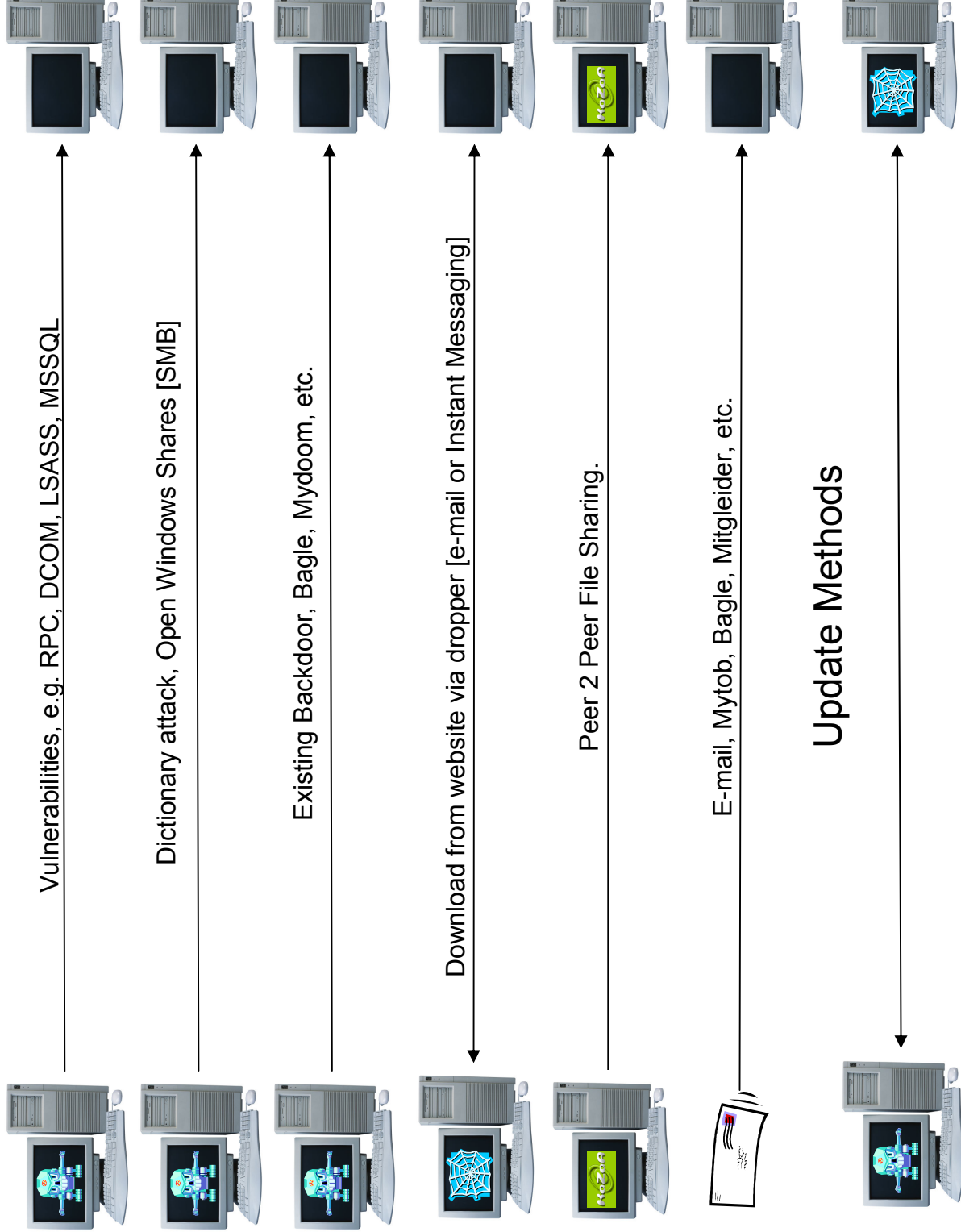
Definitions:-

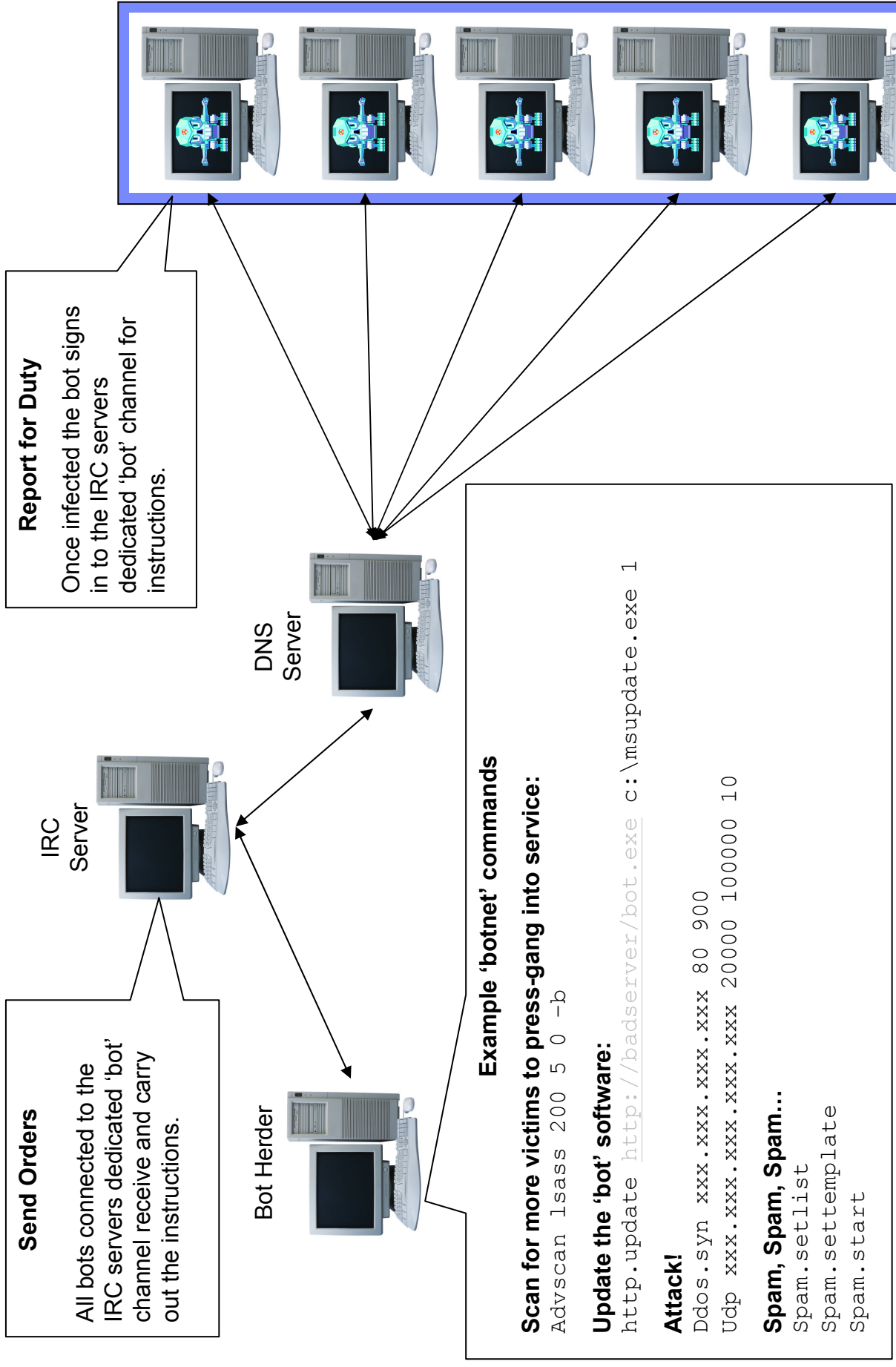
- *Bot*
 - 'Bot' is a contracted (truncated or short) name for a software robot. A bot is a piece of software that allows a system to be remotely controlled without the owner's knowledge; it can also be used to automate common tasks such as on IRC aka drone or zombie.
- *Botnet*
 - A group ['Herd' or 'Network'] of Zombie systems controlled by the 'Bot Herder'. These botnets are told what to do by the botnet owner. This can be anything that the bot has been programmed to do....including updating itself or installing new malicious software.
- *Bot Herder*
 - The person [or group] which "own" and control a herd of bots. Also known as the Bot Master aka Zombie Master.

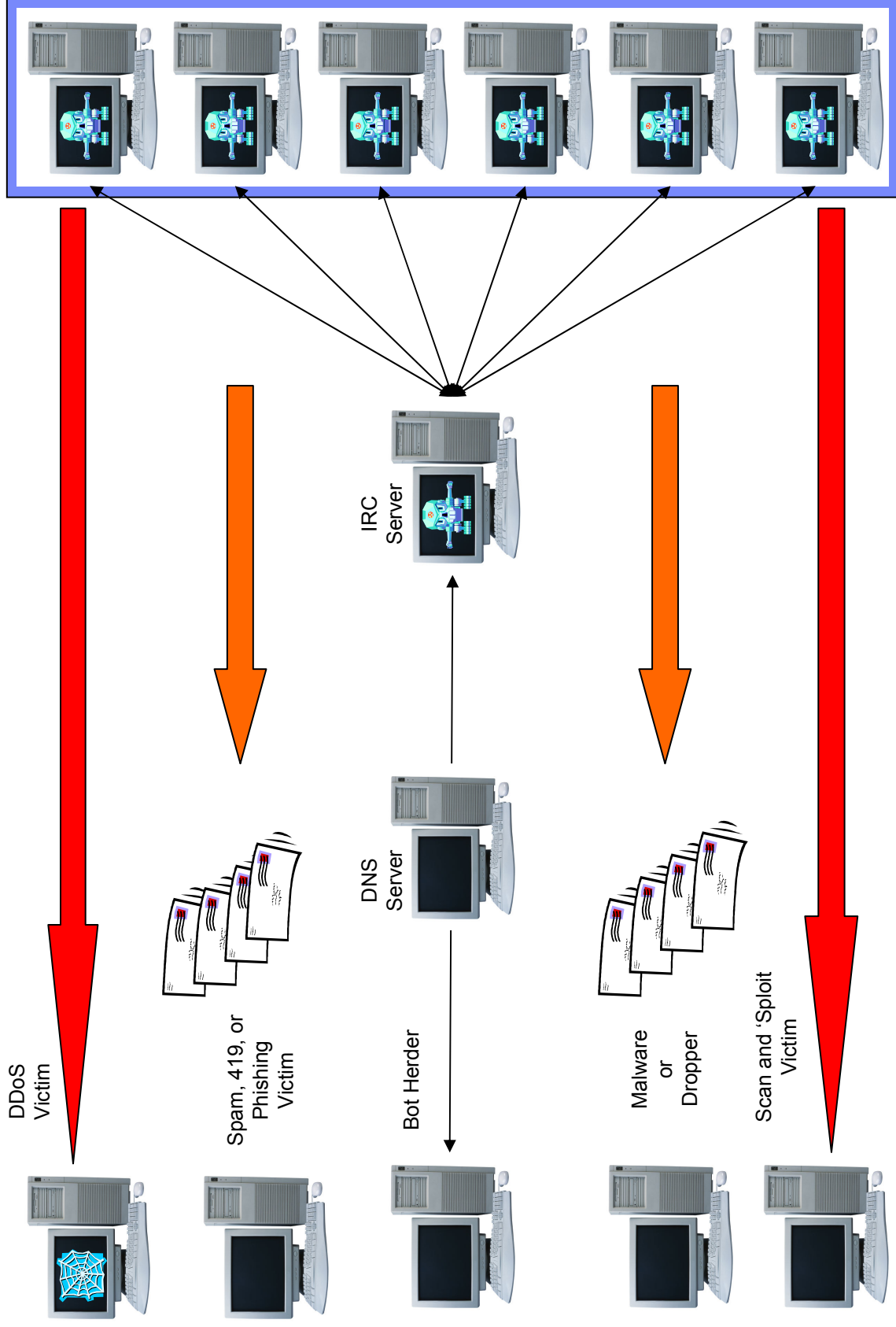


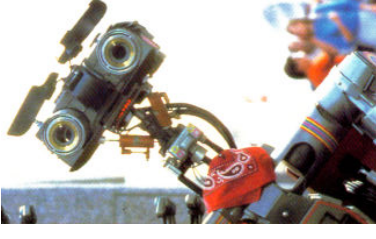
Definitions:-

- *DDoS [aka Distributed Denial of Service]*
 - A distributed denial-of-service attack is an attack on a computer system or network from multiple co-ordinated systems connected to the same network which are performing a denial of service attack.
- *IRC*
 - Internet Relay Chat (IRC) is a form of instant communication over the Internet. It is mainly designed for group (many-to-many) communication in discussion forums called channels, but also allows one-to-one communication.









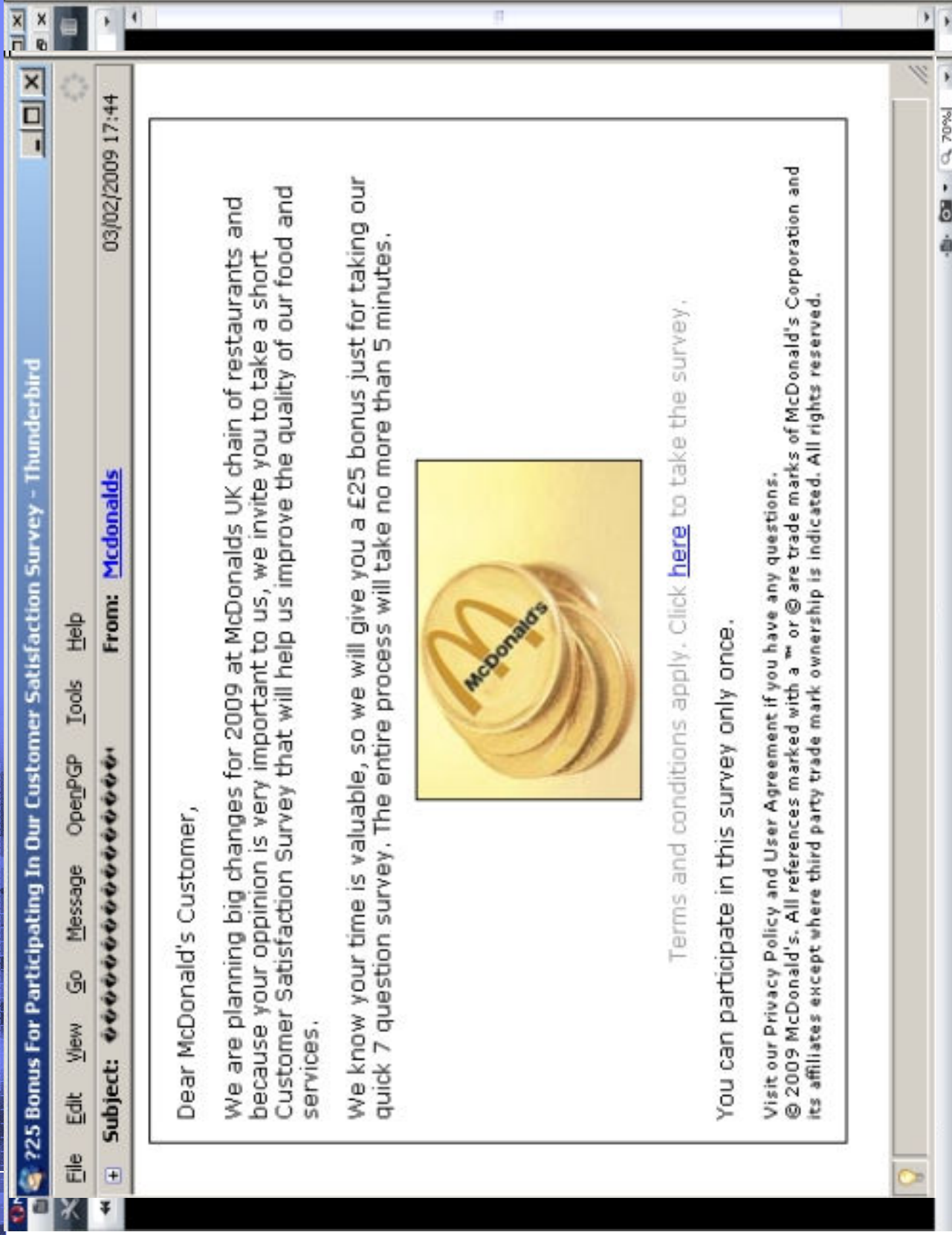
Size of the Problem

- **The Honeynet project entitled: “Know your Enemy: Tracking Botnets”**
 - Logged 226,585 unique IP addresses logging into one of the IRC botnet C&C channels.
 - Botnets ranged in size from several hundred ‘zombies’ to more than 50,000 ‘zombies’.
 - They observed 226 DDoS attacks against 99 unique targets.
 - Typical size of a botnet: 2000+ bots [‘zombies’].
 - From this data they worked out that the number of bots required to successfully DDoS a typical company were just 13. This assumes that the company is on a T1 [1.544Mbit] and that each ‘zombie’ has a 128Kbit link [128Kbit x 13 = 1.664Mbit].

Definition:- Phishing

- The art of using social engineering to encourage the user to divulge information
- The user receives an email directing them to a website which looks official, but isn't!
- The user is encouraged to enter account details, passwords etc.






The screenshot shows a Thunderbird email window titled "?25 Bonus For Participating In Our Customer Satisfaction Survey - Thunderbird". The email header includes the date "03/02/2009 17:44" and the sender "From: [Mcdonalds](#)". The main body of the email contains the following text:

Dear McDonald's Customer,

We are planning big changes for 2009 at McDonalds UK chain of restaurants and because your opinion is very important to us, we invite you to take a short Customer Satisfaction Survey that will help us improve the quality of our food and services.

We know your time is valuable, so we will give you a £25 bonus just for taking our quick 7 question survey. The entire process will take no more than 5 minutes.



Terms and conditions apply. Click [here](#) to take the survey.

You can participate in this survey only once.

Visit our Privacy Policy and User Agreement if you have any questions.
© 2009 McDonald's. All references marked with a ™ or © are trade marks of McDonald's Corporation and its affiliates except where third party trade mark ownership is indicated. All rights reserved.

The Darker Side Of Phishing

- Recently phishing scams have moved on from simply stealing your bank details to installing malware on your PC!

Log Out | Help

My Account Send Money Request Money Merchant Services Auction Tools

VGuard V.10 Download Pay for eBay Items

Secure Transaction

VGuard Download Page

VGuard V.10 the new eBay and PayPal protection software against fraud , unauthorized eBay listings , unauthorized PayPal money transfer and much much more.

Click below to download VGuard V.10 software.

Quick Easy Access to eBay!

eBay Toolbar includes:

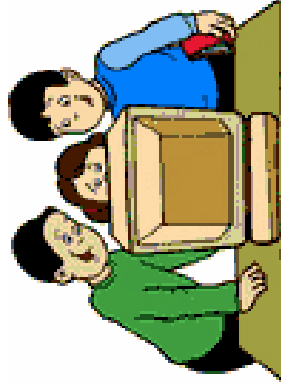
- Account Guard protection
- Timely alerts for buying and selling
- Handy search box

2.6 MB
FREE
Download
No Spyware!

Download Now!

Mules

- **Why store things on my computer, when I can store them on yours?**
 - Broadband makes this feasible
 - Easy to do with a Trojan



BBC NEWS UK EDITION

Last Updated: Monday, 14 July, 2003, 10:42 GMT 11:42 UK

E-mail this to a friend

Printable version

Home PCs suffer porn hijack

If your home computer is a Windows PC with a broadband link it might be acting as a middleman for pornographers advertising their wares.

Security experts are warning about a malicious program that helps pornographers hide their tracks by hijacking home PCs to work on their behalf.




Spammers could be borrowing your computer

Identity and IP Theft

- **Identity is easy to steal**
 - Given access to a machine
 - All your life is there!
 - Very hard to recover from
- **Theft of corporate data [Intellectual Property]**
 - Sold to your competitors
 - Beat you to the sale
 - Copy/Steal your product designs, etc.
- **Tools – Trojan, spyware, key logger, bot**

BBC NEWS UK EDITION

Last Updated: Monday, 21 July, 2003, 19:49 GMT 20:49 UK

 [E-mail this to a friend](#)

 [Printable version](#)

Identity theft explodes in US

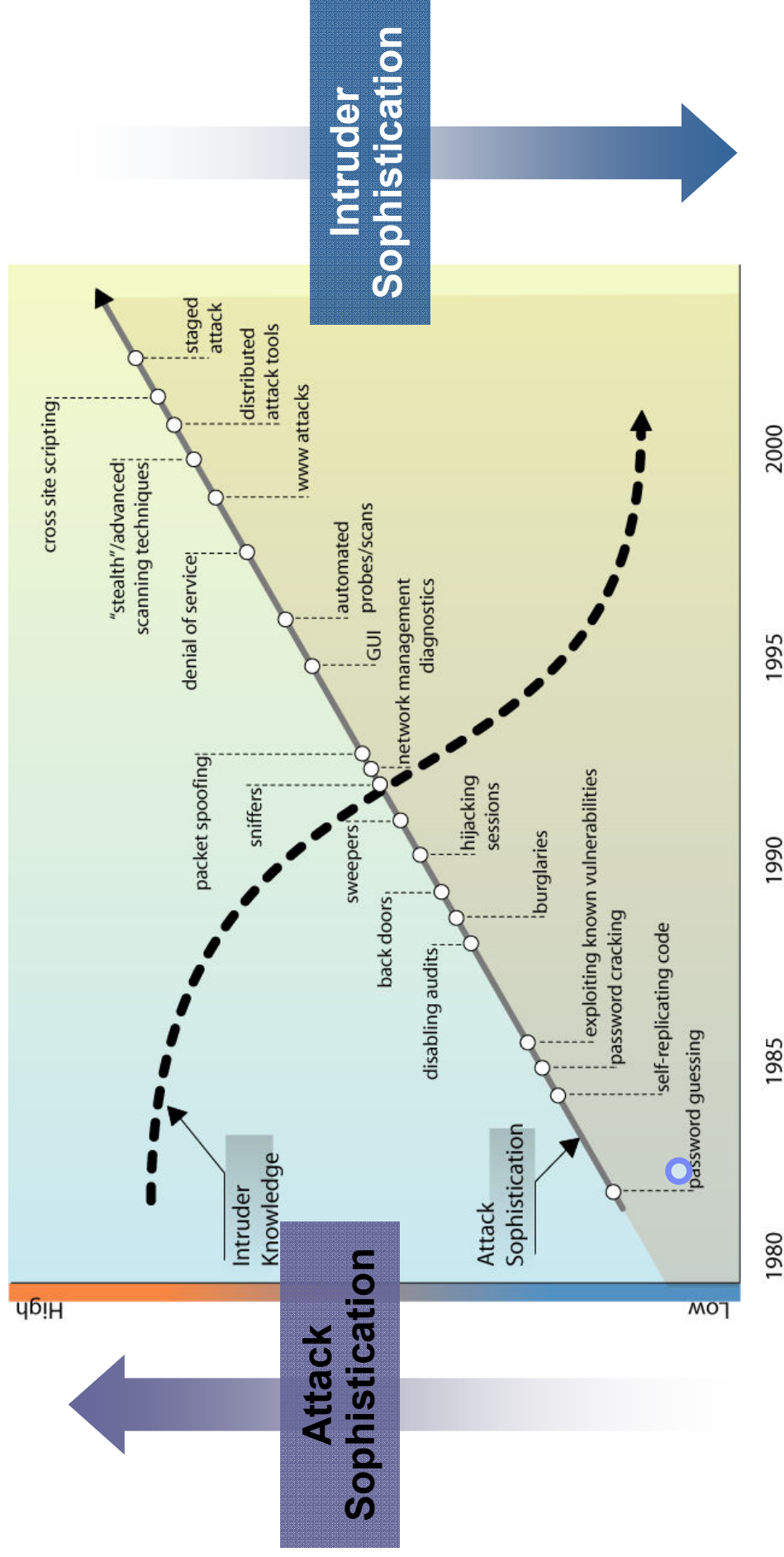
More than seven million people in America have been the victim of identity theft, a report warns.

Research by IT consultancy Gartner Inc indicates identity theft - the use of someone else's personal details for financial gain - leapt 79% over the 12 months to June 2003.

With 3.4% of the US population now having fallen victim to the scam, Gartner warned that more than half the incidents involved not organised gangs or career criminals, but friends, colleagues and even relatives.



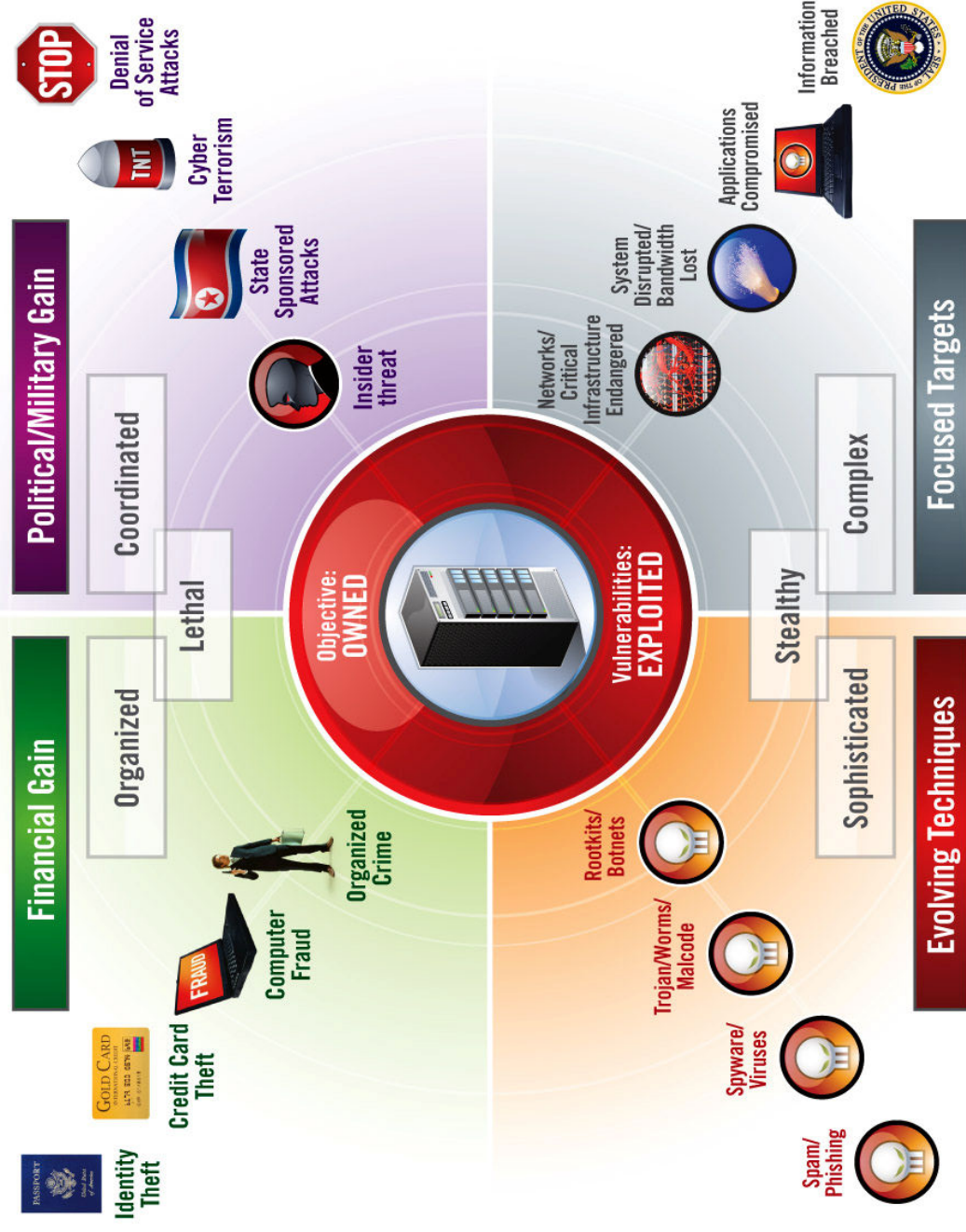
Attack Sophistication Increases While Intruder Sophistication Decreases



Threat Convergence Replacing Threat Evolution

Threat Evolution:

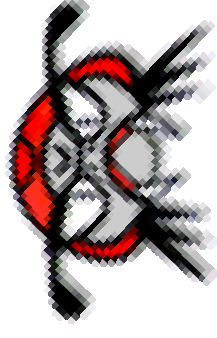
- A flat world has brought about an unprecedented amount of criminals and cons
- Attackers keep ROI in mind as well, and constantly evolve their wares in order to re-purpose it for the next flood of attacks
- High profile vulnerabilities will still be the vehicles for new attacks, however, the low and slow attack vectors cannot be ignored
- The economics of exploitation must be taken into consideration to better prioritize risk



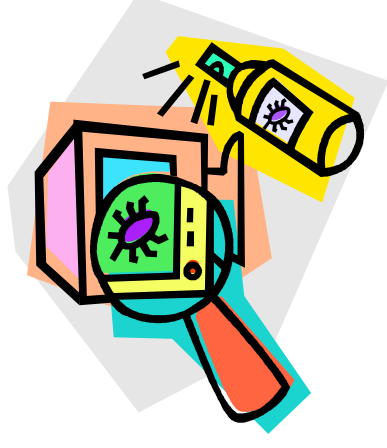
What can I do about it?



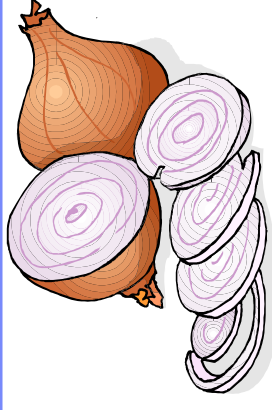
Anti-Malware Strategy



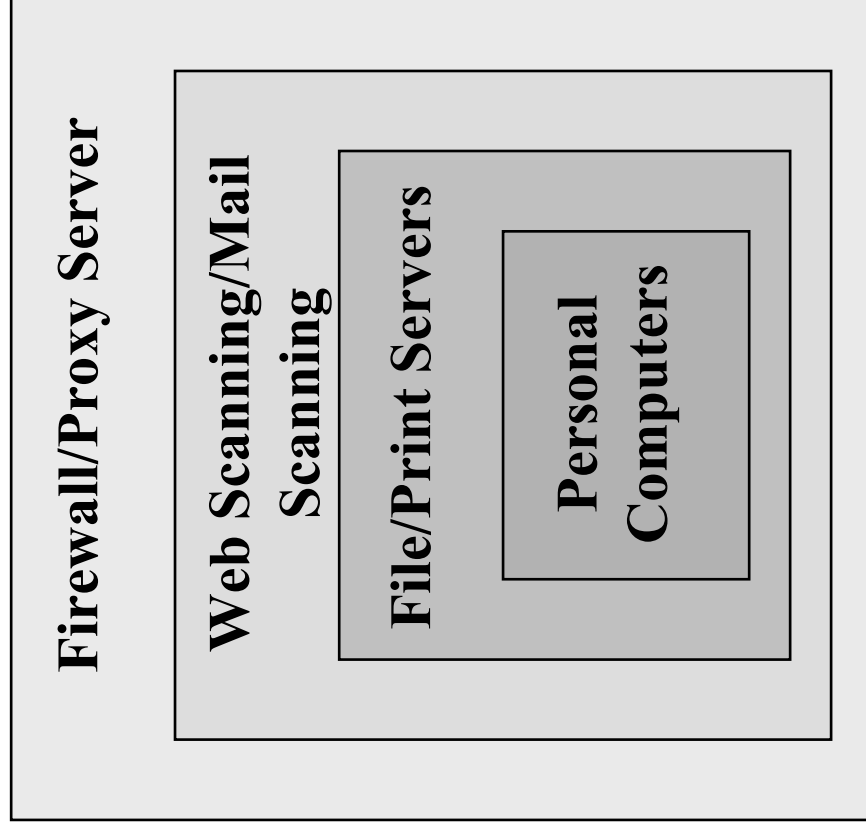
- Malware/Spyware/Rootkit Scanners are ONLY as good as their LAST UPDATE.
- No 100% solution
 - *“Anyone that tells you that their product offers 100% protection from viruses are either naïve or just don’t fully understand the real problem.”*
- Best you can expect is 98%, but only if you design and implement your approach properly.
- Implement a multi-layered defence!



Multi-layered Anti-Malware What's That?



- **Like an Onion...**
 - E-Mail was responsible for at least 80% of all malware outbreaks.
 - Web filtering/scanning can block many attacks.
 - Updating a few perimeter machines can stop new malware from gaining a beach head.



Solutions – Tools and Technologies

- **Anti-Virus**
 - Too many to list
- **Anti-Rootkit Tools**
 - ChkRootkit [*NIX - <http://chkrootkit.org/>]
 - Rootkit Hunter [*NIX - http://www.rootkit.nl/projects/rootkit_hunter.html]
 - RootkitRevealer [Wintel - <http://www.sysinternals.com/ntw2k/freeware/rootkitreveal.shtml>]
 - UnHackme [Wintel - <http://gratis.com/unhackme/>]
 - Blacklight [Wintel - <http://www.f-secure.com/blacklight/>]
- **Personal Firewalls**
 - Too many to list
 - Can block internet access to untrusted executables – assuming the malware hasn't already disabled it!



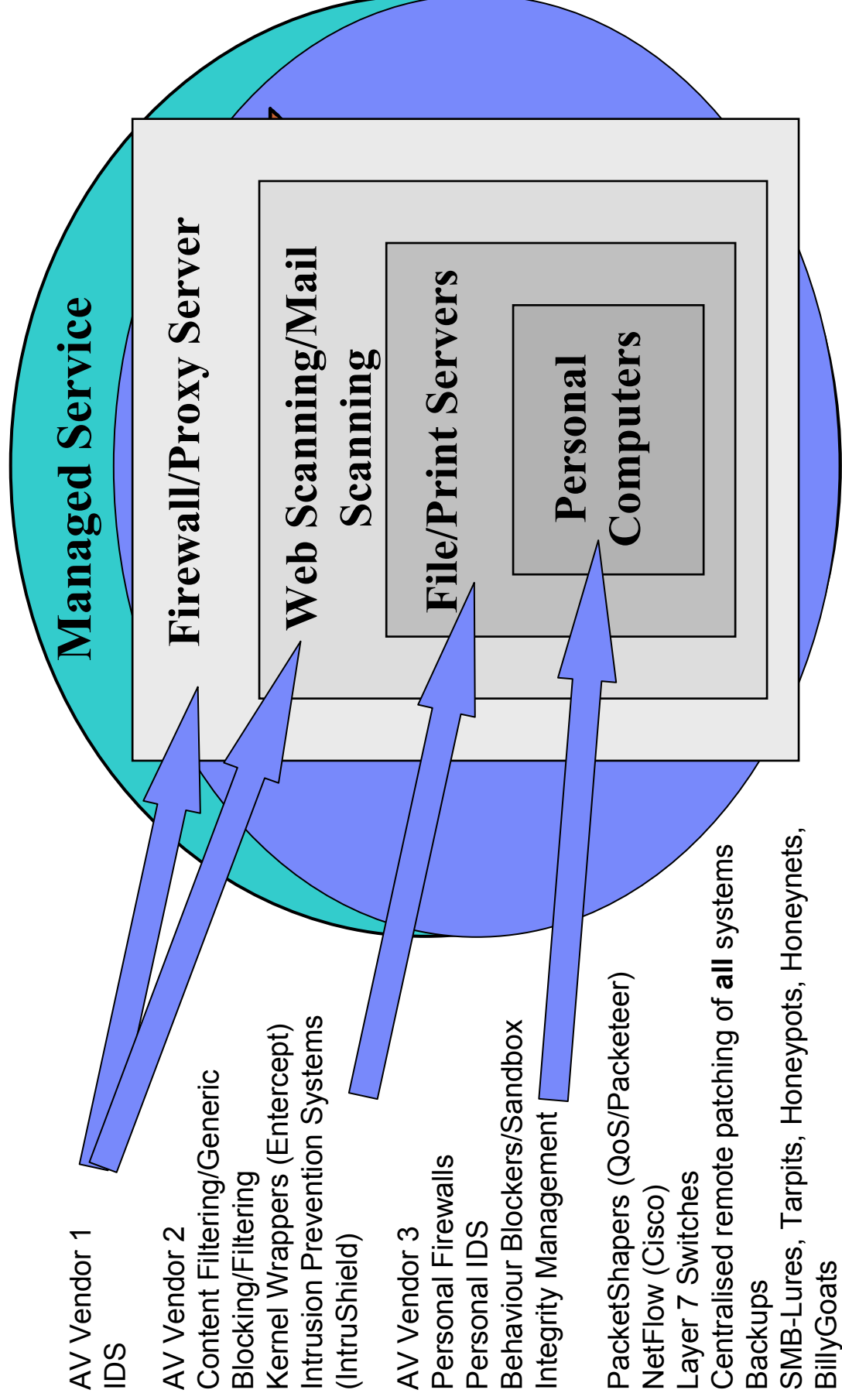
Solutions – Tools and Technologies - Other

- **Honeypots and Honeynets**
- **IDS and IPS**
- **Perimeter firewalls**
- **Partitioning your network with router ACLs and internal firewalls**
- **Patch management**
- **Strong passwords**



*“In other words, stop them getting onto your systems in the first place,
and if they do get in, slow them down,
or increase your ability for early detection.”*

Applying a Multi-layered Anti-Malware



Policies and Procedures

Putting it all together.....

Multiple Antivirus Vendors

Workstation

Servers

Perimeter (Web, FTP and SMTP)

Malware Sensors

SMB-Lures, Tarpits, Honey pots,
Honeynets, BillyGoats

IDS

Using custom malware
rules/signatures

Management

Centralised, Geo-centric,
or at least country-centric

Policies (What we want to achieve)

Procedures (How we are going to achieve it)

People (Who's going to do it)

Products (The technology bit)

Automated Patching

Centralised remote patching of all
systems via Tivoli, SMS, etc.



Others

Kernel Wrappers (Entercept)

Personal Firewalls (McAfee/ZoneLabs)

Personal IDS (Blackice)

Generic Blocking/Filtering

Heuristics

Backups

Intrusion Prevention Systems (IntruShield)
Behaviour Blockers/SandBox Technology
(FinJan SurfinShield)

Firewalls/Proxies

PacketShapers (QoS/Packeteer)

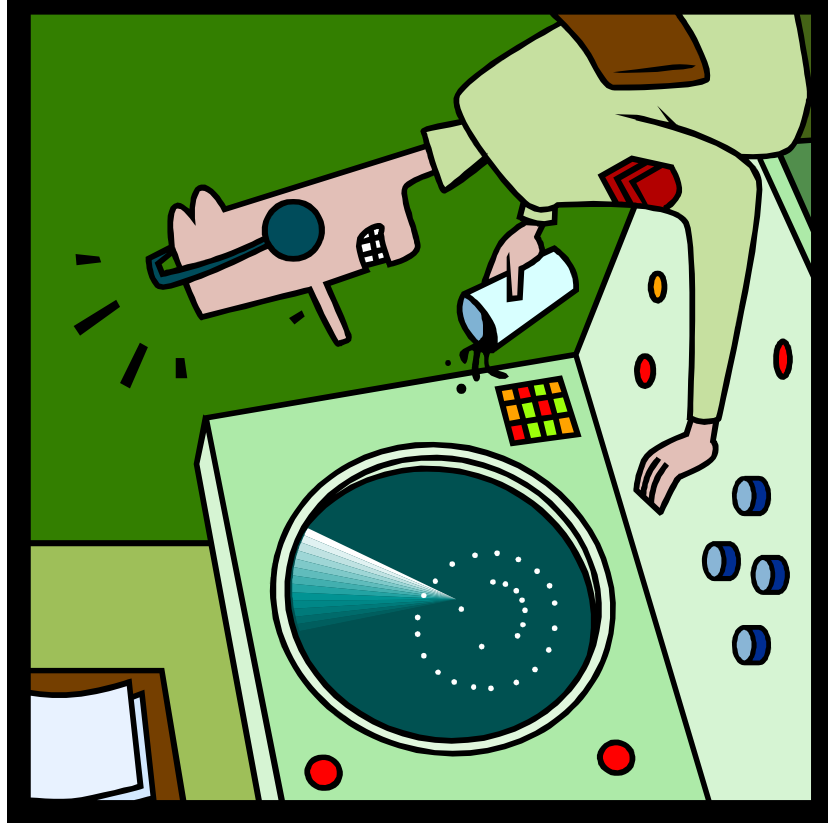
NetFlow (Cisco)

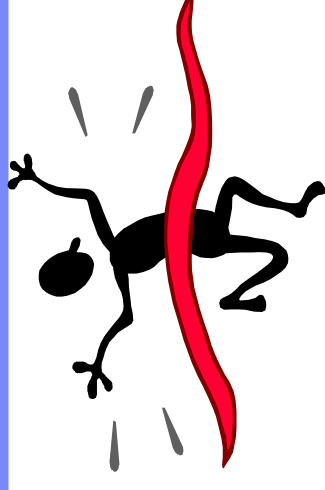
Layer 7 Switches

Managed e-mail virus scanning, anti-spam
service

The Best Defence – End User

- **Regularly run a malware scan**
 - Keep your anti-malware product up-to-date
- **Install firewall code, anti-spyware and anti-rootkit tools**
- **Don't run Peer to Peer software**
- **Keep up to date with security patches**
- **Learn a bit more about your computer**
 - Never, ever run anything you've downloaded or received unless you're pretty confident of its source
 - Download some tools
 - Think!





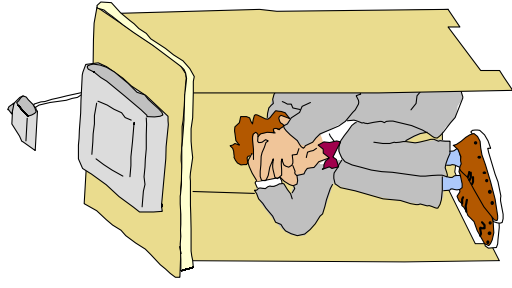
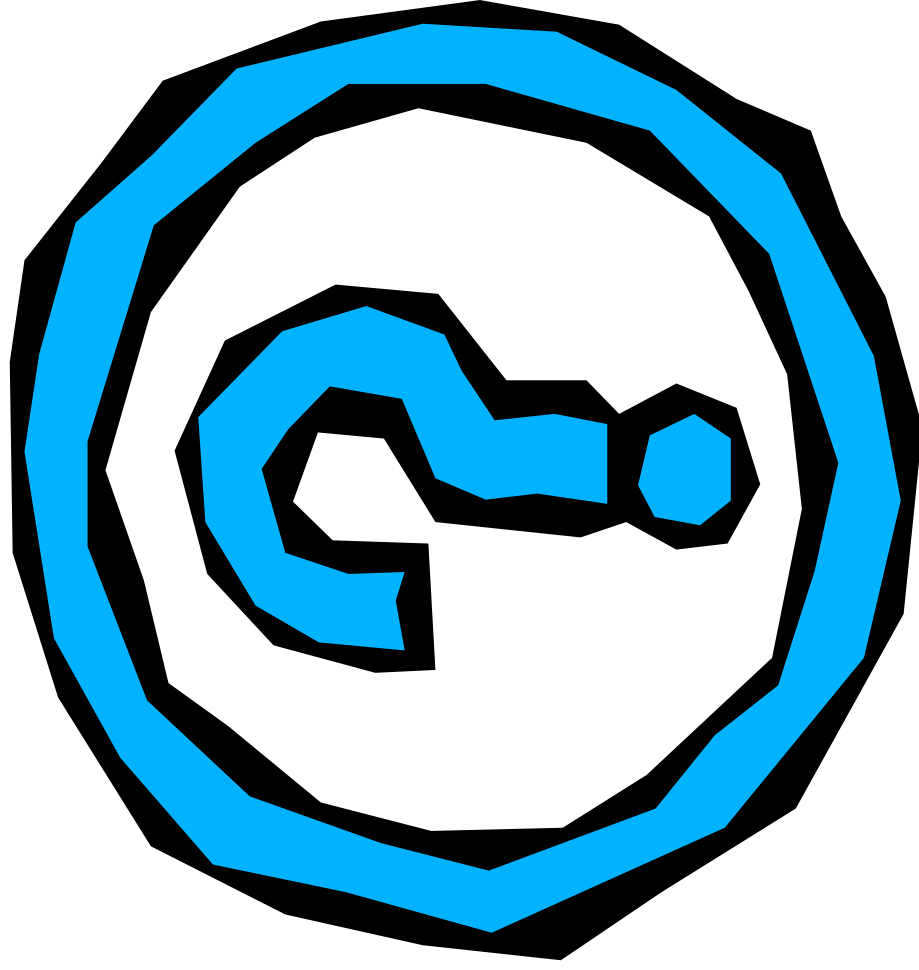
Conclusions...

- Malware is here to stay.
- The problem is going to get worse.
 - 4-7000+ new malware every month. January 2008 was over 13,000!
 - More Worms, Bots, Trojans and ‘Blended Threats’ appearing.
 - Becoming more stealthy and rely more on Social-engineering.
 - For profit, no longer for fun...
- More than 600,000 viruses by the end of 2009?
- No matter what tricks the malware writers use the AV industry will neutralise it.
 - **Eventually!**
- AV is only one small but important part of an overall anti-malware solution.
- Technology is a small part of an overall solution, user behaviour and proper security controls must be addressed.

Not all computer problems are caused by malware...



Questions?



Contact details.....

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Useful sites

- **Anti-Virus (On-line scanners)**
 - <http://housecall.trendmicro.com/>
 - <http://us.mcafee.com/root/mfs/default.asp>
- **Links to FREE AV, Personal Firewalls and Anti-Spyware tools**
 - <http://momusings.co.uk/software.aspx>
- **Recommended Books**
 - **Viruses Revealed** (Harley, Slade, Gattiker) – ISBN 0-07-213090-3
 - **Hacking Exposed** (Scambray, McClure, Kurtz) – ISBN 0-07-212748-1
- **Site related to ‘spoof’ or ‘rogue’ anti-spyware tools.**
 - http://www.spywarewarrior.com/rogue_anti-spyware.htm

Useful sites... cont.

- Hoax, Scam, urban Legend Reference Sites
 - <http://cluestick.me.uk>
 - <http://snopes.com>
- Papers and articles I've written
 - <http://momusings.com/papers>
- My Personal 'Blog'
 - <http://momusings.com/momusings>
 - <http://momusings.com/vsub>

Background

- **Sun Alliance / Royal and SunAlliance**
 - Joined 1988
 - Commissioning PCs, Strategy (hardware and software)
 - Responsible for Malware Research/Prevention (10 years)
 - Ethical Hacker (2.5 years)
 - Helped set up Independent ISS UK User Group
 - WildList reporter, Charter member of AVIEN
- **Outsourced April 2002**
 - Joined EMEA IGS Security June 2002 as Malware/Anti-Malware SME
 - Moved to MSSD (EMEA) June 2004 to set up EMEA Virus CERT
 - Member of Global Virus CERT
 - Lead Computer Forensics Analyst for EMEA
 - Moved to ISS X-Force Professional Security Services April 2008
- **21 Years of knowledge on malware and related security threats.**

