



DJ COMPLIANCE WATCH: Citi Unit Info Leaked Onto P2P Network

Friday, September 21, 2007 2:40 PM

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A Dow Jones Newswires Column

NEW YORK (Dow Jones)--The names, Social Security numbers and mortgage information of thousands of people have been leaked by an employee of Citigroup Inc.'s (C) ABN Amro Mortgage Group unit onto a popular peer-to-peer file-sharing network. The leak made the information available to millions of casual music-sharers, as well as would-be identity thieves.

The spreadsheets containing the information were reviewed by Dow Jones Newswires by using Lime Wire software, which allows users to share music, movies and other files over peer-to-peer networks.

Tiversa Inc., a company that works with financial institutions and government agencies to prevent inadvertent data breaches, confirmed that the ABN Amro Mortgage Group documents had been divulged online, and identified at least 5,200 unique Social Security numbers that had been released. On Thursday night, the information was offline, Tiversa said, but could re-emerge depending on how far it has spread.

"For an identity thief, a find like (this) is a gold mine," said Robert Boback, chief executive of Tiversa. "This would provide years of content for them to perfect their crimes."

Data breaches over peer-to-peer networks are an emerging concern for industry, government and individuals. Although some peer-to-peer programs give users an opportunity to limit what information they share, many can be unclear or misleading when the software is first installed, according to testimony from the U.S. Patent and Trademark Office at a U.S. House of Representatives committee hearing on the problem in July. Firewalls don't always help.

For financial advisors, compliance officers and the brokerage firms they work for, file-sharing software opens a new front in the battle to keep customers' confidential data secure. These firms are often guardians of the most sensitive customer information; and while corporate safeguards may work fine, information spilling out from a home computer without warning could cause a lot of harm.

The ABN Amro Mortgage Group data breach appears to have occurred after a business analyst with the Citigroup unit in Florida - or a member of her family - signed up last year to use a service similar to Lime Wire. By doing so, she appears to have inadvertently exposed many documents from her computer: not just the spreadsheets, but personal documents such as her resume and a Travelocity confirmation of a family trip. It's not clear how long the information was online or how far it has spread.

The woman - who said she was laid off this summer - said she sometimes did work on her personal computer. She said she wasn't aware of the security breach before Dow Jones informed her Thursday.

The leaked documents make it easy to find those who are listed. Dow Jones Newswires contacted a Virginia woman whose last name appeared on one of the spreadsheets. She confirmed the information in the document was accurate.

"You hear it happening all the time and you're hoping to God you're not the one it's happening to," she said.

Citigroup spokesman Michael Hanretta said, "We are currently investigating this matter.

"Citi's information security standards require that confidential information be stored on Citi-managed devices," he said. "Protecting customer information remains a priority at Citi and we remain fully committed to physical, electronic and procedural safeguards to protect personal information."

Millions of people use peer-to-peer networks each day: Tiversa counted more than 1 billion searches conducted on such networks Wednesday, compared with about 130 million on Google.

Usually "there's not intent" on the part of people disclosing the information, Boback said, but the lack of intent is what makes the problem so "ominous."

Compounding the consequences is the speed at which juicy files can travel: A forthcoming study by Eric Johnson, a professor at Dartmouth College's Tuck School of Business, shows that when he shared account information for a \$25 Visa prepaid card, it was empty within a week.

In peer-to-peer networks, users typically offer up their own files in exchange for access to other people's files. Although lawsuits have challenged the legality of peer-to-peer file sharing, some networks now operate legally.

In a statement Friday responding to a reporter's inquiry, Lime Wire LLC said it provides users tools to avoid accidentally sharing files, "but we also realize that users either ignore or do not understand the technology." The company said it is upgrading its software "in a serious and concerted effort to combat and eliminate inadvertent file sharing."

Earlier this month, a man was indicted in Seattle on charges that he used peer-to-peer file-sharing programs to hunt for people's financial information. The man found people's federal income tax returns, student financial aid applications and credit reports, which he used to buy more than \$70,000 in merchandise, according to the Seattle U.S. Attorney's office, which calls the case the first of its kind.

Matt Bienfang, a senior analyst at research and consulting firm TowerGroup Inc., said that because data breaches over peer-to-peer networks tend to be accidental, they might be an unsolvable problem.

"Most corporate policy states you can't load unauthorized software onto your business computer," he said, but employees may take work home and do the work on their personal computers. "You're never going to be foolproof. At the end of the day, security is just an illusion."

When contacted by Dow Jones, the former ABN Amro Mortgage Group employee said she thought the peer-to-peer software was secure because it was a subscription service, and she had firewalls installed on the computer. Also, she said, she thought she had ended the subscription. She said she has purchased uninstalling software and will be cleaning up her computer.

"Do you understand how upset I am right now?" she said soon after learning of the breach. "I don't know how all this happened."

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09-21-07 1440ET