

**RYUK RANSOMWARE**  
**ALBANY INFRAGARD MEMBERS ALLIANCE**

August 15, 2019

# Participating Organizations

- ❑ New York State Intelligence Center (NYSIC)
- ❑ New York State Cyber Command Center (CYCOM)
- ❑ New York State Division of Homeland Security and Emergency Services (DHSES)
- ❑ Federal Bureau of Investigation (FBI)
- ❑ Albany InfraGard Members Alliance (Albany IMA)
- ❑ Coveware

# Agenda

- Ransomware History
- Coveware
- Ryuk Ransomware
  - ▣ Ryuk Trends
  - ▣ Recommendations
  - ▣ Information for Law Enforcement
  - ▣ Reporting
- Technical Discussion
- Resources & References



# Ransomware History

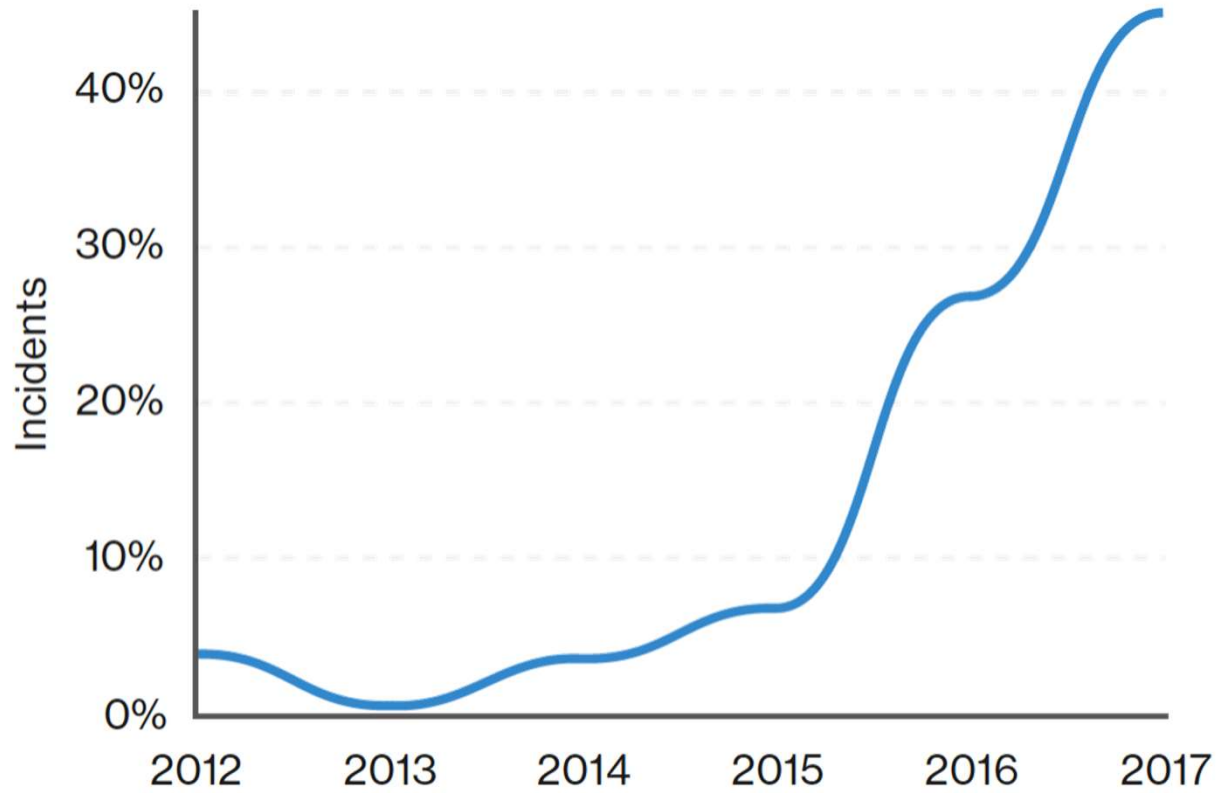


# Ransomware

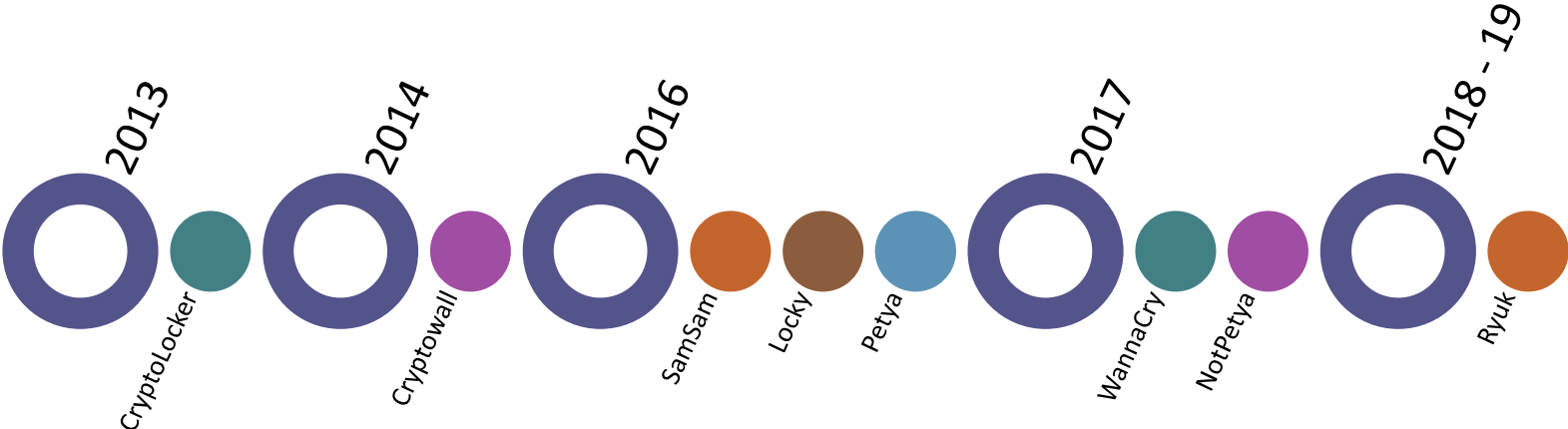
- ❑ A type of malware threat actors use to infect computers and encrypt computer files until a ransom is paid.
- ❑ Will attempt to spread to connected systems, including shared storage drives and other accessible computers.
- ❑ If the threat actor's ransom demands are not met (i.e., if the victim does not pay the ransom), the files or encrypted data will usually remain encrypted and unavailable to the victim.
- ❑ Even after a ransom has been paid to unlock encrypted files, threat actors will sometimes demand additional payments, delete a victim's data, refuse to decrypt the data, or decline to provide a working decryption key to restore the victim's access.
- ❑ The Federal Government does not support paying ransomware demands.

<https://www.us-cert.gov/ncas/tips/ST19-001>

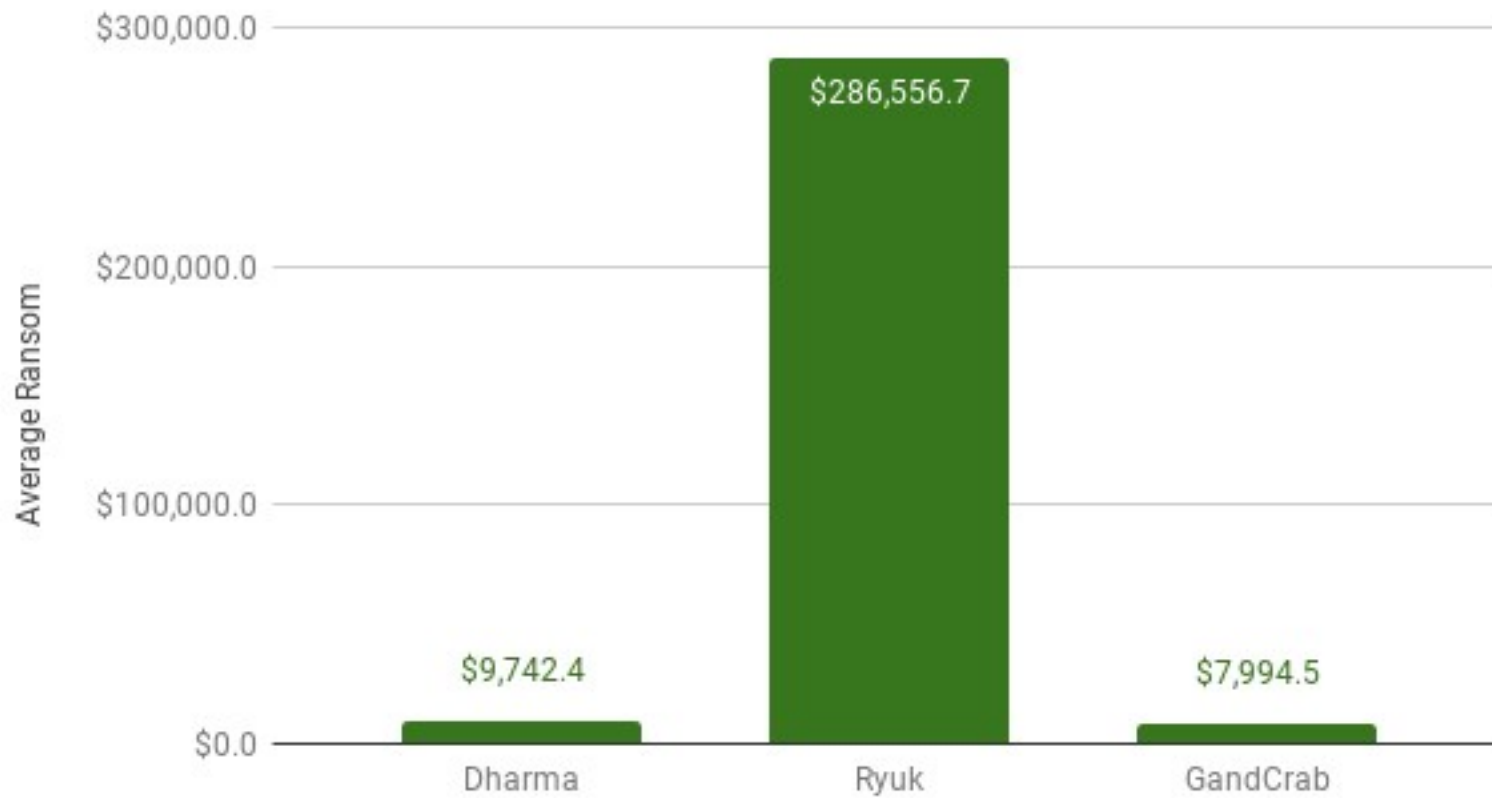
# Rise of Ransomware Within Malware



# Evolution of Ransomware Variants



## Average Ransom Amount by Ransomware Type







# 7.3 days

Average number of days a ransomware incident lasts

# \$64,645

Average cost of ransomware incident related downtime



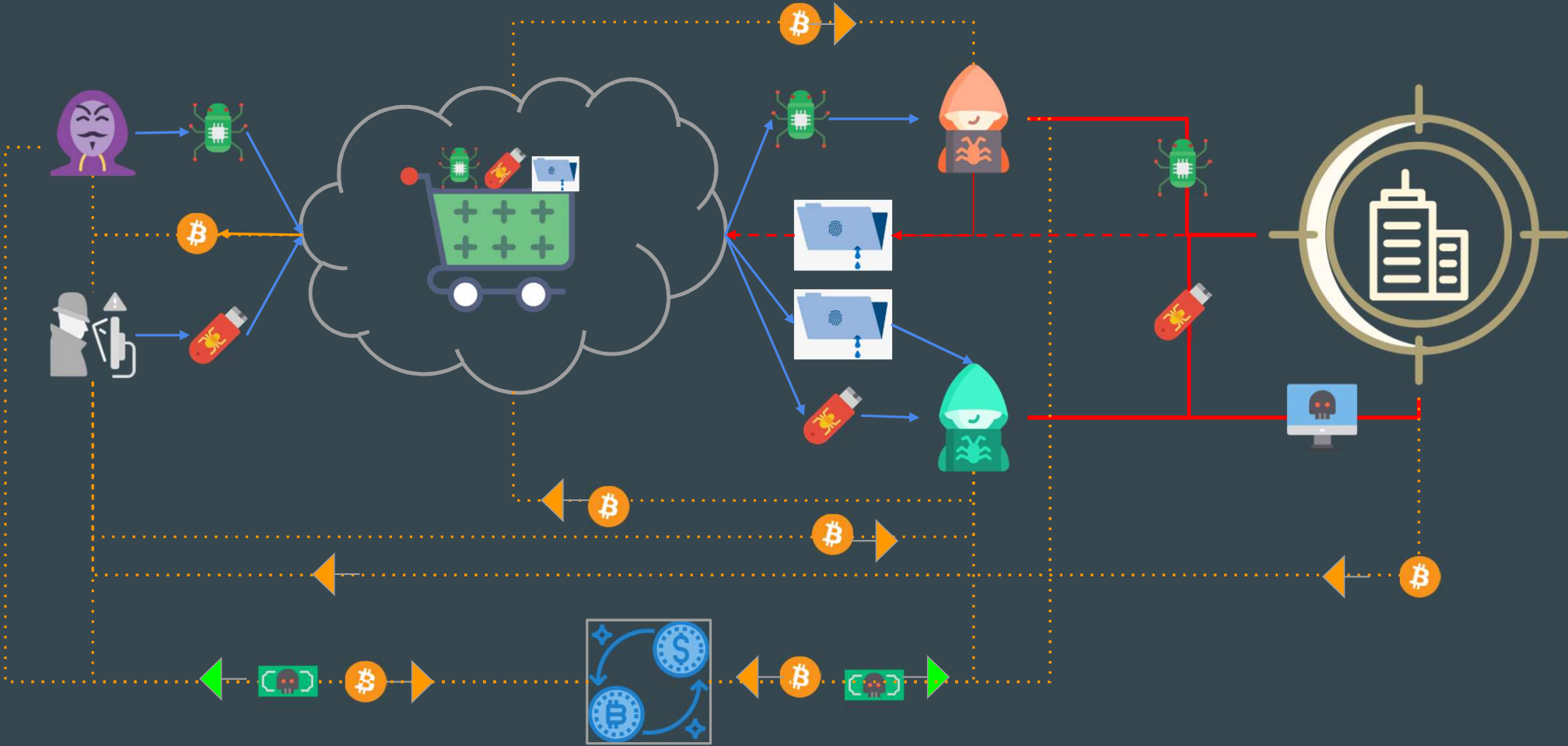


# Coveware

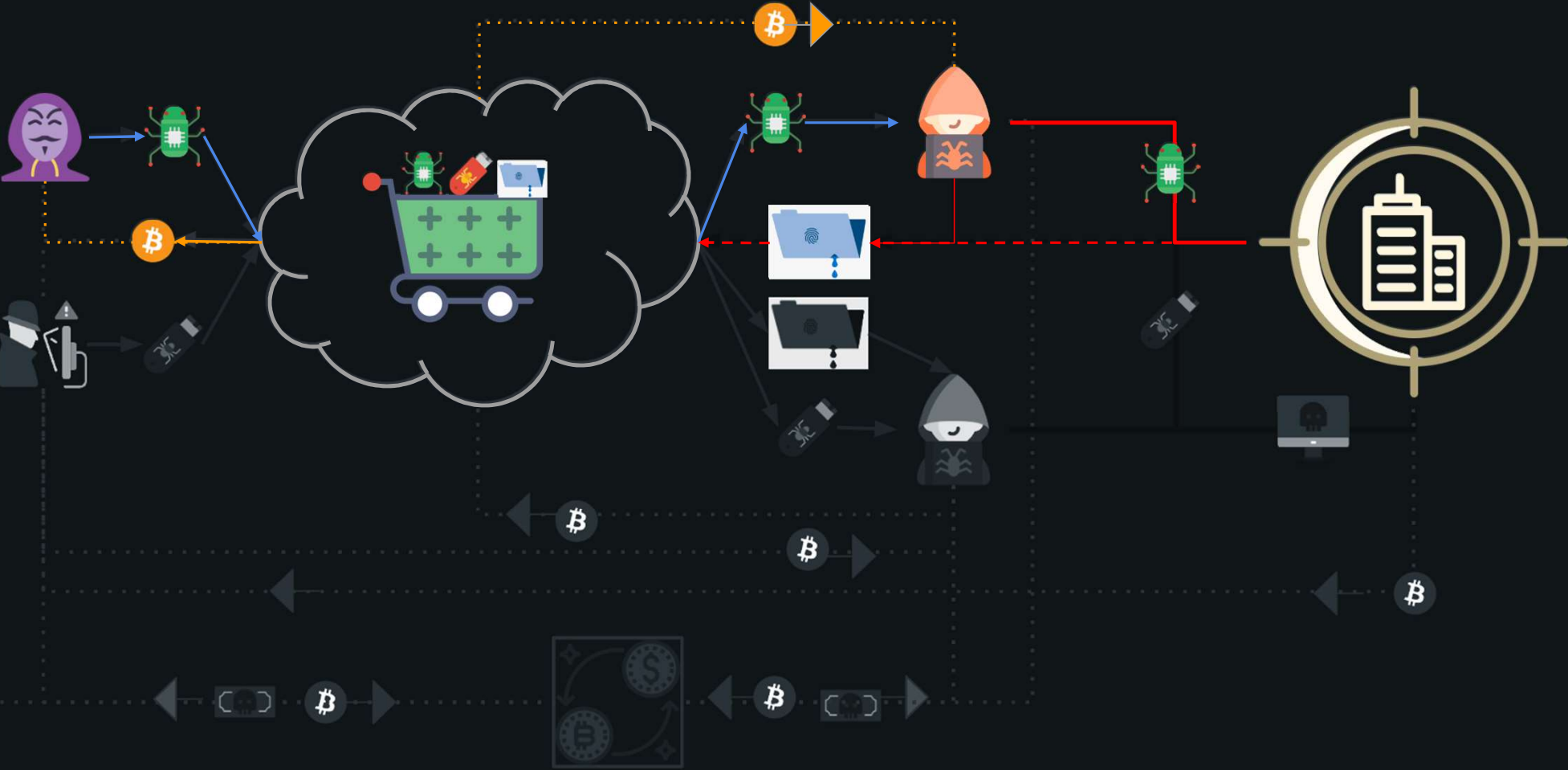
Bill Siegel, CEO



# Ransomware Supply Chain



# Part 1: Exploit Kit Used to Breach Credentials



# Part 1: IOC's and Mitigants



## TRIAGE

Treat Trickbot / Emotet like EBOLA...assume the host is dead and contain its spread.



## Non-Tech IOC's

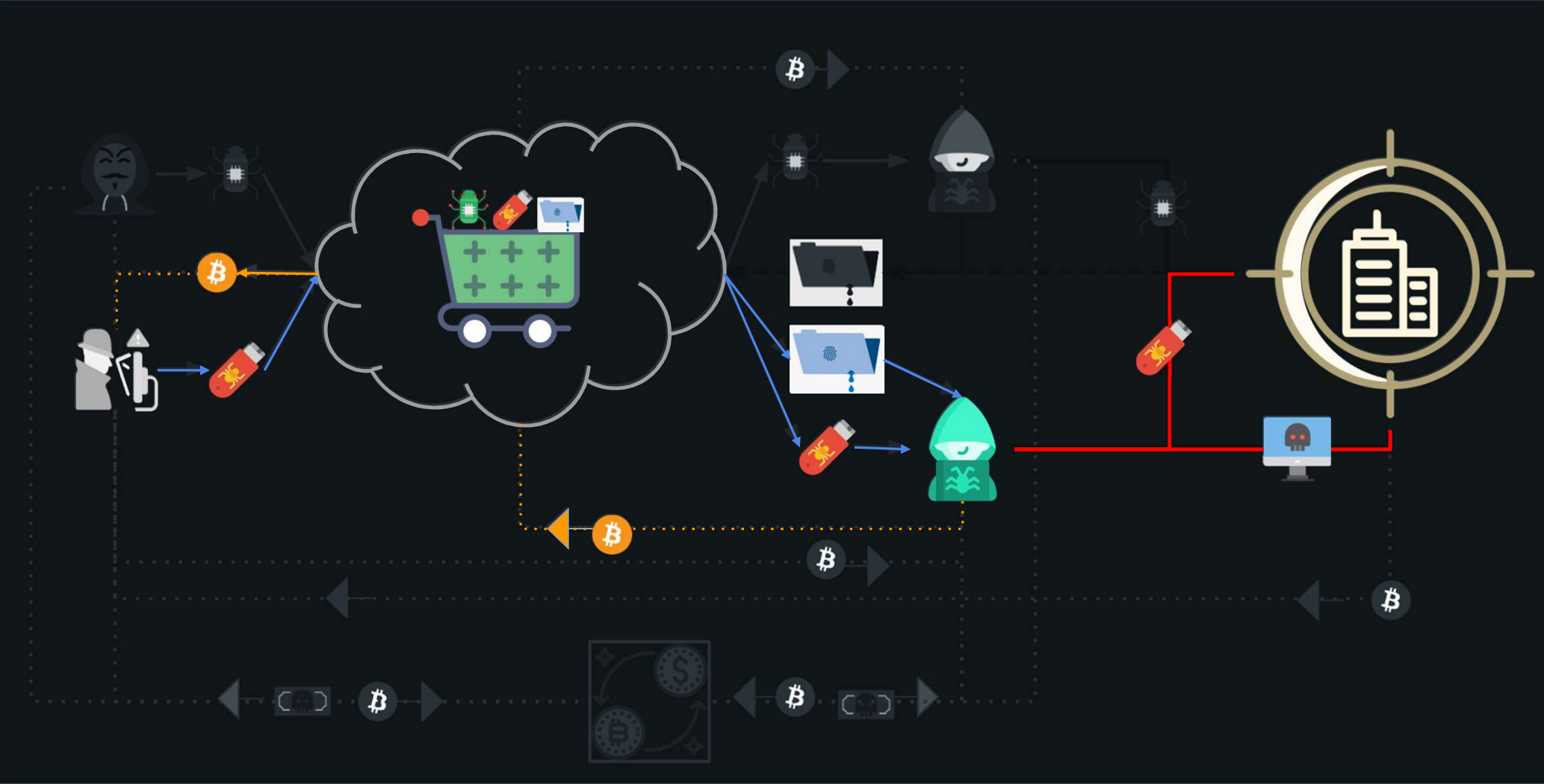
“Glen from accounting had his personal bank account drained...so weird right...just a week or so after we all got those creepy phishing emails....”



## Defense

- +Security Awareness Training
- +ATO counter measures
- +Credential Monitoring
- +MFA everything you care about

# Part 2: Ransomware Supply / Distribution



## Part 2: IOC's and Mitigants



### Neuter Payloads before the drop

- +Least Privilege applies to all users, not just admins
- +Make it EXPENSIVE for the hackers

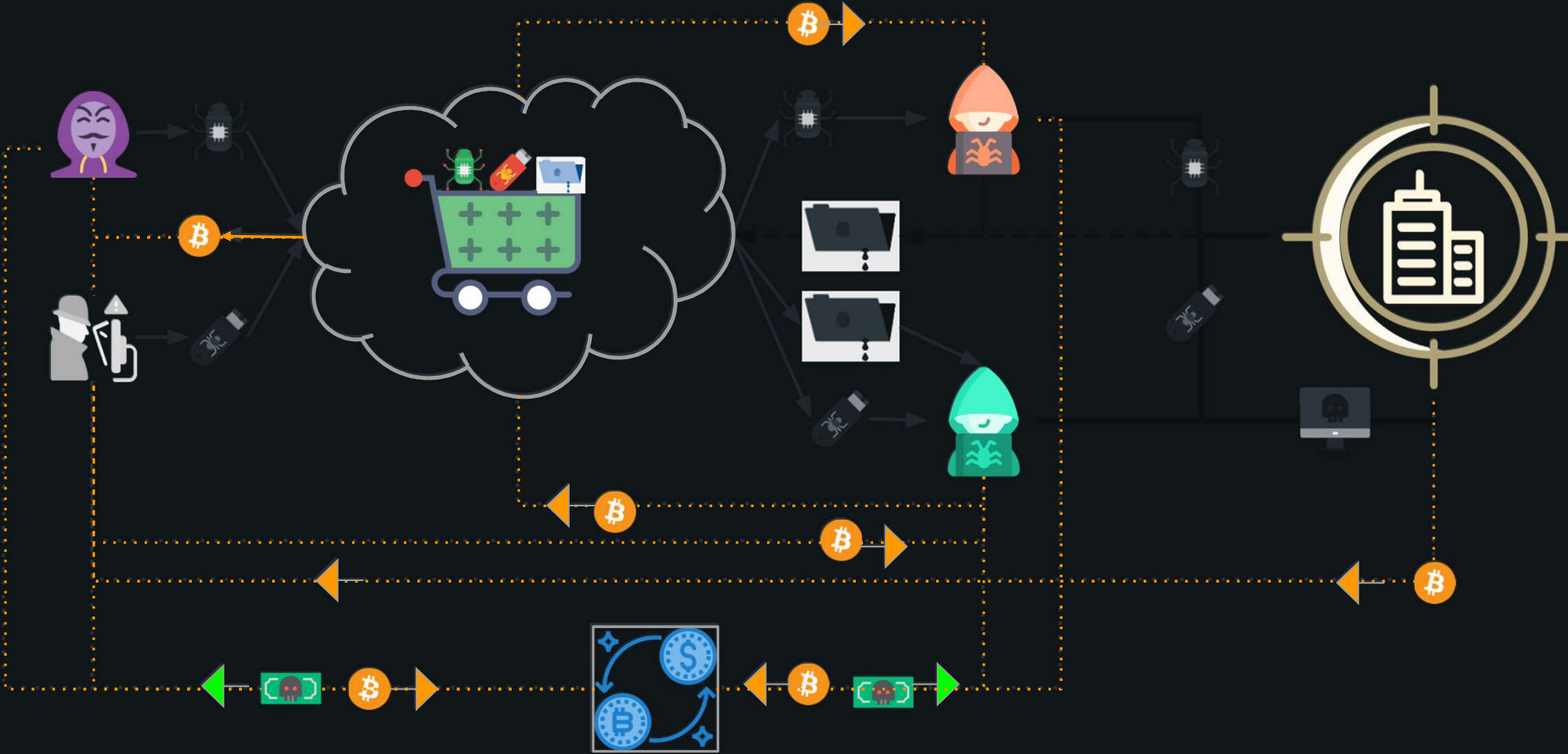
### Non-Tech Mitigants

- +Pay Security Admins well
- +Run Background Checks on them regularly
- +They will get approached

### Defense

- +MFA, MFA, MFA
- +Properly partition your back up OFF your network.

# Part 3: Cashing Out







# Ryuk Ransomware

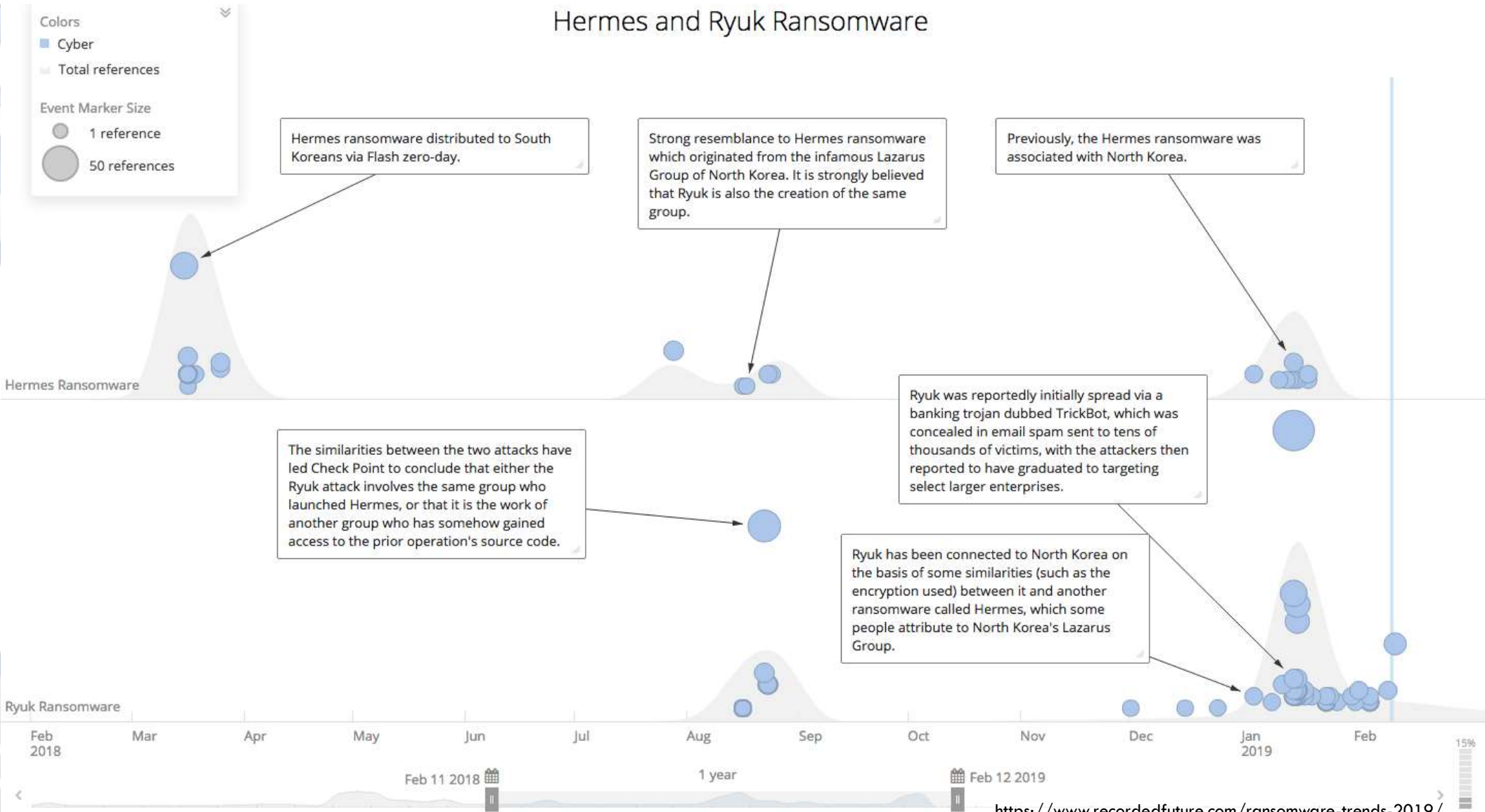




## 2019 Ryuk Victims

- ❑ Georgia Judicial System
- ❑ Lake City, Florida
- ❑ Key Biscayne, Florida
- ❑ Riviera Beach, Florida
- ❑ Onondaga Library System – Syracuse, New York
- ❑ Other public and private organizations in New York

# Hermes and Ryuk Ransomware



Hermes ransomware distributed to South Koreans via Flash zero-day.

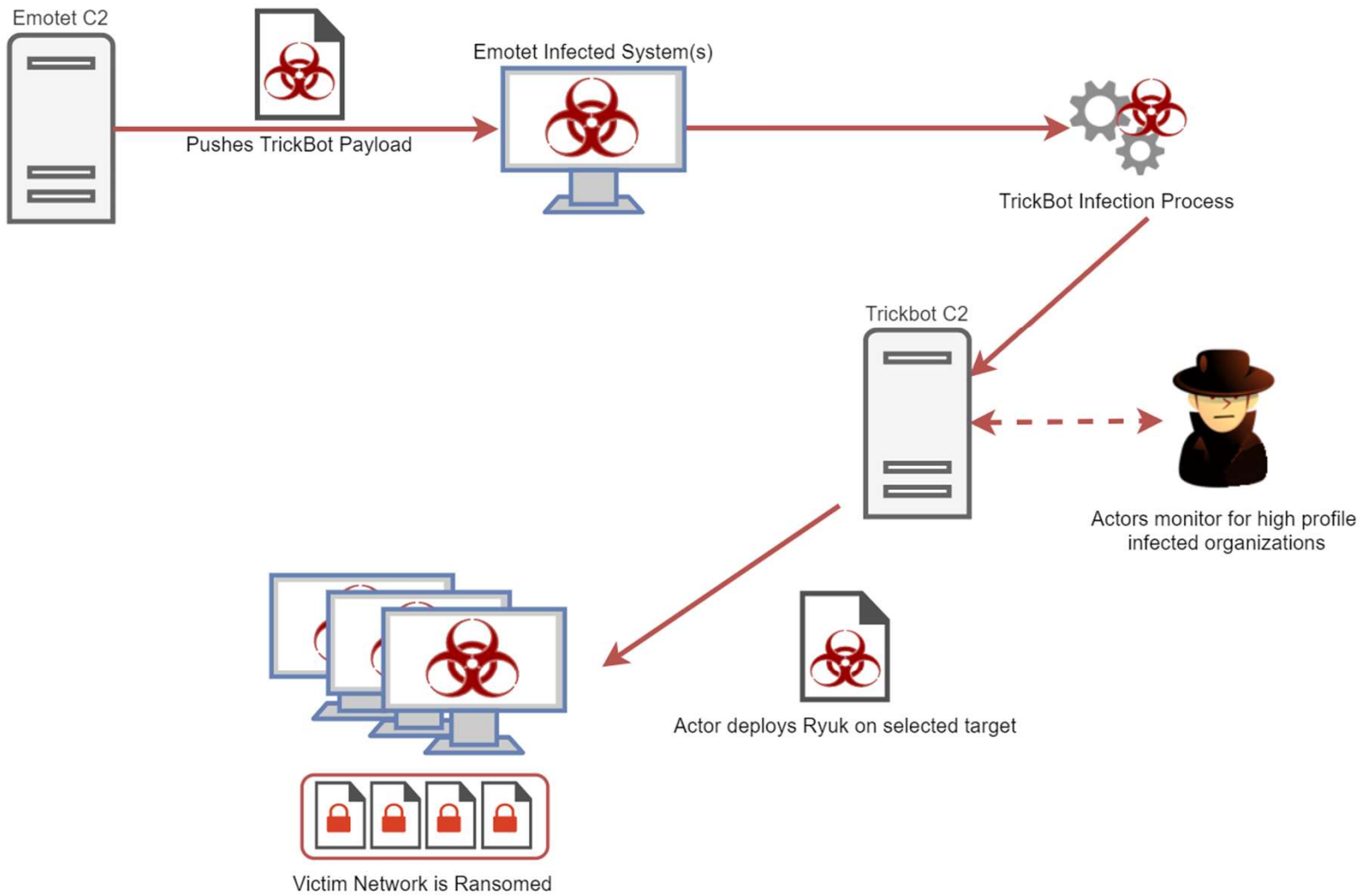
Strong resemblance to Hermes ransomware which originated from the infamous Lazarus Group of North Korea. It is strongly believed that Ryuk is also the creation of the same group.

Previously, the Hermes ransomware was associated with North Korea.

Ryuk was reportedly initially spread via a banking trojan dubbed TrickBot, which was concealed in email spam sent to tens of thousands of victims, with the attackers then reported to have graduated to targeting select larger enterprises.

The similarities between the two attacks have led Check Point to conclude that either the Ryuk attack involves the same group who launched Hermes, or that it is the work of another group who has somehow gained access to the prior operation's source code.

Ryuk has been connected to North Korea on the basis of some similarities (such as the encryption used) between it and another ransomware called Hermes, which some people attribute to North Korea's Lazarus Group.



# Compromise

- ❑ In many cases, Trickbot and Emotet infected systems are used to push Ryuk's dropper as a Stage 3 for the Ryuk payload
- ❑ Trickbot and Emotet rely on outdated SMB protocol vulnerabilities (EternalBlue) for compromise and lateral movement
- ❑ In some instances, internal AD server / DC staging is used
- ❑ The FBI has also observed compromise via RDP bruteforce, followed by non-malware methodology for lateral movement (PowerShell, psexec).

# Execution

- ❑ Ryuk dropper runs a .bat file to delete Volume Shadows
  - ▣ Drops & Executes Ryuk
    - Deletes dropper
- ❑ Registry persistency
- ❑ Process injection
- ❑ Indexing network shares
- ❑ Encryption begins
- ❑ RyukReadMe files are dropped after encryption with payment info



# Ryuk Trends





# Ryuk Trends

- ❑ More than 100 major victims in 2018
- ❑ Focus was on high revenue victims
- ❑ Ransoms as high as \$5 million
- ❑ Public sector Ryuk compromises as a percentage of victims more than tripled in 2019



# Recommendations



# Recommended Mitigations

- ❑ Scan system backups for registry persistence
- ❑ Scan system backups for other malware infections, particularly Trickbot and/or Emotet
- ❑ Execute a network-wide password reset
- ❑ Enact multifactor authentication
- ❑ Ensure network segmentation
- ❑ Ensure all file backups are located offline
- ❑ NIST / CIS Critical Security Controls



# Information for Law Enforcement



# Information for Law Enforcement

- ❑ Recovered executable files / Malware samples
- ❑ Copies of the "read me" file – DO NOT REMOVE the file or decryption may not be possible
- ❑ Copy of the ransom note
- ❑ Ransom amount and whether or not it was paid
- ❑ Live memory capture (RAM)
- ❑ Log files



# Reporting



# Reporting

- ❑ FBI CyWatch (24/7) - [CyWatch@fbi.gov](mailto:CyWatch@fbi.gov) - (855) 292-3937
- ❑ FBI Internet Crimes Complain Center – [www.ic3.gov](http://www.ic3.gov)
- ❑ Your local FBI field office

# TrickBot and Ryuk: Together





# TrickBot and Ryuk: Together



## TrickBot – Precedes Ryuk

**Ryuk RansomWare Has Been Consistently Delivered By Leveraging An Existing TrickBot Infection.**

**Analysis From July / August TrickBot / Ryuk Incidents In NYS Reveal TrickBot Infections Going Back As Far As January 2019 (or earlier).**

**TrickBot Will Disable AV, Windows Defender, Real-Time Monitoring.**

# TrickBot – Installed Service

**ControlSet001\Services\zfpypypysw** ←

Last Written Time 1/25/2019 17:42:45 UTC ←

Name	Type	Data
Type	REG_DWORD	0x00000010 (16)
Start	REG_DWORD	0x00000003 (3)
ErrorControl	REG_DWORD	0x00000001 (1) ↘
ImagePath	REG_EXPAND_SZ	%SystemDrive%\mswvc.exe ↘
DisplayName	REG_SZ	Tehno-ControlsService
ObjectName	REG_SZ	LocalSystem

# TrickBot – Multiple Active Binaries

- ❑ Analysts identified at least seventy one instances of Trickbot infections installed as Windows Services, with the **earliest being 1/30/2019 13:26:27 UTC**.
- ❑ Analysts recovered 7 malicious binaries that were currently referenced by installed services.

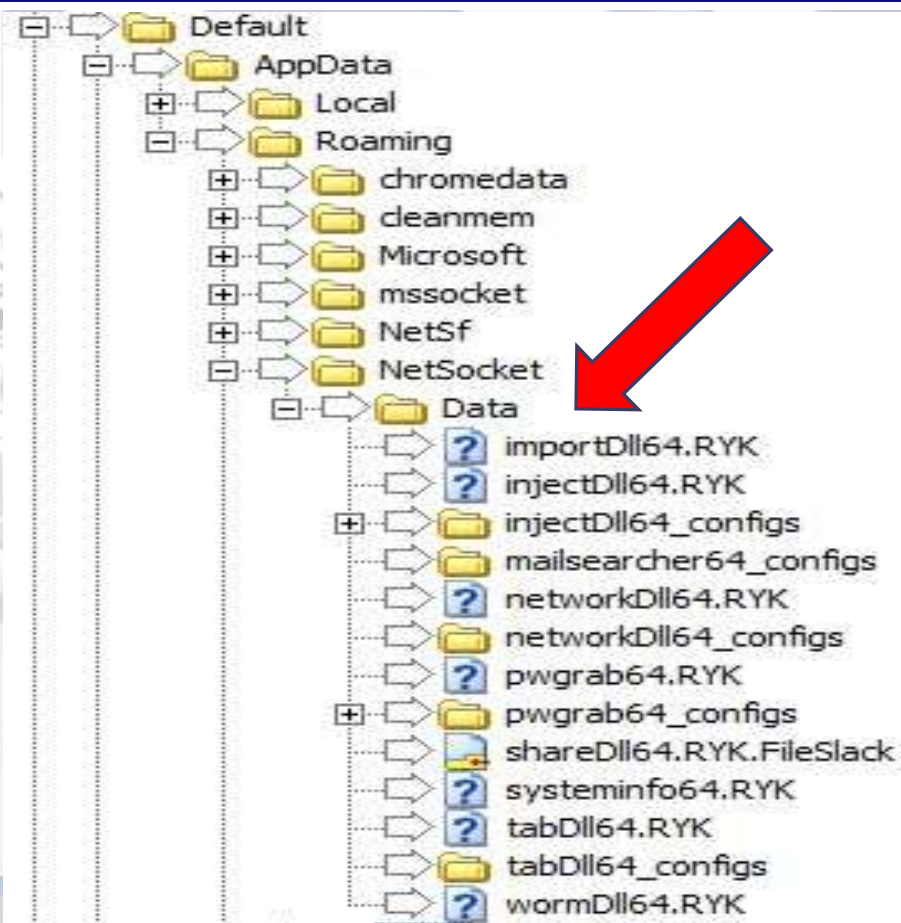
Name	Path	Created
❑ swupd.exe	[root]/swupd.exe	4/15/2019 10:05:49 AM
❑ swepe.exe	[root]/swepe.exe	4/8/2019 5:04:15 PM
❑ swype.exe	[root]/swype.exe	4/12/2019 2:48:48 PM
❑ widreh.exe	[root]/widreh.exe	3/28/2019 4:30:20 PM
❑ rehary.exe	[root]/rehary.exe	4/4/2019 11:44:29 AM
❑ windrh.exe	[root]/windrh.exe	3/18/2019 10:53:57 AM
❑ windbh.exe	[root]/windbh.exe	3/13/2019 1:22:10 PM

# TrickBot – Disables AV / Defender

## ❑ Powershell Event Log Example

- ❑ <Events> <Name> **PowerShell** <TimeCreated> <SystemTime>  
**2019-07-27T23:50:49.959256Z** <EventRecordID> 170845  
<Channel> Windows PowerShell <Computer> H-  
REDACTED.REDACTED.org <EventData> <Data> Stopped Available  
NewEngineState=Stopped PreviousEngineState=Available  
HostApplication=**powershell**
- ❑ **Set-MpPreference -DisableRealtimeMonitoring \$true**
- ❑ <Binary>

# TrickBot – Domain Controller



# TrickBot – Domain Controller

- ❑ **Files found on the system indicate infection may have occurred as early as 10/10/2018.**
- ❑ **A file creation date of 10/10/2018 2:33:53 PM was found for file: C:\Users\srvadmin\AppData\Roaming\AIMY\Modules\injectDll64\_configs\injectDll64\_configs\injectDll64\_configs\dinji.RYK**
- ❑ **Note the file is Ryuk encrypted, and the .RYK extension was appended. All related TrickBot files in the Modules directory and modules are also encrypted.**
- ❑ **Earliest indication from the Windows Event Logs show evidence of infection dating back to 3/26/2019 4:09:13 PM. The event logs indicate PowerShell used to disable Windows Defender Real-Time monitoring by the command: “powershell Set-MpPreference -DisableRealtimeMonitoring \$true”.**

# TrickBot – Domain Controller

hoch.laden.exe

<https://app.any.run/tasks/c20f6845-d2ed-49a7-8cb4-8b165d73b41a>

Malicious activity

10/14/2018, 09:25:17

Windows 7 Professional Service Pack 1 (build: 7601, 32 bit)

evasion trickbot trojan stealer



MD5: 0A22BEF934EF8135F4B76CE4...9FCE3 SHA256: 81F5680E89F6FA5FA0B74107826A516B79D8241E...

3320 hoch.laden.exe

C:\Users\admin\AppData\Roaming\AIMY\Modules\injectDll32\_configs\dinj

VC

MD5: 3CD8650B20D84FA1C37277CD9E32E7BB SHA256: CB888B7E72AD68E1D53E6EABEAE67E358F4962E...



# Ryuk – Domain Controller

- Two Ryuk Binaries were found including a string within the binary of RyukReadMe.html:
- **C:\Users\Public\AbKZH.exe and C:\Users\Public\GNuRA.exe**
- Created Date 7/28/2019 7:21:21 AM (2019-07-28 11:21:21 UTC)
- Modified Date 7/28/2019 7:21:25 AM (2019-07-28 11:21:25 UTC)
- 
- **RDP connections are listed in the event log at 7/27/2019 4:41:45 AM shortly before Ryuk encryption takes place. UserID='S-1-5-20' (NETWORK\_SERVICE) was seen from the FP Server.**

# Ryuk – Final Thoughts

- The Ryuk ransomware encryption process for an analyzed workstation began on 07/28/2019 at 1:08 PM and was complete within 15 minutes.



## TrickBot - Ryuk

- If you are a system or network administrator, IT Director, ISO, etc. please take a moment when you get back the office to check for the indicators presented today. We have seen networks infected with TrickBot for six months and more before the Ryuk phase was triggered.

# Contact

Johnny Griffin

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Albany InfraGard

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**Mobile: 518-275-2851**

**CYCOM Hotline: 518-242-5045**



## Resources and References



# Resources and References

## □ FBI

- Intelligence Bulletin – IB245 20190417 – April 17, 2019
- Incidents of Ransomware on the Rise – April 29, 2016 –  
<https://www.fbi.gov/news/stories/incidents-of-ransomware-on-the-rise/incidents-of-ransomware-on-the-rise>
- Flash – MC-000103-MW – May 2, 2019
  - [https://1drv.ms/u/s!Agksp49o\\_Tp6t55l6ctlvheRbynRgw?e=dBv0hx](https://1drv.ms/u/s!Agksp49o_Tp6t55l6ctlvheRbynRgw?e=dBv0hx)
  - Password: infragard

# Resources and References

- Cybersecurity and Infrastructure Security Agency (CISA)
  - ST18-004 – Protecting Against Malicious Code - <https://www.us-cert.gov/ncas/tips/ST18-271>
  - TA18-201A – Emotet Malware – <https://www.us-cert.gov/ncas/alerts/TA18-201A>
- Coveware - Ransom amounts rise 90% in Q1 as Ryuk increases - <https://www.coveware.com/blog/2019/4/15/ransom-amounts-rise-90-in-q1-as-ryuk-ransomware-increases>

# Resources and References

- ❑ United Kingdom (UK) National Cyber Security Centre (NCSC) Advisory: Ryuk Ransomware Targeting Organisations Globally – NCSC-Ops/17-1922 – June 28, 2019
- ❑ Louisiana State Police Cyber Crime Unit – July 26, 2019
- ❑ Center for Internet Security
  - ❑ <https://www.cisecurity.org/controls/>
- ❑ Multi-State Information Sharing and Analysis Center (MS-ISAC)
  - ❑ Security Primer – TrickBot – <https://www.cisecurity.org/white-papers/security-primer-trickbot/>



# Questions

- Please send questions to [Secretary@InfraGardAlbany.org](mailto:Secretary@InfraGardAlbany.org)
- <https://www.infragardalbany.org/>
- <https://www.infragard.org/> Join Today

# Evolution of Ransomware Variants

- ❑ **2013 CryptoLocker**
- ❑ **2014 Cryptowall**
- ❑ **2016 Locky**
- ❑ **2016 Petya**
- ❑ **2017 NotPetya**
- ❑ **2017 WannaCry**
- ❑ **2018 Ryuk**