

NEWS RELEASE



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California Department of Justice

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Attorney General Lockyer Files Criminal Charges Against Former Hewlett-Packard Chairwoman Dunn, Four Others in ‘Pretexting’ Case *Former In-House Counsel and Ethics Chief Hunsaker, Outside Contractors Also Charged*

(SACRAMENTO) – Attorney General Bill Lockyer today filed felony charges against former Hewlett-Packard Chairwoman Patricia C. Dunn and four other defendants, alleging they committed criminal offenses related to the use of false pretenses to access individuals’ phone records during the company’s probe of boardroom leaks to the media.

“One of our state’s most venerable corporate institutions lost its way as its board sought to find out who leaked confidential company information to the press,” said Lockyer. “In this misguided effort, people inside and outside HP violated privacy rights and broke state law. On behalf of Californians, who cherish privacy so much they enshrined the right in our state Constitution, those who crossed the legal line must be held accountable. That is my duty, and I will perform it in a manner that reflects the gravity and importance of this case.”

In a criminal complaint filed today in Santa Clara County Superior Court, Lockyer charged Dunn and the following individuals with crimes in connection with the Hewlett-Packard “pretexting” incident: Kevin T. Hunsaker, former in-house lawyer and ethics chief for Hewlett-Packard; Ronald R. DeLia, managing director of Security Outsourcing Solutions, an outside security contractor for Hewlett-Packard; Matthew Depante, manager of Florida-based information broker Action Research Group (ARG); and Bryan C. Wagner, a Colorado-based employee of ARG.

The felony complaint charges all five defendants with four felony counts: fraudulent wire communications in violation of Penal Code section 538.5; wrongful use of computer data in violation of Penal Code section 502(c)(2); identity theft in violation of Penal Code section 530.5; and conspiracy to commit those three crimes.

Under Penal Code section 538.5, the complaint alleges the defendants used “false and fraudulent pretenses” to obtain from a phone company confidential information, including billing records, belonging to 12 individuals. The victims included Hewlett-Packard board members and their family members, and reporters and their family members. The complaint alleges the defendants violated Penal Code section 502(c)(2) when they willfully and knowingly accessed, and without permission used, computerized telephone account data belonging to two Hewlett-Packard board members and one journalist.

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On the identity theft count, according to the complaint, the defendants willfully obtained personal identifying information – including names, phone numbers and Social Security numbers – on 13 Hewlett-Packard board members, journalists and family members. In violation of Penal Code section 530.5, the defendants then used that information for an unlawful purpose, the complaint alleges.

The complaint and supporting declaration detail how Dunn and Hunsaker knew the outside investigators obtained phone records through false pretenses. After acquiring that knowledge, the complaint and declaration allege, both Dunn and Hunsaker facilitated the continued use of the illegal means to obtain phone records, making both culpable for the crimes.

For example, with respect to Dunn, the complaint alleges she gave DeLia the home, cell and office phone numbers for Hewlett-Packard board members in April 2005. Two months later, in a June 2005 briefing provided by DeLia to Dunn and Baskins, Dunn learned “telephone records were obtained by ruse from telephone and cellular carriers,” the complaint alleges. Then, beginning in January 2006, with full knowledge of the methods used to obtain phone records, Dunn participated in renewing Hewlett-Packard’s leak investigation, subsequently received regular briefings on its progress and therefore knew DeLia was again part of the investigation team.

Regarding Hunsaker, the complaint alleges he became aware in January 2006 that the outside investigators used by Hewlett-Packard during the leak investigation obtained phone records by ruse. After learning of the subterfuge, Hunsaker nevertheless provided the investigators the home, cellular and office phone numbers for Hewlett-Packard officials, according to the complaint.

The supporting declaration also details the roles of DeLia, Depante and Wagner. As described in the declaration, Dunn and Hunsaker retained DeLia to find the source of the boardroom leaks. DeLia hired ARG, managed by DePante, to obtain the phone records, and knew ARG obtained records through false pretenses. Wagner was employed by ARG and performed the actual work of unlawfully obtaining phone records through false pretenses, the declaration alleges.

All four counts carry a maximum prison sentence of three years. The maximum fine for each of the three underlying felonies is \$10,000. A conviction for conspiracy to fraudulently obtain phone records, or conspiracy to unlawfully access and use computer data, carries a maximum fine of \$10,000. Conspiracy to commit identity theft can bring a maximum fine of \$25,000.

Along with the complaint, Lockyer asked the court to issue warrants for the arrest of the five defendants. Lockyer’s office will make arrangements with counsel for Dunn and Hunsaker to surrender voluntarily. As for the defendants who reside outside California – DeLia, Depante and Wagner – Lockyer’s office will be making arrangements for their arrest and eventual extradition to California to stand trial.

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