APRICOT/APNIC 27 APNIC Training Team Cymru **Introduction to Botnets and Forensics** Manila, Philippines APNIC S 24 February, 2009 Presenter: Cecil Goldstein, **APNIC Training Manager** cecil@apnic.net Material developed and kindly made available by Team Cymru Ryan Connolly APNIC S ryan@cymru.com Marcel van den Berg marcel@cymru.com Team Cymru **BOTNET BASICS**

Introduction to Evolved Malware

Botnets 101 Agenda	
Agenda	
• Introduction	
• What is a Botnet?	
What are Botnets used for?	
How are Botnets created?	
How are Botnets controlled?	
Can Botnets be stopped?	
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Botnets 101	
Introduction	
Introduction	
Purpose of this presentation	
 Provide an introduction to the world of Botnets 	
Explore their capabilities	
— Illustrate their increasing sophistication — Describe current countermeasures	
Foundational in content	
- Assumes a basic understanding of malware	
But no prior knowledge of Botnets themselves	
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What's a Botnet?	
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Terminology

Bot
Botnet
Drone
Bot Herder (controller)
Command & Control

Botnets 101 What is a Botnet?

What is a Bot?

- To understand Botnets, lets first look at "bots"
 - Shorthand for "software robots"
 - A piece of automated (robotic like) software that runs silently on the host and waits for commands from its control infrastructure
 - Allows a 3rd party to direct the affected machine (drone) to execute malicious tasks
 - Can act singularly or in concert with hundreds (or thousands) of other peer bots in a "grid computing" like fashion



Botnets 101

What is a Botnet?

- · A controlled collection of "drones"
 - All running semi-homogeneous bot software
 - Centrally controlled by a third party
 - Machine's true owner is typically unaware
- Intent: leverage collective resources
 - Sum of the whole is greater than the parts ...
 - Hundreds, thousands, or even millions of machines acting with single purpose can rival the computing power of some of the worlds fastest supercomputers!



Are Botnets a threat? Considered to be the primary security threat on the Internet today - "Botnets: The New Threat Landscape" (Cisco, 2007) • Because of their growing size - Botnet computing power is bought/sold/traded like a commodity Often used for large scale Internet attacks Use is increasingly focused on financial gain (fraud) not just digital vandalism (spam, denial of service) Botnets are highly dynamic - Making them hard to detect, locate, and shut down - They adapt quickly to new detection controls Where are these Botnets? Largest percentage in western countries and Asia Growing into South America and India Highest concentration in China "What are Botnets used for?"

Motivations of Botnet creators • In the past ... - Curiosity, wondering what was possible - Underground research or non-malicious "hacking" Resource sharing between peers (grid computing) - Exploring alternative methods of Internet communication · More recently ... - Increased capacity to execute digital vandalism - Information gathering for financial fraud and monetary **Motivations of Botnet creators** • In the past ... - Curiosity, wondering what was possible - Underground research or non-malicious "hacking" - Resource sharing between peers (grid computing) - Exploring alternative methods of Internet communication - Increased capacity to execute digital vandalism - Information gathering for financial fraud and monetary Motivation: increasing capacity • Attackers want "capacity" ... defined as Bandwidth or Internet throughput - Resources such as hard drive space, processing power, and other machine capabilities • The goal - To infect as many systems as possible with bots - Thus, increasing the collective size of the Botnet

- Thus, increasing the power associated with control

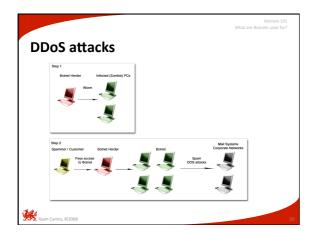
of such resources

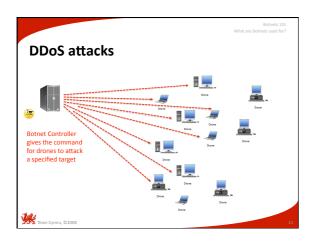
Motivation: information gathering • Attackers also want "information" ... defined as - Usernames & passwords (for the local machine) - Usernames & passwords (for websites, etc) E-mail contents & contacts - Financial information & trade secrets - Network traffic on your subnet, etc ... The goal - Extract your personal information - Which they can use, trade, or sell - Which can be input for more complex attacks - Which can be used for extortion or other crimes - Thereby, increasing **their** financial gain **Botnet capabilities** • Botnets are flexible and have may uses · Some of the most popular - Distributed Denial of Service (DDoS) attacks - System exploitation - Hosting services - Internet click fraud - Proxies - Spyware We will examine each of these individually **DDoS** Network-based digital vandalism attack • The goal - Overwhelm the target with network packets to slow or stop its ability to process legitimate requests - Leverage thousands (millions?) of drones for maximum impact • Often a specific website is the target, however, upstream routers and switches fail as well

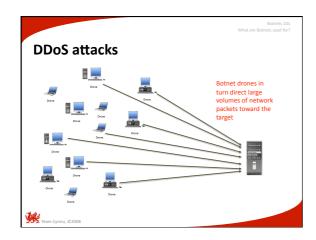
DDoS attacks

- Ping / UDP floods
 - Large volume of ICMP ECHO or UDP packets sent to a single host or limited set of destinations
 - Bandwidth is consumed, service slows or stops responding to legitimate requests
- TCP flood
 - Large volume of half-open TCP handshake requests
 - "State table" maintained in memory of the responding device is crammed full of bogus TCP sessions
 - Resource eventually crashes or slows to a crawl









Botnets 101 What are Botnets used for?

DDoS extortion

- Attackers threaten DDoS if demands are not met
 - Starts with a sample demonstration attack
 - Followed by a statement of demands (usually \$)
 - If paid, attackers go away
 - If not, resources are brought down
- Slippery slope
 - Once you pay, chances are high that attackers will return with further demands ...

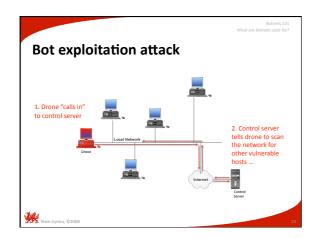


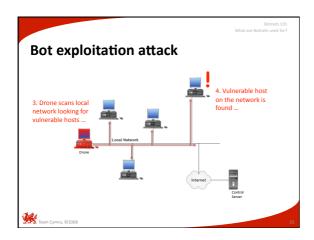
Botnets 101

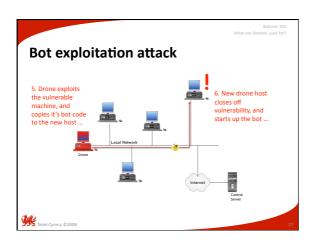
Exploitation

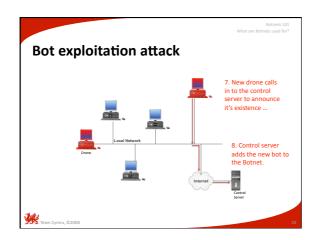
- Bots include the ability to "hack" other machines
 - Scan the network with built in sniffing tools
 - Look for open TCP ports / vulnerable services
 - $\boldsymbol{\mathsf{-}}$ Exploit unsecured or un-patched machines
 - Replicate the bot code to the new machines
- Modular design
 - Bots are created to be modular and flexible
 - Built in "hacking tools" are updated by the controller when new ones become available











Hosting services

- Bots are capable of turning their drone host into:
- · HTTP web servers
- To host phishing sites
- To host web pages infected with bot code
- FTP file servers
 - To host pirated software or music
 - To store malware for others to use
- IRC chat servers
 - So that Botnet owners can communicate
 - For command & control of Botnets themselves

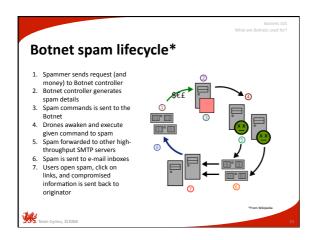


Botnets 101

Hosting services

- SMTP mail servers
 - For distributing spam
- As of January 2008
 - 80% of all spam originated from Botnets
 - 8% of all spam originated from the **Storm Botnet**
 - Based on the Storm worm created in 2007
 - Estimated to have over 1 million drones
 - http://en.wikipedia.org/wiki/Storm_botnet





Click fraud

- Online advertisers pay affiliates for generating clicks on their Internet ads
 - Known as Pay Per Click advertising (PPC)
 - Google's AdWords/AdSense & Yahoo! Search Marketing
 - When a click occurs, a small amount of money is deposited into the affiliate's bank account
- But, what if ...
 - Ad clicking could be simulated
 - Ad clicking could be manipulated by a collection of thousands of machines
- Botnets are an ideal medium



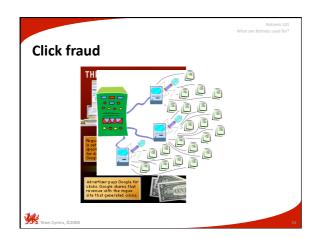
Botnets 101

Click fraud

- Illegal
 - Felony offense in the US, UK, and other countries
- Example: Clickbot.A
 - Bot code designed for click fraud
 - Appeares as an Internet Explorer plugin
 - Discovered by SANS in 2006
 - 100,000+ machines infected today



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Proxy servers

- Network traffic can be "bounced" or proxied through intermediary hosts
 - Has both legitimate and illegitimate uses
- In the case of Botnets
 - Redirecting network traffic through drones avoids detection and attribution
 - Routing IP-based services through several drones in several countries makes tracing nearly impossible

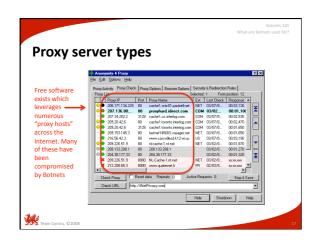


Botnets 101

Proxy server types

- HTTP / HTTPS
 - Redirects web traffic to hide origin IP address
- SOCKS
 - Redirects other TCP & UDP based services
 - $\,-\,$ E.g. IMAP, POP3, instant messaging, SMTP for spam
- IRC
 - Hides source IP when joining IRC chat rooms
 - Often used to hide Botnet command & control traffic
- Generic traffic redirection
 - Anonomizing other services
 - Very popular and developed use of Botnets





Spyware

 Bots can spy on your computer activity through the use of

- Keystroke loggers
- Network packet captures
- Screen shot captures
- Host pilfering & data theft
- Typically, data is extracted & uploaded offsite
 - Data upload sites are called "drops"



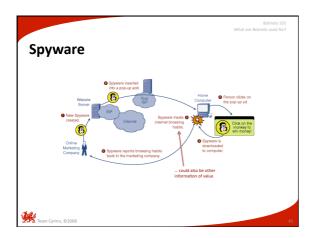
Botnets 101

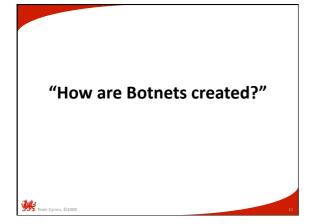
Spyware

- Keystroke loggers can capture
 - Credit card information
 - Passwords
 - E-mail, IM, and other communications
 - Personal data (identity theft)
- Network packet sniffers
 - Trigger logging based on keywords
 - E.g. "paypal.com" or "yourbank.com"
 - Also used to see if competing Botnets are within proximity



Spyware • Screen shot captures - Works like a keystroke logger - Grabs a picture of the entire screen - Have been known to enable webcams & microphones too! • Host pilfering & data theft - Search the Windows registry for valuable data - Search Windows Protected Storage for credentials - Grab IM contacts - Grab E-mail contacts (for spam lists) - Grab documents with known file extensions (e.g. doc, xls, txt)





Build a Botnet · Used to be an elite skill - Creating a decent bot was hard enough Creating a full-functioning, resilient, and effective Botnet was a serious undertaking • More recently, it's become "point and click" - Software / tools have matured - Wealth of information available for newcomers - Some IRC chat channels even offer training · Botnet community willing to share Exploitation frameworks - Tools, techniques, and traps **Build a Botnet** • Finding vulnerable hosts is easier than in the past · Internet-wide IP netblocks have been documented - Which netblocks are unallocated - Which netblocks have vulnerable systems - Which netblocks are heavily monitored - Which netblocks are allocated to what organization Educational address space is targeted - Poor security, large amount of storage, fast connections Military & government targeted for different - Bragging rights, access to sensitive information **Build a Botnet** · Attacking hosts is also becoming easier - Vulnerability exploitation is a maturing process - Social engineering is highly successful - Phishing & e-mail attacks still work in 2008 - Instant messaging attacks are on the rise

Buy a Botnet

- Underground cyber-crime commodity
- Can be bought or sold
 - Custom Botnets can be created for the right price
- Can be traded
 - For physical goods such as jewelry or computer gear
 - For Batches of credit card information
 - For Shell accounts on remote servers
 - For other Botnets!

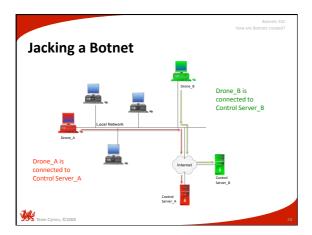
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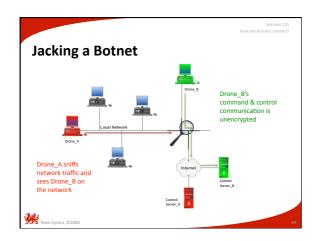
Botnets 101 re Botnets created?

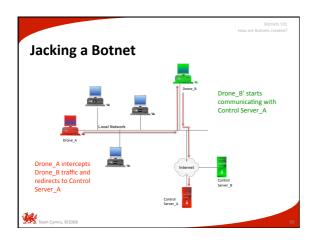
Steal a Botnet

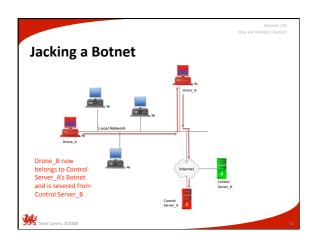
- If you don't want to build/buy it, steal it
 - Referred to as "hijacking" or "jacking"
 - Essentially, talking over drones of another Botnet
- Bots assimilate each other
 - Sniff network traffic for command & control conversations between drones and their server
 - Usually unencrypted, but not always
 - Data in the network traffic provides most of what is needed to "convert" a drone to your Botnet
 - Bots can be automated to do this, requiring little effort!

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In sum, three scenarios • "I have technical skills, and no money" - Learn to build your own Botnet • "I have money, and no technical skills" - You can buy or trade for a Botnet • "I have neither" You can steal a Botnet "How are Botnets controlled?" **Command & control** • Managing a Botnet can be complicated - Geographically dispersed drones Must negotiate firewalls, switches, intrusion detection, and numerous other network controls - Need a seemingly benign way to "give orders" and - Botnet controller (herder) needs to maintain anonymity • Certain network protocols are ideally suited - Old standbys: IRC, HTTP Up and coming: P2P, DNS

Command & control • Managing a Botnet can be complicated - Geographically dispersed drones - Must negotiate firewalls, switches, intrusion detection, and numerous other network controls - Need a seemingly benign way to "give orders" and receive results - Botnet controller (herder) needs to maintain anonymity • Certain network protocols are ideally suited - Old standbys (RC, HTTP - Up and coming: P2P, DNS We'll explore these in greater detail

IRC command & control

Oldest, most common

Uses public IRC servers

But, private IRC servers are also prevalent

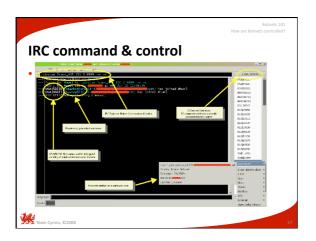
Typical scenario

Drones are connected to the controller as IRC chat participants waiting for commands

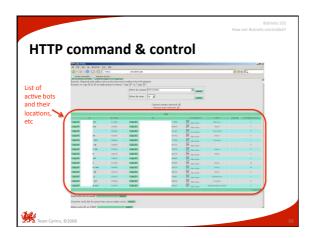
Controller issues commands by inserting specially formatted text into the conversation

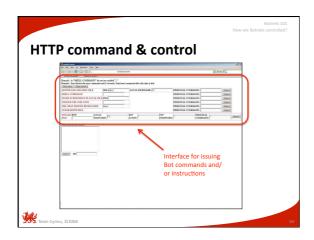
Drones see the command, and execute instructions on their local host

Results are returned to the chat session



HTTP command & control • Looks even more benign — Blends in with other web traffic noise on the Internet • Typical scenario — Drones use HTTP to connect to a remote web server — A PHP script is accessed on the web server, including self identifying information (I am here) — Controller views and tracks the Botnet via a web interface — Commands are embedded in a webpage which is queried by the drones on a set time interval — Results are returned by accessing the PHP scripts and including results information





DNS command & control Somewhat newer than IRC or HTTP Nearly invisible to observers Looks like generic DNS resolution traffic
 DNS (TCP/UDP 53) allowed in and out of nearly all networks • Typical scenario Drones uses DNS to attempt to resolve a domain name - The hostname being resolved is crafted with special information - E.g. bot-3987645-us.netmanager.somedomain.com Controller tracks the bots via DNS queries
 Commands are embedded in the DNS resolution responses Results are returned by resolving additional DNS queries and passing along specially crafted hostnames P2P command & control · Growing in popularity • Being heavily researched by universities in the • Relies on a web of peer controllers vs. a single server - If the controller is shutdown, the Botnet survives "Can Botnets be stopped?"

Stopping Botnets • Very difficult to outright stop a Botnet - Designed to be resilient to discovery & termination - Modular, flexible, and constantly changing - Network connections cross international borders • Better question: can we **understand** Botnets? - Before they can be stopped, they have to be understood - Once understood, we can build defenses (offenses?) - Time, patience, and diligence are required $\boldsymbol{-}$ Fortunately, the tools are getting better \dots **Understanding Botnets** Observation as a tool - Often called "runtime analysis" - Let the bot run in an isolated environment (sandbox) - Observe bot behavior and actions - Watch attempts to connect to controller - View traffic & look for IP address or domain name of the control server, IRC channel, website, et al Common tools for research - Honeypots **Understanding Botnets** · Decomposition as a tool - Often called "reverse engineering" - Time consuming but more thorough - Requires advanced programming language knowledge - Reveals similar information, but also hidden functions, passwords, & and other details not immediately apparent with observation · Common tools for research - Sandboxes, disassemblers, debuggers

How do we proceed?

• First, we need to capture a bot

– Using a honeypot

• Second, we need to analyze it

– Using a sandbox

Botnets 10:

Bot capture with honeypots

- We need to create a monitored and controlled environment that looks enticing
- For this we can use a "honeypot"
 - A computer that appears to be part of a network but which is actually isolated, (un)protected, and monitored, and which seems to contain information or a resource that would be of value to attackers
- One honeypot ideally suited for Botnet analysis
 - Nepenthes

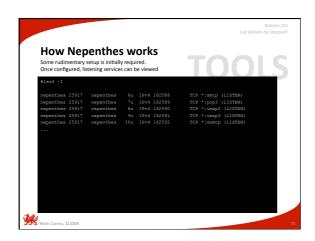


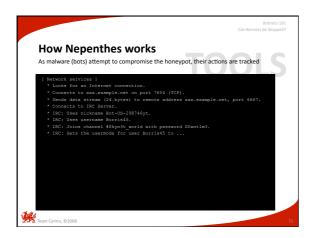
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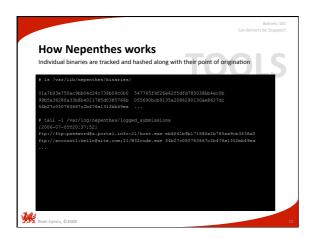


- Originated in 2005
- Runs on Linux/UNIX variants
 - Can be run in Vmware on Windows if desired
- Free, open-source, honeypot technology designed to intercept and capture malware
- Ideally designed for Botnet and bot analysis
- Offers passive analysis by emulating known Windows vulnerabilities and downloads malware trying to exploit these vulnerabilities
- Can be obtained from Sourceforge at: http://nepenthes.mwcollect.org









Bot analysis with sandboxes

- We have captured several bots and chunks of binary code ... what now?
- Analysis can be done with a "sandbox"
 - Virtual environment where programs may execute in safe surroundings without interfering with the real processes, program files and network environment.
- · We will examine two sandbox tools
 - Norman SandBox
 - CWSandbox



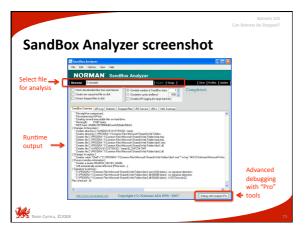
Norman SandBox



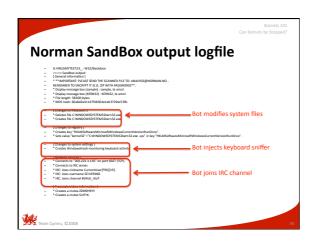
- Experts in malware analysis & sandbox technology Features a line of products that can be used online, or locally (Windows-based tools)
- Focused on observation analysis, but "Pro" versions of the tool will also do advanced decomposition
- Offers detailed output showing exactly what bot does when executed, and evaluates malicious activity
- Commercially available at

http://www.norman.com/microsites/nsic/en-us

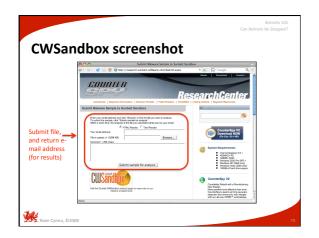




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CWSandbox • Built by SunBelt Software USA — Headquartered in Tampa Bay, Florida • Leading provider of security software • Features a FREE online malware analysis tool in their developer & research portal • Can be directly fed from Nepenthes honeypot • Offers autonomous analysis of large volumes of malware samples in a short period of time • Submit malware directly at: http://research.sunbelt-software.com/Submit.aspx



Code attribution

Sometimes a software package's source code will indicate its author

Usually difficult with bots

Modified regularly
Easy to forge information
Some are co-developed between geographically dispersed individuals

Thank You Questions?

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