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14
15 **UNITED STATES DISTRICT COURT**
16 **CENTRAL DISTRICT OF CALIFORNIA**
17 **SOUTHERN DIVISION**
18

19 EHOSTAR SATELLITE
20 CORPORATION *et al*

21 Plaintiffs,

22 v.

23 NDS GROUP PLC *et al*

24 Defendants.

No. SA CV 03-950DOC(Anx)

**DECLARATION OF
RON LORNE EREISER**

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**DECLARATION OF
RON LORNE EREISER**

1 I, Ron Lorne Ereiser hereby declare as follows:

- 2 1. My name is Ron Lorne Ereiser. The facts stated in this declaration are
3 true and correct, are within my personal knowledge and if called to testify
4 concerning them, I could and would testify consistently thereto. I reside
5 at 4679 Deerwood Terrace, Victoria, B.C., Canada. Although it has
6 recently been shut down, while living in Saskatchewan, Canada, I owned
7 and operated an audio-visual business known as Kerrobert's Satellite and
8 Cellular for approximately twenty (20) years. The sales of satellite
9 receivers and related equipment made up the majority of sales for
10 Kerrobert's Satellite and Cellular.
- 11 2. While running Kerrobert's Satellite and Cellular I became personally
12 acquainted with Christopher [Chris] Tarnovsky (hereinafter
13 "Tarnovsky"). Specifically, I met Tarnovsky in approximately August or
14 September of 1996. During that time Kerrobert's Satellite and Cellular
15 was dealing in the sales of P1 smart cards (or "access cards") for the
16 DirecTV satellite system. A smart card is what allows or prevents the end
17 user's access to a particular satellite provider's television programming,
18 such as DirecTV or DISH Network.
- 19 3. After initially being provided with Tarnovsky's email address through my
20 connections on various websites, I emailed Chris directly at
21 von@metro2000.net. Using this same email address, Chris Tarnovsky
22 communicated with me on several occasions until Chris and his wife
23 Sylvia came to meet me personally approximately four (4) to six (6)
24 weeks after my initial email to Tarnovsky. This meeting took place in
25 Calgary, Alberta.
- 26 4. The purpose for me contacting Tarnovsky was to discuss the possibility of
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1 him coming to work with me as a software-code engineer in connection
2 with the P1 DirecTV cards that Kerrobert's Satellite and Cellular was
3 dealing in at that time. Once I contacted Tarnovsky, he told me that he
4 was experienced in the areas of satellite encryption/decryption as well as
5 being versed in analyzing code and writing software regarding same.
6 Specifically, Tarnovsky told me that he conducted extensive work in
7 connection with the hack of the D2Mac system in Europe, among other
8 systems.

9 5. During my initial meeting with Tarnovsky I supplied him with as much
10 information code as I had on the P1 DirecTV access cards and
11 corresponding "battery cards." A battery card is a hardware satellite
12 pirating device with similar design specifications as an Access Card
13 which allows the user to obtain unauthorized decryption and reception of
14 an encrypted satellite signal. The code provided to Tarnovsky came from
15 the Dallas 5002 processor and the Atmel 89C52 chip utilized by the P1
16 DirecTV microprocessors. Although it was not necessary to have both the
17 Atmel chip and Dallas processor, Tarnovsky wanted the codes from both
18 so that he could incorporate the code from the Atmel chip into the Dallas
19 processor making the battery cards cheaper to build and give Tarnovsky
20 more control over supporting them. At this time Tarnovsky requested
21 twenty thousand dollars (\$20,000) to provide support in the form of a 'fix'
22 or 'patch' for the battery cards distributed by Kerrobert's Satellite and
23 Cellular to be paid in the form of "donations" for Tarnovsky to continue
24 to support these cards.
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26 6. A couple of months after Tarnovsky wrote the software code for the P1
27 DirecTV battery card fix he decided to write a new piece of software code
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referred to as a "bootstrap." A bootstrap is a master program version for the system being pirated. The purpose of Tarnovsky's bootstrap software was that it would allow him to load updates onto the P1 DirecTV battery cards which Tarnovsky would also write to combat future electronic counter measures ("ecm") undertaken by DirecTV to disable the P1 battery cards. Tarnovsky requested additional monetary compensation for each bootstrap in addition to his initial fix of the P1 battery cards. Specifically, Tarnovsky demanded approximately \$1,500 for each bootstrap code he provided to Kerrobert's Satellite and Cellular.

7. Tarnovsky continued to provide support for Kerrobert's Satellite and Cellular P1 battery cards until they were rendered impotent by the swap out to the P2 cards. I believe this was in approximately October or November of 1997.

8. After the P2 DirecTV cards came out Tarnovsky informed me that he could provide me contact information for engineers that could assist in successfully hacking the P2 smart cards. Specifically, Tarnovsky provided me with the name and contact information of Jan Saggori. Saggori introduced me and Herb Huddleston, a business acquaintance of mine, to two Bulgarian hackers identified as Plamen Donev and Vesselin (Vesco) Nedeltchev. Subsequently, Huddleston traveled to Bulgaria to meet personally with Plamen and Vesco. Following this meeting, Plamen and Vesco agreed to travel to Winnipeg, Manitoba, Canada, and then to get assisted across the border to the United States, specifically, Montana – to begin work on hacking the P2 cards. At this time Tarnvosky indicated that he would temporarily relocate to the Cayman Islands where he would write software to support the eventual P2 hack. Tarnovsky advised that

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the Cayman Islands would be a safer environment for him to work on this software support as he was concerned with the piracy laws in the United States.

9. Ultimately, Tarnovsky decided not to relocate to the Cayman Islands to work on the initial software support for the P2 hack. As an explanation for deciding against moving, Tarnovsky indicated that he did not want to leave his father in the United States. Plamen and Vesco agreed to travel to the Cayman Islands in order to write the software codes to the P2 cards. Plamen and Vesco completed this stage in approximately one week after traveling to the Cayman Islands. After Plamen and Vesco successfully wrote the software to the P2 cards, they traveled back to Canada to attempt to work on a stand-alone programmer for the P2 cards. Subsequently, Plamen and Vesco returned to Bulgaria.

10. Following Plamen and Vesco's return to Bulgaria, Tarnovsky agreed to write software fixes and offer support for the then compromised P2 cards. Tarnovsky then traveled back to Calgary, Canada to meet with myself, Gary Toscholke, David Truthwaite and Gwen Farrel. Upon agreeing to write the software and provide support for the P2 cards, Tarnovsky was paid an initial amount of \$10,000 at the conclusion of the aforementioned Calgary meeting. At this time Tarnovsky was also provided with the ROM dump of the P2 code which was emailed to David Truthwaite in Calgary from Herb Huddleston in the Cayman Islands.

11. After approximately one week from the meeting in Calgary between myself, Tarnovsky, Truthwait, Toscholke and Farrel, Tarnovsky had already found a 'back door' into the P2 card and was successfully writing the software to load onto same. At this time, Tarnovsky also developed a

1 method to load a unique identifying signatory mark onto the cards
2 Kerrobert's Satellite and Cellular was distributing. During this same time
3 period, Tarnovsky also attempted, unsuccessfully, to solicit my help with
4 hacking the ASIC chip of the P2 card as well as obtaining the dump of
5 another conditional access system's card employed by Galaxy Latin
6 America ("GLA").

7 12. Shortly after Tarnovsky wrote the initial code for the P2 hack he informed
8 me that an individual named Norman Dick had developed another hack on
9 the P2 card which was referred to as the combo card. Subsequently,
10 Tarnovsky was able to break apart this combo card and eventually sent me
11 the schematics and software for same to build my own combo cards and
12 load similar software onto same. Tarnovsky demanded additional
13 payment for this endeavor.

14 13. Following Tarnovsky's initial work on the P2 hack he continued to
15 provide technical support and periodic fixes for subsequent ecm's aimed
16 at disabling the hacked P2 cards. During this time period Tarnovsky
17 continued to be paid for his services. Pursuant to Tarnvosky's request, he
18 was paid by shipping various electronic components (e.g., Compact Disk
19 players and Digital Video Devices) filled with varying amounts of cash up
20 to and including \$20,000 to his residence in Manassas, Virginia. There
21 was also at least one occasion when Tarnovsky requested that his cash
22 payment be shipped inside of a Playstation PS2 for his father. There was
23 additionally one occasion when Tarnovsky requested payment in the
24 amount of \$5,000 to be shipped to his Father's address and another \$5,000
25 to be shipped to his mother's address. It is my understanding that both
26 Tarnovsky's father and mother resided in or around the Manassas,
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1 Virginia area at the time these payments were shipped.

2 14. In late 1998 Tarnovsky's support for the P2 hack began to suffer and it
3 became obvious that his efforts were being concentrated elsewhere.
4 Tarnovsky informed me in an IRC chat that he was working on "another
5 system". During this same IRC chat I advised Tarnovsky, jokingly, that I
6 was considering possibly dumping the EchoStar code and that I already
7 had the ROM code ready. Although I was not in fact in possession of any
8 part of the EchoStar code, because in late 1998 to my then existing
9 knowledge EchoStar's code had not been hacked, I made these statements
10 to Tarnovsky in an effort to incite his over inflated ego-driven personality.
11 To my complete surprise, Tarnovsky indicated that he was, in fact, in
12 possession of the EchoStar code and that if I forwarded him a portion of
13 my code he had the ability to verify its authenticity.

14 15. In late 1998 freeware for the P2 hack became increasingly available via
15 the internet. The onset of this freeware virtually eliminated Tarnovsky's
16 role in providing software support for the P2 cards. Subsequently,
17 through correspondence I had with Tarnovsky I learned that he was
18 working with an individual named Allen Menard through Menard's
19 website www.dr7.com.

20 16. I originally became acquainted with Menard through an IRC channel
21 called #satellite, which was initially accessible through the EFNET
22 servers. Shortly thereafter, I learned from Tarnovsky that Menard had set
23 up his www.dr7.com website.

24 17. Tarnovsky used this venue, as well as the website www.piratesden.com
25 to publicly disseminate the EchoStar code that he possessed using the
26 alias "nIpPeR," "nIpPeR cLaUsE" or substantially similar pseudonyms, as
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1 well as various posts providing technical support (e.g., commands, fixes,
2 patches and updates, among others) for use in circumventing EchoStar's
3 encryption technology. During the course of my communications with
4 Tarnovsky I am also personally aware that he used other aliases including,
5 von, vonrat, arthur, arthur von neuman, and coleman to communicate
6 within the satellite pirate community.

7 18. Tarnovsky personally confirmed the fact that he was the one responsible
8 for the posting of the EchoStar hack when I spoke with him shortly after
9 his December 2000 internet postings. As a related matter, I learned from
10 a personal meeting I had with John Luyando and a phone conversation I
11 had with Tarnovsky in early to mid-2000, that Oliver Kommerling was in
12 possession of the EchoStar ROM code prior to Tarnovsky's posting of
13 same.

14 19. Additionally, soon after Tarnovsky posted the initial hack on Menard's
15 dr7 website, Tarnovsky requested that I send approximately one hundred
16 battery cards that Tarnovsky had previously provided to me for use in the
17 DirecTV P2 hack to Al Menard for reprogramming for the EchoStar hack.
18 It is my understanding from communications with Tarnovsky that
19 Tarnovsky was the one who provided Menard with this EchoStar card
20 reprogrammer. This reprogrammer was commonly referred to by
21 Tarnovsky by the nickname "the stinger" and was used to reprogram
22 plastic access cards.
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24 20. In order for Tarnovsky and Menard to distribute the pirated EchoStar
25 access cards that had been reprogrammed by Menard using the "stinger"
26 provided to him by Tarnovsky, Menard used a select group of individuals
27 or "dealers". Specifically, through personal conversations with each of
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1 these dealers, I am aware that Tarnovsky and Menard used, among others,
2 Dave Dawson, Sean Quinn, Andy Sergei, Stan Frost, Todd Dales and
3 Brian Sommerfield to distribute Menard's and Tarnovsky's
4 reprogrammed EchoStar access cards.

5 21. With regards to Dave Dawson, I was informed by him that he was present
6 on several occasions where Menard reprogrammed numerous EchoStar
7 smart cards and loaded Tarnovsky's original software fix onto them. I
8 was also informed by Dawson that he was provided reprogrammed
9 EchoStar smart cards by Menard with the modified B3 bootstrap
10 developed by Tarnovsky loaded onto them. I have also seen several email
11 communications from Menard discussing these reprogrammed and
12 bootstrap loaded EchoStar smart cards and the accompanying payment for
13 these.

14 22. With regards to Sean Quinn, I was personally informed by him that he
15 was also selling the Menard/Tarnovsky reprogrammed EchoStar access
16 cards which he obtained from Menard. Additionally, at one point Quinn
17 sent me some files that he was provided by Menard. Upon review of the
18 files, I was able to determine that these files were Menard's own personal
19 dealer files. Significantly, Dawson informed me that they knew the
20 EchoStar fix was provided to Menard by Tarnovsky. I am also aware that
21 certain individuals have email communications from both Menard and
22 Tarnovsky that establishes the relationship between Tarnovsky providing
23 the EchoStar fix via Menard and his dr7 website.

24 23. I am also aware, by way of an email sent to me from Oliver Kommerling,
25 that Menard, as well as Kommerling, had personal knowledge that
26 Tarnovsky was working for or at the direction of NDS during the time
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1 starting in late 1998 when Tarnovsky was pirating EchoStar's smart cards
2 and conditional access system and that Tarnovsky was providing Menard
3 with the EchoStar hack and fixes.

4 24. During this same time period Stan Frost and Dan Kavanaugh operated a
5 website known as "The New Frontier." During conversations with
6 Kavanaugh, I was informed that the "new frontier group" would send
7 their EchoStar smart cards to Menard for reprogramming with the latest
8 Tarnovsky fix that would combat the most recent ecm disseminated by
9 NagraStar. Kavanaugh further informed me that after Menard
10 reprogrammed these cards, Kavanaugh would redistribute to the new
11 frontier's customers and Kavanaugh would collect a commission from
12 Frost.

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14 25. Prior to Tarnovsky posting the initial EchoStar hack and subsequent
15 EchoStar fixes and other technical support, it is my understanding that he
16 was approached by John Norris of NDS to assist NDS in the reverse
17 engineering of the EchoStar access card. I know Norm Dick from my
18 dealings in the DirecTV P1 and P2 cards.

19 26. With regards to Norm Dick, when I was approached by NDS's head of
20 security John Norris in late 1996, Norris requested that I provide NDS
21 with testimony concerning any information I had relating to Norm Dick.
22 In exchange for this testimony, Norris represented to me that I would
23 receive compensation, that NDS and DirecTV would drop their then
24 pending suit against me, and that I could continue engaging in the hack of
25 the DirecTV signal. More disturbingly, however, also during this meeting
26 Norris attempted to persuade me to initiate hacking efforts on the
27 EchoStar signal. Also present during this meeting was an NDS employee
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in Israel named Roni Segoly. I declined Norris' offer on all counts. Accordingly, NDS continued to pursue their civil suit against myself and others.

27. I am also aware, and have seen a video taped recording of NDS employees John Norris and Reuven Hasak holding an outdoor meeting with Gary Toscholke, a former satellite pirate, at a restaurant wherein Norris and Reuven Hasak (Security personnel for NDS in the USA and Israel) unequivocally threatened Toscholke in the event that NDS ever caught him in Mexico again, they would apprehend him, bound him, put him in the trunk of a vehicle and haul him across the border.

28. I am also aware, and have heard an audio recording of a conversation wherein NDS employee John Norris was conversing with Herb Huddleston's secretary Lisa concerning NDS providing her payment in the amount of \$25,000 if she were to steal proprietary information from Huddleston's computer files. Moreover, Norris even went so far as to advise Lisa on the steps she could take to avoid income tax liability on her receipt of these funds by setting up a temporary account in Canada, which NDS would open for her, under her maiden name and then immediately withdrawing same.

29. In closing, I find it important to note that I had a debriefing with the attorneys for DirecTV and NDS in approximately 2000. Present at this meeting were myself, Scott Wilsdon, John Norris and Larry Rissler. Following the debriefing I spoke in private with Mr. Wilsdon regarding the compromise of EchoStar's encryption system. During that conversation, Mr. Wilsdon stated unequivocally that he would not be surprised that NDS was behind the EchoStar hack. Mr. Wilsdon further

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stated that the difference between DirecTV and NDS was that Mr. Rissler was formerly employed by the federal government and conducted himself accordingly whereas Mr. Norris was basically a "mercenary" who did not operate by conventional rules, and that he had no intention of continuing to provide legal representation to NDS going forward.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Signed and executed on November 8th, 2005.

/s/ Ron Lorne Ereiser 