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NINJAVIDEO FOUNDER PLEADS GUILTY IN VIRGINIA TO CRIMINAL COPYRIGHT CONSPIRACY

WASHINGTON – Hana A. Beshara, 29, of Las Vegas, pleaded guilty today for her role in founding NinjaVideo.net, a website that provided millions of users with the ability to illegally download infringing copies of copyright-protected movies and television programs in high-quality formats.

The guilty plea was announced by U.S. Attorney Neil H. MacBride for the Eastern District of Virginia, Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division and U.S. Immigration and Customs Enforcement (ICE) Director John Morton.

Beshara pleaded guilty before U.S. District Judge Anthony J. Trenga in the Eastern District of Virginia to conspiracy and criminal copyright infringement. At sentencing, scheduled for Jan. 6, 2012, Beshara faces a maximum penalty of five years in prison on each count.

According to court documents, Beshara was one of the founders of NinjaVideo.net, which operated from February 2008 until it was shut down by law enforcement in June 2010. The NinjaVideo.net website allowed visitors to download infringing copies of hundreds of television shows and movies, including those still playing in theaters and some that had not yet been released in theaters. Website visitors could download much of the infringing content for free, but visitors who "donated" at least \$25 obtained access to private forum boards that contained a wider range of infringing material.

According to court documents, NinjaVideo.net generated additional income from Internet advertising. Beshara admitted that she negotiated agreements with online advertising entities and received income from them. Beshara admitted that she and her co-conspirators collected more than \$500,000 in overall proceeds during the website's two-and-a-half years of operation, with Beshara personally receiving more than \$200,000. As part of her plea agreement, Beshara agreed to forfeit assets seized by ICE's Homeland Security Investigations (HSI) in June 2010, including cash, an investment brokerage account, two bank accounts, a Paypal account and one Internet advertising account.

Beshara, who referred to herself as "Queen Phara" and "the face and the name behind Ninja," was the day-to-day administrator of NinjaVideo.net, according to court documents. In that role, Beshara supervised the website and at times directed the release of infringing copies of specific movies and television shows, including through uploads of copyrighted works by

members of the group to computer servers around the world and in the Eastern District of Virginia.

According to the statement of facts, Beshara frequently released podcasts to communicate with the millions of visitors to NinjaVideo.net. In one such podcast, which Beshara entitled "The NinjaVideo Manifesto," Beshara boasted about NinjaVideo's "zero hour releases on TV and movies" – meaning that the website made infringing content available as soon as the legitimate product was released.

On Sept. 9, 2011, Beshara and four other alleged co-conspirators were indicted on six charges related to their work with NinjaVideo.net. Co-defendant Matthew David Howard Smith pleaded guilty on Sept. 23, 2011, to conspiracy and criminal copyright infringement, and will be sentenced on Dec. 16, 2011. The remaining three defendants are scheduled for a jury trial on Feb. 6, 2012.

The case is being prosecuted by Assistant U.S. Attorneys Jay V. Prabhu and Lindsay A. Kelly for the Eastern District of Virginia and Trial Attorney Glenn Alexander of the Criminal Division's Computer Crime & Intellectual Property Section.

The investigation was conducted by the National Intellectual Property Rights Coordination Center (IPR Center). The IPR Center is one of the U.S. government's key weapons in the fight against criminal counterfeiting and piracy. This criminal investigation is a part of the IPR Center's groundbreaking In Our Sites Operation, which targets the online sale of counterfeit and pirated commodities. As a task force, the IPR Center uses the expertise of its 19 member agencies to share information, develop initiatives, coordinate enforcement actions, and conduct investigations related to IP theft. Through this strategic interagency partnership, the IPR Center protects the public's health and safety, the U.S. economy and the war fighters.

To report IP theft or to learn more about the IPR Center, visit <u>www.IPRCenter.gov</u>.

This case is part of efforts being undertaken by the Department of Justice Task Force on Intellectual Property (IP Task Force) to stop the theft of intellectual property. Attorney General Eric Holder created the IP Task Force to combat the growing number of domestic and international intellectual property crimes, protect the health and safety of American consumers, and safeguard the nation's economic security against those who seek to profit illegally from American creativity, innovation and hard work. The IP Task Force seeks to strengthen intellectual property rights protection through heightened criminal and civil enforcement, greater coordination among federal, state and local law enforcement partners, and increased focus on international enforcement efforts, including reinforcing relationships with key foreign partners and U.S. industry leaders. To learn more about the IP Task Force, go to www.justice.gov/dag/iptaskforce.

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