



# Follow the Money: Security Researchers, Disclosure, Confidence and Profit

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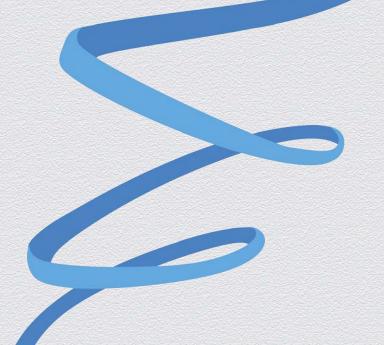
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## A Quick Overview To Set The Stage

## Researcher Motivation in the "Old" Days

- Reporting vulnerabilities to vendors looked good, as it got you credited in vendor advisories. Great for CV.
- Unemployed researchers with solid discoveries could get jobs in the industry, turning a hobby into a (profitable) professional gig.
  Employed ones could get better jobs / higher salary. This still applies today!
  - These jobs could even be at the companies in whose products the vulnerabilities were discovered.
- There was nothing altruistic about it!





## Researcher Motivation in the "Old" Days

- Reporting vulnerabilities to vendors back then was often a hassle, though – and can still be even today.
- Many would, therefore, instead:
  - Just publish somewhere to get social recognition, fame, and glory
  - Trade / give away for goodwil and respect
  - Use offensively for fun or profit
  - Store in a digital box somewhere and move on







## Some Early Bug Bounties

- Some vendors / lone developers and security companies realized that rewarding vulnerability discoveries would be a good incentive for researchers to report their findings.
- August 2002, iDefense created the VCP (Vulnerability Coordination Program).
- August 2004, Mozilla created their bug bounty program, paying USD 500 for critical bugs.





#### But There Are Older Ones...

- Netscape actually launched the Netscape Bugs Bounty back in October 1995 to improve the security of their products.
- Interestingly, their approach was to offer cash for vulnerabilities reported in the latest beta
  - Wanted to incentive researchers to help secure it before going into stable release
  - Not unlike part of Microsoft's bounty program today.





#### Full Disclosure

- Disclosure was a huge battle ground between vendors and researchers from 2000 to 2008 timeframe
- Researchers were still having problems getting vendors to respond
- More importantly perception (true or not) was that vendors only fixed bugs when they were dropped
- Researchers were hard core Full Disclosure the "right" way
  - Importance placed on getting bugs fixed / improving security





## Pwn2Own – A Bug Bounty Contest

- Created in 2007 for CanSecWest
  - Chance to win x2 Macbook Pro and 10k from ZDI

- Big money on the line in 2010
  - Total cash prize pool of US\$100,000

Competition brings lots of PR and growing cash incentives





## No More Free Bugs

 In March 2009 at CanSecWest, security researchers announce their new philosophy: "No More Free Bugs".

It's not really clear how much effect this had

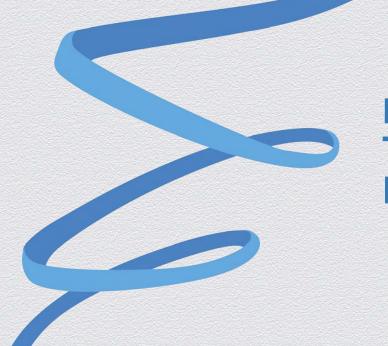
 At least sparked a debate about the issue, and made (some) security researchers' expectations of monetary compensation more publicly known.











## Bug Bounties - Do They Make A Difference?

## **Bug Bounties**

- When researchers started reporting vulnerabilities to vendors, they were thrilled when:
  - They actually got a response
  - It wasn't a threat from a lawyer.

 Had you told a researcher back then that vendors today would be offering bug bounties, they would have smiled and shook their heads in disbelief.





## Types of Bug Bounties

- Vendor bug bounties
- 3rd party bug bounties (ZDI, iDefense VCP, etc.)
- Company website bug bounties
- Crowd-sourced programs (Bugcrowd, HackerOne, etc.)

## Types of Rewards

- Cash
- Prizes (T-shirt, mug, ....)
- Fame and glory





## Bug Bounties – Interesting Ones!

- Google, probably one of the more serious vendor bounties
  - Big reason bounties took off (Pwnium 4 announces USD 2.7M in prizes)
  - Latest twist (bounties for other software)

- Microsoft's bounty for vulnerabilities
  - Originally defensive "bounties only"
  - Specifically bypassing security mechanisms
  - Focus on their beta software prior to stable release to ensure less customers are impacted



## Getting Bug Bounties Right

- Needs to provide rewards compared to the bug bounty requirements/rules.
- Both reward types and sizes should be clear as well as the criteria for getting them.
- Rules/requirements should be clear (e.g. what is considered a valid submission, restrictions/limitations, how are duplicate reports handled, how should it be reported, what information should be included, what is the expected response time)





## Yahoo Case - Getting Bug Bounties Wrong

- September 2013, High-Tech Bridge discovers XSS vulnerabilities in the Yahoo! website.
- Yahoo! responds with a discount code of USD 12.50 per vulnerability to be used for purchasing trinkets in the Yahoo! store.
- That's a recipe for bad press and they got it.
- November 2013, Yahoo! releases a proper bug bounty program now paying between USD 150 – 15K. The XSS vulnerabilities were rewarded USD 1K.





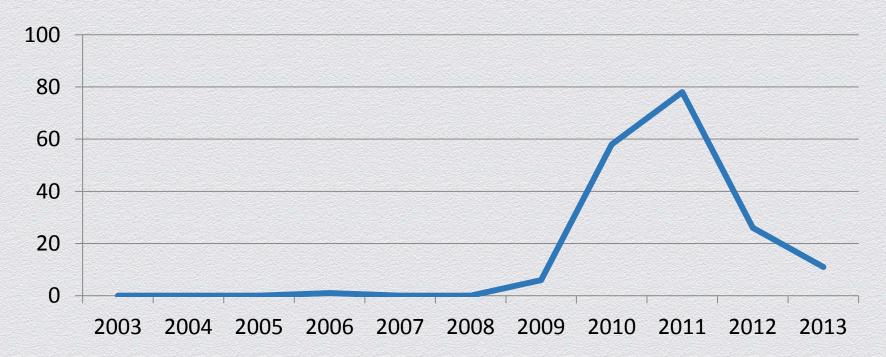
#### Website / SaaS / Cloud Vulnerabilities

- Even major companies and cloud providers don't get the security of their websites and SaaS perfect!
- Companies with bounties for such as Facebook, Paypal, AT&T etc.
- Considerations for such initiatives incl.
  - Monitoring and how to react if things go wrong (e.g. site is wiped)
  - How do you differentiate between attacks and testing?





## Shockwave Player Vulnerability Trend







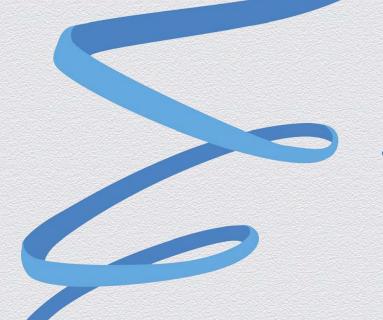
### Researcher Focus and SCADA











# **Bug Bounties – Are We There Yet?**

### Attitude Adjustment (Researchers)

- Stop feeling entitled to compensation instead appreciate it.
- Main complaint is that finding vulnerabilities takes time and provides value to the vendors - which is perfectly true.
- However, if volunteering to audit a product / website (often out of curiosity, which drives most of us), the researcher is not entitled to anything from that uncommissioned work!
- Testing a live website without permission or not following the vendor bounty's rules of engagement = potential legal issues!





## Attitude Adjustment (Vendors)

- If not offering to pay for a researcher's findings, do not think you in any way have a say in when and how the information is disclosed.
- Legal threats, complaints, and claims of "irresponsible disclosure" should all be sent to /dev/null.
- Think through the logistics of running a bounty program or seek help!
- Should not rely solely on bug bounties for security testing!





## Legal Threats...

Cisco vs Mike Lynn (2005)

2005- 07-29	Cisco Systems, Inc.	Mike Lynn / ISS	Cisco router vulnerabilities	X	Resigned from ISS before settlement, gave BH presentation, future disclosure injunction agreed on
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Still happens today... And unfortunately with some success!

When	Company making threat	Researchers	Research Topic	Resolution/Status			
2014- 01-15	Covered California	Kristian Erik Hermansen and Matt Ploessel	Security flaws in Covered California website	Video taken down from Youtube and the researchers were visited by the FBI and asked to stop discussing the issues.			
2014- 01-08	Public Transport Victoria	Joshua Rogers	Security flaws in PTV website	Company referred incident to Victoria Police			
2013- 12-16	ZippyYum	Daniel Wood	Insecure Data Storage in iOS Subway ordering app	Researcher says no NDA was signed and has retained an attorney to handle any potential legal action [Mailing List Thread]			





### **Bug Bounties**

- There has definitely been a shift in how vendors perceive bug bounties.
- It's clear to us that if a vendor wants to encourage researchers to look at their code and report findings in a coordinated manner
  - Then bug bounties are very effective when done right!
- There even seems to be a perception these days that a serious vendor offers a bug bounty.
  - So it's useful even as a marketing stunt.





## Bug Bounties Do...

- Allow you to control the disclosure process
- Increase the scrutiny and number of vulnerabilities reported in the software – that's a <u>GOOD</u> thing!
- Cost effective method to (potentially) access top security talent

## Bug Bounties Do Not...

- Replace a solid SDL process during devlopment
- Replace internal QA
- Replace external consultants





## Future Of Bug Bounties









## **Discussion!**









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