

# HACKING AND THE E-COMMERCE ACT

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**Philippine Hackers Convention**  
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**AVALaw**



# Overview of E-Commerce

**Commerce**  
**e-commerce**  
Electronic Transaction

**e-trading**  
Online Shopping



# Background of RA 8792

# ILOVEYOU Virus

- A computer virus that hit numerous computers in 2000, when it was sent as an attachment to an email message.
- The virus arrived in e-mail boxes on May 4, 2000.
- Email has a subject of "ILOVEYOU" and an attachment "LOVE-LETTER-FOR-YOU.TXT.vbs".

# Effects of ILOVEYOU Virus

- The virus began in the Philippines on May 4, 2000, and spread across the world in one day (traveling from Hong-Kong to Europe to the United States)
- It infected 10 percent of all computers connected to the Internet and causing about \$5.5 billion in damage.
- By 13 May 2000, 50 million infections had been reported. Most of the "damage" was the labor of getting rid of the virus.
- The Pentagon, CIA, and the British Parliament had to shut down their e-mail systems to get rid of the virus, as did most large corporations.

# Legislative Aftermath

- The authors of the virus were Filipinos - siblings Irene and Onel de Guzman, Reomel Lamores, and Michael Buenafe.
- Onel de Guzman denied writing the virus, although he said he may have inadvertently been responsible for its release.
- As there were no laws in the Philippines against virus-writing at the time, they were released and the prosecutors dropped all charges against them.
- The original charges brought up against de Guzman dealt with the violation of RA8484, *Access Devices Regulation Act of 1998*.

# **Philippine E-Commerce Act**

**ELECTRONIC COMMERCE ACT OF 2000**

**[Republic Act No. 8792]**

**AN ACT PROVIDING FOR THE RECOGNITION AND USE  
OF ELECTRONIC COMMERCIAL AND NON-  
COMMERCIAL TRANSACTIONS AND DOCUMENTS,  
PENALTIES FOR UNLAWFUL USE THEREOF AND FOR  
OTHER PURPOSES**

Signed into law on June 14, 2000.

# Origin

- Consolidation of Senate Bill No. 1902 and House Bill No. 9971.
- Both bills were primarily based upon the United Nations Commission on International Trade Law (UNCITRAL) Model Law on Electronic Commerce
- Final form has 42 sections/provisions.

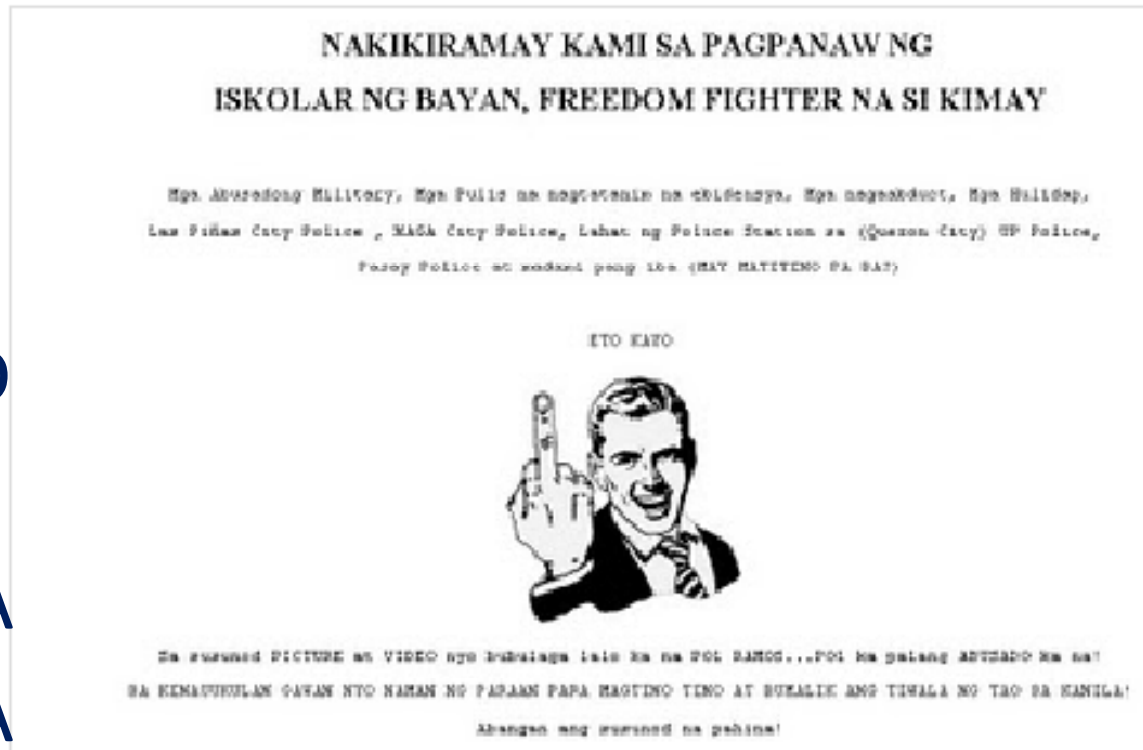


# Rationale

- Government's attempt at a comprehensive verification and authentication of electronic documents.
- Designed to aid in the adoption of the Internet and other electronic media as a legitimate channel for domestic and international transactions.
- Recognizes electronic documents and signatures as valid legal transactions.
- Requires the government to computerize front-line transactions, within two years from the effectivity of the law, or specifically by July 2002.

# Government Websites Hacked

- LTO, PRC
- 12/28/09. DOH
- 12/30/09. NDCC
- 01/04/10. DSWD
- 01/07/10. DOLE
- 01/10/10. TESDA
- 01/25/10. TESDA
- 05/10/10. COMELEC?



Current DOH Advisories | Department of Health - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://www.doh.gov.ph/advocacy/box/200

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# Department of Health

Republic of the Philippines

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**Health Advisories**

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- Formulas One
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- Health Promotion
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- Templates
- Press & C.
- Links
- Login

## Home » Health Advisories

### Current DOH Advisories

Sec. Duque Dila lang ang Matalim

**HAPPY NEW YEAR !!!**

**DONT USE FIRECRACKERS!!!!**



**LIBRARY AND RESOURCE LEARNING CENTERS**

- DOH Central Library
- PIZOR Virtual Library (HMOB)
- Resource Center for Health System Development
- NEC Library

**Recent Press Releases**

- BE RESPONSIBLE, ENJOY YOUR RISK, GET TESTED FOR HIV --- DOH**
- NUMBER OF NEWBORN DEATHS TO DROP SOON --- DOH**
- BP TO RECEIVE RENE VACCINES FROM WHO**
- TATAK PGR PLUS PROJECT**
- THERE ARE NO SAFE FIRECRACKERS OR FIREWORKS --- DOH**

more...

W200 Influenza A Updates

- Pandemic (H1N1) 2009 - update 80
- Comparing deaths from pandemic and seasonal influenza
- Pandemic (H1N1) 2009 - update 79





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-  [Supporting Super Volunteer Register](#)
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-  [HR & Job Vacancies](#)
-  [Health Campaigns Staff Committee](#)
-  [Support Center](#)



Hacker-News.org - www.hacker-news.org - 1997

Website ini disediakan oleh komunitas yang memiliki minat terhadap perubahan. Setiap kali orang membuat perubahan pada forum kami. Sebagai bentuk balas budi setiap orang diperbolehkan untuk membantu kami dalam ini untuk bekerja dengan sesama. Di sini... memang tidak terbayar nilai data yang kami miliki. Tapi please dont look sudat website ini... yang di buat yang @Hacker-News.org bukanlah menjadi salah satu, namun setiap orang yang membuat untuk membuat website menjadi lebih baik. Inilah yang ya diharapkan kita. Sebagai website yang bisa diterima oleh dunia internasional... dan ingin tambah banyak orang...

**What Cybercrimes  
are penalized  
under the Philippine Ecommerce Act?**

# Computer Hacking

- **Computer hacking** originally means the rapid development of new programs or the reverse engineering of already existing software to make the code better and more efficient.
- **Hacker** - a person who enjoys learning the details of computer systems and stretches their capabilities.

# Computer Cracker

- **Cracker** - refers to a person who uses his hacking skills for offensive purposes; malicious hacker; a.k.a **black hat hacker**
- The term '**hacking**' has over time gained negative meaning and had been associated with destructive or undesirable activities.
- The term '**hacker**' is now synonymous with '**cracker**'.

# Computer Hacking as a Crime

## Section 33(a) of E-Commerce Act of 2000 -

(a) **Hacking** or cracking which refers to **unauthorized access** into or interference in a computer system/server or information and communication system; **or any access in order to corrupt, alter, steal, or destroy using a computer or other similar information and communication devices**, without the knowledge and consent of the **owner of the computer** or information and communications system, **including the introduction of computer viruses** and the like, **resulting in the corruption, destruction, alteration, theft or loss of electronic data** messages or electronic document shall be punished by a minimum fine of one hundred thousand pesos (P100,000.00) and a maximum commensurate to the damage incurred and a mandatory imprisonment of six (6) months to three (3) years.

# Computer Crime

## Two Types of Hacking:

1. Unauthorized access into or interference in a computer system/server or information and communication system.
2. Any access in order to corrupt, alter, steal, or destroy using a computer or other similar information and communication devices, without the knowledge and consent of the owner of the computer or information and communications system, including the introduction of computer viruses and the like, resulting in the corruption, destruction, alteration, theft or loss of electronic data messages or electronic document.

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# a Crime

## Two Types of Hacking:

1. Unauthorized access into or interference in a computer system/server or information and communication system.

2. Any access in order to corrupt, alter, steal, or destroy using a computer or other similar information and communication devices; without the knowledge and consent of the owner of the computer or information and communication system; or the introduction of computer viruses or the like, resulting in the corruption, destruction, alteration, theft or loss of electronic data, messages or electronic document.

## Elements of the Crime (2<sup>nd</sup> Type):

1. Any access using a computer or other similar information and communication devices;
2. Done in order to corrupt, alter, steal, or destroy, including the introduction of computer viruses and the like;
3. Without the knowledge and consent of the owner of the computer or information and communications system;
4. Resulting in the corruption, destruction, alteration, theft or loss of electronic data messages or electronic document.

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## Manila court convicts hacker

*The state prosecutor described the convict as 'a bright kid', who even plans to become a lawyer one day*

Metropolitan Trial Court Branch 14 of the City of Manila convicted a Filipino hacker yesterday -- marking a landmark ruling in Philippine jurisprudence.

Twenty-four-year-old JJ Maria Giner of Iloilo City (Western Visayas) was found guilty of hacking "several times" the official website of the government at the height of the national election last year, from April 27 to May 7, 2004.

He will have to pay a fine of P100,000 -- the estimated amount of damage he caused -- and faces imprisonment ranging from one to two years.

But since this is first time for a Philippine court to convict a hacker, State Prosecutor Geronimo Sy said in an interview that the court gave Giner a probationary sentence of two to four years. He will be required to report regularly to the Board of Pardons and Parole of the Bureau of Prison. A final ruling will depend on his conduct during the probation period.

Mr. Sy described Mr. Giner as a "bright kid" and has even plans to become a lawyer one day. "He is remorseful and has acknowledged the damage caused by his act," he said.

Mr. Sy admitted that case demonstrated the vulnerability of government sites, which hackers frequently deface with almost absolute impunity. In a previous interview, Gilbert C. Sosa, chief of the anti-transnational crime division of the Philippine National Police, said government agencies have little control of their sites, since they are hosted by private firms.

But Mr. Sy stressed that the conviction has proven that laws against cybercrime, particularly the Electronics Commerce Act of 2000 or RA 8792, are working. Giner's hacking of the government portal had clearly violated section 33a of the E-Commerce Act. Other prevailing laws against cybercrimes are RA 7925, or the Public Telecommunications Policy Act of 1995, and RA 8484, or the Access Devices Regulation Act.

# Criminal Case No. 419672-CR MTC-Branch 14, Manila

## Facts of the Case:

- JJ Maria Giner penetrated government websites of National Economic and Development Authority, National Book Development Board, the Philippine Navy, and the web servers or computer systems hosting websites of local Internet service provider Bitstop in Dagupan City and University of the Philippines.
- Giner also launched attacks on the websites of the Office of the Presidential Management Staff in Malacañang, the Task Force on Security of Critical Infrastructure, the PRC, the DOLE, and TESDA.
- Giner sent an e-mail to NEDA, informing the agency about the vulnerability of its website to hackers.

# Criminal Case No. 419672-CR MTC-Branch 14, Manila

## Outcome of the Case:

- The DoJ resolution said Giner had clearly violated section 33a of the E-commerce Law (RA8792) because he was not authorized to access government websites. "*Intention is not essential in this mode as mere unauthorized access is a violation of the law,*" the resolution said.
- On September 28, 2005, JJ Maria Giner was convicted for violation of Section 33 (a) of the E-Commerce law which involved the act of hacking the government portal "gov.ph" and other government websites.
- Judge Rosalyn Mislos-Loja, sentenced Giner to one to two years of imprisonment and to pay a fine of 100,000 pesos. However, Giner immediately applied for probation, which was eventually granted by the court.

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Q&A

