

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: [] COMPLAINT [] INFORMATION [x] INDICTMENT [] SUPERSEDING

OFFENSE CHARGED

18 U.S.C. §§ 1030(a)(5)(A) and (c)(4)(A)(i)(I) - Transmission of a Program, Information, Code, and Command to Cause Damage to a Protected Computer [] Petty [] Minor [] Misdemeanor [x] Felony

PENALTY: Ten years of imprisonment, three years of supervised release, \$250,000 fine, \$100 special assessment, forfeiture.

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

OAKLAND DIVISION

DEFENDANT - U.S.

VAMSIKRISHNA R. NAGANATHANAHALLI

a/k/a Vamsi Reddy

DISTRICT COURT NUMBER

CR 23 0144 YGR

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

Federal Bureau of Investigation

[] person is awaiting trial in another Federal or State Court, give name of court

[] this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

[] this is a reprosecution of charges previously dismissed which were dismissed on motion of: [] U.S. ATTORNEY [] DEFENSE SHOW DOCKET NO.

[] this prosecution relates to a pending case involving this same defendant MAGISTRATE CASE NO.

[] prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

Name and Office of Person Furnishing Information on this form Ismail J. Ramsey

[x] U.S. Attorney [] Other U.S. Agency

Name of Assistant U.S. Attorney (if assigned) Michelle J. Kane

DEFENDANT

IS NOT IN CUSTODY

Has not been arrested, pending outcome this proceeding.

- 1) [x] If not detained give date any prior summons was served on above charges
2) [] Is a Fugitive
3) [] Is on Bail or Release from (show District)

FILED

MAY 11 2023

IS IN CUSTODY

- 4) [] On this charge CLERK, U.S. DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA
5) [] On another conviction [] Federal [] State
6) [] Awaiting trial on other charges If answer to (6) is "Yes", show name of institution

Has detainer been filed? [] Yes [] No If "Yes" give date filed

DATE OF ARREST Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY Month/Day/Year

[] This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

[] SUMMONS [] NO PROCESS* [x] WARRANT Bail Amount: No Bail

If Summons, complete following:

[] Arraignment [] Initial Appearance

Defendant Address:

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: Before Judge:

Comments:

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA

VENUE: OAKLAND

FILED

MAY 11 2023 *BAR*

CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

v.

VAMSIKRISHNA R. NAGANATHANAHALLI

a/k/a Vamsi Reddy,



CR 23 0144 YGR

DEFENDANT(S).

INDICTMENT

18 U.S.C. §§ 1030(a)(5)(A) and (c)(4)(A)(i)(I) – Transmission of a Program, Information, Code, and Command to Cause Damage to a Protected Computer;

18 U.S.C. §§ 982(a)(2)(B) and 1030(i) and (j) – Forfeiture Allegation

A true bill.

[Signature]
/s/ *Foreperson of the Grand Jury*

Foreman

Filed in open court this 11 day of

May, 2023

[Signature]

Clerk

Kandis Westmore
Bail, \$ Arrest Warrant 5/11/23
HON. KANDIS A. WESTMORE, U.S. Magistrate Judge

FILED

MAY 11 2023 *BMR*

CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

1 ISMAIL J. RAMSEY (CABN 189820)
2 United States Attorney

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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 OAKLAND DIVISION



YGR

11 UNITED STATES OF AMERICA,

12 Plaintiff,

13 v.

14 VAMSIKRISHNA R. NAGANATHANAHALLI

15 a/k/a Vamsi Reddy,

16 Defendant.

) CASE NO. **CR 23 0144**
)
) VIOLATIONS:
) 18 U.S.C. §§ 1030(a)(5)(A) and (c)(4)(A)(i)(I) –
) Transmission of a Program, Information, Code, and
) Command to Cause Damage to a Protected
) Computer;
) 18 U.S.C. §§ 982(a)(2)(B) and 1030(i) and (j) –
) Forfeiture Allegation
)
) OAKLAND VENUE
)
) **UNDER SEAL**

17
18
19 INDICTMENT

20 The Grand Jury charges:

21 Introductory Allegations

22 At all times relevant to this Indictment:

23 1. Defendant, VAMSIKRISHNA R. NAGANATHANAHALLI, was an individual residing
24 in Fremont, California.

25 2. Vituity was the name for a group of related companies based in Emeryville, California.
26 Its corporate structure included physician partnerships and other subsidiary entities. Vituity's physician
27 partners and other healthcare professional employees worked as contractors in hospital emergency
28 rooms, outpatient clinics, telehealth providers, and other clinical settings. Vituity employed non-clinical

INDICTMENT

1 healthcare personnel such as medical scribes, receptionists, and technicians, who worked with healthcare
2 providers in various facilities. Vituity's non-clinical personnel included corporate employees responsible
3 for functions such as human resources and information technology. Vituity had approximately 7,000
4 employees.

5 3. NAGANATHANAHALLI was employed by a Vituity entity from approximately
6 October 29, 2018, through approximately June 17, 2022. NAGANATHANAHALLI worked for Vituity
7 from his home in the Northern District of California.

8 4. Vituity used the Oracle Human Capital Management ("HCM") platform as the heart of its
9 business. The HCM contained core data for every Vituity employee. HCM's data was integrated with
10 other computer systems responsible for functions such as hiring, performance reviews, and payroll.

11 5. HCM consisted of a large database that contained records for current and past Vituity
12 employees, including social security numbers, salaries, and addresses.

13 6. HCM had a data loader function to allow the uploading of employee data in compressed
14 ".zip" files.

15 7. HCM had a "production" environment that contained the real employee and contractor
16 data. HCM also had a "development" environment used for testing that contained "masked" data.
17 Masked data consisted of real data with sensitive information replaced with generic information. For
18 example, a set of masked data might show the home address for every employee as "123 Main Street."

19 8. Vituity employees used Active Directory ("AD") credentials in conjunction with multi-
20 factor authentication ("MFA") to authenticate and access Vituity computer systems, including HCM,
21 using a Single Sign On ("SSO") process tied to an individual account. Each Vituity employee also had a
22 local password for their HCM account which they could use to log in to HCM directly, without going
23 through the SSO process. Most employees did not use the direct log in page for HCM and were not
24 aware of the process.

25 9. Every Vituity employee could access their own data by logging into an individual HCM
26 account through the SSO process. Managers could also access certain data through their HCM accounts
27 for employees who reported to them.

28 10. Vituity also maintained an HCM service account to which several HCM administrators

1 had access through a shared password. The service account was “privileged,” meaning it was able to
2 perform certain administrative functions, including changing the local HCM password for other users.
3 The primary use of the HCM service account was to perform data integrations between HCM and other
4 Vituity computer systems.

5 11. NAGANATHANAHALLI worked for Vituity as a Senior HCM Architect.
6 NAGANATHANAHALLI was one of the Vituity employees who was given the password to log in to
7 the HCM service account.

8 12. M.L. was a Vituity employee who worked as a Senior HRIS Administrator for HCM.
9 M.L.’s HCM account was privileged, with the ability to perform administrator functions. Those
10 functions included changing the local HCM password for other accounts.

11 13. M.Z. was a Vituity contractor who worked as an Applications Engineer on a different
12 Vituity platform that integrated with HCM. M.Z.’s HCM account was able to use the HCM data loader
13 function.

14 14. On or about May 27, 2022, NAGANATHANAHALLI’s manager and a Vituity human
15 resources employee informed him that his position at Vituity would be eliminated and that he would be
16 terminated with approximately three weeks’ notice. NAGANATHANAHALLI’s last day of
17 employment at Vituity was approximately June 17, 2022. His access to his Vituity computer accounts
18 was revoked on approximately June 21, 2022.

19 COUNT ONE: (18 U.S.C. §§ 1030(a)(5)(A), (c)(4)(A)(i)(I) – Transmission of a Program,
20 Information, Code, and Command to Cause Damage to a Protected Computer)

21 Paragraphs 1 through 14 of this Indictment are re-alleged and incorporated as if fully set forth
22 here.

23 15. On or about May 28, 2022, in the Northern District of California, the defendant,
24 VAMSIKRISHNA R. NAGANATHANAHALLI,
25 knowingly caused the transmission of a program, information, code, and command, and, as a result of
26 such conduct, intentionally caused damage without authorization to a protected computer, to wit, the
27 defendant, using the HCM service account, caused the transmission of a command that changed the
28 HCM password for M.L. to the Vituity Oracle HCM, a computer used in interstate and foreign

1 commerce and communication, and, by such conduct, caused loss to one or more persons during a one-
2 year period aggregating at least \$5,000 in value.

3 All in violation of Title 18, United States Code, Sections 1030(a)(5)(A) and (c)(4)(A)(i)(I).

4 COUNT TWO: (18 U.S.C. §§ 1030(a)(5)(A), (c)(4)(A)(i)(I) – Transmission of a Program,
5 Information, Code, and Command to Cause Damage to a Protected Computer)

6 Paragraphs 1 through 15 of this Indictment are re-alleged and incorporated as if fully set forth
7 here.

8 16. On or about September 6, 2022, in the Northern District of California, the defendant,
9 VAMSIKRISHNA R. NAGANATHANAHALLI,
10 knowingly caused the transmission of a program, information, code, and command, and, as a result of
11 such conduct, intentionally caused damage without authorization to a protected computer, to wit, the
12 defendant, using the M.L. HCM account, caused the transmission of a command that changed the HCM
13 password for M.Z. to the Vituity Oracle HCM, a computer used in interstate and foreign commerce and
14 communication, and, by such conduct, caused loss to one or more persons during a one-year period
15 aggregating at least \$5,000 in value.

16 All in violation of Title 18, United States Code, Sections 1030(a)(5)(A) and (c)(4)(A)(i)(I).

17 COUNT THREE: (18 U.S.C. §§ 1030(a)(5)(A), (c)(4)(A)(i)(I) – Transmission of a Program,
18 Information, Code, and Command to Cause Damage to a Protected Computer)

19 Paragraphs 1 through 16 of this Indictment are re-alleged and incorporated as if fully set forth
20 here.

21 17. On or about September 6, 2022, in the Northern District of California, the defendant,
22 VAMSIKRISHNA R. NAGANATHANAHALLI,
23 knowingly caused the transmission of a program, information, code, and command, and, as a result of
24 such conduct, intentionally caused damage without authorization to a protected computer, to wit, the
25 defendant, using the M.Z. account and the HCM data loader function, caused the transmission of .zip
26 files containing masked data, which replaced real data in the production environment, to the Vituity
27 Oracle HCM, a computer used in interstate and foreign commerce and communication, and, by such
28 conduct, caused loss to one or more persons during a one-year period aggregating at least \$5,000 in

1 value.

2 All in violation of Title 18, United States Code, Sections 1030(a)(5)(A) and (c)(4)(A)(i)(I).

3 FORFEITURE ALLEGATION: (18 U.S.C. §§ 982(a)(2)(B) and 1030(i) and (j))

4 18. The allegations contained in this Indictment are re-alleged and incorporated by reference
5 for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Sections 982(a)(2)(b) and
6 1030(i) and (j).

7 19. Upon conviction for the offense set forth in Count One in violation of Title 18, United
8 States Code, Section 1030(a), set forth in this Indictment, the defendant,

9 VAMSIKRISHNA R. NAGANATHANAHALLI,

10 shall forfeit to the United States, pursuant to Title 18, United States Code, Sections 982(a)(2)(b) and
11 1030(i) and (j), any personal property used or intended to be used to commit or to facilitate the
12 commission of said violation or a conspiracy to violate said provision, and any property, real or
13 personal, which constitutes or is derived from proceeds traceable to the offenses, including, but not
14 limited to, a sum of money equal to the total amount of proceeds defendant obtained or derived, directly
15 or indirectly, from the violation, or the value of the property used to commit or to facilitate the
16 commission of said violation.

17 19. If any of the property described above, as a result of any act or omission of the defendant:

- 18 a. cannot be located upon exercise of due diligence;
- 19 b. has been transferred or sold to, or deposited with, a third party;
- 20 c. has been placed beyond the jurisdiction of the court;
- 21 d. has been substantially diminished in value; or
- 22 e. has been commingled with other property which cannot be divided without
23 difficulty,

24 the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21,
25 United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 1030(i)(2).

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1 All pursuant to Title 18, United States Code, Sections 982(a)(2)(B) and 1030, and Federal Rule
2 of Criminal Procedure 32.2.

3 DATED:

A TRUE BILL. */s/*

/s/ Foreperson of the Grand Jury

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5 FOREPERSON

6 ISMAIL J. RAMSEY
7 United States Attorney

/s/ Michelle J. Kane

8 MICHELLE J. KANE
9 Assistant United States Attorney