The following is a hand-translated version of the story that appears at this link:

http://www.vg.no/nyheter/innenriks/russland/fbi-og-kripos-paagrep-russer-i-fredrikstad/a/23516826/

FREDRIKSTAD (Norwegian city) Russian Mark (27) were arrested in Fredrikstad last October by FBI together with Kripos (Norwegian criminal investigation police). Now USA demands him extradited, while the Russians are fighting against it.

FBI-Agent Mark C. Ray travelled all the way to Fredrikstad together with Kripos looking after the Russian citizen suspected for computer criminal offense.

FBI had already visited the 27-year old Marks previous residence in Ukraine without finding him. Now they were sure he would be at his workplace in the little technology company Diginio in Fredrikstad, where he was hired as a software developer.

Kripos had alerted the company the day before and told them that they would come the next day to arrest Mark. The arrest came as a shock to the employees in the Fredrikstad-based company.

But this is Kripos and FBI. We felt we didn't have any choice but to co-operate, says head of development in Dignio, Håkon Olav Dahle to VG (VG is the newspaper). Russian Mark tried to remain calm, the arrest happened with no issue.

One of them threw himself over my PC. I was escorted to a meeting room with the other police officers, says Mark to VG.

Head of development Håkon Olav Dahle in Dignio and the other employees at the company supports Mark as much as they can and believe he is innocent.

VG meets him in a visitor room in Kongsvinger jail, where he remains in custody 11 months after the arrest.

I tried to understand what they wanted, so I could clear any misunderstandings. Then i was put in handcuffs and guided to my apartment where they were looking for more computer equipment's.

VG can now tell the story about Russian Mark who has now put Norway in middle of tug-of-war between Russia and USA.

FBI accuses Mark of aiding in the development and selling of a harmful software - a so called Trojan - which was used in cyberattacks against financial institutions and state departments in different countries, and now they want him extradited to USA.
The Russian embassy claims that Norway cannot retain a Russian citizen on behalf of USA - and that Norway's role is against the elementary and internationally accepted process norms.

-We do not expect Norway to extradite him, says a consul at the Russian embassy, Nikolay Konygin to VG.

Konygin says that the embassy has been heavily involved in this case and has sent several requests to both the department of Foreign affairs and department of Justice (Both Norwegian departments, not American). The embassy remains very critical to the handling of Mark and especially the fact that he has been kept in custody since last fall without any formal indictments.

The extradition procedure has been through two rounds in court. The Oslo district court came to the conclusion that he could not be extradited while the appeal in High Court concluded that he could be extradited although with slight doubt.

This delicate case is today handled by the department of Justice.

-I can confirm that the department of Justice is reviewing an extradition case from USA. We cannot give any further comments due to declaration of confidentiality and also due to ongoing foreign investigation, says senior adviser Andreas Bondevis to VG.

FBI has for long time been looking after a central figure going by the handle "Aquabox" in the hacking underground.

Last year FBI succeeded in placing a trap, and through this they found the IP-addresses which could be traced back to Mark both in Ukraine and Norway.

This is how FBI got Mark:
(There is an image explanation, you better see it by going to the link)  
June 2012, FBI get hold of a version of the Trojan. He or they who sell the software is operating behind the alias "Aquabox".

FBI provoke a bug in the Trojan and contacts Aquabox "to solve it". Aquabox asks FBI to upload a screenshot of the bug to Sendspace.

6. November an IP-address belonging to Aquabox downloads FBIs screenshot from Sendspace (His IP is 193.105.135.50 according to the image).

Same day Aquabox (193.105.135.50) downloads a encryption file from Sendspace which was uploaded by Mark (46.119.160.198).

Then the screenshot is downloaded by Mark (46.119.160.198). Thereafter he uploads a new version of the Trojan "patched.zip" to Sendspace. This is the update that is supposed to fix the "bug" reported by FBI.

In the period August 2012 to January 2013, there were in total 48 files uploaded from Marks IP to Sendspace. Those files were downloaded by 'Aquabox' with 2 IPs (193.105.134.50 and 149.154.155.81)

Mark claims he is innocent.
A PC is safe until someone tries to break into it. There are many long explanation to how my IP could have ended up in the FBIs evidence. Only thing I can assure you is that I have not been doing such activity, he says.

-I knew FBI would come after me in Norway because I knew they had been looking after me in my old residence in Ukraine, I had opportunity to hide my traces or take the first flight to Russia. But I have not done anything wrong. That's why I want to co-operate with the feds, he says.

When he found out that the FBI had been searching for him in Ukraine, he deleted parts of the content of his PC. High Court says this strengthens the suspicion against Mark. The Russian although claims he did because he was going to get a new PC, something that his employee in Frendrikstad confirms.

When the police (Norwegian) was done with interrogation the FBI-agent to his turn. "This is not a formal interview" the Norwegian police said.

-I have always thought of the police as someone who protects us. In the beginning I trusted the FBI and tried to help as much with the case. But then he started twisting my words, says Mark.

In the formal conclusion the FBI-agent claimed that Mark had admitted the offenses and had collected money for the sales. But when the local court demanded the audio recordings from the interrogation to be played, this claim was not true.

The court said that the conclusion report was misleading and there were no admission of guilt.

Oslo court further writes: "The court wants to note that the interrogation by FBI-agent Ray appears to be loud-thinking conversation of a different character than what you can expect from a regular Norwegian interrogation"

-After what I know, there has not been any other arrests in USA involved in this case. That means if FBI get to somehow prove that Mark is guilty and he is extradited to USA he will be a big fish there because he is the only one who is caught in this case. This is very worrying, says Marks Lawyer Frode Sulland.

-To mix cozy talk in investigation (Referring to the FBI interrogation) is amazing, especially when that talk leads to conclusion that Marks has pleaded guilty and receiving money from sales, says Sulland.

Both Mark and his lawyer fear for the treatment a Russian can get in American justice and law process.
I am very concerned about his faith in USA. He has already been in custody for 10 months. That should not happen. Probably sentence for alleged crime in USA is 1 to 2 year. That means he has already zoned (Sitting in jail) half of the sentence of what he can be convicted for. So there is a danger of over-zoning (Meaning sitting too long in jail for the crime), says the lawyer Sulland.

Sulland is also not a fan of the current government ruling in Norway. The current government political parties are much closer to USA than Russia, I am afraid their political agenda will affect the outcome of this case. If he is extradited there is a chance of his life being ruined, he had plans of marrying in Norway and working in Fredrikstad. He is such a phenomenal developer.

Håkon Olav Dahle in Dignio describes Mark as a great and talented colleague, one who were in long-term plans to lead Dignios daughter-company in Estonia.

-I was shocked when I saw the so called evidences. To say it in a different way, it’s like saying if someone has a gun in his house, he must be the murderer.

-And even more important; even inexperienced developers who commit a crime hides their traces. I think Mark is a victim of a coincidence.

-Poor mark, he is all alone against the FBI. In USA he won’t have resources to get a good lawyer. I am no expert on USA but i am really worried about what is going to happen to him over there, says Håkon.

For Mark, life has been on hold for 11 months now. In Ukraine his fiancé waits for him, they should have married this summer. But neither she nor Marks family has visited him in Kongsvinger jail. Mark fears it’s going to be hard emotionally for him and them.

-i am scared. Of course I am scared. I am scared for how this will affect my family, and what will happen to me if i am extradited. This is an extremely difficulty situation, he says.

-I am in many ways disappointed in Norway. But I hope the government understands that there has been a mistake, says Mark.

He does not want his last name mentioned in this report.