

IN THE HIGH COURT OF JUSTICE

CLAIM NO. IL-2022-000069

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

INTELLECTUAL PROPERTY LIST (CHD)

BEFORE: Mellor J

BETWEEN

DR CRAIG STEVEN WRIGHT & Ors

Claimants

—and—

BTC CORE & Ors

Defendants

**SKELETON ARGUMENT OF
THE DEVELOPERS**

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A. Introduction

1. Dr Wright's claim to be Satoshi Nakamoto first emerged in a miasma of dishonesty.¹ The Court has afforded him a fresh opportunity in these proceedings to make good his claim.
2. The question of identity is an essential precursor to Dr Wright's extravagant claims for infringement of database rights and copyright, including against the Second to Twelfth, Fourteenth and Fifteenth Defendants to the BTC Core Claim (together "the **Developers**").²
3. Dr Wright has ample financial incentive, and has been provided with substantial time and funding, to prove that he is Satoshi Nakamoto. There are three features of Bitcoin that bear consideration in this context:
 - a) First, its capacity to provide unforgeable timestamps through the proof of work blockchain.
 - b) Second, its reliance on cryptographic digital signatures to demonstrate proper control of coins.
 - c) Third, the importance that it affords to the retention of wallets.
4. It is not an irony that Dr Wright is unable to prove that he is Satoshi Nakamoto using the means that are integral to Bitcoin.³ It is a feature of his evidence.
5. That evidence is plagued by forged and inauthentic documents. Honest people do not forge documents. Nor do they typically present documents as authentic when they are not.⁴

¹ *pace* Lord Hoffmann commenting extra-judicially on a different case.

² The Developers are each individuals, who at some time since its inception have been active participants in developing the Bitcoin source code, a public, open-source project. Other than this role, and the role of various of the Developers as defendants in the Tulip Trading claim, the Developers have no connection to each other. 'BTC Core' does not exist as an entity in and of itself.

³ Dr Wright himself asserts: "*One of the many reasons behind the creation of Bitcoin was to implement a system that would maintain the integrity of documents over time*". Wright 11¶74 {CSW/1/15}.

⁴ Perhaps doing so once might be regarded as a misfortune, but the likelihood of an honest explanation diminishes with each occurrence.

6. At the conclusion of the trial, the Court will need to determine whether Dr Wright has succeeded in availing himself of the opportunity to prove that he is Satoshi Nakamoto. In the BTC Core Claim, the burden of proof in this respect will rest firmly on Dr Wright whose claim for ownership of the various intellectual property rights is predicated on his being Satoshi Nakamoto.
7. The Developers will invite the Court to find that Dr Wright has not discharged that burden, quite the opposite, and that he should no longer be permitted to intimidate the Bitcoin developer community by pretending that he wrote the Bitcoin White Paper.
8. The most recent developments in this case illustrate that Dr Wright is determined to abuse the process of the Court in pursuit of his attempt to assume the identity of Satoshi Nakamoto.
 - a) Dr Wright supposedly discovered the BDO Image and realised the importance of the so-called White Paper LaTeX files contained in his Overleaf account in late 2023. He presented both as reliable and essential to the fair determination of his case,⁵ and sought to distance himself from the documents he had previously disclosed and relied upon.
 - b) However, the BDO Image⁶ was in fact produced to Dr Wright's disclosure providers just days after he had been actively editing it.⁷
 - c) And the LaTeX files were produced just days after he had been amending the native LaTeX documents on his Overleaf account with a view to bringing them closer into line with the Bitcoin White Paper.⁸
9. Dr Wright has now staked his claim to authorship of the Bitcoin White Paper on an assertion that it was produced from the self-styled White Paper LaTeX Files. However, the agreed expert evidence is that the Bitcoin White Paper was not authored in LaTeX nor compiled from the White Paper LaTeX files. The irresistible conclusion is that Dr Wright is not Satoshi Nakamoto.

⁵ Field1¶¶27-34 {E/24/11}, Wright5¶32 {E/20/9}, Wright6¶4 {E/21/3}.

⁶ Wright5¶¶24-25 {E/20/8}, Field1¶10 {E/24/4}.

⁷ See the joint expert report of Mr Madden and Mr Lynch at {Q/6/3} ¶6.a which confirms the active editing took place on 17-19 September 2023.

⁸ Shoosmiths disclosed the Bitcoin(3) folder on 20 December 2023 {M1/2/2}.

10. As the Developers describe below, Dr Wright’s tendency towards dishonesty is not newly discovered. It has infected his description of his purported dealings with Bitcoin since he first came up with them in 2013 (as an attempt to explain his tax affairs).
11. The Developers are conscious that the subject matter of these submissions will overlap with those of COPA – and have tried to minimise that impact by focussing on different aspects of the background. Accordingly, these submissions:
 - a) outline the claims made by Dr Wright against the Developers;
 - b) describe some background elements of Bitcoin which may assist the Court in understanding some of the evidence that it will hear;
 - c) describe the background in which Dr Wright’s allegations first emerged;
 - d) address the evidence of forgery and the approach to be taken to cases infected by allegations of forgery; and
 - e) summarise the impact of Dr Wright’s claims on the development of Bitcoin and the justifications for the relief sought by COPA.

B. The claims made by Dr Wright against the Developers

12. COPA commenced the present proceedings against Dr Wright on 9 April 2021, seeking declaratory and injunctive relief to prevent Dr Wright from continuing his threats against COPA members and other third parties. Following unsuccessful attempts by Dr Wright to strike out parts of COPA’s case, on 29 July 2022 Dr Wright commenced the BTC Core Claim.
13. That claim relates to three separate databases; (i) the Bitcoin Blockchain, (ii) the Bitcoin Blockchain as it stood on 1 August 2017 at 14.11 – up to and including block 478,558, and (iii) the Bitcoin Blockchain from October 2015 to 14 February 2023⁹ (“the **Databases**”). The Third Claimant is alleged to be the assignee of the database rights in suit, or alternatively the First or Second Claimants are alleged to be the owner of those rights.¹⁰

⁹ Amended PofC in BTC Core Claim ¶¶1(18), 41 {A1/2/1}.

¹⁰ Amended PofC in BTC Core Claim ¶¶36, 37 {A1/2/16}.

14. The BTC Core Claimants allege that the Developers, and 13 other Defendants, have infringed intellectual property rights that Dr Wright owned (prior to assignment or licence) by virtue of his being Satoshi Nakamoto, namely:
- a) rights in the Databases;¹¹
 - b) copyright in the Bitcoin White Paper;¹² and /or
 - c) copyright in the Bitcoin File Format.¹³
15. In the BTC Core Claim, the Claimants seek various remedies, including injunctions against each of the Defendants and substantial damages.¹⁴ In their Claim Form, the Claimants estimated the value of the claim “*could be in the hundreds of billions of pounds*”.¹⁵ The injunctive relief is sought to prevent the further operation of the Bitcoin Core and BCH Blockchains without Dr Wright’s consent.¹⁶
16. Each of the rights relied upon by Dr Wright in the BTC Core Claim is asserted only by reason of Dr Wright’s supposed identity as Satoshi Nakamoto. The Court has accordingly defined the Identity Issue which falls for determination in this Joint Trial as being “*whether Dr Wright is the pseudonymous “Satoshi Nakamoto”, i.e. the person who created Bitcoin in 2009 (“the Identity Issue”).*”¹⁷ If, at the conclusion of the Joint Trial, he is found not to be Satoshi Nakamoto, the BTC Core Claim falls away.¹⁸
17. A number of the issues in the BTC Core Claim are outside the scope of the Identity Issue. Thus, the Court is not in a position to determine the subsistence and ownership (or assignment) position of the various intellectual property rights in suit in the BTC

¹¹ Amended PofC in BTC Core Claim ¶¶50,53 {A1/2/21}.

¹² Amended PofC in BTC Core Claim ¶¶59-62 {A1/2/25-26}.

¹³ This is visible, albeit struck through, in the Amended PofC in BTC Core Claim ¶¶54-61 {A1/2/24}. There is a threatened re-introduction of a claim for infringement of the Bitcoin File Format following the Court of Appeal’s overturning of Mellor J’s refusal to grant permission to serve out that element of Dr Wright’s claim. In his judgment, Arnold J did not differ from Mellor J’s perspective on the trial, agreeing that: “*It is an issue which requires a factual investigation, possibly including expert evidence, and detailed argument.*”, [64] of *Court of Appeal Judgment* [2023] EWCA Civ 868.

¹⁴ BTC Core Amended PofC prayer at {A1/2/31}.

¹⁵ {A1/1/2}.

¹⁶ [18] *Service Out Judgment* [2023] EWHC 222 (Ch).

¹⁷ Joint Trial Judgment [2023] EWHC 1893 (Ch) [23] {B/26/8}.

¹⁸ Joint Trial Judgment [2023] EWHC 1893 (Ch) at [22.i.] {B/26/7}.

Core Claim at this Joint Trial and the following issues will only fall to be determined at any subsequent trial, if necessary:

- a) The subsistence of the Database(s) pursuant to s 3A(1) of the Copyright, Designs and Patents Act 1988 (“the **CDPA**”).¹⁹
- b) The investment in the obtaining verification and presentation of the contents of the database, the timing thereof, who was responsible therefor, and accordingly who is the maker for purposes of the Copyright and Rights in Database Regulations 1997 (“the **Database Regulations**”).²⁰
- c) Whether the copying of the Bitcoin Blockchain constitutes a reproduction of the Bitcoin White Paper such that it constitutes copyright infringement.²¹
- d) The subsistence of copyright in the alleged Bitcoin file format.²²
- e) The ownership position of the various rights, and the residence of Dr Wright at the relevant dates.²³
- f) Which acts were done, and by which Defendant(s).²⁴
- g) The existence and liability of the First Defendant.²⁵
- h) Joint liability of the Defendants.²⁶
- i) Whether the acts alleged to have been performed by the Defendants were done with the consent of Satoshi Nakamoto, or some other licence (whether implied or otherwise) or the claims are otherwise barred by acquiescence/laches.²⁷

18. The Developers mention these (obvious) limitations on the present trial because in his eleventh witness statement, Dr Wright has sought to extend his evidence well beyond

¹⁹ Amended PofC in BTC Core Claim¶1(18) {A1/2/1}, ¶42 {A1/2/17}, ¶49 {A1/2/20} and Developers’ Defence in BTC Core Claim¶10 {A1/4/7}, ¶43 {A1/4/26}, ¶49 {A1/4/29}.

²⁰ Amended PofC in BTC Core Claim¶43-48 {A1/2/ 17-20}, Developers’ Defence in BTC Core Claim¶44-48{A1/4/26-29}.

²¹ Developers’ Defence in BTC Core Claim¶35,58.3 {A1/4/22, 34}.

²² If re-instated following Arnold J’s decision, see *Court of Appeal Judgment* [2023] EWCA Civ 868.

²³ Amended PofC in BTC Core Claim¶36,37 {A1/2/16}, Developers’ Defence in BTC Core Claim¶39{A1/4/24}.

²⁴ Developers’ Defence in BTC Core Claim ¶¶35 50-52 (infringement of database rights), struck through ¶¶60, 61 (infringement of the Bitcoin File Format), ¶¶5 (infringement of copyright in the White Paper) Amended PofC in BTC Core Claim {A1/2/16}, ¶¶38, 50, 55-58.4 {A1/4/23}.

²⁵ Amended PofC in BTC Core Claim¶70 {A1/2/30}, Developers’ Defence in BTC Core Claim¶63 {A1/4/36}

²⁶ Amended PofC in BTC Core Claim¶63 – 69 {A1/2/27}, Developers’ Defence in BTC Core Claim¶59-62 {A1/4/35}.

²⁷ Developers’ Defence in BTC Core Claim¶11, 54, 58.4, 68 {A1/4/8}.

the bounds of the Identity Issue and into matters that would only fall to be explored at any later trial of the present proceedings, or indeed at trial of the Tulip Trading claim were that to proceed beyond the preliminary question of ownership. For example:

- a) Questions about “Satoshi’s vision” or his alleged “philosophy of Bitcoin” (about which Dr Wright opines at length) will not assist the Court in considering whether Dr Wright is Satoshi Nakamoto. Indeed, it may never be necessary for the Court to rule on these issues; the scope of the intellectual property rights asserted will not be dictated by the intention of the creator, but rather by *inter alia* the actual fixation of those works.
- b) Questions regarding the Bitcoin blockchain’s development and what influence each of the Defendants have had therein do not fall for determination now.
- c) Dr Wright’s eleventh witness statement contains many assertions as to the Developers’ alleged activities following the period in which Satoshi Nakamoto was involved in the development of Bitcoin.²⁸ That evidence cannot be of relevance to the Joint Trial, save to the limited extent that those supposed activities were in fact undertaken by Satoshi Nakamoto and not by the Developers at all.

C. Technical features of Bitcoin

19. In its introduction,²⁹ the Bitcoin White Paper identified a problem (namely, the absence of a mechanism “*to make payments over a communications channel without a trusted third party*”) and proposed a solution:

“What is needed [for commerce on the internet] is an electronic payment system based on cryptographic proof instead of trust, allowing any two willing parties to transact directly with each without the need for a trusted third party.”

20. Bitcoin was designed as a system to remove the need for a trusted third party to act as an intermediary in transactions on the internet, and the resultant cost of mediation of disputes.³⁰

²⁸ See by way of example Dr Wright’s discussions about implementing segregated witness (“SegWit”) and the Developers allegedly changing the protocol [Satoshi] released for Bitcoin after 2015, Wright11¶¶35-50, 121-129 {CSW/1/60}, {CSW/1/23}.

²⁹ ID_0000865 {L5/26/1}.

³⁰ Bitcoin White Paper: Section 1 first paragraph {L5/26/1}.

21. Although Dr Wright currently refuses to accept the terminology, and the point is not central to anything the Court has to decide, Bitcoin is generally regarded to be cryptocurrency. That is recognised in the OED which defines the noun “*cryptocurrency*” as follows:³¹

2. Any of various digital payment systems operating independently of a central authority and employing cryptographic techniques to control and verify transactions in a unique unit of account; (also) the units of account of such a system, considered collectively. 2009-

The earliest digital cryptocurrency was Bitcoin: see [Bitcoin n.](#)

2009 This is really interesting: bitcoin, the p2p cryptocurrency.
@hxn 23 September in *twitter.com* (O.E.D. Archive)

2014 Dogespeak started spreading on Reddit and Tumblr in 2012. It's since inspired a cryptocurrency, Dogecoin.
Atlantic October 24/4 ...

2017 What happens to cryptocurrency when you die?..This attribute [sc. unbreakable cryptography] makes it a secure way to store wealth but also creates the risk that when Bitcoin owners die, their digital fortune will be out of reach forever.
Fortune (Electronic edition) 26 September ...

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“Cite  Historical thesaurus economics and commerce cryptography

22. For convenience below, the Developers refer to the Bitcoin software, network, and concept as “Bitcoin” with a capitalised “B” and refer to Bitcoin currency units as “bitcoin(s)” with a lowercase “b” (though in practice this is often abbreviated to BTC).³²

³¹ Source OED.com, the preceding definition (described as rare) is an informal, substitute currency: which is said to derive from 1975. The two usages show that it is not presently pertinent: “*You were supposed to get a greenie for every five magazines sold and a brownie in exchange for every five greenies, but this crypto-currency had like every other money much depreciated as time went on*” (H. Hood, *Swing in Garden*, 1975) and “*In Poland the bottle of vodka has long been pegged at one US dollar in foreign currency shops. So you have a stabilised crypto-currency, rather like cigarettes in 1945 Berlin*” (Hyperinflation & YO in sci.econ (Usenet newsgroup) 2 April 1991).

³² The first release of Bitcoin was accompanied by a `readme.txt` file which referred to BitCoin. However, Satoshi Nakamoto moved the content of that `readme` file to `build-unix.txt` on 5 November 2009, see <https://sourceforge.net/p/bitcoin/code/32/>, in which the equivalent text referred to Bitcoin (without a capital “C”). All further releases of the Bitcoin software referred to Bitcoin without capitalising the “C”.

1. Outline overview of the operation of Bitcoin

23. In very outline terms there are two interrelated aspects to the system described in the Bitcoin White Paper. One is a process for the undertaking of “*transactions*” involving the transfer of coins. The other is a process for carrying those transactions into “*blocks*”.
24. The Bitcoin White Paper defines a coin as “*a chain of digital signatures*”.³³ An owner transfers a coin by “*digitally signing*” a “*hash*” of the previous transaction involving the coin and the public key of the next owner:³⁴
- a) Bitcoin uses SHA256 as its “*hash*” function.³⁵ SHA256 is so named because the output of the hash function is 256 bits, *i.e.* when expressed in binary (0 or 1 each representing a bit) would be 256 digits long, or 64 alphanumeric characters when expressed in hexadecimal.
 - b) Because the hash used in a transaction includes both the previous transaction involving the coin and the public key of the next owner, the hash embeds the history of expenditure of that coin.
 - c) Where a part of a coin is the subject of a transaction (*i.e.* is the input to a transaction), it can create two new unspent outputs, one output assigned to the recipient of the transaction (say, R) in respect of the amount sent to them, and the other output assigned to the sender (say, S) being the amount not sent to R from the coin in question. A subsequent transaction by R using the part of the coin transferred to them, renders that output ‘spent’.
 - d) Digital signature is a process designed to provide confidence that an entity has signed a given message.³⁶ A randomised algorithm allows the holder of a private key to produce a signature on a message. The recipient of a digital signature uses a deterministic verification algorithm to check whether the signature conforms to the public key of the sender.³⁷ The digital signature of a transaction involving bitcoins enables the recipient (R) to be satisfied that the sender was entitled to transfer the relevant sum.

³³ Bitcoin White Paper: Section 2 first paragraph {L5/26/2}.

³⁴ Bitcoin White Paper: Section 2 first paragraph {L5/26/1}.

³⁵ Meiklejohn1¶31 {G/2/11} – agreed {Q/3/2}.

³⁶ Meiklejohn1¶32 {G/2/11} – agreed {Q/3/2}.

³⁷ Meiklejohn1¶32 {G/2/11} – agreed {Q/3/2}.

25. The problem with the transaction process described above, if it ended there, would be that, although R may be satisfied by checking the digital signature that S was entitled to send the relevant sum, R cannot be sure that the S has not already spent the bitcoin. The Bitcoin White Paper proposed a solution to this “*double-spending problem*” (*i.e.* a way for a recipient to know that the previous owners of a coin have not previously spent the bitcoin). The solution was the use of a peer-to-peer distributed timestamp server to generate computational proof of the chronological order of transactions, using a “*proof-of-work*” system.
26. So far as the proof-of-work system is concerned:
- a) A timestamp server works by taking a hash of a “*block*” of items to be time-stamped and then publishing that hash.³⁸
 - b) The block itself is comprised of a “*block header*” and the data consisting of the transactions in the block.³⁹
 - i) Block Header: The Block Header (as to which see further paragraph 35 below) includes a “*nonce*”, which is a 32-bit number. The nonce element of the Block Header is not predetermined, but it can be thought of as being initially set at 00000000000000000000000000000000.⁴⁰
 - ii) Transaction data: When a new transaction is publicly announced, it can be verified in the manner described at paragraph 24.d) above to ensure that it has been properly signed. It can also be checked for double-spending (see paragraphs 38 to 42 below). If valid, the transaction can be collected together with other transactions into a block.⁴¹
 - c) The proposed proof-of-work essentially involves a computationally intensive trial-and-error search.
 - i) A hash is taken of the Block Header, which includes (amongst other things) the hash of the contents of the whole block and the nonce.

³⁸ Bitcoin White Paper: Section 3.

³⁹ Meiklejohn1¶66 {G/2/11} – agreed {Q/3/2}.

⁴⁰ Meiklejohn1¶61 {G/2/23} – agreed {Q/3/2}.

⁴¹ Bitcoin White Paper: Section 5, step 2 {L5/26/3}.

- ii) If the hash does not meet a relevant target value (i.e. does not have the requisite proof-of-work), then the nonce is incremented and another hash taken and checked to see whether it has the requisite value.
 - iii) Accordingly the proof-of-work is implemented by, *inter alia*, incrementing the nonce in the Block Header until a value is found that gives the block's hash the required value.⁴²
- d) As noted above, assessment of whether the hash of the Block Header meets the requisite proof-of-work requirement at step (c)ii) above, is determined by reference to whether the hash is equal to or below a target number (*i.e.* when the Block Header is hashed using SHA256, the output is equal to or less than the set target number).
- i) The target number is automatically adjusted by the system every 2016 blocks to keep the rate of block production around once per 10 minutes.⁴³
 - ii) Being equal to or below a target number implies that there will be a number of leading 0s in the target number in binary (and in hex or any other base), but the target number can be set precisely (*e.g.* the leading digits of the hash may have to be less than "00000000000000000000101...").⁴⁴ This allows the difficulty to be very precisely adjusted.
 - iii) The more 0s at the beginning of the hash, the greater the amount of CPU effort required in scanning to find such a value.⁴⁵ If the hash

⁴² Bitcoin White Paper: Section 4, second para {L5/26/3}.

⁴³ Bitcoin White Paper: Section 4 third para {L5/26/3} and Meikeljohn ¶71 {G/2/22} – agreed {Q/3/2}.

⁴⁴ The Bitcoin White Paper: Section 4, second para {L5/26/3} contemplated that the target value would be set with leading zeroes – an approach that conforms to that suggested in Sections 3 and 5 of Adam Back's "*Hashcash – a denial of service counter-measure*" that is cited in the Bitcoin White Paper (<http://www.hashcash.org/papers/hashcash.pdf>). The first available issue of the Bitcoin source code replaced that with a numerical comparison which did not refer to leading zeroes. This can be seen in the main.cpp file at {L4/143} line 1182 in the code section that reads (and does not refer to leading zeroes):

```
// Check proof of work matches claimed amount
if (CBigNum().SetCompact(nBits) > bnProofOfWorkLimit)
    return error("CheckBlock() : nBits below minimum work");
if (GetHash() > CBigNum().SetCompact(nBits).getuint256())
    return error("CheckBlock() : hash doesn't match nBits");
```

⁴⁵ Bitcoin White Paper: Section 4 {L5/26/3}. At the current difficulty it takes the network on average $3 \cdot 10^{23}$ tries to find a block, a number of thousands of times larger than all the grains of sand on earth (10^{18}). At the start a mere 4 billion hashes were required, some 70 trillion times easier than currently.

(when expressed in binary) has to start with N zeroes, there is a $\frac{1}{2^N}$ chance of the hash having that number of zeroes and so 2^N computations will be required on average.⁴⁶

27. Once a node⁴⁷ finds a proof of work, it broadcasts the block to all peers to which it is connected and, if they accept the block, they broadcast it to all peers to which they are connected, eventually reaching everyone. Other nodes will accept the block as a new block only if all of the transactions in it are valid and the outputs are not already spent. They express their acceptance by working on creating the next block in the chain, using the hash of the accepted block as the previous hash.⁴⁸
28. Nodes are incentivised to support the network in this way by being allowed to add a coin generation transaction at the start of the list of transactions in the new block which is subject to the proof-of-work process described above. The coin generation transaction sends a specific number of bitcoins to an output that the node controls, which is included in the block when broadcast to other nodes.⁴⁹ This coin generation process is described as “*mining*”.⁵⁰
29. Ultimately, Bitcoin transactions are rooted in cryptographic principles, and the proof-of-work process that provides the basis for the verification of transactions is designed to operate without the need for a trusted third party.

2. Bitcoin software development

30. Bitcoin’s source code is open-source. The most popular Bitcoin implementation, which came to be known as “*Bitcoin Core*” is currently hosted in a public repository

⁴⁶ Meiklejohn1¶62 {G/2/23} – agreed {Q/3/2}. In hex it would be $1/16^N$ and in decimal $1/10^N$.

⁴⁷ In his eleventh witness statement Dr Wright suggests at length and repetitively that only miners can be “*nodes*”. That is a characteristically sterile, semantic debate. In the present context, the word node is being used to refer to a mining node.

⁴⁸ Bitcoin White Paper: Section 5 {L5/26/3-4}.

⁴⁹ The initial block reward was 50 BTC. The reward halves every 210,000 blocks. It halved in November 2012 to 25BTC, in July 2016 to 12.5BTC and in May 2020 to 6.25BTC: Meiklejohn1¶69 {G/2/28} – agreed {Q/3/2}. The next halving is expected in May this year.

⁵⁰ Bitcoin White Paper: Section 6 {L5/26/4} and Meiklejohn1¶60 {G/2/22} – agreed {Q/3/2}.

on GitHub,⁵¹ meaning that it is publicly available, so that anyone can propose changes to the code.

31. There is a dispute as to how the Bitcoin source code came to be hosted on GitHub. It was originally hosted on SourceForge. Dr Wright suggests that this change from SourceForge to GitHub was contrary to his interests.⁵² That account of events jars with the dealings between Satoshi Nakamoto and Gavin Andresen which will be explored in due course.
32. Modifications to the Bitcoin Core source code require a collaborative approach by the Bitcoin community and developers, but are contributed to by a voluntarily-composed and *ad hoc* set of individuals with coding ability.⁵³
33. The Bitcoin source code has changed considerably since its first release in 2009, to add/remove new functionality, increase efficiency, fix bugs and generally maintain the software.⁵⁴ A brief summary of the process for making changes to the software is as follows:⁵⁵
 - a) Drafting the amendment: draft modifications are coded, *i.e.* written in the relevant source code on a drafter's own system.
 - b) Pull Request: Once the modification has been written, the drafter will present their proposed modifications to the Bitcoin source code by creating a "*pull request*" on GitHub.⁵⁶ The "*pull request*" will be accompanied by the proposed revision to the code.
 - c) Community Review: The pull request is then reviewed; both to confirm the purpose of the pull request and review the proposed code itself. The review will include feedback on the code, and suggested modifications to ensure the code fulfils the proposed purpose. This review is conducted on GitHub itself,

⁵¹ Meiklejohn1¶81 {G/2/35}.

⁵² Wright1¶136 {E/1/26}, Wright9¶29-32 {E/26/10} and Wright11¶185-186 {CSW/1/35}.

⁵³ Developers' Defence in BTC Core Claim¶11.3 {A1/4/9}

⁵⁴ Meiklejohn1¶22 {G/2/9} – agreed {Q/3/2}.

⁵⁵ Set out in Meiklejohn1¶81 {G/2/35} – agreed {Q/3/2}.

⁵⁶ There are various examples of Pull Requests in the bundle, including (for example) #1677 at {L8/12}.

and anyone logged into GitHub can comment. The code modification, as it develops, is shown as a “Commit” on GitHub.⁵⁷

- d) Approval: If sufficient consensus is reached on the proposed changes, a maintainer of the software repository can approve the pull request then merge the software into the Bitcoin source code.⁵⁸
- e) Deployment: Once the modification has been merged into the source code, it is considered part of the Bitcoin Core codebase. However, it will not generally be available to users of the Bitcoin Core software until a new version of the software is released incorporating all Pull Requests that have been merged.⁵⁹
- f) Adoption: New versions of the Bitcoin Core software only have effect when they are adopted by users (there is no automatic upgrade mechanism and cannot be for security reasons). It is following adoption and at the deployment stage that a hard fork or a soft fork occurs if the changes to the software are sufficiently different:⁶⁰
 - i) Soft Fork: This occurs in the event of an additional set of rules that are ‘backwards compatible’, in that they allow peers who are still following the previous rules to participate in the network.⁶¹
 - ii) Hard Fork: This occurs where there is a change to an existing rule or rules that are not ‘backwards compatible’, *i.e.* where the new rules are not compatible with the old rules. This results in two different blockchains which diverge at a single fork.⁶²

3. Block validation

- 34. As described at paragraph 27 above, before nodes accept a new block, they need to be satisfied that it is valid and that all of the transactions in it are valid and that their

⁵⁷ See, for example, {L8/12}.

⁵⁸ The merger of the commits proposed in respect of Pull Request #1677 is identified by the words “Merged” at the top of {L8/12/1}.

⁵⁹ Some Pull Requests that were merged close to the release date may not be included in the new release pending testing.

⁶⁰ The vast majority of changes to the Bitcoin software have no impact on which blocks or transactions are valid, and are therefore neither softforks or hardforks. The process of forking is the mechanism by which BTC and BSV can both co-exist.

⁶¹ Meiklejohn1¶¶76-77 {G/2/34} – agreed {Q/3/2}.

⁶² Meiklejohn1¶¶78-79 {G/2/35} – agreed {Q/3/2}.

outputs are not already spent. There are two aspects of this process of validation which it is convenient to mention at this stage as they are touched on in the evidence.

a. *Block Headers*

35. As noted at paragraph 26.b)i) above, every block has a Block Header. The Block Header contains high-level information about the block, in the following order: the block version, the hash of the preceding block, the Merkle Root,⁶³ the timestamp, the difficulty target and the nonce.⁶⁴
36. Part of the process of validating a block is to carry out a check of information from the Block Header. This was described as the CheckBlock function. Dr Wuille explains how in 2014 he introduced a change to the Bitcoin software to prioritise things that could be checked just from the Block Header alone, without needing to know the block's transactions.⁶⁵
37. This modification introduced a function that he called CheckBlockHeader and enabled the issue of whether the Block Header met the proof-of-work requirement to be prioritised. In that way a proposed new block could be rejected without downloading the full block data.

b. *UTXOs*

38. As noted at paragraph 25 above, an essential process in Bitcoin is ensuring that coins used in a transaction have not already been spent.
39. Originally, the Bitcoin software used a transaction index database with one entry per transaction ever created as a source for checking whether the bitcoin in a transaction

⁶³ The Merkle Root is a hash of the transactions that have been included in the Block Header. It is derived by using a Merkle tree, which is a sort of hierarchy of hashes, in which individual transactions are hashed, and their hashes combined. This process continues, combining pairs of hashes to create new hashes, moving up the tree. The top of the tree (beneath which all of the transactions lie) is called the Merkle Root.

⁶⁴ Meiklejohn 1¶66 {G/2/26} – agreed {Q/3/2}.

⁶⁵ Wuille 1¶24-25 {C1/1/6}.

had already been spent. That transaction index database identified which of the outputs of a transaction had been spent (and, if so, when) or whether they were unspent. Transactions in a block could be checked against that transaction index database to ensure that the bitcoin that the transactions spend had not previously been spent.⁶⁶

40. In version 0.8 of the software, a major update was made, replacing the transaction index with a new database, containing just the unspent transaction outputs (or “**UTXOs**”), against which new transactions could be validated.⁶⁷
41. Dr Wuille explains that he introduced that change by the “*Ultraprune*” Pull Request 1677 in August 2012, which can be found at {L8/12}. The change could be made because, when considering a transaction for inclusion in a block, there is no need to check the transaction against spent outputs; it is sufficient to check that the transaction only uses unspent bitcoin in its inputs.⁶⁸
42. The consequence of this change was that the database that was checked when validating transactions for inclusion in a block was much smaller, because it no longer contained information about spent outputs. This in turn led to a major performance improvement.⁶⁹

4. Summary

43. At this stage, it seems relatively unlikely that anything that the Court will need to determine in these proceedings is going to turn on any technical aspects of Bitcoin. However, there are respects in which the Reliance Documents that Dr Wright has advanced conflict with the development of Bitcoin described above. In addition, and more generally, the Court will note a stark contrast between the cryptographic and time-stamped nature of the proof of transactions in Bitcoin and the non-cryptographic, time-manufactured nature of the evidence advanced by Dr Wright in these proceedings.

⁶⁶ Wuille1¶30 {C1/1/7}.

⁶⁷ Wuille1¶30 {C1/1/7}. Dr Wright appears to acknowledge that the concept of UTXOs was not explicitly referenced in the original code, Wright11¶578 {CSW/1/107}.

⁶⁸ Wuille1¶30 {C1/1/7}.

⁶⁹ Wuille1¶30 {C1/1/7}.

D. The background in which Dr Wright's allegations first emerged

44. The focus of the Court's attention in these proceedings will be on Dr Wright's present account of his supposed invention of Bitcoin – and upon the documents that he has chosen to deploy to corroborate that account. Dr Wright's present account and his documentary record needs, however, to be set in context and, in particular, against the background of Dr Wright's first overt claims to be Satoshi Nakamoto.
45. This section deals with that earlier context, which in turn requires an understanding of Dr Wright's first overt references to Bitcoin, his dealings with the Australian Tax Office (the "ATO") in relation to Bitcoin and his consequent dealings with the Kleiman family to whom he first asserted that he was one of the people behind Bitcoin. The Developers understand that COPA will be addressing Dr Wright's subsequent attempts to unveil himself as Satoshi.
46. The Developers draw attention particularly to the dealings with the ATO because, whilst they are in a sense merely part of the overall background, they are important for three reasons:
- a) Dr Wright now seeks to pray in aid his dealings with the ATO.
 - b) From around mid-2013 Dr Wright began to suggest to the ATO that he had convoluted dealings with bitcoins, including with the assistance of David Kleiman, who had died earlier that year.
 - c) A number of pervasive themes emerge from his dealings with the ATO.

1. The first identifiable record of Dr Wright referring to Bitcoin

47. Dr Wright first overtly referred to Bitcoin when responding to some comments beneath an article that he had published on 28 July 2011 for an online media outlet known as The Conversation.⁷⁰

⁷⁰ <https://theconversation.com/arc-anonymous-and-lulzsec-about-to-hack-paypal-for-wikileaks-2582>, currently available in illegible format at {L7/389.1/1}.

48. The article, entitled “*Are Anonymous and LulzSec about to hack PayPal for WikiLeaks?*”, questioned whether PayPal’s decision to withhold funds from WikiLeaks might lead to it being hacked.⁷¹
49. In the comments beneath the article Dr Wright advanced the argument that, as a business, PayPal was entitled not to transact with WikiLeaks. Some of the commenters challenged that view on the basis that WikiLeaks did not have an alternative payment provider. Dr Wright observed that he knew of over 50 alternatives to PayPal and that WikiLeaks could have selected “*BitCoin*”, but it did not. He noted that “*If you want to look at anything to blame, look to WL’s stupidity in selecting PayPal as a provider over BitCoin and others like them when PayPal is known to shy away from controversy*”.⁷²
50. Dr Wright wrote a follow-up piece for the same website on 9 August 2011 entitled “*LulzSec, Anonymous ... freedom fighters or the new face of evil?*” in which he referred to the vandalization by Anonymous of the home page of the Syrian Ministry of Defence.⁷³ Dr Wright turned the conversation back to the position of PayPal, who he suggested represented freedom far more than groups such as LulzSec and Anonymous.⁷⁴
51. That provoked what might fairly be described as a heated debate in the comments section below the article, into which Dr Wright waded in his characteristically outspoken manner.⁷⁵ On the point about whether there were sufficient alternatives to PayPal he argued that there were.
52. He responded to one commenter stating that “*WikiLeaks can get payments from other sources. It CAN get money transfers. It can get **bit coins** it can do many things if it*

⁷¹ {L7/389.1}.

⁷² {L7/389.1}. Note, one characteristic of Dr Wright’s postings is that they commonly contain spelling errors.

⁷³ {L7/391/1-20}, Wright11¶58 fn 27 {CSW/1/12}.

⁷⁴ Dr Wright explains that Anonymous and LulzSec stand “diametrically to what he believes in” Wright11¶36 {CSW/1/6}.

⁷⁵ Similar outbursts can be found on Dr Wright’s contribution to other websites, including Seclists.org and his own blog.

wants. There are MANY options that allow people to send money to WL” (emphasis added).⁷⁶ He responded to another commenter as follows (again, emphasis added):⁷⁷

“”My point was that empowerment is not equal across the board, which raises the obvious questions about equality. “

Again Andrew, life is not fair. It will not ever be fair. There is no such thing as equality. They can never be equality.

Empowerment is not binary and there is not simply one type of empowerment. A person who is empowered in one area may not be empowered in another. Someone with huge advantages in one aspect of their life will have disadvantages in others.

The whole notion of striving for fairness is flawed. There is no universal concept of fair. There is no intrinsic definition of fair. What one person considers fair will always be unfair to another. The whole concept of fairness is flawed. The whole concept of striving for equality is flawed.

We are not equal and we cannot be equal. As I was pointing out, a student with a 150+ IQ from a poor family cannot be directly compared with a rich student who has a 70 IQ.

Hence the notion of comparative advantage. There is no universal form of empowerment. At best, an individual can make use of the advantages they have been gifted with and minimize disadvantages.

As I was saying, life is not fair. Just wanting something is not a reason to obtain it. As I noted, a child who wishes to be in NBA star but who has no physical characteristics necessary for that position cannot make that position. You can say that this is unfair that this is the nature of our existence.

Rall and rally against it or you like but nothing will change.

Right now, there exist many alternatives to PayPal. Just to name a few I can list:

FastSpring

MoneyBookers

SWReg

Allpay.net

CertaPay

Checkfree.com

Hyperwallet.com

Nochex.com

Ozpay.biz

Paymate

Propay.com

Xoom

PayAlert

2Checkout.com

CCNow

OBOPay

Google Checkout

I see Google Checkout as a good possibility to replacing PayPal’s dominance. It certainly has the resources and although it remains under the radar somewhat right now the projected growth rates are exceeding those of PayPal.

Add to the list FaceBook soon.

⁷⁶ {L7/391/13}.

⁷⁷ {L7/391/17-18}.

Facebook credit will be public soon. Facebook credit will integrate into many sites offering a non-cash based international currency. I have to say that this is a strong contender for an alternative.

Bit Coin (Bit Coin) is a digital currency. Bit Coin offers a full peer-to-peer currency solution. P2P transfer of funds is available using methods that can even be untraceable. They're a ways using this technology to transfer funds that cannot be intercepted or stopped.

The argument I keep hearing about how difficult it is to do any of this is shortsighted at best. I numerous alternatives. Other than the existing methods that have been around for more than 20 years,, many online alternatives with all the functionality that your calling for exist.

Wikileaks choose PayPal. No one made them choose PayPal. The list of alternatives that I have already given above is extensive but does not even touch on the number of alternative solutions that could've been deployed.

PayPal has competition. The list of competitors that I have listed above is less than 1% of the entrants into this market. Google and Facebook are the 800 pound gorillas that PayPal fears. They are biting at its heels.

That said, there are alternatives available in the marketplace such as Bit Coin that offer solutions to the problems that WikiLeaks faces.

....”

53. Thus, it appears that by late July 2011 Dr Wright was aware of Bitcoin, that he thought it was a suitable product to be used by WikiLeaks, but that he was uncertain about how it was spelled (one word or two, capitals or not) – even though “*Bitcoin: A Peer-to-Peer Electronic Cash System*” had been published nearly two years previously and even though Satoshi Nakamoto used a single word for Bitcoin in all of his public postings.

54. Dr Wright’s first overt reference to Bitcoin is accordingly not a promising start for his subsequent contention that he is Satoshi Nakamoto.

2. Dealings with the ATO

55. Dr Wright’s dealings with the ATO fall into two broad periods, the first relating to his 2008/2009 tax return and the second his dealings from 2013 onwards. Those dealings set the scene for his dealings with the Kleiman family, which are addressed in section 3 below. A more detailed account of the dealings with the ATO (should the Court wish to follow the underlying the points made below) is set out in Appendix 1.

a. Tax return for 2008/2009

56. Dr Wright suggests in his eleventh witness statement that he made known to the ATO in his 2008/2009 tax return that he was the creator of Bitcoin.⁷⁸ There is no evidence of that in the contemporaneous record.
57. It appears that Dr Wright's 2008/2009 tax return was selected for audit because he was claiming to have provided taxable supplies to related companies (namely, Information Defense Pty Ltd, Integyrs Ltd and DeMorgan Limited): see Appendix 1 paragraph 2. Dr Wright now suggests that the establishment of Information Defense Pty Limited was a move "*closely tied*" to his discussions with the ATO.⁷⁹ In fact it was his use of this company that in part prompted the ATO audit.
58. Dr Wright told the ATO that he had sold intellectual property belonging to him to Information Defense Pty Ltd and Integyrs Pty Ltd because he was intending to form a joint venture with those companies to sell R&D work to a company in India referred to as HCL. He seems to have suggested that he was "*currently developing firewall codes*": see Appendix 1 paragraph 4. He did not refer to Bitcoin.
59. The purported IP sale agreements said to have given rise to the relevant tax liability are at {L4/462}⁸⁰ and {L5/113}.⁸¹ These are the agreements referred to at Wright11¶714.⁸² Neither refers to Bitcoin or is consistent with a transfer relating to Bitcoin: see Appendix 1 paragraph 5.
60. A dispute arose between Dr Wright and the ATO as to deductions that he had made in his tax return for work-related expenses that were not related to those agreements. That dispute was ultimately resolved by agreement with the ATO in February 2013: see Appendix 1 paragraphs 8 to 11.

⁷⁸ Including in Wright11¶189 {CSW/1/36}.

⁷⁹ Wright11¶1275 {CSW/1/215}.

⁸⁰ Purported agreement between Dr Wright and Information Defense Pty Ltd dated 30 January 2009 {L4/462}. Referred to at Wright 11¶1275 fn516 {CSW/1/215}.

⁸¹ Purported agreement between Dr Wright and Information Defense Pty Ltd dated 30 January 2009 {L5/113}. Referred to at Wright11¶947 fn383 {CSW/1/171}.

⁸² {CSW/1/135}.

61. Although it appears that during this period the ATO queried the purported IP sale agreements, no specific agreement seems to have been reached in this respect. There is, however, a suggestion (that it is not possible to explore because Dr Wright had not disclosed the relevant materials) that the ATO levied penalties on Information Defense Pty Ltd and Integyrs Ltd.⁸³ In any event, throughout this assessment process, there was no observable reference to Bitcoin.

b. Dealings with ATO from 2013

62. Around the time of the closing of the enquiry into Dr Wright's 2008/2009 tax return in 2013, Dr Wright began to make claims relating to Bitcoin. There are three distinct strands to the discussion of Bitcoin that followed.

- a) First, there were applications by Dr Wright for private rulings.
- b) Second, there were claims made by Dr Wright (it seems from 30 September 2013) for GST refunds.
- c) Third, there were claims made in the tax returns for Dr Wright's companies for refundable R&D tax offsets.⁸⁴

At one point the ATO observed that over 90% of the funds that Dr Wright's companies had received came from refunds from the ATO.⁸⁵

i. The private rulings

63. On 19 June 2013 Dr Wright appears to have applied for two private rulings relating to the income tax and GST implications of selling and transferring bitcoins: see Appendix 1 paragraph 18.

⁸³ See {L17/406/7} at ¶13.4 and fn6.

⁸⁴ The R&D tax offset scheme was a scheme intended to encourage companies to engage in R&D benefiting Australia. For eligible SMEs, the offset was refundable by the government: <https://www.ato.gov.au/businesses-and-organisations/income-deductions-and-concessions/incentives-and-concessions/research-and-development-tax-incentive-and-concessions/research-and-development-tax-incentive/previous-years/r-d-tax-incentive-1-july-2011-to-30-june-2021/about-the-rd-tax-incentive?anchor=Abouttheprogram#Abouttheprogram>.

⁸⁵ {L9/274/9} at ¶36.

64. On 10 January 2014, Dr Wright appears to have applied for a private ruling as to whether he could claim a tourist tax refund of GST in relation to the alleged sale by Hotwire PE of its alleged rights to the 12ib7 address to Dr Wright for US\$19.5 million. This was an odd application. The Court will be aware that the (apparent) contention by Dr Wright that 12ib7 was owned by Hotwire PE and transferred to him personally is directly at odds with his (recently revised) case in the Tulip Trading proceedings. In any event, the ATO declined the claim: see Appendix 1 paragraph 19. No evidence of the alleged payment of US\$19.5 million has been produced in these proceedings.

ii. The claims for repayment of GST in Business Activity Statements

65. It appears that in late 2013 Dr Wright submitted business activity statements (“BASs”) for the period 1 July 2013 to 30 September 2013 for six entities and claimed refunds of GST for close to AU\$12 million: see Appendix 1 paragraphs 20 to 21.

66. By August 2014, it appears that the ATO understood the overall alleged structure of the transactions involving the relevant companies to be said by Dr Wright to have four parts:

- a) First, the supply of software and intellectual property to Dr Wright personally by companies known as W&K Information Defense LLC (“W&KID”) and MJF Mining Services WA Pty Limited (“MJF”).
- b) Second, the assignment of rights to that software and intellectual property by Dr Wright to DeMorgan in return for rights in bitcoins.
- c) Third, the assignment of rights to that software and intellectual property by DeMorgan to companies associated with Dr Wright and known as Coin-Exch, Cloudcroft and Hotwire in return for rights in bitcoins.
- d) Fourth, the financing of the transactions at stage 3 by Dr Wright providing rights in bitcoins to Coin-Exch, Cloudcroft and Hotwire in return for shares.

67. The ATO identified anomalies at each of those stages. The Court is neither asked nor expected to rely on these findings. However as a documentary record, they demonstrate the origins of a story that continues to evolve across these proceedings, and in many instances no longer resembles the story on which Dr Wright relies. They

also indicate that from an early stage, Dr Wright was prepared to create documents, or edit those that did exist, in order to support, or corroborate his claims.

(a) *Stage 1: supposed supply of software and intellectual property*

68. Both the supply from W&KID and that from MJF were regarded as deeply suspicious by the ATO.
69. W&KID was a company formed by Dr Wright and David Kleiman on 16 February 2011.⁸⁶
70. David Kleiman was a computer forensics expert based in Florida. He developed a friendship with Dr Wright (largely remotely) and had collaborated to co-author The Official CHFI Study Guide⁸⁷ (a study guide for professionals studying for forensics exams) in 2007 and to jointly publish a paper entitled “*Overwriting Hard Drive Data: The Great Wiping Controversy*” in 2008.⁸⁸ David Kleiman died at some point between 21 March 2013⁸⁹ and 26 April 2013.
71. Dr Wright and Mr Kleiman agreed to form W&KID⁹⁰ in February 2011 to make applications to the Department of Homeland Security (“DHS”), which had offered grants of up to US\$3m in relation to new technologies that would assist in the defence of cyber-attacks.⁹¹
72. W&KID filed four White Papers with the DHS on 2 March 2011. The proposals all involved research to be conducted over a period of 36 months in connection with Charles Sturt University, an educational institution with which Dr Wright has been

⁸⁶ {L7/198/1}.

⁸⁷ {L2/180}, referred to in Wright11¶27.a fn3 {CSW/1/5}, Wright11¶59 fn27 {CSW/1/5}, Wright11¶1011 fn404 {CSW/1/12}, and Wright11 Annex B ¶2.1 fn1 {CSW/2/8}.

⁸⁸ {L3/222}.

⁸⁹ See the testimony of Dr Macintyre in the Kleiman trial at {L17/303/139} line 24.

⁹⁰ {L17/368/129}.

⁹¹ See {L17/368/141} and the original announcement by the DHS at https://web.archive.org/web/20110527014539/https://www.fbo.gov/download/f01/f01717e5986167c7cbd4f08c9d736470/Cyber_Security_BAA_11-02.pdf.

associated.⁹² All of the proposed research related to software security issues.⁹³ In total, across all four projects, funding of US\$5.85 million was sought.

73. None of the work described above had anything to do with Bitcoin. Every project was rejected by the DHS.⁹⁴ It was central to Dr Wright's defence in the Kleiman proceedings that W&KID had nothing to do with Bitcoin. In his closing submissions at the Kleiman trial, Dr Wright's counsel made clear that "*Every reference to W&K has to do with submissions to the DHS*"⁹⁵ and this was "*the only business that we see for W&K during David Kleiman's life*".⁹⁶
74. In support of his claim to the ATO that he had acquired valuable rights from W&KID, Dr Wright relied on Consent Orders from the New South Wales courts in proceedings that had been commenced by Dr Wright in summer 2013, after David Kleiman's death: see Appendix 1 paragraph 29.
75. As described at paragraph 30 of Appendix 1, Dr Wright's statements of claim in the NSW proceedings can be found at:
- a) {L2/314/13}. In claim 2013/245661 issued on 25 July 2013 Dr Wright alleged that he had entered into a contract with W&KID under which he had provided labour services (for the development of a Bitcoin Software Development Kit and exchange) to W&KID and loaned money to them in Bitcoin. He claimed a debt of AU\$22.75 million.
 - b) {L2/314/19}. In claim 2013/225983, he claimed that W&KID had agreed to pay him for property and consulting services to complete research associated

⁹² Charles Sturt University is a university in Bathurst, New South Wales. It is the lowest ranked Australian university in the Times Higher Education World University Rankings: <https://www.timeshighereducation.com/student/best-universities/best-universities-australia>, and third lowest ranked in Australia in the QS Top University Rankings: <https://www.topuniversities.com/world-university-rankings/region=Oceania&countries=au?page=2®ion=Oceania&countries=au>.

⁹³ BAA 11-02-TTA 01-0127-WP: Software Assurance through Economic Measures {L7/175/1}, BAA 11-02-TTA 09-0049-WP: Risk Quantification {L7/176/1}, see Wright11¶77 fn 63 and 62 respectively {CSW/1/15}, and Wright11¶86 {CSW/1/16} (in which he describes projects in 'setting critical architecture, introducing Bitcoin into 'tokenise software risk' and 'quantifiable systems to economically measure information risk', albeit none of those projects in fact relate to Bitcoin), BAA 11-02-TTA 14-0025-WP: Software Derivative Markets & Information Security Risk {L7/177/1}, and BAA 11-02-TTA 05-0155-WP: Secure Resilient Systems and Networks {L8/283/71}.

⁹⁴ {L14/118}.

⁹⁵ {L17/336/148} lines 18-19.

⁹⁶ {L17/336/147} lines 15-16.

with the four projects proposed to the DHS and described at paragraph 54 above. He also suggested that he had loaned money to W&KID in relation to those projects, and apparently in the total sum of the research grants for which W&KID had applied. He purported to claim those monies back and (for good measure) alleged (and claimed) for a supposed additional AU\$20 million bond that he said he had provided to “*cover funding aspects of the research*”.

76. As explained at paragraph 31 of Appendix 1, the Consent Orders in those proceedings were odd, but the underlying claims are incomprehensible considering the matters set out at paragraphs 71 to 73 above. In his closing submissions in the Kleiman proceedings, Dr Wright’s counsel appeared to accept that there was no genuine basis to the claims.⁹⁷ It is perhaps worth noting that this is an early example of Dr Wright being prepared to abuse the Court process.⁹⁸

77. There were also serious anomalies in relation to Dr Wright’s supposed dealings with MJF. MJF had supposedly supplied software to Dr Wright. The anomalies in the transaction are set out in paragraph 32 of Appendix 1, but include inconsistent contracts, uncertainty about the software itself and the price attributed to it and concerns about concocted emails.

(b) *Stage 2: purported assignment of rights by Dr Wright to DeMorgan*

78. The next stage of Dr Wright’s supposed scheme had been for the rights supposedly acquired by him at Stage 1 to be assigned to DeMorgan. Although Dr Wright produced a Deed of Assignment and Charge between himself and DeMorgan dated 15 July 2013 and invoices dated 1 July 2013 issued by him to DeMorgan, both bore an ABN for

⁹⁷ See {L17/336/166} at lines 17-23.

⁹⁸ It is not the earliest. In November 2004 Dr Wright was sentenced to a term of imprisonment of 28 days for contempt of Court (for breaching undertakings given to the Court), which was suspended on condition that he undertook 250 hours of community service: Ryan v Wright (No 2) [2004] NSWSC 1019. The report of his unsuccessful appeal records concerning email evidence as well: see *per* Handley JA in Wright v Ryan and anr [2005] NSWCA 368, concluding at [63]; “*The probative force of the new evidence depends in large measure on the appellant’s credibility and reliability. His explanations and interpretations of these and related documents are contradicted at critical points, on which there is no independent evidence to support him. The appellant’s contradictory evidence about the email of 11.16 am on 10 September 2003 raises doubts about his credibility, as does his evidence based on the calls from his mobile phone that day*”.

DeMorgan that had not been allocated until 26 August 2013. Dr Wright sought to explain this anomaly on the basis that “*the trustee entered into the transactions on the understanding that an ABN had been obtained prior to that date*”, though he has accepted backdating the invoices: see paragraphs 33 to 34 of Appendix 1.

(c) *Stage 3: purported assignment of rights by DeMorgan*

79. The next stage in the purported transactions was a supposed assignment of the rights supposedly acquired by DeMorgan to Cloudcroft, Coin-Exch and Hotwire pursuant to IP Deeds of Assignment dated 15 September 2013. Each assignment was in identical terms, which was odd given that the companies were intended to receive different rights. And the assignments seemed to include the rights supposedly conferred by the NSW proceedings which had purportedly been the subject of separate assignments dated 22 August 2013. Dr Wright sought to extricate himself from this inconsistency by contending that the 22 August 2013 licences, although signed, “*were incorrectly drafted and were never executed*”. Finally, the invoices from DeMorgan that were relied upon by Cloudcroft, Coin-Exch and Hotwire were all dated 1 July 2013. Again that is odd because it pre-dates the allocation of an ABN to DeMorgan: see paragraphs 35 to 37 of Appendix 1.

(d) *Stage 4: Supposed financing of Coin-Exch and Hotwire*

80. Coin-Exch and Hotwire purportedly funded their payments to DeMorgan by issuing Deeds of Assignment dated 1 July 2013 with Dr Wright, pursuant to which those companies agreed to issue shares in return for the transfer of interests in bitcoins. Dr Wright’s explanation for the way in which those shares came to be transferred to him involved bitcoins being transferred into a Seychelles trust, known as the Tulip Trust, and then loaned to Dr Wright pursuant to a Deed of Loan. The Court will be aware that the Tulip Trust documents are amongst the alleged forgeries in the present proceedings: see paragraphs 38 to 39 of Appendix 1.

(e) *Summary*

81. In can be seen from these dealings that by mid-late 2013 Dr Wright was seeking to take advantage of alleged dealings with “*interests in bitcoins*” to support extravagant claims for payment of millions of Australian dollars in GST refunds. The ATO refused those claims.

iii. The claims for refundable R&D tax offsets

82. Dr Wright’s claims against the ATO were not limited to claims for the repayment of GST. In addition, Dr Wright’s companies made claims for refundable R&D tax offsets in their tax returns for 2012-2013 and for 2013-2014. These were claims for the payment to Dr Wright’s companies of monies allegedly spent by them on R&D.

(a) *The 2012-2013 claims*

83. A company known as C01N Pty Ltd claimed notional deductions of c. AU\$5 million and a refundable R&D tax offset of over AU\$2 million in its 2012/2013 tax return. The ATO withheld those sums, before declining to recognise them and imposing a penalty of nearly AU\$2 million: see paragraphs 41 to 43 of Appendix 1.

84. C01N Pty Ltd alleged that it had incurred expenses of c. AU\$2m and received from Hotwire income of c. AU\$2.9m for materials provided by Professor David Rees, a distinguished academic based in the UK who died on 16 August 2013. As explained at paragraphs 42.a), 44 and 45 of Appendix 1, that claim was highly problematic:

- a) C01N Pty Ltd alleged that it had made a payment to Professor Rees by handing him the private keys to 7 Bitcoin Addresses. It identified an alleged wallet belonging to Professor Rees and produced a purported invoice from him dated 30 June 2013 in the sum of £1,342,246.72 purportedly recording an “*Exchange and transfer by BTC*”, a few months before he died.
- b) The ATO appears to have made contact with Professor Rees’s daughters (two of whom are themselves distinguished professors of mathematics in the UK). Suffice it to say, the ATO record that his daughters had explained that in the

last weeks of his life Professor Rees had been in no state to produce the invoice, that he never spoke of Bitcoin and his estate included no bitcoins or equitable interests in bitcoins.

85. C01N Pty Ltd also claimed notional deductions arising from payments allegedly made under an Infrastructure as a Service (“IaaS”) contract to operate a supercomputer supposedly made with W&KID. As explained at paragraphs 42.b), 46 and 47 of Appendix 1:

- a) The ATO identified a series of anomalies in the documents purporting to amount to the contract with W&KID.
- b) The ATO also identified anomalies in relation to the purported provision of services. In particular, the ATO reported visiting C01N Pty Ltd’s premises with two computer scientists for a demonstration of the supposed supercomputer. Based on that examination, the ATO concluded that C01N Pty Ltd did not have access to the purported supercomputer.
- c) The ATO identified anomalies in relation to the alleged payment, which was said to have been made by an English company C01N Ltd (“C01N UK”) in US dollars as trustee for the Tulip Trust in return for the issue of shares by C01N Pty Ltd. The anomalies arose because:
 - i) C01N UK had been a shelf company at the relevant time, although Dr Wright subsequently lodged documents at Companies House giving the impression that David Kleiman and Uyen Nguyen had been directors of C01N UK since 2012.
 - ii) At the date that appeared on the purported “*Application for Shares*” neither C01N UK nor C01N Pty Ltd were known by those names.

(b) *The 2013-2014 claims*

86. At the end of 2014 a number of companies associated with Dr Wright submitted their 2013-2014 tax returns claiming further substantial R&D tax offsets. From the documents produced in these proceedings, it is possible to discern R&D tax offset claims exceeding AU\$9.4 million, but the sum was probably larger than that: see paragraph 48 of Appendix 1.

87. The R&D Tax offsets were claimed by reference to notional deductions related to an alleged IaaS agreement said to have been made between Signia (also known as High Secured) and DeMorgan. As explained at paragraph 50 of Appendix 1:
- a) That agreement has not been produced in these proceedings. Suffice it to say that the ATO identified a number of anomalies in the document itself.
 - b) Dr Wright appears to have provided an invoice issued by High Secured to DeMorgan in a total sum of 60,000 bitcoins for annual periods from 2013 to 2017. The ATO identified anomalies with the invoice too.
 - c) The ATO's attempts to make contact with High Secured were not satisfactory and Dr Wright appears to have provided inconsistent accounts of how the overall alleged price said to be payable to High Secured was to be split between his companies.
88. As explained at paragraphs 51 to 52 of Appendix 1, Dr Wright's explanation as to the manner in which payment was made to High Secured was once again tied up with his assertion as to the foundation of the Tulip Trust in 2011, as to which see paragraph 80 above. He suggested that High Secured was paid by transfers to various Bitcoin addresses. The ATO accordingly requested that evidence be provided establishing Dr Wright's control of those addresses, as well as various other Bitcoin addresses from which the funds in the Tulip Trust were supposed to have been derived. The ATO provides an account of the varying excuses provided for Dr Wright's inability to provide that proof.
- a) Amongst the documents that Dr Wright presented to support his control over the 1933 address was an affidavit dated 11 October 2013 in which Dr Wright also purported to control an address known as 16cou. That address was used to sign the words "*Craig Wright is a liar and a fraud*" after the ATO communication was made public.⁹⁹
 - b) As part of the excuses for why Dr Wright was not prepared to prove his control of the relevant addresses, Dr Wright provided the ATO with an email purportedly sent to the ATO, but which it had never received. Indeed, the

⁹⁹ See {L17/382/46}.

ATO noted that entities controlled by Dr Wright had provided a series of emails that the ATO had not sent or received.

89. The ATO appears to have spoken to Dr Wright's then lawyer at Clayton Utz (Andrew Sommer) about the suspect emails on 3 July 2015.¹⁰⁰ Mr Sommer wrote to Ramona Watts as follows:¹⁰¹

“Set out below is a sample of the information that that ATO has. They have significantly more material than this but they have allowed me to share this material with you as an indicative sample to help you understand my position.

In each case of the Brigid Kinloch and Hao Khuu emails, they have set out the email in the form attached to your submission of 26 June, the email in the form from the individual's own email records and the email in the form stored in the ATO's forensic record.

You can see the differences between the ATO's records and the records in your submission. The differences are intended to support the position Craig wanted to advance. In each case the “supportive” wording does not appear on the ATO version of the emails but only on the version of the emails contained in the submission of 26 June.

The position in relation to the Celeste Salem email is different. No such email is recorded on the ATO's systems and Ms Salem was not at work that day.

The ATO have also confirmed that no email was sent to Craig from Hao Khuu at 12.16pm on 5 April 2013. Attached is an email Craig sent to me recently which is purportedly from Hao Khuu at 12.16pm supporting the position taken in relation to the claiming of input tax credits by DeMorgan Limited. That email is not on the ATO's system and the individual in question denies sending such an email. The ATO do not have the 12.16pm email (I hadn't sent it to them) but I asked them to check as I was intending to rely on that 12.16pm email in relation to the imposition of penalties for DeMorgan Limited in relation to the recent position paper. To be clear – the attachment to which I am referring is the pdf entitled “Bsuiness Khoo pdf”. This was not attached to Ms Walwyn's email, however the rest of the attached PDFs are from the ATO.

This is extremely serious. I understand Heydon has been in touch regarding obtaining future representation for Craig to assist him with these matters. You will understand why I and Clayton Utz can no longer act. I urge the company to seek appropriate advice and Craig to seek separate advice in relation to these allegations by the ATO. I also believe that this information should be provided to Stefan Matthews and Rob Macgregor as a matter of urgency. In my view, it is appropriate for this to come from you rather than from me.

As discussed on Friday, I have taken advice from my own lawyers and believe that I have no alternative but to cease acting for DeMorgan Limited and Craig immediately. The letter will be issued on Monday.

I have great personal regard for you both but I cannot allow that personal regard to prevent me from taking what is the only course of action available to me in these circumstances.”

¹⁰⁰ See {L10/66}.

¹⁰¹ She forwarded the email to Dr Wright: {L10/66}.

90. Three days later Clayton Utz terminated their retainer.¹⁰² Dr Wright subsequently provided two forensic reports to the ATO.¹⁰³ The two reports only addressed four of the purported emails, but still showed anomalies in those emails.¹⁰⁴
91. Ultimately, the ATO rejected the R&D Tax Offsets sought by Dr Wright's companies and proceeded to wind up a number of Dr Wright's companies.

c. Summary

92. Whilst the conclusions reached by the ATO on Dr Wright's tax claims are in no sense binding on the Court, as the foregoing account indicates it was in the context of Dr Wright's opaque claims from 2013 onwards that he began overtly to assert an interest in Bitcoin.
93. Moreover, certain themes emerged from those dealings:
- a) Implausible dealings with people who have died: see paragraphs 44 to 45 of Appendix 1. The Developers would invite the Court to read the summary of the account provided by Professor Rees' daughters at {L9/382/42} ¶230. Dr Wright's tactless response (at {L13/452/27}) was that Professor Rees' daughters did not know everything that Professor Rees did.
 - b) Changing stories to meet revised circumstances: a notable example of that was Dr Wright's change of tack from saying that his companies issued shares in return for bitcoins to asserting that only equitable interests in bitcoins held overseas by the Tulip Trust were transferred in return for the issue of shares: see paragraphs 22 to 23 of Appendix 1. That change came on 18 February 2014 shortly after the ruling at paragraph 18.b) of Appendix 1 that GST would be payable on such a subscription.
 - c) Unsubstantiated claims in relation to the holding of Bitcoin addresses: Dr Wright was unable to prove his ownership or control of relevant addresses

¹⁰² {L10/68}.

¹⁰³ One by Alan Batey dated 11 November 2015 at {L11/1} and another by Dr Nick Sharples dated 17 November 2015 at {L10/493}.

¹⁰⁴ See {L9/382/49} at ¶¶263-265.

and asserted ownership of an address that was not his: see paragraph 43 of Appendix 1.

- d) The deployment of unlikely and back-dated documents: see paragraphs 29 to 37, 44 to 46 and 50 of Appendix 1. As noted at paragraph 34 of Appendix 1, Dr Wright admitted to back-dating some of the invoices.
- e) The production of fake emails to support his account of events: see paragraphs 32.d) and 52.b) of Appendix 1. As will be seen below, in the Kleiman proceedings Dr Wright generally disclaimed reliance on many of the emails that he had previously presented to the ATO.
- f) Pseudo-technical explanations that lacked substance: see paragraphs 32.c), 46 and 50.a) of Appendix 1. This included the ATO raising concern at script being run that may have been designed to produce inauthentic content which bears the indicia of a staged-controlled demonstration: see paragraph 46.c) of Appendix 1.

3. The Kleiman proceedings

- 94. Carter Conrad Jr (David Kleiman’s business partner) sent an email to a number of David Kleiman’s friends on 29 April 2013 advising them of David Kleiman’s death.¹⁰⁵ Dr Wright responded shortly afterwards saying that David Kleiman would be missed.¹⁰⁶
- 95. Ten months later, on 11 February 2014, Dr Wright sent an unsolicited email to David Kleiman’s father, Louis Kleiman. In that email he stated that “*Your son Dave and I are two of the three key people behind Bitcoin*” and invited Mr Kleiman to save a file named “*wallet.dat*”.¹⁰⁷
- 96. So was set in motion a chain of events which led to proceedings being commenced by W&KID and the estate of David Kleiman against Dr Wright. Those proceedings were commenced on 14 February 2018 on the footing that Dr Wright and David Kleiman were involved in Bitcoin from its inception and both accumulated a vast wealth of

¹⁰⁵ {L17/368/60}.

¹⁰⁶ {L17/368/66}.

¹⁰⁷ {L8/349/1}.

bitcoins from 2009 through to 2013 together with valuable intellectual property, but which Dr Wright had (in effect) stolen from David Kleiman¹⁰⁸ (including through the NSW proceedings).¹⁰⁹

97. It is convenient to take the story of the Kleiman proceedings in two parts. First, addressing the nature of Dr Wright’s initial contact with the Kleiman family. Second, addressing the nature of the proceedings and the somewhat skewed question that it fell to the jury to decide.

a. *The initial dealings between Dr Wright and the Kleiman family*

98. Dr Wright’s initial contact with Louis Kleiman on 11 February 2014 seems to have coincided with two events.

- a) First, Dr Wright’s introduction by Stefan Matthews to Rob Macgregor. That introduction was made on 3 February 2014.¹¹⁰ A follow up call with Mr Macgregor regarding bitcoin processing and trading seems to have taken place the following day.¹¹¹
- b) Second, a step-up in the audits being undertaken by the ATO in relation to Dr Wright’s claims for repayment of GST. As noted at paragraph 23 of Appendix 1, a meeting had been scheduled for 18 February 2014. Ahead of that meeting Clayton Utz had prepared a presentation which referred to:
 - i) “*R&D Conducted in US in conjunction with David Kleiman, a JVCo former as W&K Info Defense Research LLC*”¹¹² (although no such R&D had been conducted: see paragraphs 71 to 73 above) and relied on the Consent Orders in the NSW proceedings.¹¹³
 - ii) A new explanation of the manner in which Bitcoin had been used in the subscription for shares, which depended upon the existence of a supposed offshore trust: see paragraph 23 of Appendix 1.

¹⁰⁸ {L14/114/3} at ¶¶4-12.

¹⁰⁹ {L14/114/25} at ¶90 *et seq.*

¹¹⁰ {L8/340/2}: Mr Matthews suggested that Dr Wright had been focussed on designing a payment processing solution for the gambling and porn sectors based around a bitcoin trading platform.

¹¹¹ {L8/343/1}.

¹¹² {L8/326/6}.

¹¹³ {L8/326/8}.

99. A few points stand out from Dr Wright’s dealings with the Kleiman family from February 2014:

- a) First, Dr Wright initially suggested that he and David Kleiman were two of three key people behind Bitcoin.¹¹⁴ In due course, it emerged that the supposed third person that Dr Wright suggested was “*behind Bitcoin*” was Gareth Williams, the junior analyst at GCHQ who had been found dead in a sports holdall in the bath in his flat in Pimlico on 23 August 2010.¹¹⁵ There is no record of any dealings between Dr Wright and Mr Williams. In Dr Wright’s deposition in the Kleiman proceedings he asserted that he had spoken to Mr Williams during a videoconference sometime in 2011, several months after Mr Williams had died.¹¹⁶ So was repeated Dr Wright’s reliance upon implausible dealings with the recently deceased.
- b) Second, Dr Wright advised Ira Kleiman that David Kleiman controlled the satoshi@vistomail.com email account, whereas he, Dr Wright, controlled the satoshin@gmx.com account.¹¹⁷ In his deposition, Dr Wright denied sending that email and denied that Mr Kleiman had the vistomail account,¹¹⁸ but he did not repeat that denial at trial.¹¹⁹
- c) Third, Dr Wright asserted to Ira Kleiman that he and David Kleiman had in fact undertaken the DHS programs that had been rejected by the DHS using the DHS and Australian government “*for base research funding*”,¹²⁰ although that was plainly untrue: see paragraphs 71 to 73 above.
- d) Fourth, Dr Wright purported to forward to Ira Kleiman emails passing between himself and David Kleiman regarding Bitcoin in the period prior to David Kleiman’s death. Those emails seem to have been forwarded with a view to persuading Ira Kleiman that he was genuinely involved in the development of Bitcoin with David Kleiman. As will be seen below, Dr

¹¹⁴ {L8/349/1}.

¹¹⁵ <https://www.bbc.co.uk/news/uk-wales-north-west-wales-11088254>.

¹¹⁶ {L15/125/98} *et seq.* The date is definitely after Mr Williams’ death, since Dr Wright asserted that it was before he left for Venezuela (which took place in January 2011: {L14/292/1}): see {L15/129/103}.

¹¹⁷ {L8/356/1}.

¹¹⁸ {L16/267/42}.

¹¹⁹ {L17/288/109}.

¹²⁰ {L8/357/2}.

Wright’s counsel disclaimed reliance on those emails in his closing submissions.

- e) Fifth, around 1 March 2014, Dr Wright led Ira Kleiman to believe that he and David Kleiman had approximately 1 million bitcoins in trust, of which 300,000 were from David Kleiman and 700,000 (less some allegedly spent for W&KID’s use) were from Dr Wright.¹²¹ That is consistent with what John Chesher is recorded as telling the ATO on 26 February 2014 when he wrongly suggested that W&KID was set up for bitcoin mining: see paragraph 24 of Appendix 1.
- f) Sixth, on 15 April 2014 Ira Kleiman was contacted by the ATO with questions about the dealings between Dr Wright and W&KID.¹²² So far as that was concerned:
 - i) The ATO provided to Mr Kleiman copies of the NSW proceedings and the supposed contract upon which they were based.
 - ii) Ira Kleiman promptly notified Dr Wright of the questions from the ATO.¹²³ Dr Wright offered some responses of his own,¹²⁴ but also put Mr Kleiman in touch with Mr Sommer of Clayton Utz.¹²⁵
 - iii) The documents from the ATO (and particularly a questionable purported signature by David Kleiman on the contract)¹²⁶ seemed to cause Mr Kleiman to question Dr Wright’s motivations¹²⁷ and to believe that Dr Wright had systematically transferred assets out of W&KID back to Dr Wright.¹²⁸
 - iv) On 25 April 2014 Dr Wright provided Ira Kleiman with a supposed chronology of the relevant events.¹²⁹ In that chronology he stated that in 2011 he had founded W&KID with David Kleiman “*to further statistical and risk mitigating algorithms, to develop some ideas around CBT learning methodologies (CSW was by then*

121 {L2/314/8}.
122 {L8/482/1}. The questions are at {L8/482/44}.
123 {L9/7/4}.
124 {L9/7/3}.
125 {L9/7/4}.
126 {L8/487/15} to {L8/487/18}.
127 {L8/491/9}.
128 {L8/487/18}.
129 {L8/498/2}.

lecturing regularly for Charles Sturt University and others) **and to mine Bitcoin**” (emphasis added) on behalf of entities in Belize and the Seychelles.¹³⁰ In light of the matters set out at paragraphs 71 to 73 above, this was not true.

- v) Mr Sommer of Clayton Utz provided a draft response from Mr Kleiman to the ATO dated 1 May 2014.¹³¹ Although Mr Sommer’s draft is not available, Mr Kleiman’s response to the ATO on 1 May 2014 includes responses from Mr Kleiman that accord with things that he must have been told by Dr Wright or Mr Sommer.¹³²
- g) Seventh, at an early stage in his correspondence with Ira Kleiman, Dr Wright advised him that he was holding shares in trust for David Kleiman.¹³³
 - i) On 28 February 2014, Dr Wright asked Ira Kleiman how those shares should be allocated and was told to split them 80:20 between Ira Kleiman and his father.¹³⁴
 - ii) By 11 March 2014 it was clear that the shares in question were those in Coin-Exch,¹³⁵ even though Coin-Exch had only been formed a few days before David Kleiman had been found dead, see paragraph 70 above and Appendix 1 paragraph 14 below.
 - iii) In late April 2014, after Ira Kleiman expressed doubts about Dr Wright’s motives, Dr Wright sought to explain the NSW proceedings on the basis that this had involved a movement of software to permit an R&D claim to be made,¹³⁶ which would lock in payments of “10 million a year” to Coin-Exch.¹³⁷ He suggested that this was done at David Kleiman’s behest¹³⁸ and that it left Dr Wright free to complete “*what I have worked on for 11 years now*”.¹³⁹

130 {L9/498/3}.

131 {L9/7/1}.

132 {L9/8/1}: note the frequent reference to Mr Kleiman’s understanding.

133 {L17/368/369}.

134 {L8/434/2}.

135 See {L17/368/378} and {L8/388/1}.

136 {L8/487/17} second email.

137 {L8/487/13} third email.

138 {L8/487/7} top paragraph.

139 {L8/487/7} third paragraph.

- iv) By 1 May 2014, the ATO had become aware that Ira Kleiman appeared to have a substantial shareholding in Coin-Exch.¹⁴⁰
- h) Finally, the ATO appears to have raised a second round of questions with Ira Kleiman in June 2015.¹⁴¹ On 23 June 2015, Dr Wright’s wife advised Mr Kleiman that Dr Wright was having major battles with the ATO, which was in the process of “*shutting us down*”.¹⁴² That appears to have come as a surprise to Ira Kleiman.¹⁴³ On 26 August 2015, Dr Wright purported to provide an update on the dealings with the ATO.¹⁴⁴ That provoked Ira Kleiman into suggesting that he no longer believed that Dr Wright had his best interests at heart.¹⁴⁵ In October 2015 Ira Kleiman sought a copy of the trust agreement pursuant to which Dr Wright was supposedly holding shares for David Kleiman. The responses from Dr Wright were characteristically gnomic and did not advance matters.¹⁴⁶

b. *The Kleiman proceedings*

100. The effect of Dr Wright’s dealings with Ira Kleiman seems to have been to lead Mr Kleiman to believe that Dr Wright was sitting on a proverbial pot of gold created for himself and David Kleiman. That meant that the issue before the jury in the Kleiman proceedings was markedly different to that before the Court today. It was in Ira Kleiman’s interest to establish that Dr Wright was part of Satoshi Nakamoto, with a view to establishing that Dr Wright was withholding a fortune that was either owned by W&KID or owed to David Kleiman’s estate.
101. There are three elements of the Kleiman proceedings that stand out.
- a) First, understandably given the nature of his claims, Ira Kleiman required Dr Wright to identify the Bitcoin addresses that he owned.

¹⁴⁰ {L9/7/2} first new email.
¹⁴¹ {L9/494/3-4}.
¹⁴² {L9/494/1}.
¹⁴³ {L9/495/2}.
¹⁴⁴ {L10/297/2-3}.
¹⁴⁵ {L10/297/1}.
¹⁴⁶ {L10/377}.

- b) Second, Mr Kleiman identified that a large number of the documents that Dr Wright had produced relating to his alleged dealings with David Kleiman were forged.
- c) Third, in Dr Wright’s closing submissions at the trial, it was essentially conceded that none of the materials that Dr Wright had produced relating to his dealings with Mr Kleiman in relation to Bitcoin prior to David Kleiman’s death were authentic.

Each of these points is taken in turn briefly below.

i. Bitcoin addresses

- 102. The plaintiffs in the Kleiman proceedings sought, by way of interrogatories served as early as July 2018, that Dr Wright “*[identify] the... public addresses for any cryptocurrency that... [he] possess[es] the private keys to.*”¹⁴⁷ By order dated 14 March 2019, Dr Wright was required by the Florida court to provide a list of his bitcoin holdings as of 31 December 2013 to the Plaintiffs.
- 103. The subsequent course of events echoed the difficulties experienced by the ATO in seeking to obtain from Dr Wright evidence of his ownership or control of Bitcoin addresses:
 - a) Following a discovery hearing on 11 April 2019, Dr Wright stated (in support of a motion for a protective order) that he “*did not have a complete list of the public addresses that he owned as of any date*”, and that the creation of such a list would be unduly burdensome. He represented that his bitcoin holdings had been transferred into a blind trust (of which he was neither a trustee or a beneficiary), and did not know any of the public addresses which hold any of the bitcoin in the blind trust.¹⁴⁸
 - b) By an order dated 3 May 2019, Dr Wright’s motion for a protective order was denied. This Court noted that the “*argument that Dr. Wright is incapable of providing an accurate listing of his current or historical bitcoin holdings was never presented in any of the prior hearings before this Court, when the*

¹⁴⁷ {L14/189/8}.

¹⁴⁸ {L16/114/5}.

*Court was crafting the scope of discovery.*¹⁴⁹ Dr Wright was ordered to provide a sworn declaration identifying details of the blind trust, including provision of all documents relating to its formation, administration and operation, and all documents reflecting transfer of bitcoins into the blind trust.

- c) In purporting to comply with the order dated 3 May 2019, Dr Wright provided a sworn declaration dated 8 May 2019.¹⁵⁰ He affirmed that he put the bitcoins he said that he had mined into trusts (namely, Tulip Trust I and Tulip Trust II) and that he was both a trustee and a beneficiary of those trusts. He swore that accessing the “*encrypted file that contains the public addresses and their associated private keys to the Bitcoin that I mined, requires myself and a combination of trustees referenced in Tulip Trust I to unlock based on a Shamir scheme*”¹⁵¹ and that the “*Bitcoin [he mined] have never moved across the blockchain*”¹⁵² (i.e., they had never been transacted). On 13 May 2019, he provided a further sworn declaration to which he attached the documents purportedly giving rise to the alleged Tulip Trust.¹⁵³
- d) On 3 June 2019, the Plaintiffs filed a motion to compel and sought sanctions – they asked *inter alia* that the court order Dr Wright to provide a sworn statement identifying the public addresses of the bitcoin transferred into the blind trusts.¹⁵⁴ In response, Dr Wright conceded he had not complied with the court’s order, but argued that compliance was not possible. Dr Wright asserted he could not decrypt the outer level of encryption because he did not have all of the necessary decryption keys.¹⁵⁵
- e) On 14 June 2019 the motion to compel was granted and the court scheduled a hearing on 28 June 2019 to consider what (if any) sanctions might be applied to Dr Wright.¹⁵⁶

149 {L15/41/2}.
150 {L15/51}.
151 {L15/51/4} ¶23.
152 {L16/418/7}.
153 {L15/59}.
154 {L15/105}.
155 {L15/107/3}.
156 {L15/207}.

- i) At that hearing Dr Wright stated that it was impossible for him to obtain a list of the public addresses that were the subject of the hearing.¹⁵⁷
- ii) He said that he needed access to at least 8 key slices to unlock the encrypted file, but only had 7, but David Kleiman had supposedly implemented a system whereby Dr Wright would also start to receive the remaining slices in 2020 by “bonded courier”.¹⁵⁸
- “The access to gain knowledge of what was put in the access chain and to be able to generate those keys was given to Dave to distribute, and so that I wouldn’t be in trouble, was set so that after a period, in January of next year, a bonded courier is meant to return key slices.”*¹⁵⁹
- iii) He went on to suggest that he had put in place an “over-arching structure that would encapsulate the ownership from a tax perspective”¹⁶⁰ in 2011 pursuant to the Tulip Trust I document at {L7/257} and then put in place a Declaration of Trust for Tulip Trust I {L7/377} which included all of his intellectual property.¹⁶¹
- iv) Further evidence was then provided by Steven Coughlan, aka Steve Shadders, who gave evidence about efforts that he had made to filter public Bitcoin addresses to identify Dr Wright’s bitcoin.¹⁶² Mr Coughlan did that by applying six data filters identified by Dr Wright to the public Bitcoin blockchain. His analysis identified 27,000 addresses.¹⁶³
- f) The court was not impressed by Dr Wright’s evidence and imposed sanctions on him on 27 August 2019.¹⁶⁴ On the same day, Dr Wright’s legal counsel produced the locked “encrypted file” which Dr Wright had referred to as containing a list of the public addresses which held his bitcoin.¹⁶⁵

157 {L15/131/22}.

158 {L16/1/3}. See also Wright11¶222 {CSW/1/42}.

159 {L15/131/23}-{L15/131/24}. See too {L15/131/125}.

160 {L15/124/87} at ll.15-16.

161 {L15/124/70} at ll.23-25.

162 {L15/205/12} first para.

163 {L15/205/18}.

164 {L15/205}.

165 {L15/206/2}.

- g) Dr Wright challenged the sanctions imposed on him by the Florida court – and in that context relied upon his evidence as to the “*bonded courier*”.¹⁶⁶ On that challenge, the court upheld the adverse credibility findings against Dr Wright,¹⁶⁷ though the sanctions imposed on Dr Wright in relation to his conduct were affirmed in part and denied in part by an order dated 10 January 2020. Notably, the court “*question[ed] whether it is remotely plausible that the mysterious “bonded courier” [was] going to arrive,*” but nonetheless agreed to “*indulge*” Dr Wright and gave him until 3 February 2020 to “*file a notice with the Court indicating whether or not this mysterious figure has appeared from the shadows and whether the Defendant now has access to the last key slice needed to unlock the encrypted file.*”¹⁶⁸
- h) On 14 January 2020, Dr Wright issued a notice of compliance, notifying the court that “*a third party has provided the necessary information and key slice to unlock the encrypted file*”.¹⁶⁹ Dr Wright produced a list of 16,404 public addresses he claimed represented his bitcoin holdings (this list is referred to as the “**CSW Filed List**”¹⁷⁰). However, it became apparent that no missing key had been turned over and no bonded courier had appeared from the shadows. “*Instead, Wright’s wife requested a copy of Wright’s bitcoin holdings from an alleged Kenyan lawyer who provided her with a new encrypted file that contained a list of Wright’s bitcoin holdings.*”¹⁷¹
- i) On 12 March 2020 Dr Wright asserted under oath that the receipt of these documents and his inspection of them allowed him to recognise the authenticity of the documents, including the list of bitcoin public addresses.¹⁷² The Court will note in passing that the CSW Filed List did not include the 1Feex or 12ib7 addresses that are now the subject of the Tulip Trading claim.

¹⁶⁶ {L16/1/3}.

¹⁶⁷ “*The court has also reviewed the transcripts from the Evidentiary Hearing held by Judge Reinhart and agrees with his credibility findings relating to the Defendant.*” {L14/260/15}. That included that Judge Reinhart “*completely reject[ed] Dr Wright’s testimony about the alleged Tulip Trust, the alleged encrypted file and his alleged inability to identify his Bitcoin holdings.*” {L15/207/19}.

¹⁶⁸ {L16/114/22}.

¹⁶⁹ {L16/121/1}.

¹⁷⁰ For the purposes of consistency, that same term is adopted.

¹⁷¹ {L16/418/10}.

¹⁷² See the last paragraph of Dr Wright’s confidential Supplemental Response to Plaintiffs’ Interrogatories at {L16/259/3}.

- j) Subsequently, the CSW Filed List appeared on the public docket.¹⁷³ On 24 May 2020, someone then anonymously published a message as follows:¹⁷⁴
- “Craig Steven Wright is a liar and a fraud. He doesn’t have the keys used to sign this message.
The Lightning Network is a significant achievement. However, we need to continue work on improving on-chain capacity.
Unfortunately, the solution is not to just change a constant in the code or to allow powerful participants to force out others.
We are all Satoshi”*
- k) The post was signed with the private keys to 145 of the addresses¹⁷⁵ included in the CSW Filed List. As set out in detail in the Declaration of Andreas Antonopolous, expert witness to Ira Kleiman, whoever signed the message appeared *“to have undertaken significant work to make their point.”*¹⁷⁶ His conclusion was that *“whoever constructed these signatures expended non-trivial effort and used keys that had not been used for 10 years to cryptographically prove they had possession of keys that [Wright] claimed to own.”*¹⁷⁷
- l) By a way of a Notice of Supplemental Evidence Supporting Plaintiffs’ Omnibus Motion for Sanctions, counsel for the Plaintiffs summarised the consequences of the post: *“Wright represented these 145 addresses were part of his bitcoin holdings and were locked in an inaccessible encrypted file. This week, the person that actually controls the private keys to those addresses used those private keys to declare that “Craig Steven Wright is a liar and a fraud” and “doesn’t have the keys” for those addresses – thus proving the addresses do not belong to Wright.”*¹⁷⁸
- m) There were further issues with the CSW Filed List, but the details are less significant for present purposes.¹⁷⁹ Despite the shortcomings in Dr Wright’s

¹⁷³ The CSW Filed List is still accessible on CourtListener: <https://storage.courtlistener.com/recap/gov.uscourts.flsd.521536/gov.uscourts.flsd.521536.512.7.pdf>. This was mistakenly filed as a public document, and Mr Kleiman’s counsel filed a motion requesting it to be sealed on the same day <https://storage.courtlistener.com/recap/gov.uscourts.flsd.521536/gov.uscourts.flsd.521536.513.0.pdf>.

¹⁷⁴ {L16/436/5}.

¹⁷⁵ This would equate to about £¼ billion of bitcoin at present prices.

¹⁷⁶ {L16/436/3}.

¹⁷⁷ {L16/436/4}.

¹⁷⁸ {L16/437/2}.

¹⁷⁹ The Plaintiffs identified that: (a) there existed Bitcoin transactions which spent the supposedly inaccessible Bitcoin since July 2019 {L16/418/11}; (b) the CSW Filed List replicates a bug created in 2019 and cannot have been a contemporaneous record from 2010 {L16/418/12}; (c) there existed

evidence, the court nevertheless found that this did not amount to “*clear and convincing evidence of an “unconscionable plan” designed to defraud the Court*” and permitted the matter to proceed to trial.¹⁸⁰

- n) When Dr Wright was cross examined on the CSW Filed List at trial in November 2021, he asserted that only 15 of the 16,404 addresses were his on the basis the remainder were owned by his companies.¹⁸¹ When asked whether he could name the companies which owned the balance of the addresses, Dr Wright replied “*I don’t know if it’s all there. I can’t verify that. Well, technically I probably could now, but I couldn’t at the time.*”¹⁸² No explanation was offered as to what had changed between service of the CSW Filed List and Dr Wright’s cross examination which would have affected his ability to provide those details.

104. In short, Dr Wright’s approach to the description of his supposed bitcoin holdings continued to change over the course of the Kleiman proceedings. Notably, his final (false) list of relevant holdings was produced to him by a Kenyan lawyer, known as Denis Mayaka.

ii. Forgeries

105. Six expert reports were produced by Dr Edman of Berkeley Research Group in the Kleiman proceedings.¹⁸³ Those reports considered over 40 documents that had been produced by Dr Wright and found them to be inauthentic and/or forgeries. The documents in question include a number of the documents that are in the bundles in the present proceedings.¹⁸⁴ They included:

anomalies in the distribution of transaction IDs within the CSW Filed List – these were such that expert evidence found the likelihood such anomalies would occur as a natural result of Bitcoin mining is virtually zero and less likely than “the odds of winning the jackpot in the Powerball lottery 31 times in a row” {L16/317/8}; and (d) the CSW Filed List omitted addresses publicly known to have been mined and then spent by Satoshi {L16/418/12}.

¹⁸⁰

{L16/494/38}.

¹⁸¹

{L17/293/194}.

¹⁸²

{L17/293/195}.

¹⁸³

{L15/15}, {L15/144}, {L16/33} (three reports) and {L17/214}.

¹⁸⁴

{L8/75}, {L8/119/12}, {L8/119/13}, {L8/119/15}, {L8/119/9}, {L9/418}, {L9/428/1}, {L2/130}, {L3/237}, {L7/326}, {L8/37}, {L8/42}, {L8/48}, {L8/108}, {L8/437}, {L8/5}, {L9_214}, {L7_474}, {L6/475}, {L8/64}, {L8/68}, {L8/338}, {L9/333}, {L7/308}, {L7/377}, {L7/475}, {L8/14}, {L4/462}, {L9/193}, {L7/455} and {L8/335}.

- a) Early correspondence purporting to be sent between David Kleiman and Craig Wright or from David Kleiman to Uyen Nguyen.¹⁸⁵
- b) Bitmessages that purported to be exchanged between David Kleiman and Dr Wright¹⁸⁶ and which had been supplied to the ATO during its enquiries.¹⁸⁷ A number of these appeared to predate the release of Bitmessage.¹⁸⁸ It emerged that Dr Wright had the private key purportedly associated with David Kleiman.¹⁸⁹
- c) The correspondence and invoices with High Secured that had been relied upon by Dr Wright as described at paragraph 87 above.¹⁹⁰ Dr Edman found that emails purporting to come from High Secured, had been sent from a server associated with Dr Wright.
- d) The ATO emails that had led to the resignation of Clayton Utz. He found there to be multiple forged emails that were created by modifying the contents of legitimate emails from ATO employees.¹⁹¹

iii. Closing submissions

- 106. At the conclusion of the trial, the Judge put 25 questions to the jury. None of those questions directly raised the issue of whether Dr Wright was Satoshi Nakamoto.
- 107. During the plaintiffs' closing submissions, they argued that Dr Wright had stolen from David Kleiman and tried to cover that up with forgeries and lies. They claimed the return of half the 1.1 million bitcoins and half of the intellectual property supposedly jointly developed in W&KID.¹⁹² They contended, based in large part on Dr Wright's own communications with Ira Kleiman, that (a) Dr Wright and David Kleiman released the Bitcoin White Paper and Bitcoin software and began mining bitcoin together, (b) the intellectual property and mining activities were moved into W&KID and (c) Dr Wright filed sham lawsuits against W&KID to steal its intellectual

¹⁸⁵ These included {L8/75}, {L7/326}, {L8/437}, {L8/5}, {L7/474}, {L6/475} and {L8/68}.

¹⁸⁶ See e.g. {L8/37}, {L8/42}, {L8/48}, {L8/108} and {L9/333}.

¹⁸⁷ {L13/453/11-13}.

¹⁸⁸ See Edman's first report at ¶45-49 {L16/33/14}.

¹⁸⁹ See Edman's supplemental expert report at ¶1-4 {L16/33/31}.

¹⁹⁰ See Edman's second supplemental report at ¶1-6 {L16/33/35} and at ¶45-92 {L16/33/46}.

¹⁹¹ See Edman's first report at ¶104 {L16/33/28}.

¹⁹² See {L17/336/56}-{L17/336/57}.

property.¹⁹³ They relied on the documents submitted to the ATO to piece together the story of “*this incredible partnership*”,¹⁹⁴ as well as Dr Wright’s dealings with Ira Kleiman¹⁹⁵ and the supposed contribution of Dr Wright and David Kleiman’s assets to the alleged Tulip Trust as evidenced by emails purporting to come from 2012.¹⁹⁶

108. Dr Wright’s counsel adopted a different approach. He invited the jury to focus on the period prior to David Kleiman’s death. The core of his submission was that the only evidence of any partnership of the kind alleged by the plaintiffs were documents contaminated by forgery.

109. A measure of the submissions by Dr Wright’s own counsel can be taken from the following passages which bear setting out in full:

“So Ladies and Gentlemen, they tell you this – all of this in this time period is a bunch of nasty, filthy lies and invented documents. It’s just a heaping, stinking pile of lies and forgeries from that man.

By the way, did you notice that every single statement of fact in that 70 minutes you heard started: “Craig Wright said. Craig Wright said. Craig Wright forged. Craig Wright said”? Okay. That’s their case, is that he’s a liar and a forger. But Ladies and Gentlemen, I’ve been doing this for a long time – so he’s a liar and he’s a forger. I’m going to add another word because I think this is where this question of this diagnosis fits in. Fantasist; is not right. We’ll talk about it. I’m from another time when these conditions weren’t understood as well. I’m trying to understand personally. Fantasist.”¹⁹⁷

“Let me going back to the writings between David Kleiman and Craig Wright. We didn’t see anything ever – there’s nothing, there’s no email, there’s no text message, there’s no anything during David Kleiman’s life, anyone, Craig Wright, David Kleiman, or anyone else – there’s not a single writing. Think about it, Ladies and Gentlemen. This is critical, critical that you stay with me. I’m not talking about the documents they say were forged. They say those were forged in 2014 and 2015. David Kleiman is dead. I’m talking about during David Kleiman’s his life, DD. There’s not a single communication between the partners or with anyone else that says: “We’re partners.”¹⁹⁸

¹⁹³ See {L17/336/58}-{L17/336/59}.

¹⁹⁴ See {L17/336/60} ll.22-23.

¹⁹⁵ See e.g. {L17/336/71} ll.13-25.

¹⁹⁶ See {L17/336/75-77}.

¹⁹⁷ See {L17/336/112}.

¹⁹⁸ See {L17/336/119} l.24-l.10.

“This¹⁹⁹ is supposedly from Craig Wright to Dave Kleiman on March 12. It’s the invitation. “I need your help editing a paper I’m going to release later this year. I’ve been working on a new form of electric money bit cash, Bitcoin.”

You remember that we had Wright’s testimony that rcjbr.org is Ramona, Craig, Josh, Benjamin, Rachel. That’s the family unit formed after Dr. Wright gets together with his wife Ramona Watts in 2012. But the – do you notice – and there’s other problems with this. The create date is later. There’s other problems with this. But understand when I say: “Cherrypicking,” I’m not saying that to be mean or making it up. That’s not the point. The point is what the Plaintiffs have done here – and you’ve heard it from Edman – is these counsel – there were hundreds of thousand of documents. These counsel chose a set. We couldn’t get it clear whether it was 35, 40, 45 documents. They gave those documents to Edman. And every single one he found was, he told you, forged. But remember he says that means modified, et cetera. Because he can’t tell you for sure it was Dr. Wright, but it’s consistent with Dr. Wright. That’s what he’s talking about.

But the point is they don’t want to talk about this anymore. They want you to forget – they want this to go into the amnesia pile so you never remember about it again. This is BS. And I’m going to show you why. Not just because the date is wrong.”²⁰⁰

“What they talked to you about for 75 minutes was about exactly the statements of Craig Wright and about the forgeries of Craig Wright. That’s the only thing they put in front of you. That’s how they baked the cherry pie. And in logic – in logic, you have to pick. Either he’s a damnable liar – and the minute he’s a damnable liar, you can’t rely on it. I don’t understand how you can say: “The man says black. The man says white. It was proven to you” and then you say: “No. But I want to pick this black stuff. This is what I want to pick.” That doesn’t make sense. I don’t want to operate in my life – you can’t operate in your life that way. If a person’s a liar, then you disregard it. Don’t use tha’ information.

That’s what common sense dictates, not build a case after four years, hundreds of thousands of documents, witness after witness, devices, computers, everything else, and now we’re just going to go with what the liar and forger says? Fantasist.”²⁰¹

“If you’re a forger today, you’re a forger tomorrow. You’re a forger every day. And you have an interest – if your real interest is to beat the litigation, when you know you need the forgeries is after you’re sued in February of 2018. They didn’t tell you there was a single forgery after February 2018. They tell you the forgeries are in 2014 and 2015.

And Ladies and Gentlemen, the New South Wales litigation, you’ve seen it. They make the case better than I do. His invention and his profit from his invention, right, is being threatened by the ATO. The Plaintiffs’ counsel – I was trying to go – I was going to go into evidence. But the Plaintiffs’ counsel describes it very accurately. He was fighting for his life.”²⁰²

¹⁹⁹ “This” appears to be a reference to {L8/446}, to which Dr Wright refers in his current evidence at Wright4¶93-97 {E/4/31}.

²⁰⁰ See {L17/336/136}.

²⁰¹ See {L17/336/164} 1.12- {L17/336/165} 1.3.

²⁰² See {L17/336/166} at ll.11-23.

“I’m going to tell you the simplest one right now. This is as to the bucket of statements that’s mostly what they rely on. And let me give you examples. “I had Dave do the mining in the United States.” Well, why would you say that? Well, I’m going to tell you one reason. Because you’re being threatened by the Australia tax authorities. And if you move this thing offshore and project it onto your dead friend, and move it offshore, you escape tax liability.

“Dave mined it into a trust in Seychelles.” Same thing. Offshore. Look at the statements. And ask yourself – when they’re talking, ask these questions. Why do they only rely on after Dave? Why do they only rely on a gentleman that they say is a liar and forger? And why do they rely on statements that plainly – I’m going to get to the punchline – plainly are in furtherance of tax arguments? I’m not going to condone it. I’m not going to justify it. I can barely explain it. But I’m telling you that Occam’s Razor dictates that the simplest explanation is the explanation – is the true explanation.

And here’s my point: In 2014 and 2015, Craig Wright was in the fight of his life with the ATO. And the statements are statements that have explanatory power on the ATO. And 2014 and in 2015, he’s not in a fight with Ira Kleiman. He’s not making up statements – to the extent that he’s making up statements, he’s not making up statements for Ira Kleiman. It doesn’t make sense. That’s why your correct decision is for the Defense.”²⁰³

110. Leaving aside, even if that is possible, that Dr Wright’s own counsel appeared content to describe him as a fantasist, the submissions took for granted that the purported documentary record created for the period prior to David Kleiman’s death was not authentic and that Dr Wright had falsified his claim before the courts of New South Wales.

4. Summary

111. The themes that emerged from Dr Wright’s dealings with the ATO persisted into his dealings with the Kleiman family:
- a) Implausible dealings with people who have died: the Kleiman proceedings arose from Dr Wright’s assertions about interactions with Dave Kleiman, who had conveniently passed away without telling his own brother of his great co-invention, and Gareth Williams, a GCHQ employee whose death, or rather the discovery thereof, attracted considerable public attention. See paragraphs 99.a) to 99.e) and 99.g)above.

²⁰³ See {L17/336/168} 1.7-{L17/336/169} 1.8.

- b) Changing stories to meet revised circumstances: see paragraphs 103.e), 103.h) and 103.n) above. Dr Wright’s story evolved as he was challenged and presented with contrary evidence.
- c) Unsubstantiated claims in relation to the holding of Bitcoin addresses: See paragraph 103 above. Dr Wright failed to establish his ownership of substantial holdings of bitcoins and a significant number of the addresses that he identified were actually owned by someone who took substantial trouble to publicly call him a liar and a fraud.
- d) The deployment of unlikely and back-dated documents: See paragraphs 103.e)iii) and 105.b) to 105.d) and in particular the extraordinary submissions from Dr Wright’s own counsel at paragraph 109.
- e) The production of fake emails to support his account of events: See paragraphs 105 to 105.d) above in which Dr Edman identified numerous forgeries in the documents produced by Dr Wright, a finding that was adopted by Dr Wright’s own counsel.
- f) Pseudo-technical explanations that lacked substance: See paragraph 103 above. Dr Wright’s account of a “*bonded courier*” was a nonsense. It is notable that when the (false) list of addresses did arrive, it supposedly came from Mr Mayaka (who has also supposedly provided Dr Wright with further documents very late in these proceedings).

112. Strikingly, it was during his dealings with the Kleiman family that Dr Wright began overtly to indicate that he was involved in the development of Bitcoin. At the outset of those dealings he was one of three people and he sought to establish that by supposedly contemporaneous exchanges with David Kleiman between 2008 and 2013. By the time the case came to trial, Dr Wright was suggesting that he alone was Satoshi, whilst disclaiming reliance on the earlier documents, with his counsel appearing to suggest that he was a fantasist.

E. Forgery

113. As noted at paragraph 12 above, the COPA claim has been made for the purpose of establishing and declaring that Dr Wright is not Satoshi Nakamoto, and restraining him from contending that he is. By contrast, as explained in Section E above, in the BTC Core Claim, Dr Wright’s allegation that he is Satoshi Nakamoto is a precursor to his purported claims for infringement of database rights and copyright.
114. At the heart of Dr Wright’s attempt to prove that he is Satoshi Nakamoto there has emerged a central issue as to his forgery of documents, including those upon which he relies to establish that identity. Put bluntly, it is vanishingly unlikely that Satoshi Nakamoto would produce forged documents to prove his or her identity.
115. The range of responses available to the Court in the event of any forgery by Dr Wright being established will vary as between the COPA and BTC Core Actions. In this section of these submissions, the Developers identify the principles applicable when considering the effect of forgery, they then provide an overview of the allegations of forgery that have been made.

1. The approach to be taken to cases in which forgery is established

116. Deliberately to adduce false evidence is an abuse of process.²⁰⁴
117. The attempted perversion of justice involved in forgery is, as Ward LJ put it in Arrow Nominees Inc v Blackledge & Ors [2001] BCC 591 at [73]: “*the very antithesis of the parties coming before the court on an equal footing*”.²⁰⁵
118. As Chadwick LJ explained (at [44]) in the same case: “*The effect of forged documentary material on a trial is pernicious, because witnesses who have, at one stage in the process of preparing for trial, believed that documentary evidence to be*

²⁰⁴ *per* Lord Clarke JSC in Summers v Fairclough Homes Ltd [2012] UKSC 26 [2012] 1 WLR 2004 at [41].

²⁰⁵ *per* Ward LJ in Arrow Nominees Inc at [73].

genuine are unlikely to be able to evaluate, objectively, the effect which it has had on their recall of the events to which it relates”.

119. Leaving aside the sanction of committal,²⁰⁶ when faced with established forgeries, the Court is faced with two options.

120. One option is to strike out the claim. It has been suggested that there are two juridical bases on which that approach might be adopted.

121. The first has been described as the “*forfeiture approach*”.²⁰⁷ It is illustrated at [54] and [58] of Chadwick LJ’s judgment in Arrow Nominees:

“where a litigant’s conduct puts the fairness of the trial in jeopardy, where it is such that any judgment in favour of the litigant would have to be regarded as unsafe, or where it amounts to such an abuse of the process of the court as to render further proceedings unsatisfactory and to prevent the court from doing justice, the court is entitled – indeed, I would hold bound – to refuse to allow that litigant to take further part in the proceedings and (where appropriate) to determine the proceedings against him. The reason, as it seems to me, is that it is no part of the court’s function to proceed to trial if to do so would give rise to a substantial risk of injustice. The function of the court is to do justice between the parties; not to allow its process to be used as a means of achieving injustice. A litigant who has demonstrated that he is determined to pursue proceedings with the object of preventing a fair trial has forfeited his right to take part in a trial. His object is inimical to the process which he purports to invoke” [54]

“... The court does not strike out the petition because it disapproves of the petitioner’s conduct; it strikes out the petition because it is satisfied that the petitioner’s conduct has led to an unacceptable risk that any judgment in his favour will be unsafe....” [58]

122. The second is said to be based on the overriding objective. It is illustrated at [55] of Chadwick LJ’s judgment in Arrow Nominees (and echoed by Ward LJ at [73]-[74]):

“a fair trial is a trial which is conducted without an undue expenditure of time and money; and with a proper regard to the demands of other litigants upon the finite resources of the court. The court does not do justice to the other parties to the proceedings in question if it allows its process to be abused so that the real point in issue becomes subordinated to an investigation into the effect which the admittedly fraudulent conduct of one party in connection with the process of litigation has had on the fairness of the trial itself. That, as it seems to me, is what happened in the

²⁰⁶ As to which see *per* Moses LJ in South Wales Fire and Rescue Service v Smith [2011] EWHC 1749 (Admin) at [2]-[7] in a passage approved by Lord Clarke JSC in Summers v Fairclough, *supra* at [57].

²⁰⁷ *per* Professor Zuckerman in a note entitled “*Access to Justice for Litigants who Advance their case by Forgery and Perjury*” in (2008) 27 CQJ 419, which was described by Lord Clarke JSC as a “valuable discussion” in Summers v Fairclough, *supra* at [37].

present case. The trial was ‘hijacked’ by the need to investigate what documents were false and what documents had been destroyed. The need to do that arose from the facts (i) that the petitioners had sought to rely on documents which Nigel Tobias had forged with the object of frustrating a fair trial and (ii) that, as the judge found, Nigel Tobias was unwilling to make a frank disclosure of the extent of his fraudulent conduct, but persisted in his attempts to deceive. The result was that the petitioners’ case occupied far more of the court’s time than was necessary for the purpose of deciding the real points in issue on the petition. That was unfair to the Blackledge respondents; and it was unfair to other litigants who needed to have their disputes tried by the court.”

123. Despite those two juridical bases, in Hughes Jarvis Ltd v Searle [2019] EWCA Civ 1 [2019] 1 WLR 2934, Patten LJ suggested (at [47]) that the proper exercise of the jurisdiction to strike-out “*will usually depend upon conduct by the claimant or other party which makes the conduct of a fair trial and therefore a judgment on the merits practically impossible*”.
124. The alternative to striking out is for the Court to proceed to determine the matter. That approach was recommended by Mummery LJ in Zahoor v Masood [2009] EWCA Civ 650 at [73] in the following terms:
“One of the objects to be achieved by striking out a claim is to stop the proceedings and prevent the further waste of precious resources on proceedings which the claimant has forfeited the right to have determined. Once the proceedings have run their course, it is too late to further that important objective. Once that stage has been achieved, it is difficult see what purpose is served by the judge striking out the claim (with reasons) rather than making findings and determining the issues in the usual way. If he finds that the claim is based on forgeries and fraudulent evidence, he will presumably dismiss the claim and make appropriate orders for costs. In a bad case, he can refer the papers to the relevant authorities for them to consider whether to prosecute for a criminal offence: we understand that this was done in the present case.”
125. The Court will be in a better position to decide how to proceed at the conclusion of the trial. At this stage, the Developers anticipate inviting the Court to dismiss Dr Wright’s claims against them and to make appropriate orders for costs. However, there may be further and different consequences, including (in due course) for the Tulip Trading claim.

2. The alleged forgeries

126. The present case is unusual (if not unique) in light of both the context and sheer number of allegations that documents are inauthentic or forged.
127. At the CCMC in the COPA claim Dr Wright was required to provide to COPA a list of the documents upon which he primarily relies in relation to the factual issue of whether or not he is the author of the Bitcoin White Paper.²⁰⁸ Dr Wright produced that list on 4 April 2023. It comprised 109 documents.²⁰⁹
128. On 31 October 2023, COPA was permitted to set out in a schedule up to 50 documents in respect of which it made allegations of alteration or tampering. It served that schedule by way of a Re-Re-Re-Amendment to its Particulars of Claim in the COPA proceedings.²¹⁰ That schedule included 28 of the reliance documents served by Dr Wright. Mr Madden’s report addressed a further 56 of those reliance documents in his report.
129. As the Court will recall, shortly before the PTR, Dr Wright sought permission to rely on a further 97 documents (supposedly derived from a BDO Image that was presented as a kind of time capsule) together with the so-called White Paper LaTeX files. The Court permitted Dr Wright to rely on those materials and permitted COPA to nominate up to an additional 20 forgeries. COPA did so on 5 January 2024.²¹¹ Its schedule of those additional forgeries can be found at {A/16/1}. At trial, the Court will have to consider some (if not all) of the scheduled forgeries. Those forgeries will, however, just be a sub-set of a sub-set of the inauthentic documents produced by Dr Wright in these proceedings.
130. The Developers address the nominated forgeries below in three parts. First, they take the so-called White Paper LaTeX files. Second, they address the BDO Drive Image. Finally, they address the remaining forgeries.

²⁰⁸ {B/7/2}.

²⁰⁹ There are 149 individual document IDs, including 3 runs of photographs of handwritten notes.

²¹⁰ {A/2/24}.

²¹¹ {M/2/813}.

a. The so-called White Paper LaTeX files

131. On 27 November 2023, for the first time in (any) proceedings, Dr Wright informed COPA and the Developers that he held the ‘unique’ blueprint to the Bitcoin White Paper, which comprised LaTeX files held on his (previously undisclosed) Overleaf account. The so-called White Paper LaTeX Files supposedly “*uniquely codes for the Bitcoin White Paper*”.²¹² So significant was this evidence that Dr Wright applied to adjourn the trial itself to accommodate it.²¹³ The critical urgency of these documents was explained in no uncertain terms:

*“These files are, on Dr Wright’s instruction, unique, such that the mere possession of them is evidence of authorship of the White Paper”.*²¹⁴

*“The White Paper LaTeX files are therefore of the highest possible importance for the trial of the Identity Issue, and that issue cannot fairly be determined unless Dr Wright is entitled to rely on these documents and have his case on the significance of these documents addressed in expert evidence”.*²¹⁵

132. That was a surprising development, to put it mildly. Dr Wright has been outspoken about how the possession of private keys cannot be evidence of Satoshi Nakamoto’s identity, so it is peculiar that he should advance a case that possession of particular LaTeX files is compelling evidence of identity. More pertinently, though, the Identity Issue concerns the authorship of the Bitcoin White Paper. If Dr Wright held the blueprint to the Bitcoin White Paper on his Overleaf account, he might have been expected to refer to it sooner. Dr Wright sought to explain this peculiarity of timing by suggesting that he had received advice from his former solicitors, Ontier, that the files hosted on Overleaf fell outside the disclosure date range. Unhappily for Dr Wright, Ontier have confirmed that they had never heard of Dr Wright’s Overleaf Account or the White Paper LaTeX files.²¹⁶

133. Leaving that oddity to one side (if that is possible), the technical accuracy of Dr Wright’s claims, and whether they do, either compile into the Bitcoin White Paper, or indeed demonstrate that the Bitcoin White Paper was written in LaTeX will have to be determined at trial. As has been observed for Dr Wright, this will be a matter for

²¹² Field1¶27 {PTR-A/5/10}.

²¹³ {PTR-A/1/1}.

²¹⁴ Field1¶33 {PTR-A/5/11}.

²¹⁵ Field1¶34 {PTR-A/5/11}.

²¹⁶ {M/2/691-692}.

expert evidence.²¹⁷ Nevertheless, it is fair to point out that both COPA and Dr Wright’s experts appear to agree as follows:

- a) The original Bitcoin White Paper was created with OpenOffice and not LaTeX.²¹⁸
- b) The White Paper LaTeX Files when compiled do not produce either the Control Version, or the Additional Control Version of the Bitcoin White Paper, as asserted by Dr Wright.²¹⁹
- c) The White Paper LaTeX Files are incompatible with period software and so cannot be authentic to that period.²²⁰

134. When considering that evidence, the Court is likely to find it helpful to take into account the sequence of events that led to the production of the so-called White Paper LaTeX files. Unfortunately, it is not possible to identify the true provenance of those files because that has not been provided by Dr Wright. All that can be discerned is what has happened to them since 19 November 2023. That can be summarised as follows:²²¹

Date	Event	Reference
19 November 2023	Dr Wright purchases a premium Overleaf subscription. Dr Wright imports a prior project into the main.tex file that appears on chunks.xlsx	{M/2/822}¶11.
20 November 2023	Dr Wright continues to edit the main.tex file with a view to replicating the Bitcoin White Paper. By way of example, the Bitcoin White Paper contains at its foot a formula for the probability of an attacker catching up. ²²² $\sum_{k=0}^{\infty} \frac{\lambda^k e^{-\lambda}}{k!} \cdot \begin{cases} (q/p)^{(z-k)} & \text{if } k \leq z \\ 1 & \text{if } k > z \end{cases}$	

²¹⁷ See transcript of 24 January 2024 at p37 l.12 {O/11}.

²¹⁸ Joint Statement on LaTeX ¶2 {Q/5/1}.

²¹⁹ Lynch1¶39.a. {I/5/9}, Rosendahl1¶190{G/7/57}.

²²⁰ Rosendahl1¶158 {G/7/50}. See too Joint Statement at ¶5 {Q/5/2}

²²¹ References in the table below to Dr Wright’s activity on the White Paper LaTeX files is based on the chunks.xlsx worksheet produced by Stroz Friedberg following analysis of the project history supplied by Overleaf

²²² {L5/26/7}.

Date	Event	Reference
	<p>At 8:58am Dr Wright edits the main.tex file to include that formula, but writes “(q/p)^(z-p)”.²²³ That contains an obvious typo. At 9:01am Dr Wright corrects the typo so that it reads “(q/p)^(z-k)”</p> <p>On the same day, via the screenshare functionality on Teams, Dr Wright gives a demonstration to Shoosmiths and compiles ‘<i>Bitcoin(26).pdf</i>’ from the White Paper LaTeX files.</p>	{AB/2/189-190}¶4, 7.
22 November 2023	Dr Wright continues to make amendments to the main.tex file.	
24 November 2023	Dr Wright makes more amendments to the main.tex file.	
27 November 2023	Shoosmiths reveal the existence of the White Paper LaTeX files to COPA and the Developers, and request that the trial be postponed to 19 February 2024.	{M/2/544-550}
1 December 2023	<p>Dr Wright makes numerous amendments to the main.tex file. These include (at 10:11) inputting a “pdfxmpcreatedate” command so that any compiled PDF would include XMP data showing a creation date of 30 November 2023 at 13:49, then changing the creation date to 3 October 2008 at 13:49 with the timezone set to -07:00, then changing it again to 24 March 2009 at 11:33 with a timezone set to -06:00. The XMP data was subsequently deleted. At 10:47 on 1 December 2023 he added a “pdfcreationdate” command which showed a creation date of 24 March 2009 at 11:33 with a timezone set to -06:00.</p> <p>Dr Wright’s application for reliance and extension of time is issued. Field 1 is filed and served. Dr Wright files and serves CSW5.</p>	<p>{PTR-A/1/1-6}</p> <p>{PTR-A/5/1-18}</p> <p>{PTR-E/20/1-46}</p>
4 December 2023	Dr Wright makes further amendments to the main.tex file	
5 December 2023	Dr Wright makes numerous further amendments to the main.tex file.	
6 December 2023	Dr Wright makes further amendments to the main.tex file	
10 December 2023	Dr Wright makes further amendments to the main.tex file	
12 December 2023	Dr Wright makes the final amendments to the main.tex file	

²²³
$$\sum_{k=0}^{\infty} \frac{\lambda^k e^{-\lambda}}{k!} \cdot \begin{cases} \left(\frac{q}{p}\right)^{z-p} & \text{if } k \leq z \\ 1 & \text{if } k > z \end{cases}$$
 33764, \sum_{k=0}^{\infty} \frac{\lambda^k e^{-\lambda}}{k!} \cdot \begin{cases} \left(\frac{q}{p}\right)^{z-p} & \text{if } k \leq z \\ 1 & \text{if } k > z \end{cases} /n\begin{cases}/n & \text{if } k > z/n\end{cases}/n/n,6682.

Date	Event	Reference
13 December 2023	Stroz Friedberg compiles the White Paper LaTeX Files into a PDF. The accompanying letter refers to the fact that Dr Wright has explained that the White Paper LaTeX files produce a version of the Bitcoin White Paper that is materially identical to the version published by Satoshi Nakamoto and states that Dr Wright has instructed Shoosmiths that he has since made a number of minor corrections “to address typographical errors in the published form of the Bitcoin White Paper”.	{M/2/678}
15 December 2023	The PTR takes place	

135. At this stage, it appears that the instruction provided by Dr Wright and recited in Shoosmiths’ letter dated 13 December 2023 was a lie.

b. The BDO Drive Image and the reliance documents derived from it

136. In addition to seeking permission at the PTR to rely on the so-called White Paper LaTeX Files, Dr Wright also sought permission to rely on 97 documents nearly all of which were said to come from a BDO Image.

137. Dr Wright’s story of the discovery that the Hard Drives had not been imaged has similarly evolved; he either found this out in March 2023 or September 2023.²²⁴ Both dates pre-date the time that the experts agree he edited the BDO Drive Image, and therefore the Court may agree with the Developers that the story not adding up merely adds to the unsatisfactory nature of this evidence.

Date	Event	Reference
1 September 2023	Madden 1 filed	{G/1/1}
2 September 2023	Mellor J ordered Dr Wright to produce chain of custody information in respect of his Reliance Documents. Dr Wright begins to prepare that chain of custody information.	{E/20/6} Wright5¶16
12 September 2023	Metadata indicates that “The King.rtf”{Idf09} was created and that Dragon Dictate files were created	PM46¶25 {H/278/8} PM46¶39 {H/278/10}

²²⁴ March, {M/2/820-821}, September {E/20/6}.

Date	Event	Reference
On or around 11-14 September 2023	Dr Wright alleges that, around this time, he became concerned that not all of his devices were imaged by AlixPartners, and was informed by Travers Smith LLP that AlixPartners may not have collected and/or imaged everything.	{E/20/6} Wright5¶17
15 September 2023	Dr Wright alleges that on this date, he discovered Hard Drives that had not been imaged by AlixPartners, and informs his then solicitors, Travers Smith. Dr Wright notified Travers Smith and Zafar Ali KC of their existence and that they had perhaps not been imaged by AlixPartners.	{E/20/6-7} Wright5¶18
16 September 2023	A deleted file is recorded as being modified. ESDT.pdf file is recorded as last modified.	PM46¶51 {H/278/11} PM46¶65 {H/278/15}
17 September 2023	Mr Madden and Dr Placks agree that the Recycle Bin on the Samsung Drive was emptied on or after this date.	{Q/6/3} ¶6.c.
17-19 September 2023	Mr Madden and Dr Placks agree that the BDO Drive has been actively edited in this period.	{Q/6/3} ¶6.a.
20 September 2023	Travers Smith arranged for KLD Discovery to attend Dr Wright’s home to take a forensic image of the Hard Drives.	{E/20/8} Wright5¶24.
22-24 September 2023	Mock trial of Dr Wright, who was represented by Ted Loveday and cross examined by Zafar Ali QC in front of an unnamed judge.	Wright3¶11-17 {E/3/4}
25 September 2023	Travers Smith wrote to the Court to make the Court aware that Dr Wright had “ <i>recently discovered some additional documentation that had not been disclosed</i> ”.	{L20/241/2}
2 October 2023	Travers Smith write to Bird & Bird to confirm further details regarding the Hard Drives.	{M/2/210}
27 November 2023	Shoosmiths (Dr Wright’s new solicitors) write to the parties to request that the trial is postponed to 19 February 2024 in order to accommodate Dr Wright’s reliance upon 97 further documents which derive from the Samsung Drive and other sources. They say that “ <i>the fact that our client had possession of these files on the BDO Drive on or prior to 31 October 2008 (when the Bitcoin White Paper was published) shows his drafting of the Bitcoin White Paper and is highly persuasive evidence that he is Satoshi Nakamoto</i> ”.	{AB/2/2}
1 December 2023	Dr Wright signs Wright5. He does not refer to making any modifications to the content of the BDO Image, but says that it was subject to special encryption.	{E/20}

138. As can be seen from the above, it is agreed between Mr Madden (for COPA) and Mr Lynch (for Dr Wright) that the BDO Image is not authentic,²²⁵ and that it was actively edited in the period 17-19 September 2023, before Travers Smith arranged for KLD Discovery to attend Dr Wright’s home to take the forensic image.²²⁶

139. Of the 97 Additional Reliance Documents that derive from the BDO Image, the experts are agreed that 71 are manipulated. Mr Madden regards the balance of 26 as unreliable; Mr Lynch says that he has no reason to doubt their authenticity.²²⁷ Only 5 of those remaining 26 documents are referred to in Dr Wright’s witness evidence and none of those refer to Bitcoin or anything similar.

c. The remaining alleged forgeries

140. Quite apart from the developments above, COPA has identified forgeries in accordance with the directions given by the Court. The present position on the evidence in relation to those documents is set out in the table below. Every one of the documents nominated by COPA has now been accepted by Dr Wright’s experts as having been manipulated or otherwise being unreliable:

Document Bundle ref (pleading)	Short document description	Reliance doc	Wright evidence	Other witness evidence	Madden	Placks/Stroz	Joint report
ID_000073 {L1/323} (A/2/29)	University of Newcastle Master of Statistics Assignment Poisson competing process...	No	Wright11 Ax B §4 {CSW/2/13}	Gerlach¶5 {C/20.1/1}	PM24¶8 {H/116/3}, PM24¶29 {H/116/10}, PM24¶33 {H/116/10}, PM24¶37 {H/116/13}, PM38 {H/145/1}, Madden3 fn5 {G/5/38}	Placks2§3 {I/6/6}	M&P: Manipulated {Q/4/4}
ID_000199 {L2/130} (A/2/31)	Northumbria University LLM Dissertation Proposal Payments Providers and Intermediaries as defined in the Law of the Internet LLM_PROP.DOC	Yes	Wright1¶58 {E/1/12}, Wright11¶60 fn29 {CSW/1/12}, Wright11¶140-169 {CSW/1/27}, Wright11¶1021 fn418 {CSW/1/180}	Pearson {C/3/1}	PM3¶6-7 {H/20/2}, PM3¶11 {H/20/5}, PM24¶8 {H/116/3}, PM24¶28 {H/116/10}, PM24¶37 {H/116/13}, PM25 {H/118/1}, Madden2¶57 {G/3/23}, PM43¶55 {H/219/24}, PM43¶61 {H/219/26}, PM43.17 {H/237N/1}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.05 {I/1/12}, 6.09 {I/1/13}, 6.32 {I/1/16}, 6.36 {I/1/16}, 6.38 {I/1/16}	M&P: Manipulated {Q/2/6}

²²⁵ Madden4 ¶13 {G/6/8}, Lynch1¶37 {I/5/8}, Joint Madden Lynch Report ¶¶12-13 {Q/6/5-6}.
²²⁶ ¶26 {E/20/8}.
²²⁷ {Q/6/5}.

Document Bundle ref (pleading)	Short document description	Reliance doc	Wright evidence	Other witness evidence	Madden	Placks/Stroz	Joint report
ID_000217 {L2/131} {A/2/34}	Northumbria University LLM Dissertation Proposal Payments Providers and Intermediaries as defined in the Law of the Internet LLM_ProposalA.doc	Yes	Wright11¶60 fn29 {CSW/1/12}, Wright11¶140-169 {CSW/1/27}, Wright11 AxB §5 {CSW/2/17}	Pearson {C/3/1}	PM3¶6-7 {H/20/2}, PM3¶11 {H/20/5}, PM24¶25.b {H/116/8}, PM25 {H/118/1}, PM43¶6 {H/219/3}, PM43¶36-54 {H/219/16}, PM43¶55 {H/219/24}, PM43¶58 {H/219/25}, PM43¶61 {H/219/26}, PM43.17 {H/237N/1}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.05 {I/1/12}, 7.16 {I/1/21}	M&P: Manipulated {Q/2/6}
ID_000227 {L3/219} {A/2/37}	The Economics of central Core Bitcoin Nodes	Yes	Wright1(List) {E/1/41}, Wright11 AxB §6 {CSW/2/20}		PM24¶8 {H/116/3}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM26 {H/121/1}, PM40¶1-2 {H/156/1}, PM40¶32 {H/156/13}, PM40¶42 {H/156/16}, PM43¶6 {H/219/3}, PM43¶13-14 {H/219/5}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.32 {I/1/16}, 6.34 {I/1/16}, 6.40 {I/1/17}	M&P: Manipulated {Q/2/6}
ID_000254 {L2/441} {A/2/39}	Time Coin: Peer-to-Peer Electronic Cash System	Yes	Wright11 AxB §7 {CSW/2/26}		Madden1¶14.a {G/1/8}, 147 {G/1/51}, PM2 {H/17/1}, PM3¶6-7 {H/20/2}, PM3¶10 {H/20/4}, Madden2¶65-77 {G/3/25}	Placks1¶4.01 {I/1/7}, 7.01-7.02 {I/1/19}, 7.04 {I/1/19}, 7.09-7.10 {I/1/20}, 7.14 {I/1/21}	M&P: Manipulated or unreliable {Q/2/6}
ID_000258 {L3/286} {A/2/41}	Economic Security	Yes	Wright1(List) {E/1/41}, Wright11 AxB §8 {CSW/2/30}		PM1¶14 {H/1/4}, PM24¶8 {H/116/3}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM29 {H/126/1}, Madden2¶53.b {G/3/22}, PM43¶6 {H/219/3}, PM43¶13-14 {H/219/5}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.12 {I/1/13}, 6.20 {I/1/14}	M&P: Manipulated {Q/2/6}
ID_000260 {L2/294} {A/2/43}	POISSONC.ODT	Yes	Wright1(List) {E/1/41}, Wright11 AxB §9 {CSW/2/33}		Madden1¶147 {G/1/51}, PM2¶58 {H/17/24}, PM23¶1-6 {H/107/1}, PM23¶10-45 {H/107/5}, Madden2¶78 {G/3/28}	Placks1¶4.01 {I/1/7}, 7.01 {I/1/19}, 7.17 {I/1/21}	M&P: Manipulated {Q/2/6}
ID_000367 {L3/185} {A/2/44}	Block diffusion within bitcoin	Yes	Wright1(List) {E/1/41}, Wright11 AxB §10 {CSW/2/36}, Wright11 AxC §3 {CSW/3/6}		PM24¶8 {H/116/3}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM30 {H/129/1}, Madden2¶53.a {G/3/22}, PM43¶13 {H/219/5}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.12 {I/1/13}	M&P: Manipulated or unreliable {Q/2/6}
ID_000371 {L3/200} {A/2/46}	Phase transitions in block propagation networks	Yes	Wright1(List) {E/1/41}, Wright11 AxB ¶11.11-11.13 {CSW/2/41}, 11.15 {CSW/2/42}		PM24¶8 {H/116/3}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM26 {H/121/1}, PM40¶1-2 {H/156/1}, PM40¶4-10 {H/156/2}, PM40¶22-30 {H/156/10}, PM40¶32 {H/156/13}, PM40¶35 {H/156/14}, PM40¶42 {H/156/16}, Madden2¶50 {G/3/20}, PM43¶13 {H/219/5}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.40 {I/1/17}	M&P: Manipulated {Q/2/6}
ID_000395 {L3/202} {A/2/48}	Northumbria University Documentary Credits under the UCP 500	Yes	Wright1(List) {E/1/42}, Wright11¶140-169 {CSW/1/27}, Wright11¶955 fn390 {CSW/1/172}, Wright11¶969 fn397 {CSW/1/174}, Wright11¶1015 fn407 {CSW/1/179}, Wright11¶1024 fn420 {CSW/1/181}, Wright11 AxC §7 {CSW/3/12}		PM24¶8 {H/116/3}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM27¶36 {H/122/14}, PM31 {H/132/1}, PM43.17 {H/237N/1}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.38 {I/1/16}	M&P: Manipulated {Q/2/6}

Document Bundle ref (pleading)	Short document description	Reliance doc	Wright evidence	Other witness evidence	Madden	Placks/Stroz	Joint report
ID_000396 {L3/203} {A/2/50}	Noncooperative finite games	Yes	Wright1(List) {E/1/42}, Wright11 AxB §11 {CSW/2/40}		PM24¶8 {H/116/3}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM27 {H/122/1}, Madden2¶47.c {G/3/19}, Madden2¶50.a {G/3/20}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.12 {I/1/13}, 6.19{I/1/14}	M&P: Manipulated {Q/2/6}
ID_000462 {L2/149} {A/2/52}	Defining the possible Graph Structures	Yes	Wright1(List) {E/1/42}		PM24¶8 {H/116/3}, PM24¶28 {H/116/9}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM27¶33 {H/122/13}, PM27¶36.c {H/122/14}, PM28¶9 {H/124/4}, PM28¶13 {H/124/5}, PM32 {H/137/1}, PM43¶13 {H/219/5}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.12 {I/1/13}	M&P: Manipulated or unreliable {Q/2/6}
ID_000465 {L2/318} {A/2/54}	Defamation and the difficulties of law on the Internet email	No	Wright4¶93-98 {E/4/31}, Wright11 AxB §12 {CSW/2/44}		PM18¶1 {H/83/1}, PM18¶32-57 {H/83/10}, PM18¶63- 72 {H/83/28}, PM45¶36 {H/241/18}, PM45¶49 {H/241/22}, PM45¶55 {H/241/23}, PM45¶64.a {H/241/24}, PM45¶66 {H/241/25}	Placks2§4 {I/6/7}	M&P: Manipulated {Q/4/4}
ID_000504 {L3/230} {A/2/56}	Non-Sparse Random Graphs	Yes	Wright1(List) {E/1/42}		PM1¶34-35 {H/1/12}, PM1¶41 {H/1/18}, PM24¶8 {H/116/3}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM28 {H/124/1}, PM33¶12 {H/138/4}, PM33¶15 {H/138/5}, PM34¶9-10 {H/139/3}, PM34¶16 {H/139/6}, PM34¶34 {H/139/9}, PM35¶8 {H/141/4}, PM40¶1-2 {H/156/1}, PM40¶32 {H/156/13}, PM40¶42 {H/156/16}, PM43¶13 {H/219/5}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.40 {I/1/17}	M&P: Manipulated {Q/2/6}
ID_000525 {L2/148} {A/2/58}	Bond Percolation in timecoin	Yes	Wright1(List) {E/1/43}, Wright4¶6.c.x {E/4/6}		PM1¶34-35 {H/1/12}, PM24¶8 {H/116/3}, PM24¶29 {H/116/10}, PM24¶34.c {H/116/12}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM33 {H/138/1}, PM34¶9-10 {H/139/3}, PM34¶17 {H/139/6}, PM35¶8 {H/141/4}, PM43¶6 {H/219/3}, PM43.17 {H/237N/1}, PM43¶13-14 {H/219/5}, PM43¶17- 35 {H/219/7}, PM43¶99.e.ii {H/219/34}, PM43¶91.c-91.d {H/219/35}, Madden3¶81 {G/5/33}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.38 {I/1/16}	M&P: Manipulated {Q/2/7}

Document Bundle ref (pleading)	Short document description	Reliance doc	Wright evidence	Other witness evidence	Madden	Placks/Stroz	Joint report
ID_000536 {L2/474} {A/2/60}	Bitcoin White Paper PDF1 craigswright@acm.org	No	Wright11 AxB §13 {CSW/2/48}		PM3¶6 {H/20/2}, PM3¶10 {H/20/4}, PM3¶89-128 {H/20/27}, PM3¶130- 133 {H/20/42}, PM3¶138 {H/20/45}, PM3¶142 {H/20/47}, PM3¶145 {H/20/47}, PM3¶146-148 {H/20/47}, PM3¶151- 156 {H/20/49}, PM3¶160-162 {H/20/55}, PM3¶166- 167 {H/20/56}, PM3¶168- 171 {H/20/57}, PM3¶233 {H/20/77}, PM3¶242 {H/20/79}, PM4¶15-16 {H/29/3}, PM4¶41-58 {H/29/12}, PM4¶60 {H/29/18}	Placks1¶7.22, Placks2§5 {I/6/8}, 6.02 {I/6/10}, 7.04- 7.05 {I/6/11}	M&P: Manipulated {Q/4/4}
ID_000537 {L5/28} {A/2/62}	Bitcoin White Paper PDF2 craigswright@acm.org	No	Wright11 AxB ¶20.7-20.13 {CSW/2/65}		PM3¶6 {H/20/2}, PM3¶10 {H/20/4}, PM3¶129-145 {H/20/42}, PM4¶15-16 {H/29/3}, PM4¶59-63 {H/29/17}, PM43¶13- 62 {H/238/4}	Placks2§6 {I/6/10}, 7.05 {I/6/11}	M&P: Manipulated {Q/4/4}
ID_000538 {L5/16} {A/2/65}	Bitcoin White Paper PDF3 craigswright@acm.org	No			PM3¶6 {H/20/2}, PM3¶10 {H/20/4}, PM3¶146-167 {H/20/47}, PM4¶15-16 {H/29/3}, PM4¶59-63 {H/29/17}	Placks2§7 {I/6/11}	M&P: Manipulated {Q/4/4}
ID_000549 {L3/288} {A/2/67}	Maths.doc	Yes	Wright1(List) {E/1/42}		PM1¶14 {H/1/4}, PM1¶35 {H/1/13}, PM24¶8 {H/116/3}, PM24¶16 {H/116/5}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM28¶14 {H/124/5}, PM34 {H/139/1}, PM35¶9-10 {H/141/5}, PM35¶12 {H/141/5}, PM43¶13 {H/219/5}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.12 {I/1/14}, 6.43 {I/1/17}	M&P: Manipulated {Q/2/7}
ID_000550 {L3/237} {A/2/69}	BitCoin: SEIR-C propagation models of block and transaction dissemination	Yes	Wright1(List) {E/1/42}, Wright11 AxB ¶14 {CSW/2/52}		Madden1¶14.a {G/1/8}, PM1 {H/1/1}, PM24¶3 {H/116/1}, PM24¶8 {H/116/3}, PM24¶16 {H/116/5}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM26¶18 {H/121/5}, PM28¶9 {H/124/4}, PM28¶21 {H/124/7}, PM34¶9 {H/139/3}, PM34¶11 {H/139/5}, PM34¶20 {H/139/7}, PM40¶1-2 {H/156/1}, PM40¶30 {H/156/12}, PM40¶32 {H/156/13}, PM40¶42 {H/156/16}, Madden2¶35.b {G/3/13}, Madden2¶52 {G/3/22}, Madden2¶64 {G/3/24}, Madden2¶127 {G/3/43}, PM43.17 {H/237N/1}, PM43¶13 {H/219/6}, Madden3¶81 {G/5/33}, Madden4¶159.i {G/6/53}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.32- 6.33 {I/1/16}, 6.38 {I/1/16}, 6.40-6.41 {I/1/17}	M&P: Manipulated {Q/2/7}
ID_000551 {L3/184} {A/2/71}	The study of Complex networks	Yes	Wright1(List) {E/1/43}		PM24¶8 {H/116/3}, PM24¶16 {H/116/5}, PM24¶37 {H/116/13}, PM24¶41 {H/116/14}, PM34¶5 {H/139/2}, PM35 {H/141/1}, Madden2¶51 {G/3/20}, PM43¶13 {H/219/6}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.12 {I/1/13}, 6.21 {I/1/15}, 6.44- 6.45 {I/1/18}	M&P: Manipulated or unreliable {Q/2/7}

Document Bundle ref (pleading)	Short document description	Reliance doc	Wright evidence	Other witness evidence	Madden	Placks/Stroz	Joint report
ID_000554 {L3/326} ({A/2/73})	Code2Flow source code flowchart	Yes	Wright1(List) {E/1/43}, Wright4{45} {E/4/18}, Wright11 AxB §15 {CSW/2/55}		PM10 {H/63/1}, PM24{41} {H/116/14}, Madden2{91} {G/3/31}, PM43{69-77} {H/219/28}, PM46{166-176} {H/278/57}	Placks1{4.01} {I/1/7}, 11.01-11.03 {I/1/43}, 11.06-11.08 {I/1/43}	M&P: Manipulated {Q/2/7}
ID_000568 ({A/2/75})	BITCOIN Notes vs Commodity	Yes	Wright1(List) {E/1/42}		PM24{8} {H/116/3}, PM24{37} {H/116/13}, PM24{41} {H/116/14}, PM28{9} {H/124/4}, PM36 {H/143/1}, PM37{17} {H/144/4}, Madden2{53.c} {G/3/22}, PM43{13} {H/219/5}	Placks1{4.01} {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.12 {I/1/13}	M&P: Manipulated {Q/2/7}
ID_000569 ({A/2/77})	Bitcoin (law)	Yes	Wright1(List) {E/1/42}		PM1{14} {H/1/4}, PM24{8} {H/116/3}, PM24{37} {H/116/13}, PM24{41} {H/116/14}, PM37 {H/144/1}, PM39{18.a} {H/148/8}, PM43{6} {H/219/3}, PM43{13-14} {H/219/5}	Placks1{4.01} {I/1/7}, 6.01 {I/1/11}, 6.09 {I/1/13}, 6.12 {I/1/13}, 6.25 {I/1/15}	M&P: Manipulated {Q/2/7}
ID_000739 {L3/474} ({A/2/79})	bitcoin.exe	No	Wright1(List) {E/1/43}, Wright11 AxB §16 {CSW/2/56}		PM12{1-4} {H/68/1}, PM12{7-9} {H/68/2}, PM12{11-13} {H/68/4}, PM12{20.b} {H/68/10}, PM12{28-30} {H/68/14}, PM12{38-39} {H/68/16}, PM12{42-45} {H/68/17}, PM12{48-51} {H/68/20}, Madden2{17.c} {G/3/9}	Placks2§8 {I/6/13}	M&P: Manipulated {Q/4/4}
ID_000848 {L4/188} ({A/2/81})	debug.log	No	Wright1(List) {E/1/43}		PM11{1} {H/64/1}, PM11{8-9} {H/64/2}, PM11{12-13} {H/64/6}, PM11{22-47} {H/64/12}, PM12{14} {H/68/7}, PM12{22} {H/68/10}	Placks2§9 {I/6/15}	M&P: Manipulated or unreliable {Q/4/4}
ID_001317 {L8/441} ({A/2/83})	I cannot do the Satoshi bit anymore email	No			PM18{1} {H/83/1}, PM18{10} {H/83/3}, PM18{92-94} {H/83/39}	Placks2§10 {I/6/16}	M&P: Manipulated {Q/4/4}
ID_001318 {L8/446} ({A/2/85})	Defamation and the difficulties of law on the Internet email (2)	No	Wright4{93-98} {E/4/31}	Wright closing in Kleiman {L17/336/134}	PM18{1} {H/83/1}, PM18{10} {H/83/3}, PM18{32-57} {H/83/10}, PM18{83-87} {H/86/36}, PM45{55-61} {H/241/23}, PM45{65-66} {H/241/24}	Placks2{4.03} {I/6/7}, §11 {I/6/17}	M&P: Manipulated {Q/4/4}
ID_001379 {L1/79} ({A/2/87})	Project "Blacknet"	Yes	Wright11 AxB §17 {CSW/2/59}		PM8 {H/60/1}, PM9{2} {H/62/1}, PM9{131-132} {H/62/51}, PM9{141} {H/62/53}, PM18{3} {H/83/1}, PM8{12-13} {H/83/3}, Madden2{86-90} {G/3/29}, PM43{62-68} {H/219/26}	Placks1{4.01} {I/1/7}, 10.01-10.11 {I/1/40}, 10.13 {I/1/42}	M&P: Manipulated or unreliable {Q/2/7}
ID_001386 {L9/218} ({A/2/89})	I think you are mad and this is risky email	No		Wright5{68} [Tulip] Wright xx in Kleiman {L17/285/192}	PM4{15-16} {H/29/3}, PM4{109-114} {H/29/34}, PM14{5-18} {H/73/2}, PM14{20} {H/73/8}, PM14{23} {H/73/9}, PM14{28-29} {H/73/11}, PM14{34} {H/73/12}, PM4{36-37} {H/73/13}, PM4{39-40} {H/73/13}	Placks2§12 {I/6/18}	M&P: Manipulated {Q/4/4}
ID_001421 {L9/214} ({A/2/91})	Purchase Invoice for Tulip Trading Limited	No		Wright xx in Kleiman {L17/285/215}	PM4{15-16} {H/29/3}, PM4{115-121} {H/29/37}, PM4{42-55} {H/73/14}, PM14{70-71} {H/73/25}, PM3{73} {H/73/26}, PM48{2} {H/304/2}	Placks2§13 {i/6/20}	M&P: Manipulated {Q/4/4}

Document Bundle ref (pleading)	Short document description	Reliance doc	Wright evidence	Other witness evidence	Madden	Placks/Stroz	Joint report
ID_001541 {L8/64} ({A/2/93})	We have now a company in the UK email	No			PM4¶15-16 {H/29/3}, PM4¶78-83 {H/29/24}, PM4¶86-87 {H/29/27}, PM18¶2 {H/83/1}, PM18¶101-109 {H/83/43}	Placks2§14 {I/6/21}	M&P: Manipulated {Q/4/4}
ID_001546 {L8/338} ({A/2/95})	Thank you for being on board email	No	Wright11 AxB §18 {CSW/2/61}		PM21¶1-35 {H/104/1}, PM21¶48-49 {H/104/14}, PM21¶74 {H/104/20}, PM21¶76-93 {H/104/21}	Placks2§15 {i/6/22}	M&P: Unreliable {Q/4/5}
ID_001919 {L7/386} ({A/2/97})	Tulip Trading Company and Trust memo	No			PM14¶98-102 {H/73/36}	Placks2§16 {I/6/23}	M&P: Manipulated or unreliable {Q/4/4}
ID_001925 {L7/377} ({A/2/99})	Declaration of Trust relating to Tulip Trading Ltd	No			PM4¶15-16 {H/29/3}, PM4¶132-137 {H/29/44}, PM14¶108-147 {H/73/40}	Placks2§17 {I/6/24}	M&P: Manipulated {Q/4/4}
ID_001930 {L7/357} ({A/2/101})	Application for Incorporation of Tulip Trading Ltd etc	No			PM4¶15-16 {H/29/3}, PM4¶132-137 {H/29/44}, PM14¶108-116 {H/73/40}, PM14¶148-174 {H/73/56}	Placks2§18 {I/6/25}	M&P: Manipulated {Q/4/4}
ID_002586 {L9/441} ({A/2/103})	Michele Seven email	No			PM21¶1-5 {H/104/1}, PM21¶36-55 {H/104/10}, PM21¶74 {H/104/20}, PM21¶76-93 {H/104/21}	Placks2§19 {I/6/26}	M&P: Unreliable {Q/4/6}
ID_003330 {L15/227} ({A/2/105})	Bitcoin White Paper – coffee-stained	Yes	Wright11 AxB ¶¶20.2-20.4 {CSW/2/64}		PM15 {H/74/1}, Madden2¶10.b {G/3/7}, Madden2¶35.a {G/3/13}, Madden2¶82 {G/3/29}	Placks2§20 {I/6/27}	M&P: Manipulated or unreliable {Q/2/8}
ID_003455 {L15/100} ({A/2/108})	NAB account details	No	Wright11¶171 fn112 {CSW/1/34}, Wright11 AxB §19 {CSW/2/62}		PM17 {H/78}	Placks2§21 {I/6/28}	M&P: Manipulated {Q/4/5}
ID_003702 {PTR-F/86} ({A/2/110})	Northumbria University LLM Dissertation Proposal Payments Providers and Intermediaries as defined in the Law of the Internet LLM_ProposalA.doc (2)	Yes	Bridges1(list) {E/9/8}, Wright11¶140-169 {CSW/1/27}		PM3¶6-7 {H/20/2}, PM3¶11 {H/20/5}, PM25 {H/118/1}, PM43¶54-61 {H/219/23}, PM43.17 {H/237N/1}	Placks1¶4.01 {I/1/7}, 6.01 {I/1/11}, 6.05 {I/1/12}, 7.16 {I/1/21}	M&P: Manipulated {Q/2/8}
ID_003732 {L5/27} ({A/2/111})	Bitcoin White Paper csw26@leicester.ac.uk	No			PM3¶6 {H/20/2}, PM3¶10 {H/20/5}, PM3¶75-88 {H/20/21}, PM3¶91.e {H/20/28}, PM3¶94 {H/20/29}, PM3¶98 {H/20/30}, PM3¶112-114 {H/20/35}, PM3¶128 {H/20/42}, PM3¶132 {H/20/43}, PM3¶151 {H/20/49}, PM3¶159 {H/20/55}, PM3¶163 {H/20/56}, PM3¶166 {H/20/56}, PM3¶172 {H/20/58}, PM3¶244 {H/20/79}, PM4¶15-16 {H/29/4}, PM4¶18-39 {H/29/4}, PM4¶44-47 {H/29/13}, PM43¶6 {H/219/3}, PM44¶1-7 {H/238/1}	Placks2§22 {I/6/29}	M&P: Manipulated or unreliable {Q/4/5}
ID_004010 {L20/341} ({A/2/113})	Bitcoin White Paper – coffee-stained, rusty staples	Yes			PM3¶6 {H/20/2}, PM3¶10 {H/20/4}, PM3¶192-204 {H/20/63}	Placks1¶4.01 {I/1/7}, 7.16 {I/1/21}, 7.21 {I/1/22}, 7.24 {I/1/22}	M&P: Manipulated {Q/2/8}
ID_004011 {L2/234} ({A/2/105})	Bitcoin White Paper – coffee-stained (2)	Yes	Wright11 AxB §20 {CSW/1/64}		PM3¶6 {H/20/2}, PM3¶10 {H/20/5}, PM3¶245 {H/20/80}, Madden2¶81-82 {G/3/28}, PM43¶8-62 {H/238/2}	Placks1¶4.01 {I/1/7}, 7.16 {I/1/21}, 7.21 {I/1/22}, 7.23 {I/1/22}	M&P: Manipulated or unreliable {Q/2/8}

Document Bundle ref (pleading)	Short document description	Reliance doc	Wright evidence	Other witness evidence	Madden	Placks/Stroz	Joint report
ID_004013 {L2/159} ({A/2/114})	Handwritten BDO Minutes	Yes	Wright11 AxB §21 {CSW/1/66}	Wright xic in Kleiman {L17/327/84} Wright closing in Kleiman {L17/336/149} Stathakis & Lee {C/16/1}	PM5 {H/31/1}, Madden2¶83-84 {G/3/29}	Placks1¶4.01 {I/1/7}, 8.01-8.13 {I/1/24}	M&P: Manipulated {Q/2/9}
ID_004019 {L2/245} ({A/2/116})	Tominaka Nakamoto: Monumenta Nipponica	No	Wright11 AxB §22 {CSW/1/68}		PM6¶1-12 {H/40/1}, PM6¶22-23 {H/40/13}, PM6¶26 {H/40/15}, PM6¶31-57 {H/40/21}	Placks2§23 {I/6/30}	M&P: Manipulated or unreliable {Q/4/5}
ID_004077 {L5/150} ({A/2/118})	MYOB accounting screenshot 1	Yes	Wright11 AxB §23 {CSW/1/69}		PM7 {H/47}, PM42¶12-21 {H/209/3}	Placks1¶4.01 {I/1/7}, 9.01 {I/1/26}, 9.03 {I/1/24}, 9.06 {I/1/28}, 9.08 {I/2/29}, 9.13 {I/1/30}, 9.25-9.27 {I/1/32}	M&P: Manipulated {Q/2/9}
ID_004078 {L5/471} ({A/2/118})	MYOB accounting screenshot 2	Yes	Wright11 AxB ¶23.8-23.15 {CSW/2/70}		PM7 {H/47}, PM42¶12-17 {H/209/3}	Placks1¶4.01 {I/1/7}, 9.01 {I/1/26}, 9.04 {I/1/27}, 9.13 {I/1/30}, 9.25 {I/1/32}, 9.28 {I/1/33}	M&P: Manipulated {Q/2/9}
ID_004079 {L5/146} ({A/2/118})	MYOB accounting screenshot 3	Yes	Wright11 AxB ¶23.8-23.15 {CSW/2/70}		PM7 {H/47}, PM42¶12-17 {H/209/3}	Placks1¶4.01 {I/1/7}, 9.01 {I/1/26}, 9.05 {I/1/28}, 9.13 {I/1/30}, 9.24 {I/1/32}, 9.29 {I/1/33}	M&P: Manipulated {Q/2/9}
ID_004515 {L7/213} ({A/2/120})	RDPlan – DeMorgan.doc email	No			PM9 {H/62/1}, PM43.17 {H/237N/1}	Placks2§24 {I/6/32}	M&P: Manipulated {Q/4/5}
ID_004516 {L1/91} ({A/2/122})	Project “Spyder” document	No			PM9¶1 {H/62/1}, PM9¶5 {H/62/2}, PM9¶67-94 {H/62/19}, PM9¶131-132 {H/62/51}, PM9¶137-139 {H/62/52}, PM9¶141-143 {H/62/53}, PM43.17 {H/237N/1}	Placks2¶24.01 {I/6/32}, §25 {I/6/33}	M&P: Manipulated {Q/4/5}
ID_004648 {PTR-F/5} ({A/16/14})	Section 4: Hash Chains: An Overview LaTeX file	Yes		Loretan {C/20/1}	Madden3¶31-35 {G/5/18}	LynchAx4 {J/22/3}	M&L: Manipulated {Q/6/4}
ID_004682 {PTR-F/39} ({A/16/17})	A Competing Transaction or Block Model.doc	Yes			Madden3¶92-95 {G/5/37}	LynchAx4 {J/22/2}	M&L: Manipulated {Q/6/4}
ID_004687 {PTR-F/4} ({A/16/14})	360° Security Summit LaTeX file	Yes		Macfarlane {C/19/1} Loretan {C/20/1}	Madden3¶28 {G/5/14}, Madden3¶31-35 {G/5/18}	LynchAx4 {J/22/2}	M&L: Manipulated {Q/6/4}
ID_004695 {PTR-F/52} ({A/16/19})	The King’s Wi-Fi: Leveraging Quorum Systems in the Byzantine Generals Problem for Enhanced Network Security	Yes	Wright11¶1137 fn460 {CSW/1/197}		Madden3¶87-91 {G/5/36}, PM46¶8-40 {H/278/4}	LynchAx4 {J/22/1}	M&L: Manipulated {Q/6/4}
ID_004697 {PTR-F/54} ({A/16/22})	Payments Providers and Intermediaries as defined in the Law of the Internet	Yes			Madden3¶87-91 {G/5/36}, Madden4¶101-105 {H/278/35}	LynchAx4 {J/22/2}	M&L: Manipulated {Q/6/4}
ID_004712 {PTR-F/69} ({A/16/24})	C++ code	Yes	Wright11¶463 {CSW/1/87}, 465 {CSW/1/87}, 467 {CSW/1/88}, 468 {CSW/1/88}	Hinnant {C/18/1} Stroustrup {C/23/1}	#N/A	LynchAx4 {J/22/3}	M&L: Manipulated {Q/6/4}
ID_004713 {PTR-F/70} ({A/16/24})	C++ code	Yes	Wright11¶463 {CSW/1/87}, 465 {CSW/1/87}, 467 {CSW/1/88}	Hinnant {C/18/1} Stroustrup {C/23/1}	#N/A	LynchAx4 {J/22/3}	M&L: Manipulated {Q/6/4}

Document Bundle ref (pleading)	Short document description	Reliance doc	Wright evidence	Other witness evidence	Madden	Placks/Stroz	Joint report
ID_004715 {PTR-F/72} ({A/16/26})	An In-depth Analysis of Proof-of-Work Calculations in the Hashcoin White Paper: Exploring Alternative Strategies LaTeX file	Yes			PM46¶81-82 {H/278/18}, PM46¶87 {H/278/23}	LynchAx4 {J/22/1}	M&L: Manipulated {Q/6/4}
ID_004716 {PTR-F/73} ({A/16/26})	section2 LaTeX file	Yes	Wright11¶314 fn154 {CSW/1/59}		Madden4¶134.b {G/6/42}, PM46¶86 {H/278/22}, PM46¶89 {H/278/23}	LynchAx4 {J/22/1}	M&L: Manipulated {Q/6/4}
ID_004719 {PTR-F/76} ({A/16/26})	section4 LaTeX file	Yes	Wright11¶314 fn154 {CSW/1/59}		PM46¶86 {H/278/22}, PM46¶90 {H/278/24}	LynchAx4 {J/22/1}	M&L: Manipulated {Q/6/4}
ID_004722 {L1/186} ({A/16/29})	Predicates in Quorum Systems LaTeX file (LPA.tex)	Yes			PM46¶111-116 {H/278/38}, PM46¶119-120 {H/278/42}	LynchAx4 {J/22/2}	M&L: Manipulated {Q/6/4}
ID_004723 {PTR-F/80} ({A/16/29})	Predicates in Quorum Systems LaTeX file (LP1.tex)				PM46¶117-120 {H/278/41}	LynchAx4 {J/22/2}	M&L: Manipulated {Q/6/4}
ID_004729 {PTR-F/86} ({A/16/31})	Hash Based Shadowing handwritten note	Yes			PM46¶121-131 {H/278/43}	LynchAx4 {J/22/1}	M&L: Manipulated {Q/6/4}
ID_004732 {PTR-F/89} ({A/16/33})	Q.txt	Yes			PM46¶132-145 {H/278/45}	LynchAx4 {J/22/2}	M&L: Manipulated {Q/6/4}
ID_004733 {PTR-F/90} ({A/16/35})	Internal Controls and Immutable Logging in Auditing Backend Operations of Messaging Systems	Yes	Wright11¶1146 fn466 {CSW/1/87}		Madden3¶87-91 {G/5/36}, PM4¶146-149 {H/278/52}	LynchAx4 {J/22/1}	M&L: Manipulated {Q/6/4}
ID_004734 {PTR-F/91} ({A/16/33})	Secure and Trustworthy Voting in Distributed Networks: A Quorum-Based Approach with Hash Chains and Public Key Infrastructure	Yes	Wright11¶1146 fn466 {CSW/1/87}		Madden3¶87-91 {G/5/36}, PM46¶132-145 {H/278/45}	LynchAx4 {J/22/2}	M&L: Manipulated {Q/6/4}
ID_004736 {PTR-F/93} ({A/16/37})	ESDT.tex	Yes	Wright11¶1032 fn426 {CSW/1/182}		Madden3¶49-76 {G/5/21}, Madden3¶123-124 {G/5/45}, Madden3¶133 {G/5/47}, PM46¶41-80 {H/278/10}	LynchAx4 {J/22/1}	M&L: Manipulated {Q/6/4}
BDO Image n/a ({A/16/10})	The BDO Drive Image (BDOPC.Raw)	Yes	Wright5 {E/20/1}, Wright12 {CSW/7/1}		Madden3¶96-165 {G/5/40}	Lynch¶65-89 {I/5/16}	M&L: Manipulated {Q/6/3} ¶6-9
White Paper LaTeX Files ({A/16/4})	The file "main.tex" in Dr Wright's Overleaf "TC" directory	Yes	Wright6 {E/21/1}, Wright8 {E/23/1}		Rosendahl (G.7.1)	Lynch¶98-122 {I/5/27}	R&L: Not authentic {Q/5/1}
White Paper LaTeX Files ({A/16/4})	The file "E-Cash-main.tex" in Dr Wright's Overleaf "TC" directory	Yes	Wright6 {E/21/1}, Wright8 {E/23/1}		Rosendahl (G.7.1)	Lynch¶98-122 {I/5/27}	R&L: Not authentic {Q/5/1}

141. At the end of the trial the Court will have to stand back from the detail of the evidence in relation to those documents and consider a number of different characteristics of those alleged forgeries. At this stage, a number of features stand out:

- a) First, the documents alleged to be forgeries cover a wide range of types of document: from supposed drafts of the Bitcoin White Paper, to alleged raw code, to accounting documents, to corporate incorporation information.

- b) Second, some of the documents are the evidence that Dr Wright has been promoting outside of these proceedings as solid proof that he is Satoshi. An example is ID_004019 {L2/245} which Dr Wright has literally held up to camera as the origin of where he chose the name Satoshi Nakamoto: <https://www.youtube.com/watch?v=tel8aUEUe0U>.²²⁸ Another example is ID_003455 {L15/100}, which is the only document that has been produced by Dr Wright that could amount to the “*bank statements and credit card statements*” that Dr Wright has asserted he has evidencing his supposed original purchase of the bitcoin.org domain name and which he has indicated that he would be producing (in preference to using a private key as evidence): <https://www.youtube.com/watch?v=dC0wwFJ7cHM> (at 1m40s).²²⁹
- c) Third, the documents cover the full period over which Dr Wright claims to have been involved in the development of Bitcoin. They are not limited to one particular period, or one particular issue. In short, they contaminate Dr Wright’s entire documentary record.
- d) Fourth, the forgeries include documents produced after (1) Dr Wright was aware of COPA’s allegations of forgery and (2) Dr Wright had sight of Mr Madden’s expert report which identified the indicia and methods by which documents might be falsified and how best to conceal such falsification. The Court will have noted the late flurry of metadata-light materials including LaTeX files. Even those show clear and deliberate signs of falsification.
- e) Fifth, many documents are additional to those previously identified by the ATO or Dr Edman or KPMG (in the Granath proceedings) as being forged. That is not surprising. Although were the ATO/Edman/Granath documents arguably authentic they would doubtless be relied upon by Dr Wright as evidence of his being Satoshi Nakamoto, he has shied away from nominating those documents as his Reliance Documents.
- f) Sixth, there remain serious shortcomings in Dr Wright’s disclosure. The Developers have not had an opportunity to fashion the search terms that were applied to Dr Wright’s documents; and when they proposed additional

²²⁸ See {L16/86} for the video and {L16/83.1} for the transcript.

²²⁹ {O4/25/36-37}.

searches were turned down by Dr Wright.²³⁰ But Dr Wright has not even applied the basic search terms required by Part II of the DRD to his more recent disclosure, namely the BDO Image or his Overleaf account. Nor did he disclose the Andresen documents, even though those were produced to him in the Kleiman proceedings.²³¹

- g) Seventh, the Court will note that the inauthenticity of a large number of the documents is accepted by Dr Wright’s own independent experts, Dr Placks and Mr Lynch. The extent of that agreement is highly significant.
- h) Finally, the so-called White Paper LaTeX files and the BDO Image were suggested to be of the “highest importance” to the case, and Dr Wright describes the context of his abilities with LaTeX “*not merely a matter of technical skill but also indicative of a close connection to the creation of the White Paper, and, by extension, a connection to the origins of Bitcoin itself as envisioned by me as Satoshi Nakamoto*”.²³²

F. Chilling effect

- 142. The flawed nature of Dr Wright’s account of his involvement with Bitcoin has not discouraged him from making outlandish and unacceptable threats against the Bitcoin community. It is that behaviour that ultimately led to the commencement of proceedings by COPA and the seeming retaliatory proceedings that Dr Wright has brought against the Developers.
- 143. In summary, Dr Wright has, over at least the past five years, made threats of physical violence, economic hardship, and legal action against numerous people across the world, all based on one of two activities: (1) refusing to accept that he is Satoshi Nakamoto, and/or (2) their involvement with Bitcoin Core or BCH.

²³⁰ See by way of example the Request from Macfarlanes ¶2 Letter of 13 November 2023 {M1/1/709-710} and the refusal to engage incorrectly on the basis that Macfarlanes had been involved in the DRD process {M1/1/1160}.

²³¹ The Developers have had to obtain these at their own expense themselves from the Relativity folder in Kleiman, following an initial refusal by Dr Wright to produce them.

²³² Wright11¶346 {CSW/1/65}.

144. Notwithstanding his failure so far to substantiate his claim to be Satoshi Nakamoto, Dr Wright has brought numerous claims in this respect. Not including his libel claim against Peter McCormack,²³³ there are currently over 30 parties who are defendants to claims Dr Wright has brought in the UK:
- a) There are 26 Defendants to the BTC Core Claim;
 - b) In BL-2021-000313 (“the **TTL Claim**”), Dr Wright has sued 16 parties (including the 2nd to 14th Defendants in the BTC Core Claim);
 - c) In IL-2022-000035 (“the **Coinbase Claim**”), Dr Wright and C2 in the BTC Core Claim has sued four companies for passing off BTC and BCH as Bitcoin, rather than BSV, damaging the goodwill in the Bitcoin System; and
 - d) In IL-2022-000036 (“the **Kraken Claim**”), Dr Wright and the same C2 in the BTC Core Claim have sued three companies.²³⁴
145. Indeed, as matters presently stand, neither the White Paper nor the Bitcoin Core software are available for download in the UK from bitcoin.org as a direct result of Dr Wright’s claim, and the judgment in default obtained, against “The Person Or Persons Responsible For The Operation And Publication Of The Website www.Bitcoin.Org (Including The Person Or Persons Using The Pseudonym “COBRA”).²³⁵ The order made by HHJ Hodge in those proceedings only deals with the White Paper. However the threat of individuals breaching the injunction obtained by Dr Wright, again predicated on his being Satoshi Nakamoto, appears to have caused an overly cautious approach to Bitcoin-related content in the UK, as explained by the person behind COBRA on GitHub.²³⁶
146. Steve Lee gives evidence that Dr Wright’s threats have had on individuals, their families and the development of Bitcoin Core and BCH.²³⁷ Mr Lee, as an independent board member at COPA, sees first-hand the impact of threats, and how those threats

²³³ Dr Wright was successful in his claim that saying he was not Satoshi could cause serious harm, but failed to persuade the Court of Appeal to overturn the award of nominal damages that he received by reason of his own dishonesty in the proceedings, *Wright v McCormack* [2023] EWCA Civ 892. {A2/2/19-20}.

²³⁴ {A2/2/19-20}.

²³⁵ Order of HHJ Hodge KC dated 28 June 2021, case number IL-2021-000008 {L17/168}.

²³⁶ <https://github.com/bitcoin-dot-org/Bitcoin.org/issues/3698>.

²³⁷ Lee1¶¶19-23 {C/12/6-10}.

are perceived. Those he cites in his witness statement are violent and aggressive, and a personal attack on named developers.

147. It is not possible within the confines of the limit of this skeleton argument to list all of the threats made by Dr Wright. The Court is invited to review Mr Lee's witness statement and the exhibit thereto,²³⁸ and the examples cited herein, but there are many more littered throughout the disclosure.

148. By way of example, a few of Dr Wright's legal threats are as follows:

a) On 13 February 2020 Dr Wright asserted that:

*"This year, I am taking charge and control of my system to... those involved with the copy systems that are passing themselves off as Bitcoin, namely BTC or CoreCoin and BCH or Bcash, I hereby put on notice. Please trust me when I say that I'm far nicer before the lawyers get involved."*²³⁹

b) On 21 January 2021, Dr Wright sent Letters before action to various parties, including:

i) individuals controlling and operating the website Bitcoin.org;

ii) individuals controlling and operating the website BitcoinCore.org;

iii) individuals controlling and operating the website Bitcoin.com;²⁴⁰

iv) @square, @sqcrypto @squareuk on twitter.²⁴¹

c) On 5 October 2021, Dr Wright posted on his Slack Channel:

*"Then, you will get to see first COPA and subsequently each of its members torn apart in court. You will not only see the nature of what they've been doing, but rather, you will now see several criminal actions against many of the members of that CABAL."*²⁴²

d) On 11 Nov 2021, Dr Wright made clear on his Slack Channel that he was 'coming for' everyone:

*"Every single company that promotes BTC as bitcoin will be targeted, one by one until the entire amount is paid OR they all agree to a licence."*²⁴³

"Square and Twitter are next. The suit will be 10x the market capital value of both.

Bye Bye Jack [understood to be a reference to Jack Dorsey, the co-founder and then CEO of Twitter]...

²³⁸ Lee1 {C/12} Exhibit SL2 {L18/482}.

²³⁹ COPA APofC¶37 {A/2/13}.

²⁴⁰ This is despite that website having been pre-registered before Bitcoin was launched, Wright11¶170 {CSW/1/33}.

²⁴¹ COPA APofC¶41 {A/2/14}.

²⁴² Lee1¶18 {C/12/6}.

²⁴³ {L17/53/1554}.

COPA ... LOL

...
*Every single company that passes off.
Capitulation or death.”²⁴⁴*

149. Dr Wright has also had no concern about asserting that people have acted illegally and/or threatening to expose information he alleges he has gathered through ‘*private investigators*’. In the context of either actual or threatened ongoing legal actions, and in the context where Dr Wright holds himself out as having some legal knowledge,²⁴⁵ and has access to lawyers who are prepared to bring claims, it is natural to assume that this information would have a stifling effect on the relevant individuals.

150. By way of example, on 10 January 2022 alone, Dr Wright posted a number of comments on his Slack Channel, stating that were anyone to say in court that Bitcoin is decentralised, and/ or if the developers claimed to not be fiduciaries (a key point in the Tulip Trading claim), he would personally make sure they ended up in prison:

“I will make sure that when every developer and I mean every developer goes to court and makes a claim that bitcoin is decentralised and that the actions of developers don’t matter and that they don’t control the network that they are not just sanctioned because they are being silly or ignorant of how the network works.

I’m going to make sure that everybody knows. I’m going to make sure that the court knows. I’m going to make sure that they globally stand in front of the court and if they say this, if they say that bitcoin developers do not control the network that by the time we finish with them they will be pulled up perjury and arrested as a criminal.

...
When the developers go to court and state how their actions are not those of fiduciaries I going to not only have them sanctioned from laying [sic] and misleading but actively perjuring in front of the judge to deceive the Court and seek to implement misjustice and that they are intentionally defrauding the court.

*When Ver is on trial we will make sure that if he lies he will be sanctioned.
When McCormick [sic] is on trial, if he tells a court any of these lies about how developers don’t act as fiduciaries and manage the system we will make sure that he is not just pulled up for his defamation lies and slander but that he is criminally misled the court because these people are criminals.
Every one of them are criminals.”²⁴⁶*

“If they tell the judge they cannot enforce this, I will make sure that they go to prison for decades. Not club Feb. The west fucking shit hole of a prison that they can be forced into.

²⁴⁴ {L17/53/1561}.

²⁴⁵ Wright1¶5 {E/1/13}.

²⁴⁶ {L17/53/1700-1701}.

*If a single developer goes to court and says they can't make this change, that if they out that change on the system nobody will run it, that it can be run on any Blockchain anywhere on this earth and be exchanged over the Internet using a domain and using the existing banking system I will make sure that they spend so long in prison that their grandchildren will be old when they get out.”*²⁴⁷

“When we get to court and they say bitcoin is a cypherpunk creation and that it is anarchist I will make sure that they are cited for misleading the court. Not that they don't know because they do. They will be pulled up and they will be facing perjury every time they lie....

*They have already put evidence in that is false and provably not only misleading but perjury.”*²⁴⁸

*“Please feel free to make sure that eveerrrrrrryyyy Ethereum developer, every BTC developerr [sic], every exchange executive and every Copa member knows that if they go to court and they actively live with these deceptions of decentralisation that do not follow law that is existing.... They will end in prison”.*²⁴⁹

151. Additional threats of economic hardship from Dr Wright have extended over a much longer period:

a) On 22 June 2021, Dr Wright wrote on his Slack Channel:

“The cases will be like a lottery.

*Most BTC devs will fold. A few will be bankrupted, lose their families and collapse.”*²⁵⁰

b) On 30 October 2021, Dr Wright posted on his Slack Channel as follows:

“If I have to, I will shut down every business that has anything to do with BTC one by one until they comply. This is not my choice, but they are illegally using my property. Until they come and negotiate and settle, I will exert pressure. If you think I have so far, you haven't seen the pinnacle of the tip of the iceberg.

When I am done, nobody will ever believe the false mantra of social consensus.

*There will be holdouts. There will be people who try and run nodes at home. And they will find that their cost bankrupts them as any exchange that touches their illegally copied version will be put out of business.”*²⁵¹

c) On 11 November 2021, Dr Wright explained on his Slack Channel that his litigation strategy was punitive and aggressive, with an intended result of costing those that refused to settle tens of millions of dollars (**emphasis in**

²⁴⁷ {L17/53/1702}.

²⁴⁸ {L17/53/1704-6}.

²⁴⁹ {L17/53/1706}.

²⁵⁰ {L17/53/126}.

²⁵¹ {L17/53/1478}.

original):

“I will give you a hint as to how I negotiate with people. I give you an offer that is more than fair, and is just the best offer you will ever get. If you don’t accept that offer, the offer get slowly worse. I don’t negotiate up; I negotiate down. If you don’t accept my first offer, the second offer is not as good. The third offer is worse. The final offer...

*If I file in court [sic] against Coinbase and others
There won’t be any settlement*

*if they don’t negotiate before court
the answer is that I close them*

If we end up in court

If they push it that far.

The answer is very simple... none of them survive.

At the moment, they have a limited [sic] opportunity to negotiate.

...

today, they can survive and the offer at the moment will cost them very little other than face

every twenty four hours from now will cost them tens of millions of dollars

*every week from now will cost them a fraction of the net worth
when this goes to court, it will cost them their existence.*

Let them know they have a choice

Let them know that the window of opportunity is about to close

let them know that noose is already about their neck.”²⁵²

152. Dr Wright’s access to considerable financial resources, including his support from prominent wealthy individuals has been publicly referred to and relied upon in Dr Wright’s frequent media comment on his various pieces of litigation. On 17 April 2019, Dr Wright sued Peter McCormack for libel in respect of McCormack’s tweets that Dr Wright was not Satoshi Nakamoto.²⁵³ Dr Wright’s initial cost budget was suggested to be approximately £4million to trial.²⁵⁴ On 26 July 2022, prior to the conclusion of the proceedings, Dr Wright posted a message on Slack as follows:

“If a person would spend 4 million to receive a dollar plus and 2 million costs ...

So the other side is bankrupt ...

what would you think? ...

Ie. [sic] the only thing that matters is crushing the other side ...

Well. I would spend 4 million to make an enemy pay 1.”²⁵⁵

153. Dr Wright has extended his threats to named lawyers and law firms.

²⁵² {L/17/53/1552}.

²⁵³ Wright v McCormack [2022] EWHC 2068 (QB) at [6].

²⁵⁴ Wright v McCormack [2023] EWHC 1030 at [6] – This judgment is in the matter of a Contempt Application brought of the Court’s Own initiative against Dr Wright, it is cited purely as evidence of the contents of the Slack Message which does not appear in the L bundles.

²⁵⁵ Wright v McCormack [2023] EWHC 1030 at [5].

- a) On 22 January 2022, Bird & Bird were named and criticised on Dr Wright’s same Slack Channel:

“Basically, one lying scumbag defendant has made a statement and it must be true because the other lying scumbaag [sic] defendant and others in the other cases that are being represented by totally dishonest and disingenuous law firm Bird & Bird have stated that they are honest because dishonest people lie about other dishonest people that makes sense doesn’t it?”²⁵⁶

- b) Subsequently, on 27 January 2022, Dr Wright personally attacked a Partner at Bird & Bird:

“9:00 Daily reminder, Ms Sophie Eyre of Bird & Bird is a promoter and supporter of fraud who used lies created by her own clients to support lies and fraud created and propagated by her criminal clients.”

“9:01 She misleads the court and should be struck off as a solicitor. She holds the law, judges and court in utter contempt.”

“9:03 Bird & Bird active in the deception and take money to lie, defraud and promote bold statements in court.”²⁵⁷

- c) Whilst the above comments were all posted on Dr Wright’s private Slack Channel, he had no qualms about their further reach, and asked his followers to share his posts, but making clear that they were Dr Wright’s own opinion, presumably in light of his knowledge of defamation law:

“9:16 Feel free to post on Twitter the statement I made, reporting, not your opinion.

“9:17 Just because Ms Eyre is a lying scumbag does not mean you need to be an easy target for this bully and contemnor”²⁵⁸

154. Steve Lee has set out his understanding that multiple developers, including Greg Maxwell, have stopped contributing to Bitcoin entirely following Dr Wright’s lawsuits.²⁵⁹ Dr Wright has personally targeted Greg Maxwell on numerous occasions; a selection of which are below:

- a) On 26 August 2019, Dr Wright published ‘Satoshi’s Vision’, in which he wrote:²⁶⁰

“Let’s have a look at some of the key detractors. Greg Maxwell [D12] was involved in anti-sec and helped with the theft of thousands of copyrighted documents and other intellectual property. He broke into computer systems and altered records and released this stolen information to the world....”

²⁵⁶ {L/17/53/1798}.

²⁵⁷ {L17/53/1798}.

²⁵⁸ {L/17/53/1800}.

²⁵⁹ Lee1¶20.c. {C/12/9}.

²⁶⁰ {L15/200/153}.

- b) 13 August 2021:²⁶¹ On his Slack Channel, Dr Wright posted:
“How do you think Gregory Maxwell will handle all of the things our private investigators already know about him? Then, when this goes to court, if he opposes anything, it all goes out.”
 ...
“even what I know about Mr Greggles now, though it would be so interesting to release it all – but these things are only done after people don’t comply with court orders....”
- c) On 4 January 2022:²⁶²
“Yes, BTC will learn, adding Greg’s plagiarism of my work (irony on his claims) has grave consequences”
- d) On 21 July 2023, Dr Wright posted on his Slack Channel:
“I don’t want to go after Greg Maxwell for defamation. I want to go up to misrepresentation and fraud. I want to push criminal charges with Mr Maxwell. Greg needs to face criminal charges like his deceased scumbag friend from Reddit, the one he helped steal material from JSTOR. I don’t want to see Mr Maxwell charged with mere civil charges. I want to him in prison, and when I’m done with him, he will be.”²⁶³

155. Mr Lee has explained the impact this has on ongoing work with Bitcoin; when software developers no longer contribute, it inevitably impacts the development of that software.²⁶⁴ He cites former Core Maintainers who have stepped down by reason of the ongoing and continued threat of litigation, which CoinGeek, a prominent supporter of Dr Wright, has cited as a reason in their own reporting on the developers stepping back.²⁶⁵ It is not a stretch to say that Dr Wright intends his threats to be taken seriously.

156. Further, Dr Wright has publicly threatened graphic and extreme violence against his critics. These are no laughing matter.

- a) On 22 November 2018,²⁶⁶ Dr Wright crashed a ‘Hash Wars Live’ Live Stream hosted by KeyPort Live, a YouTuber with a channel called ‘Decentralised Live’. Dr Wright joined the stream and engaged in a

²⁶¹ {L17/53/1290}.

²⁶² {L17/53/1668}.

²⁶³ {L18/482/15}.

²⁶⁴ Lee1¶¶21,22{C/12/9}.

²⁶⁵ Lee1¶¶20.a, 20.b., 20.d {C/12/7-9}.

²⁶⁶ {L20/131/1}.

discussion about ABC and BSV. During this conversation, Dr Wright was asked about various different Bitcoin forks, and said *inter alia* as follows. In the passages below, “them” is understood to be a reference to those working on non BSV Bitcoin systems:

16:10: *“We don’t want a quick war.... I want to burn them to fucking shit”*

16:24 *“I want them fucking broke.”*

16:28 *“I want them to burn everything they own”*

17:17 *“9/10 exchanges are illegal. They’re criminal activities that should be fucking burnt to the ground”*

29:35 DC: *[In a discussion about historic thoughts on the debate]*
“Before that, it was just like “slit their throats”

CSW: *“Oh we’re going to. You seem to think that means I have to do it now. ... I’ve actually said 2 months ago I wanted to bleed Jihan [Understood to be a reference to Jihan Wu, the then CTO of Blockmain]. Do you understand what that means? I want to string him up and rip him out”.*

32:07 *“I want to bleed people... I want to cause him pain”*

- b) On 6 October 2022, Dr Wright posted a photograph of someone falling from a high tower, with the caption:

“Defenestrated.

This word details what is about to happen to those who sought to grab power and subvert the underlying nature of Bitcoin.

Power is not balanced when a group can control the future of a system where others are directly and negatively impacted by the change.”²⁶⁷

157. The mischief intended by these statements is express and clear. Dr Wright has sought to bully his opponents either into settling, bankruptcy, or prison. The only proper course is for the Court to restrain Dr Wright from this behaviour.²⁶⁸ That is precisely the intended purpose of the relief sought by COPA. With declaratory relief and an injunction from the High Court, Dr Wright’s activities should be capable of being brought to an end in this jurisdiction and (it is hoped) internationally.

²⁶⁷ {L18/482/16}.

²⁶⁸ Dr Wright is entitled to his own freedom of expression. However, he does not have the right to incite hatred, or stifle legitimate interests, whether family, economic, or indeed legal, of third parties.

G. Conclusion

158. This ought to be Dr Wright's final attempt to seek to assert that he is Satoshi Nakamoto. His unacceptable campaign of harassment and distress has had discernible practical consequences. If, as the Developers are confident will happen, it is found that he has lied, forged and sought to abuse the process of the Court in bringing this claim, the claims against the Developers must be dismissed and Dr Wright should be restrained from continuing to hold himself out as Satoshi Nakamoto.

ALEXANDER GUNNING KC

BETH COLLETT

29 January 2024

APPENDIX 1: Detailed account of dealings with the ATO

1. Tax return for 2008/2009

1. In his tax return for 2008/2009, Dr Wright described himself as a “Computing professional – security specialist”.²⁶⁹ He declared net income of AU\$61,189 from other business (said to comprise income of AU\$535,825 less expenses of AU\$474,636)²⁷⁰. In addition, he declared a net capital gain of AU\$34,713 from an overall gain of AU\$2,235,000.²⁷¹
2. The ATO appears to have spoken to Dr Wright by telephone on 8 February 2010.²⁷² It appears from that note that Dr Wright was selected for audit because he was claiming to have provided taxable supplies to related companies²⁷³ (namely, Information Defense Pty Ltd, Integyrs Ltd and DeMorgan Limited).²⁷⁴ In addition, he appears to have been asked to explain the valuation of the alleged capital gain, which he attributed to the sale of intellectual property. The note of the first call with Dr Wright records him explaining that he had used a pre-existing market value in the calculation of that gain.²⁷⁵
3. The ATO confirmed its decision to conduct an audit of Dr Wright on 11 February 2010.²⁷⁶ In that letter he was asked to provide details of his business activity – and details of the intellectual property supposedly said to give rise to the capital gain (and how the gain had been calculated).²⁷⁷
4. There is no record of Dr Wright’s response to that request. However, there is a record of an interview with Dr Wright on 19 July 2010.²⁷⁸ The notes of that interview suggest

²⁶⁹ {L7/425/1}.

²⁷⁰ {L7/425/14-15}.

²⁷¹ {L7/425/10}.

²⁷² See ATO record of client contact at {L7/431/47}.

²⁷³ See ATO record of client contact at {L7/431/47} bullet point 1.

²⁷⁴ Stefan Matthews was involved in the deployment of some of the solutions relied on by Dr Wright in respect of these companies, Wright11¶65, fn 45 {CSW/1/13}.

²⁷⁵ See ATO record of client contact at {L7/431/47} bullet point 5.

²⁷⁶ See ATO letter at {L7/431/49}.

²⁷⁷ See ATO letter at {L7/431/52} under the heading Intellectual Property.

²⁷⁸ See ATO record of client contact at {L7/431/58} under the heading Intellectual Property.

that Dr Wright informed the ATO that he had personally sold intellectual property to two companies (Information Defense Pty Ltd and Integrys Pty Ltd) because he was intending to form a joint venture with those companies to sell R&D work to a company in India referred to as HCL.²⁷⁹ He seems to have suggested that there was no patent for the IP, but that he was “*currently developing firewall codes*”.²⁸⁰ In addition, he gave some information regarding his general business income and expenses.

5. The purported IP sale agreements said to have given rise to that liability are at {L4/462}²⁸¹ and {L5/113}.²⁸² Neither of those purported agreements refer to Bitcoin. The purported contract with Information Defense Pty Limited refers to a schedule that is not attached.²⁸³ It refers to projects entitled Spyder, Redback, TripleS and Black Net. Stage 1 of the work is said to be “*Cornerstone Firewall and High Security Gateway*”. Stage 2 is said to relate to “*Cornerstone integrated alerting*”. The Final Phase seems to contemplate the use of a SQL database. Costs are allocated to “*Prototype system (transfer of existing cap)*”, “*Prototype development*” and “*Stage 2 initiation*”. The purported contract with Integrys Ltd similarly refers to a then prototype and an SQL database. None of that seems consistent with a transfer relating to Bitcoin, which had been in operation since 3 January 2009 and did not (and does not) use an SQL database.
6. On 5 August 2010 the ATO advised Dr Wright that he had been selected for an audit.²⁸⁴ He was asked various questions about his income and work-related expenses, but in addition was asked to provide the following information on the reported net capital gain: “*You declared capital gain of \$2,235,000 and net capital gain of \$34,713. Please provide capital gain schedule of the above net capital gain*”.²⁸⁵

²⁷⁹ See ATO record of client contact at {L7/431/59} – record of conversation at bullet points 1-3.

²⁸⁰ See ATO record of client contact at {L7/431/59} – record of conversation at bullet point 7.

²⁸¹ Purported agreement between Dr Wright and Information Defense Pty Ltd dated 30 January 2009 {L4/462}. Referred to at Wright11¶1275 fn516 {CSW/1/215}.

²⁸² Purported agreement between Dr Wright and Information Defense Pty Ltd dated 30 January 2009 {L5/113}. Referred to at Wright11¶947 fn383 {CSW/1/171}.
²⁸³ {L10/375}.

²⁸⁴ See ATO letter at {L7/431/63}.

²⁸⁵ See ATO letter at the final heading of {L7/431/63}.

7. On 6 August 2010²⁸⁶ the ATO raised various questions about Dr Wright's answers.²⁸⁷ As to the capital gain, it appears that Dr Wright had valued the market value of the intellectual property as AU\$2,246,000, but had not provided documents to substantiate that figure.²⁸⁸
8. The interim findings by the ATO from their audit are dated 19 May 2011.²⁸⁹
 - a) The ATO noted that, although the capital gains previously identified by Dr Wright had been included on his quarterly BASs,²⁹⁰ on 27 November 2010 he attempted to revise those statements to reduce the sales and the Goods and Services Tax ("GST") amount payable to nil, in an attempt to reduce his liability to GST on the transactions.²⁹¹ The ATO concluded that he had not made a supply for consideration and that the sales should be reduced to nil.²⁹²
 - b) The ATO also took issue with the work-related expenses claimed by Dr Wright by way of deductions to his income.²⁹³
9. The ATO confirmed those findings and imposed penalties on Dr Wright on 7 June 2011.²⁹⁴ The penalties were calculated by reference to the tax properly payable,²⁹⁵ of which the ATO calculated a shortfall of AU\$71,843.96.²⁹⁶ The penalty included a 20% uplift on grounds that Dr Wright behaved recklessly when completing his return.²⁹⁷ The ATO's removal of the capital gain reduced the amount of the shortfall and hence reduced the penalty.²⁹⁸
10. Dr Wright lodged notices of objection to the ATO's decision on 29 August 2011.²⁹⁹ In addition to seeking to reinstate the work-related expenses that had been disallowed

²⁸⁶ See ATO email at {L7/431/82}.

²⁸⁷ His answer on the capital gain has not been produced.

²⁸⁸ See attachment to ATO email at {L7/431/87} under the final heading.

²⁸⁹ See ATO letter at {L7/431/118}.

²⁹⁰ See interim report attached to ATO letter at {L7/431/119} under Material Facts ¶¶6-7.

²⁹¹ See interim report attached to ATO letter at {L7/431/121} under Material Facts ¶¶12-13.

²⁹² See interim report attached to ATO letter at {L7/431/122} under Material Facts ¶¶1.2-1.6 and at {L7/431/141} at ¶¶5.3-5.4.

²⁹³ See interim report attached to ATO letter at {L7/431/131-141}.

²⁹⁴ See ATO letter at {L7/431/147}.

²⁹⁵ See final report at {L7/431/178}.

²⁹⁶ See final report at {L7/431/176}.

²⁹⁷ See final report at {L7/431/177-178}.

²⁹⁸ See final report at {L7/431/175}.

²⁹⁹ See letter from Clayton Utz at {L7/431/184}.

by the ATO, Dr Wright sought to include the capital gain said to have arisen from the alleged contracts with Information Defense Pty Ltd and Integyrs Pty Ltd.³⁰⁰ The ATO sought further information in relation to that objection on 27 October 2011, including as to the capital gain.³⁰¹ On 2 December 2011 the ATO dismissed the objection,³⁰² noting (amongst other things) that Dr Wright had not provided evidence to substantiate the existence of the intellectual property, its value or its disposal.³⁰³

11. On 31 January 2012 Dr Wright applied to the Administrative Appeals Tribunal for a review of that decision.³⁰⁴ Discussions took place between the ATO and Dr Wright at the end of 2012³⁰⁵. An agreement was then drawn up and signed between the ATO and Dr Wright on 14 February 2013. It reversed the disallowed deductions, but did not address the claimed capital gain.³⁰⁶ The agreement was sent to the Administrative Appeals Tribunal on the same day³⁰⁷ and a notice of amended assessment was issued on 10 April 2013.³⁰⁸
12. Throughout this assessment process, there was no observable reference to Bitcoin.³⁰⁹

³⁰⁰ See Notice of Objection at {L7/431/197}.

³⁰¹ See ATO letter at {L7/431/200}.

³⁰² See ATO letter at {L7/431/7}.

³⁰³ See ATO reasons for decision at {L7/431/17-18}.

³⁰⁴ See Application Notice at {L7/431/4}.

³⁰⁵ A conference appears to have taken place between the ATO and Dr Wright in relation to that challenge on 6 December 2012 and by letter dated 14 December 2012 the ATO agreed not to levy an administrative penalty, on the basis that Dr Wright had taken reasonable care in preparing and lodging his income tax return”: see letter from ATO dated 14 December 2012 at {L8/65}, referred to in Wright11¶722 {CSW/1/136}. Although at that stage there was still an issue concerning Dr Wright’s use of the Postgraduate Education Loan Scheme, by letter dated 15 January 2013, the ATO agreed that they were prepared to allow that deduction and, on that basis, all matters seemed to be resolved: {L8/117}.

³⁰⁶ See agreement at {L8/144}, relied upon in support of Dr Wright’s claim that “In the 2008/200 tax year, I handled a significant transaction that involved both IDPL and Integyrs” at Wright11¶1279, fn 517 {CSW/1/215}.

³⁰⁷ See {L8/143}. Dr Wright suggests that this was a “decision [that] was made in [his] favour”, Wright11¶1087 {CSW/1/189}, however this was an agreement between the ATO and Dr Wright to resolve the matter, not a decision.

³⁰⁸ See {L8/154}.

³⁰⁹ Indeed, the ATO made that very point at {L11/405/63} at ¶340 (final sentence).

2. Dealings with ATO from 2013

13. Around the time of the closing of the enquiry into Dr Wright’s 2008/2009 tax return in 2013, Dr Wright began to make claims relating to Bitcoin. Indeed, he seems to have incorporated five companies in or around August 2013 which he alleged had dealings in Bitcoin.
14. Ultimately, the ATO applied to wind up nine of Dr Wright’s companies following tax audits. The details are as follows:

Name	ABN	I	Reg date	Date of ATO WU appln	Date of WU order
Cloudcroft Pty Ltd	94 149 732 365	149 732 365	08/03/2011	13/04/2017	19/05/2017
Panoptcrypt Pty Ltd	34 151 567 118	151 567 118	20/06/2011	08/03/2017	08/05/2017
COIN Pty Ltd	56 152 222 421	152 222 421	21/07/2011	07/12/2016	25/01/2017
Coin-Exch Pty Ltd	31 163 338 467	163 338 467	17/04/2013	13/04/2017	19/05/2017
Integryz Pty Ltd	42 165 263 007	165 263 007	12/08/2013	13/04/2017	19/05/2017
Interconnected Research Pty Ltd	51 165 472 097	165 472 097	25/08/2013	13/04/2017	19/05/2017
Pholus Pty Ltd	47 165 472 079	165 472 079	26/08/2013	21/02/2017	28/03/2017
Denariuz Pty Ltd	22 165 471 983	165 471 983	26/08/2013	07/12/2016	01/03/2017
Zuhl Pty Ltd	45 165 472 006	165 472 006	26/08/2013	13/04/2017	19/05/2017

15. Although there is some overlap in the timing of the dealings of Dr Wright and his companies with the ATO during this period, there are three distinct strands to the discussion. First, there were applications by Dr Wright for private rulings. Second, there were claims made by Dr Wright (it seems from 30 September 2013) for GST refunds. Third, there were claims made in the tax returns for Dr Wright’s companies for refundable R&D tax offsets.³¹⁰ At one point the ATO observed that over 90% of the funds that Dr Wright’s companies had received came from refunds from the ATO.³¹¹
16. Against the background of the ATO’s auditing of those claims, Dr Wright was interviewed by the ATO on a number of occasions, including on 18 February 2014,³¹²

³¹⁰ The R&D tax offset scheme was a scheme intended to encourage companies to engage in R&D benefiting Australia. For eligible SMEs, the offset was refundable by the government: <https://www.ato.gov.au/businesses-and-organisations/income-deductions-and-concessions/incentives-and-concessions/research-and-development-tax-incentive-and-concessions/research-and-development-tax-incentive/previous-years/r-d-tax-incentive-1-july-2011-to-30-june-2021/about-the-rd-tax-incentive?anchor=Abouttheprogram#Abouttheprogram>.

³¹¹ {L9/274/9} at ¶36.

³¹² {L8/372}.

28 March 2014,³¹³ 11 August 2014³¹⁴ and 18 August 2014.³¹⁵ The latter two interviews were conducted by external counsel. In his evidence in the Kleiman proceedings, Dr Wright sought to cast doubt on the accuracy of the transcripts of those interviews, even though the transcripts of the first two meetings had been sent for his comments contemporaneously.³¹⁶

17. As will appear below, although the ATO clearly had misgivings about the filings made by Dr Wright's companies from the outset, those concerns increased following the instruction of external counsel, leading to the refusal of claims for GST refunds and R&D tax offsets. That led to the winding up of Dr Wright's companies as described above. Thus, Dr Wright's original claims in relation to Bitcoin were launched in ignominious circumstances. As noted above, Dr Wright abandoned much of what he had said to the ATO in his defence in the Kleiman proceedings.

a. The private rulings

18. On 19 June 2013 Dr Wright appears to have applied for two private rulings relating to the income tax and GST implications of selling and transferring bitcoins. It appears that two private rulings were issued.
 - a) The first (which seems to have been issued on 30 September 2013) has not been produced. The ATO appears to have advised that for GST purposes the sale of bitcoins was a taxable supply.³¹⁷
 - b) The second was issued on 23 December 2013. It records that Dr Wright had advised the ATO that he had started mining bitcoins in 2009 and had invested a substantial amount of money in computer hardware and advanced scientific computing systems, with a view to making a substantial profit. He appears to have advised the ATO that he had a Bitcoin wallet of 55,000.01 bitcoins, but had transferred 36,835 to a private Australian company.³¹⁸ He appears to

³¹³ {L8/474}.

³¹⁴ {L17/410}.

³¹⁵ {L9/153}.

³¹⁶ {L9/499} and {L8/489}.

³¹⁷ It is referred to in the ATO's interim report on an audit of Hotwire Preemptive Intelligence Pty Ltd at {L9/274/59}.

³¹⁸ Private Ruling of 23 December 2013 {L8/309/3} referred to at Wright ¶718, fn334 {CSW/1/135}.

have asked whether profits derived from transferring bitcoins in return for shares was to be treated as taxable as income and as a capital gain.³¹⁹ He also appears to have asked whether the transfer of bitcoins was a taxable supply.³²⁰ The ATO answered those questions in the affirmative.³²¹

19. Separately, on 10 January 2014, Dr Wright appears to have applied for a private ruling as to whether he could claim a tourist tax refund of GST in relation to the alleged sale by Hotwire PE of its alleged rights to the 12ib7 address to Dr Wright for US\$19.5 million.³²² Even allowing for the possibility that Dr Wright might have been testing the logical limits of the (undisclosed) ruling on 30 September 2013, this was an odd application.³²³ The ATO declined the claim on 28 February 2014 on the basis that bitcoins were not goods for the purpose of the Tourist Refund Scheme.³²⁴

b. The claims made for repayment of GST in Business Activity Statements

20. It appears that Dr Wright submitted business activity statements (“BASs”) for six entities for the period 1 July 2013 to 30 September 2013, namely himself, Cloudcroft Pty Ltd (“**Cloudcroft**”), Coin-Exch Pty Ltd (“**Coin-Exch**”), Hotwire Pre-Emptive Intelligence Pty Ltd (“**Hotwire**”), Trustee for the Wright Family Trust (“**DeMorgan**”)³²⁵ and Denariuz Pty Ltd (“**Denariuz**”).³²⁶
21. In those statements, the companies claimed refunds of GST as follows:
- a) Cloudcroft: AU\$2,834,658.³²⁷
 - b) Coin-Exch: AU\$3,787,429.³²⁸

³¹⁹ Private Ruling of 23 December 2013 {L8/309/1-2}, Issue 1, Questions 1 and 2.

³²⁰ Private Ruling of 23 December 2013 {L8/309/2}, Issue 2.

³²¹ Wright11¶55 {CSW/1/11}

³²² Private Ruling of 28 February 2014 {L8/422/2}.

³²³ The Court will be aware that the (apparent) contention by Dr Wright that 12ib7 was owned by Hotwire PE and transferred to him personally is directly at odds with his (recently revised) case in the Tulip Trading proceedings: see Response to D2-D12’s RFI dated 23 August 2023 at 1(b) {S1/1.8.1}.

³²⁴ Private Ruling of 28 February 2014 {L8/422/4}.

³²⁵ DeMorgan was a business name used by the Trustee for Wright Family Trust: see <https://www.abr.business.gov.au/AbnHistory/View?id=72433066448>.

³²⁶ See {L9/274/2} at ¶2. In light of the content of the report and surrounding documents, including {L9/476}, the redacted party is Hotwire.

³²⁷ See {L9/274/2} table and {L9/471}.

³²⁸ See {L9/274/2} table and {L9/475}.

- c) Hotwire: AU\$3,433,216.³²⁹
- d) Denariuz: AU\$4,194,857.³³⁰

Dr Wright himself admitted in his BAS to a liability for GST of AU\$2,267,613³³¹ and DeMorgan to a liability of AU\$114,919,³³² but he indicated that he would not pay those sums pending resolution of the claims by his companies.³³³

- 22. The ATO appears to have issued the relevant entities with notice that GST refunds were being withheld on 20 January 2014.³³⁴ On 14 February 2014 the ATO issued interim reports in relation to Hotwire and Coin-Exch.³³⁵ Hotwire was claiming to recover GST on four invoices allegedly raised by DeMorgan for the supply of software and allegedly paid in Bitcoins.³³⁶ Hotwire alleged that it had received the Bitcoin as a subscription for its shares. The ATO found that Hotwire had failed to account for GST on its receipt of those Bitcoins in line with the private ruling referred to at paragraph 19 above.
- 23. Following that interim report, a meeting was held with the ATO on 18 February 2014.³³⁷ At that meeting Dr Wright's then lawyers (Clayton Utz) sought to explain that instead of acquiring Bitcoin by way of subscription for shares, Hotwire had only acquired an equitable interest in Bitcoin that was alleged to have been held by a Seychelles trust.³³⁸
- 24. At a follow-up meeting with John Chesher on 26 February 2014 (Dr Wright's accountant), Mr Chesher advised the ATO that W&KID was an entity created for the

³²⁹ See {L9/476}.

³³⁰ See {L9/274/2}.

³³¹ This seems to have been increased to AU\$4,234,257 (see {L9/474/1}) by 26 February 2014 (see {L8/396/6}).

³³² See the table at {L9/274/2}.

³³³ See {L9/274/5} at ¶18.

³³⁴ See {L8/326/11-12} at pp11-12.

³³⁵ See {L9/274/3} ¶7 and {L9/274/57}.

³³⁶ See {L9/274/58} ¶4.

³³⁷ See {L9/274/2} ¶8 and the transcript of the interview at {L8/372}.

³³⁸ See {L9/274/2} ¶8-9, {L8/326/24-25} and {L8/372/13-14}. The presentation made by Clayton Utz ({L8/326/6}) suggests that Dr Wright had commenced mining Bitcoin in 2009, that the Bitcoin had been transferred overseas in 2011 and that mining was continuing by companies in Singapore and the Seychelles – and that the trustee companies had been established in the UK in 2012: see too {L8/372/6-7}. Mr Sommer of Clayton Utz appears to have confirmed at the meeting that he had only just heard that equitable interests as opposed to actual Bitcoin were being transferred ({L8/372/18} at l.26).

purpose of mining bitcoins.³³⁹ In his evidence in the Kleiman proceedings, Dr Wright sought to suggest that the record of this meeting was inaccurate³⁴⁰ and that Clayton Utz advised the ATO that the record was inaccurate.³⁴¹ As a matter of fact, the transcript of the meeting was passed by the ATO to John Cheshier contemporaneously.³⁴² No correspondence from Clayton Utz suggesting corrections to the transcript has been produced. Dr Wright's only comments on the draft transcript (when he reviewed it in 2015) were to pick up irrelevant typos.³⁴³

25. In light of the development of Dr Wright's story to the ATO, the ATO withdrew its interim reports of 14 February 2014.³⁴⁴ The ATO then appears to have agreed with Clayton Utz that it would consider first the claims by Coin-Exch.³⁴⁵ The ATO issued interim audit findings in relation to the claim by Coin-Exch on 8 April 2014, in which they disallowed the claimed GST credits³⁴⁶ and indicated an intention to level a penalty of AU\$1.9m.³⁴⁷ Clayton Utz challenged the findings in that interim report on 9 May 2014.³⁴⁸
26. It appears that Hotwire was put under external administration shortly afterwards. Following a meeting with Clayton Utz in June 2014, the ATO released the GST refund claimed by Coin-Exch in the sum of AU\$3.7 million whilst their enquiries continued.³⁴⁹ However, the ATO arranged for external counsel (Greg O'Mahoney) to interview Dr Wright on 11 and 18 August 2014. Following those interviews, the ATO proposed that all the GST claims made by Dr Wright's companies (including Coin-Exch) should be refused.³⁵⁰
27. By that stage, it appears that the ATO understood the overall alleged structure of the transactions involving the relevant companies to have four parts:

³³⁹ {L8/400/3}.

³⁴⁰ Wright evidence in cross-examination at trial at {L17/288/67} at ll.7-8.

³⁴¹ Wright deposition on 16 March 2020 at {L16/267/61} at p241 ll.13-23.

³⁴² {L9/499/1}.

³⁴³ {L9/499/1}.

³⁴⁴ See {L9/274/3} at ¶10.

³⁴⁵ See {L9/274/3} at ¶11.

³⁴⁶ See {L9/274/78}.

³⁴⁷ See {L9/274/81}.

³⁴⁸ See {L9/274/82}.

³⁴⁹ See {L9/274/5} at ¶16.

³⁵⁰ See {L9/274}.

- a) First, the supply of software and intellectual property to Dr Wright personally by W&KID and MJF Mining Services WA Pty Limited.
- b) Second, the assignment of rights to that software and intellectual property by Dr Wright to DeMorgan in return for rights in bitcoins.
- c) Third, the assignment of rights to that software and intellectual property by DeMorgan to Coin-Exch, Cloudcroft and Hotwire in return for rights to Bitcoin.
- d) Fourth, the financing of those transactions at stage 3 by Dr Wright providing rights in bitcoins to Coin-Exch, Cloudcroft and Hotwire in return for shares.

28. The ATO identified anomalies at each of those stages. The Court is neither asked nor expected to rely on these findings, however as a documentary record, they demonstrate the origins of a story that continues to evolve across the proceedings, and in many instances no longer resembles the story on which Dr Wright relies. They also indicate that from an early stage, Dr Wright was prepared to create documents, or edit those that did exist, in order to support, or corroborate his claims.

i. Stage 1: supposed supply of software and intellectual property

29. In support of the claim that Dr Wright had acquired valuable rights from W&KID, he relied on Consent Orders from the New South Wales courts in proceedings that had been commenced by Dr Wright on 25 July 2013 and 13 August 2013, after David Kleiman's death. Dr Wright had not only issued those proceedings, but he also purported to acknowledge service of them on behalf of W&KID on 19 August 2013.³⁵¹

30. Dr Wright's statements of claim in the NSW proceedings can be found at

- a) {L2/314/13}. In claim 2013/245661 issued on 25 July 2013 Dr Wright alleged that he had entered into a contract with W&KID under which he had provided labour services (for the development of a Bitcoin Software

³⁵¹ {L8/214}.

Development Kit and exchange)³⁵² to W&KID and loaned money to them in Bitcoin.³⁵³ He claimed a debt of AU\$22.75 million.³⁵⁴

b) {L2/314/19}. In claim 2013/225983, he claimed that W&KID had agreed to pay him for property and consulting services to complete research associated with the four projects proposed to the DHS and described at paragraph 54 above.³⁵⁵ He also suggested that he had loaned money to W&KID in relation to those projects,³⁵⁶ and apparently in the total sum of the research grants for which W&KID had applied.³⁵⁷ He purported to claim those monies back and (for good measure) alleged (and claimed) for a supposed additional AU\$20 million bond that he said he had provided to “*cover funding aspects of the research*”.³⁵⁸

31. The Consent Orders in those actions were signed by Dr Wright and (purportedly) by a then associate of Dr Wright, Jamie Wilson, and dated 28 August 2013.³⁵⁹ The Consent Orders seem to have been issued pursuant an agreement dated 9 July 2013³⁶⁰ (i.e. which pre-dated the issue of proceedings), but which bore the case references of the NSW proceedings.³⁶¹ But even leaving aside that oddity of the Consent Orders, the underlying claims are incomprehensible considering the matters set out at paragraphs 71 to 73 of the main body of this skeleton. It is little wonder that (as explained at paragraph 76 of the main body of this skeleton, Dr Wright’s counsel in the Kleiman proceedings treated the NSW proceedings as being phony.

32. There were also serious anomalies in relation to Dr Wright’s supposed dealings with MJF Mining which was supposed to have supplied him with software:

a) Dr Wright contended that he had purchased two types of software from someone called Mark Ferrier of MJF Mining.³⁶² The contract supposedly

352 See {L2/314/14} at ¶7.

353 See {L2/314/14} at ¶1.

354 See {L2/314/15} at ¶16.

355 See {L2/314/20} at ¶¶3-5.

356 See {L2/314/20} at ¶1.

357 See {L2/314/21} at ¶6.

358 See {L2/314/21} at ¶11.

359 {L8/218/2-5}. According to the ATO Mr Wilson denied that he had signed the document: see {L9/427/8} at ¶46.

360 This does not seem to have been produced by Dr Wright in these proceedings.

361 See {L9/273/13}.

362 {L11/362/9}.

extended to Siemens mining software, microfinance software and accounting packages developed by Al Barakah and gold options from Payne Gold Mining.

- b) Dr Wright produced documents purporting to show a sale of software by Al Barakah directly to Hotwire, not to Dr Wright,³⁶³ but also an invoice for the transfer of the same software from MJF Contracting to Craig Wright R&D.³⁶⁴
- c) The ATO attended a software demonstration on 3 June 2014, together with a specialist who expressed doubts about both the software itself and the supposed price attributed to it.³⁶⁵
- d) The ATO recorded that Siemens Australia had confirmed that they had not sold their software either to MJF or Dr Wright and that Al Barakah had not sold their software to MJF, Hotwire or Dr Wright.³⁶⁶ Moreover, whilst Dr Wright had provided emails purportedly from Al Barakah, they were sent from a domain listed as a virtual office in Istanbul as ‘Servcorp’. The ATO reported seeing credit card records showing that a payment had been made by Dr Wright to Servcorp around the time that the domain was established.³⁶⁷ The clear implication was that Dr Wright had himself concocted the purported correspondence from Al Barakah.
- e) Dr Wright’s response to these suggestions was to suggest that a different Siemens entity was involved, that the ATO had contacted the wrong people at Al Barakah and that his credit card had been stolen (supposedly by Mr Ferrier).³⁶⁸

ii. Stage 2: purported assignment of rights by Dr Wright to DeMorgan

33. The next stage of Dr Wright’s supposed scheme had been for the rights supposedly acquired by him at Stage 1 to be assigned to DeMorgan. So far as that assignment was concerned, Dr Wright produced a Deed of Assignment and Charge between himself

³⁶³ See {L8/326/36}.

³⁶⁴ See the third item at {L8/326/37}.

³⁶⁵ {L9/274/104}.

³⁶⁶ See {L9/427/9} at ¶56.

³⁶⁷ See {L9/427/10} at ¶57.

³⁶⁸ See {L14/333/7-10}.

and DeMorgan dated 15 July 2013.³⁶⁹ He also produced invoices dated 1 July 2013 issued by him to DeMorgan.³⁷⁰

34. Both the Deed of Assignment and Charge and the invoices bore the ABN of DeMorgan (72 433 066 448). However, DeMorgan had not been allocated an ABN until 26 August 2013, after the date of the documents to which that number had been applied.³⁷¹ Dr Wright sought to explain this on the basis that “*the trustee entered into the transactions on the understanding that an ABN had been obtained prior to that date*”,³⁷² though he has accepted backdating the invoices.³⁷³

iii. Stage 3: purported assignment of rights by DeMorgan

35. The next stage in the purported transactions was a supposed assignment of the rights supposedly acquired by DeMorgan to Cloudcroft, Coin-Exch and Hotwire pursuant to IP Deeds of Assignment dated 15 September 2013.³⁷⁴ Each assignment was in identical terms,³⁷⁵ which is odd given that the companies were intended to receive different rights.
36. Moreover the assignments seemed to include the rights supposedly conferred by the NSW proceedings.³⁷⁶ However, those rights had also purportedly been the subject of assignments dated 22 August 2013,³⁷⁷ which had been relied on in previous dealings with the ATO. Indeed, Coin-Exch’s initial GST reclaim had been made in respect of payments supposedly made pursuant to an invoice from Craig Wright R&D dated 22 August 2013³⁷⁸ that was said to arise pursuant to an Intellectual Property Licence with Craig Wright R&D dated 22 August 2013.³⁷⁹ Dr Wright sought to extricate himself

³⁶⁹ See {L9/427/10} ¶59 and {L8/195}.

³⁷⁰ These do not appear to have been produced by Dr Wright in the present proceedings.

³⁷¹ See {L9/427/10} at ¶59 and 60 and <https://www.abr.business.gov.au/AbnHistory/View?id=72433066448>.

³⁷² See the comment against ¶11 at {L14/333/2} and against ¶¶59-60 at {L14/333/10}.

³⁷³ See {L9/140/29}: “*I ended up doing the backdating because I thought it was correct*”.

³⁷⁴ {L8/240}, {L10/217} and {L10/218} respectively.

³⁷⁵ See {L9/427/12} at ¶71 and {L8/240}, {L10/217} and {L10/218}.

³⁷⁶ See Recital (D) of each of {L8/240}, {L10/217} and {L10/218}.

³⁷⁷ See {L9/427/11} at ¶64-67 and {L16/333/109}.

³⁷⁸ See {L9/274/68} at ¶12.c. A copy of the invoice appears to be at {L16/333/107}.

³⁷⁹ A copy of the alleged licence can be found at {L16/333/109}.

from this inconsistency by contending that the 22 August 2013 licences, although signed, “*were incorrectly drafted and were never executed*”.³⁸⁰

37. Finally, the invoices from DeMorgan that were relied upon by Cloudcroft, Coin-Exch and Hotwire were all dated 1 July 2013.³⁸¹ Again that is odd because it means they pre-dated the allocation of an ABN to DeMorgan.

iv. Stage 4: Supposed financing of Coin-Exch and Hotwire

38. Coin-Exch and Hotwire purportedly funded their payments to DeMorgan by issuing Deeds of Assignment dated 1 July 2013 with Dr Wright, pursuant to which those companies agreed to issue shares in return for the transfer of interests in bitcoins.³⁸²

39. Dr Wright’s explanation for the way in which those shares came to be transferred involved bitcoins being included in a Seychelles trust, known as the Tulip Trust,³⁸³ and then loaned to him pursuant to a Deed of Loan.³⁸⁴ The Court will be aware that the Tulip Trust documents are amongst the alleged forgeries in the present proceedings. The ATO noted that 22 of the 26 Bitcoin addresses listed in the Deed of Loan had supposedly been transferred off the Blockchain to Mr Ferrier.³⁸⁵ That did not seem to be disputed by Dr Wright,³⁸⁶ but left little in the Tulip Trust to account for the other supposed transactions.

c. The claims for refundable R&D tax offsets

40. Dr Wright’s claims against the ATO were not limited to claims for the repayment of GST. In addition, Dr Wright’s companies made claims for refundable R&D tax offsets

³⁸⁰ See {L14/333/11} against ¶22.

³⁸¹ See {L9/427/12} at ¶69. Again the invoices do not appear to have been produced in these proceedings.

³⁸² See {L9/427/12} at ¶74, {L9/427/14} at ¶82. A copy of an unsigned purported Deed of Assignment with Hotwire is at {L8/194}.

³⁸³ There are various versions of the supposed Tulip Trust documents, but the one relied on for these purposes can be no later than the one at {L8/14}, given that the Bitcoin supposedly subject to the trust were then purported loaned pursuant to the Deed of Loan.

³⁸⁴ The Deed of Loan is at {L8/23}.

³⁸⁵ {L9/427/16} ¶97.

³⁸⁶ {L14/333/16} against ¶97.

in their tax returns for 2012-2013 and for 2013-2014. These were claims for the payment to Dr Wright's companies of monies allegedly spent by them on R&D.

i. The 2012-2013 claims

41. On 7 October 2013, a company then known as Strasan Pty Ltd applied to AusIndustry to register a project named 'Sukuriputo okane' for the 2012-2013 period.³⁸⁷ It appears to have described the project as a software library for financial cryptography including a prototype server and high-level client API able to process Bitcoin transactions and markets.³⁸⁸ Further information was provided in a letter from Strasan Pty Ltd of the same date.³⁸⁹ The activities were registered by AusIndustry on 25 November 2013.³⁹⁰
42. On 25 February 2014 Strasan Pty Ltd changed its name to C01N Pty Ltd.³⁹¹ On 20 June 2014 it submitted its 2012/2013 tax return claiming notional deductions of AU\$4,938,338 and a refundable R&D tax offset of AU\$2,222,252.10.³⁹²
- a) C01N Pty Ltd alleged that it had incurred expenses of c. AU\$2m and received from Hotwire income of c. AU\$2.9m for materials provided by Professor David Rees,³⁹³ a distinguished academic based in the UK who died on 16 August 2013.³⁹⁴
- b) In addition, notional deductions were said principally to arise from payments allegedly made under an Infrastructure as a Service ("IaaS") contract to operate a supercomputer supposedly made with W&K Info Defense Research LLC.³⁹⁵

³⁸⁷ The application is referred to at {L11/354/10} at ¶39 and fn20.

³⁸⁸ {L11/354/10} at ¶39. According to the ATO much of the application was taken from internet sources without acknowledgment: {L11/354/11} ¶40.

³⁸⁹ {L8/258} (which is referred to at {L11/354/11} at ¶41. Again, according to the ATO much of the application was taken from internet sources without acknowledgment: {L11/354/11} at ¶40.

³⁹⁰ {L11/354/11} at ¶44.

³⁹¹ {L11/354/10} at ¶38.

³⁹² {L11/354/12} at ¶47 and at {L11/354/13} and {L11/354/9} respectively.

³⁹³ {L11/354/12} at ¶48.

³⁹⁴ The Royal Society's obituary of Professor Rees is at <https://royalsocietypublishing.org/doi/pdf/10.1098/rsbm.2015.0010>.

³⁹⁵ {L11/354/12} at ¶47.

43. On 8 May 2015 the ATO gave reasons for their decision to withhold the claimed refund.³⁹⁶ C01N Pty Ltd seems to have replied to those reasons on 26 May 2015 via Clayton Utz.³⁹⁷ On 11 March 2016,³⁹⁸ the ATO gave the final reasons for its decision to decline to recognise the expenses and revenue associated with Professor Rees and to deny C01N Pty Ltd the R&D offsets claimed. It imposed a penalty of AU\$1,908,206.09.³⁹⁹
44. So far as the late Professor Rees is concerned, C01N Pty Ltd alleged that it had made a payment to him by handing him the private keys to 7 Bitcoin Addresses.⁴⁰⁰ C01N Pty Ltd suggested that Professor Rees's wallet was 1LXc28hWx1t8np5sCAB2EaNFqPwqJCuERD⁴⁰¹ and produced a purported invoice from Professor Rees dated 30 June 2014 in the sum of £1,342,246.72 purportedly recording an “*Exchange and transfer by BTC*”.⁴⁰²
45. The ATO appears to have made contact with Professor Rees's daughters⁴⁰³ (two of whom are themselves distinguished professors of mathematics in the UK). Suffice it to say, the ATO record that his daughters had explained that in the last weeks of his life Professor Rees had been in no state to produce the invoice, that he never spoke of Bitcoin and his estate included no Bitcoin or equitable interests in Bitcoin.⁴⁰⁴ The Blockchain records transactions from the wallet which C01N Pty Ltd said belonged to Professor Rees even after his death.⁴⁰⁵

³⁹⁶ {L9/402}.

³⁹⁷ See {L9/422}, which is referred to at e.g. ¶168 of {L11/354/35}.

³⁹⁸ See {L11/354}.

³⁹⁹ See {L14/406/21} at ¶99.

⁴⁰⁰ See the response by C01N Pty Ltd at {L9/358/26}, referred to by the ATO at {L11/363/30-31} at ¶147. C01N Pty Ltd went on later to explain that the transaction included a total transfer to Professor Rees of BTC 34,512.919: see {L9/422/13}. This was no doubt to ensure that the figures corresponded with the Blockchain transaction on 13 August 2013 at <https://www.blockchain.com/explorer/transactions/btc/75c94043ee55375aecb9343ccee15e0e4d5b9e16190551e5a76396776c4aadb55>.

⁴⁰¹ See the response by C01N Pty Ltd at {L9/358/26}.

⁴⁰² See {L8/191} which is included in the C01N Pty Ltd document at {L9/358/37}, and referred to as a purported invoice at {L9/402/8} at ¶52. C01N Pty Ltd responded to this reference bristling at the suggestion that the document was not a real invoice: {L9/422/14}.

⁴⁰³ Contact appears to have been made both via HMRC and directly: see {L9/402/36} at fn 222. The documents referred to in that footnote have not been produced.

⁴⁰⁴ See {L11/354/36} at ¶172. See too {L11/354/42} at ¶230.

⁴⁰⁵ <https://www.blockchain.com/explorer/addresses/BTC/1LXc28hWx1t8np5sCAB2EaNFqPwqJCuERD>

46. As to the deductions in relation to the supposed contract with W&KID, the ATO identified a series of anomalies in the documents purporting to amount to the contract with W&KID.⁴⁰⁶ It also identified anomalies in relation to the purported provision of services.⁴⁰⁷ In particular, the ATO reported:

- a) Visiting C01N Pty Ltd's premises with two computer scientists for a demonstration of the supposed super-computer on 26 March 2015.
- b) The CPU details being inconsistent with those expected for the reported system.
- c) A script being run that displayed a file with 2015-03-25 (not 2015-03-26) in its name which purported to show the computer's technical and hardware information, which showed different data to a file with the same name, but the right date and aberrant information.⁴⁰⁸

The ATO accordingly concluded that C01N Pty Ltd did not have access to the purported supercomputer.⁴⁰⁹

47. So far as payment was concerned:

- a) KPMG on behalf of C01N Pty Ltd initially alleged that an English company C01N Ltd ("C01N UK") agreed on 7 January 2013⁴¹⁰ to pay W&KID in US dollars using a Liberty Reserve account in the name of Craig Wright R&D Trust.⁴¹¹ C01N Pty Limited suggested that the shares were acquired by C01N UK as trustee for the Tulip Trust.⁴¹²
- b) The ATO concluded that there were anomalies in that explanation, given that (from information supplied to HMRC in the UK by CFS, the company formation agent that had incorporated C01N UK), C01N UK had been a shelf company until it was purchased from CFS on 3 January 2014.⁴¹³ On 22 February 2014 Dr Wright lodged documents at Companies House giving the

⁴⁰⁶ See {L11/354/13} at ¶¶55-71.

⁴⁰⁷ See {L11/354/23} at ¶¶115-126.

⁴⁰⁸ See {L11/354/24} at ¶¶122 and {L11/354/45} at ¶224.2.

⁴⁰⁹ See {L11/354/46} at ¶¶225.

⁴¹⁰ On 7 January 2013 C01N UK had been known as Design by Human Ltd, changed its name to Moving Forward in Business Limited on 15 October 2013 and only changed its name to C01N Limited on 7 January 2014: see <https://find-and-update.company-information.service.gov.uk/company/08248988/filing-history?page=2> and {L11/354/19}.

⁴¹¹ See {L8/102} and letter from KPMG dated 13 August 2014 at {L9/145/3} and {L9/145/5}.

⁴¹² See {L9/422/7} at [27] and {L9/422/9} at [31d], referred to at {L11/354/18} at ¶83.5 and so apparently dating from 26 May 2015.

⁴¹³ See {L11/354/19} at ¶92.

impression that David Kleiman and Uyen Nguyen had been directors of C01N UK since 2012.⁴¹⁴ He has suggested that this was tidying up for an administrative error by David Kleiman.⁴¹⁵

- c) Moreover, the documents said to evidence the issue of shares by C01N Pty Ltd contained anomalies. C01N Pty Ltd relied upon an “Application for Shares” dated 8 January 2013 which purported to reflect an application by “C01N Ltd” for shares in “C01N Pty Ltd”.⁴¹⁶ However neither C01N Ltd (i.e. C01N UK) nor C01N Pty Ltd were known by those names on that date. C01N Ltd was known as Design by Human Limited and C01N Pty Ltd was known as Strasan Pty Ltd. C01N Pty Ltd seems to have suggested that it had been intended that those companies would change their name.⁴¹⁷

ii. The 2013-2014 claims

48. At the end of 2014, a number of companies associated with Dr Wright submitted their 2013-2014 tax returns claiming further substantial R&D tax offsets. From the documents produced in these proceedings, the following claims can be discerned:⁴¹⁸

Company	Deductions claimed	R&D Tax offset claimed
Interconnected Research Pty Ltd	AU\$838,899	AU\$377,550
Denariuz Pty Ltd	AU\$6,889,994	AU\$3,100,497
Integyrz Pty Ltd	AU\$964,599	AU\$434,070
Zuhl Pty Ltd	AU\$1,377,999	AU\$620,100
C01N Pty Ltd	AU\$11,023,991	AU\$4,921,944

49. In addition to making a substantial claim for an R&D Tax offset, C01N Pty Ltd also made a substantial deduction from its purported income for payments to Professor

⁴¹⁴ See <https://find-and-update.company-information.service.gov.uk/company/08248988/filing-history?page=2>. That these documents were lodged by Dr Wright is confirmed at {L13/456/16} bottom paragraph “... *Craig updates the UK company house site himself* ...”. That note also suggests that he had previously been requested of CFS in 2013, but no correspondence between Dr Wright and CFS in 2013 has been produced – and that explanation is inconsistent with the information apparently given by CFS to HMRC. The first email from him to CFS is dated 28 March 2014: see {L11/114}.

⁴¹⁵ {L13/456/16} bottom paragraph.

⁴¹⁶ {L11/354/21} at ¶100.

⁴¹⁷ {L13/456/18} comment against ¶106.

⁴¹⁸ There are likely also to have been claims by Pholus Pty Ltd, Coin-Exch Pty Ltd, Panoptcrypt Pty Ltd, Daso Pty Ltd, Cloudcroft Pty Ltd and Hotwire: see {L9/315/27}, suggesting that Bitcoin were paid by those companies in respect of Signia/High Secure. The materials relating to those companies have not been produced by Dr Wright.

Rees.⁴¹⁹ The ATO rejected that claim,⁴²⁰ essentially on the same basis that it had rejected the claim in the 2012-2013 period and described at paragraph 45 above.

50. The R&D Tax offsets were claimed by reference to notional deductions related to an alleged IaaS agreement said to have been made between Signia (also known as High Secured)⁴²¹ and DeMorgan.⁴²²

- a) That agreement has not been produced in these proceedings. Suffice it to say that the ATO identified anomalies in the document itself, which seemed to be an altered version of a different agreement with an unrelated technology company,⁴²³ which referred to a website that had never been registered.⁴²⁴ A representative for Dr Wright's entities sought to suggest that the website was not accessible because High Secured ran services on Private IP and Private domains. The ATO noted that the highsecured.com website was a public domain not private.⁴²⁵
- b) Dr Wright appears to have provided an invoice issued by High Secured to DeMorgan in a total sum of 60,000 Bitcoins for annual periods from 2013 to 2017.⁴²⁶ The ATO identified anomalies with the invoice, including that when the ATO visited on 1 April 2015 the invoices listed on the High Secured customer portal were denominated in US dollars and for small amounts,⁴²⁷ the invoices contained an inconsistent fax number and misspelt the processors supposedly made available.⁴²⁸ In addition, the QR code on the invoice⁴²⁹ linked to a different Bitcoin address to that shown.⁴³⁰

⁴¹⁹ {L9/382/15} at ¶60.

⁴²⁰ {L9/382/7} at ¶8.

⁴²¹ A suggestion is made at {L9/362/11} (final para) that Calvin Ayre had "*a relationship with*" High Secured. {L9/362/11} is cited by Dr Wright as part of the iDaemon Project, now called Unlimited, in which "thousands of patents have now been filed", Wright 11¶733, fn336 {CSW/1/137} and Wright 11¶756, fn352 {CSW/1/141}.

⁴²² {L9/382/17} at ¶72.

⁴²³ {L9/382/17} at ¶80.

⁴²⁴ {L9/382/18} at ¶87.

⁴²⁵ {L9/382/18} at ¶89.

⁴²⁶ {L8/119/9}.

⁴²⁷ {L9/382/23} at ¶130.

⁴²⁸ {L9/382/23} at ¶¶131-133.

⁴²⁹ {L8/119/9}.

⁴³⁰ {L9/382/24} at ¶136.

- c) The ATO's attempts to make contact with High Secured were not satisfactory.⁴³¹ Dr Wright appears to have provided inconsistent accounts of how the overall alleged price said to be payable to High Secured was to be split between his companies.⁴³²

51. Dr Wright's explanation as to the manner in which payment was made to High Secured was once again tied up with his assertion as to the foundation of the Tulip Trust in 2011, as to which see paragraph 80 above. He suggested that High Secured was paid by transfers between the following Bitcoin addresses (the links that he provided are given in the footnote):

- a) 1933phfhK3ZgFQNLGSDXvqCn32k2buXY8a (purportedly included in the Deed of Loan);⁴³³ to
- b) 15ihHoGs3onQBNnEH8afDFGvou9nD62Hm7 (for DeMorgan);⁴³⁴ to
- c) 1HR42TZ27gSAQUiLEyT7bVThqi5ZbadVie (for High Secured).⁴³⁵

52. On 25 May 2015 the ATO requested that evidence be provided establishing Dr Wright's control of the 1933 and 15ih address, as well as various other Bitcoin addresses from which the funds in the Tulip Trust were supposed to have been derived.⁴³⁶ The ATO provides an account of the varying excuses provided for Dr Wright's inability to provide that proof.⁴³⁷

- a) Amongst the documents that Dr Wright presented to support his control over the 1933 address was an affidavit dated 11 October 2013. In that affidavit, Dr Wright also purported to control an address known as 16cou. That address has subsequently been signed with the words "*Craig Wright is a liar and a fraud*".⁴³⁸
- b) As part of Dr Wright's excuses for failing to prove his control of addresses, the ATO was provided with an email purportedly sent to the ATO, but which

431 {L9/382/24} at ¶¶138-153.

432 {L9/382/27} at ¶¶159-161.

433 <https://blockchain.info/tx/80cd9ee58f25645efdc5bc53c2af7601dc7e01411c5ec40ce7c32bc5ea3dda41>.

434 <https://blockchain.info/tx/79a11206fd96a1813855df86305c5e9b8a31e6c0adf42b418d6157c4b9e71b63>.

435 See {L9/362/40 and 43}.

436 {L9/382/45} at ¶247 and {L9/417}.

437 {L9/382/46-47} at ¶¶248-261.

438 See {L17/382/46}.

it had never received. Indeed, it noted that entities controlled by Dr Wright had provided a series of emails that the ATO had not sent or received.⁴³⁹

53. Ultimately, the ATO rejected the R&D Tax Offsets sought by Dr Wright's companies.⁴⁴⁰ In due course, it proceeded to wind the companies up as described at paragraph 14 above.

⁴³⁹ See {L9/382/48} at ¶¶262-266.

⁴⁴⁰ See *e.g.* {L9/382/7}.