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UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW HAMPSHIRE

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UNITED STATES OF AMERICA		*
		*
		* No. 1:21-cr-00041-JL-01
v.		* December 7, 2022
		* 9:00 a.m.
		*
IAN FREEMAN,		*
		*
	Defendant.	*
		*
* * * * *		*

TRANSCRIPT OF DAY TWO OF JURY TRIAL - MORNING SESSION  
BEFORE THE HONORABLE JOSEPH N. LAPLANTE

APPEARANCES:

For the Government: Seth R. Aframe, AUSA  
Georgiana MacDonald, AUSA  
John J. Kennedy, AUSA  
United States Attorney's Office

For the Defendant: Mark L. Sisti, Esq.  
Sisti Law Offices

Court Reporter: Brenda K. Hancock, RMR, CRR  
Official Court Reporter  
United States District Court  
55 Pleasant Street  
Concord, NH 03301  
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I N D E X

WITNESS:                    DIRECT      CROSS      REDIRECT      RECROSS

ALEXANDRA COMOLLI

By Mr. Aframe                    5

E X H I B I T S

<u>Govt's</u>	<u>For ID.</u>	<u>In Evd.</u>
1202		30
1201		33
1203		35
1205 thru 1227		50
1204		100

1                                    P R O C E E D I N G S

2                    THE CLERK: All rise for the Honorable Court.

3                    THE COURT: Good morning, everybody. You can be  
4 seated.

5                    THE CLERK: Court is now in session and has before it  
6 for consideration jury trial in criminal case 21-cr-41-01-JL,  
7 United States versus Ian Freeman.

8                    THE COURT: Anything for the Court, Counsel?

9                    MR. SISTI: Nothing, your Honor.

10                   MR. AFRAME: Let's get the jury.

11                   THE COURT: Problem?

12                   UNIDENTIFIED SPEAKER IN THE GALLERY: No problem.  
13 He's asking me --

14                   THE COURT: No, no, you've got to put the mask on  
15 properly. The way you're wearing the mask is not the way you  
16 wear a mask. You've got to clamp it down. It's got to work as  
17 a mask.

18                   THE CLERK: Please rise for the jury.

19                                    (The jury entered the courtroom)

20                   THE CLERK: Please be seated.

21                   THE COURT: Good morning. Welcome back to court,  
22 members of the jury. First, a couple of questions. Have any  
23 of you had any conversations with anyone or received any  
24 information about this trial during the overnight recess? All  
25 negative answers. Okay.

1           Secondly, have any of you conducted any sort of  
2 independent research or investigation in any matter involved in  
3 this case during the overnight recess? All right. All  
4 negative answers.

5           I'll be asking you that every morning. A couple of  
6 reminders before we get started. We're going to start evidence  
7 today. So far you've heard no evidence. Evidence starts  
8 today. As I told you yesterday, it's very important that you  
9 don't engage in conversations with anyone in the courthouse.  
10 We want to prevent a mistrial, and if you ended up  
11 inadvertently having a conversation with a witness or one of  
12 the lawyers or anybody else it could cause a big disruption in  
13 the procedure, because, of course, your verdict will be  
14 returned based only on the evidence you hear in this courtroom,  
15 so it's very important.

16           Sometimes trials generate public interest, sometimes  
17 they don't. You never know what kind of trial is going to do  
18 it. Some do, some don't. And sometimes when trials generate  
19 public interest members of the public try to engage with the  
20 jury coming and going in the courthouse or in the hallways,  
21 things like that. You should be careful about it, and don't  
22 have any contact with anybody in your comings and goings. Just  
23 basically you want to get in here, up to the jury room; on your  
24 way out just head back to your transportation. All right.  
25 Everybody understand?



1 I want to remind members of the public in the gallery  
2 about that as well. I've instructed the jury not to have any  
3 contact with anybody during their comings and goings, and  
4 that's a very standard instruction, because, again, it's  
5 important that Mr. Freeman get a fair trial and that the  
6 verdict is based only on the evidence presented in this  
7 courtroom and not on any outside influences. So, I'm going to  
8 remind the members of the public who happen to be in the  
9 gallery not try to engage with any jurors as they come and go.  
10 All right?

11 Any problem with that instruction, Counsel?

12 MR. SISTI: None. Thank you.

13 THE COURT: All right. Prosecution?

14 MR. KENNEDY: No issues.

15 THE COURT: All right. Let's proceed.

16 MR. AFRAME: The United States calls Ali Comolli.

17 THE COURT: Just as a reminder to everyone, the  
18 witnesses and counsel examining witnesses aren't required to  
19 wear masks. They have tested every day.

20 **ALEXANDRA COMOLLI**, having been duly sworn by the  
21 Clerk, was examined and testified as follows:

22 THE CLERK: Please be seated. For the record, please  
23 state your name and spell your last name.

24 THE WITNESS: Yeah. My name is Alexandra,  
25 A-l-e-x-a-n-d-r-a, Comolli, C-o-m-o-l-l-i.



1 A. I was assigned to cyber money laundering, online drug  
2 trafficking but primarily crimes involving virtual currency  
3 specifically.

4 Q. Okay. And can you tell us more specifically about what  
5 you did involving virtual currency with the FBI?

6 A. Yeah. I was an analyst, so I worked directly alongside  
7 case agents and prosecutors to investigate crimes involving  
8 virtual currency. It sort of ran the gamut from case  
9 initiation, so targeting all the way through adjudication.

10 Q. And was there a name of the team that you worked for that  
11 worked on that?

12 A. At the time it was called the Virtual Currency Involving  
13 Threats Team.

14 Q. And how long did you work for that?

15 A. Gosh, probably -- I was a part of that group for probably  
16 around five or six years.

17 Q. Okay. And did you do any training and teaching?

18 A. Oh, I did quite a bit of training and teaching, yes.

19 Q. Was that about virtual currency?

20 A. Yes.

21 Q. And how about as an active investigator? Did you do any  
22 work with cryptocurrency?

23 A. Yes. I was also an online undercover for approximately  
24 five or six years.

25 Q. What does that mean "undercover"?

1 A. It basically means that in support of different  
2 investigations my job was to infiltrate online communities or  
3 to investigate money-laundering crimes in an undercover  
4 capacity.

5 Q. What would you do when you say that online? What does  
6 that mean?

7 A. Oh, only on the computer, never face-to-face, nothing like  
8 that.

9 Q. Okay. And did you do that in this case?

10 A. No, not at all.

11 Q. Okay. Just a question. What was your role in this case?

12 A. I was just an analyst.

13 Q. Okay. Meaning you looked at records?

14 A. Yeah, I looked at records.

15 Q. Okay. As an undercover, though, did you ever in that  
16 capacity as an undercover buyer, did you purchase bitcoin?

17 A. Yes, I did.

18 Q. And what were the ways as an undercover that you purchased  
19 bitcoin?

20 A. Well, I purchased bitcoin through a site called  
21 localbitcoins.com.

22 Q. And were there any other ways?

23 A. That was the primary way.

24 Q. Okay. And we're going to talk a lot about  
25 localbitcoins.com and records from that company, and we'll do



1 that in a few minutes. Before that, based on all of this work  
2 you did in the crypto, virtual currency area, do you have a  
3 basic understanding of how cryptocurrency transactions work?

4 A. Yes.

5 Q. I'm going to ask you just a series of questions just on  
6 the basics so we all sort of have an equal playing field as we  
7 start to talk about this topic. Okay?

8 A. Okay.

9 Q. And before I do that, let's even go back further, and  
10 let's define a term that's not virtual currency. Let's define  
11 the term "fiat currency." Can you just tell us what that word  
12 means?

13 A. Yeah. Fiat currency is basically just currency that's  
14 backed by a government, right? So, for example, like the U.S.  
15 dollar or the euro, you know, the Mexican peso, the Canadian  
16 dollar, which I imagine finds its way into New Hampshire  
17 sometimes.

18 Q. So, those are all examples of fiat currency?

19 A. Yes.

20 Q. All right. And let me ask you another sort of basic  
21 thing, which is about bank accounts. Do you have a bank  
22 account?

23 A. Yes.

24 Q. Have you had more than one bank account in your lifetime?

25 A. Yes.



1 Q. When you sign up for a bank account, what is that process?

2 A. Yes. So, you go into the bank, or at least when I did it  
3 you'd go into the bank, I don't know if you do that anymore,  
4 you go into the bank and you have to provide your  
5 identification, maybe some additional documents, but you have  
6 to basically show yourself to the bank so that they know who  
7 you are, and, you know, you may answer some questions about  
8 where the money is coming from.

9 Q. And are there different kinds of accounts: personal,  
10 business?

11 A. Yeah, yeah. Checking, savings, personal business, all  
12 that sort of stuff.

13 Q. Okay. So, again, this is going to seem silly that I'm  
14 going to do this, but I think it sets it up. Let's talk about  
15 the most basic kind of sort of fiat currency transaction, and  
16 let's use a simplistic hypothetical, which is, I have a used  
17 car, you're going to buy it from me.

18 A. All right.

19 Q. We're not going to use Zelle, we're not going to use  
20 Venmo, we're going to use a paper check.

21 A. Okay.

22 Q. You're going to write me a paper check for that car.

23 A. Yeah.

24 Q. Who is involved in that transaction?

25 A. Well, for starters, you and I, right? I wrote the check;

1 I'm giving you the check. But then also you have to get the  
2 money out of my account into yours, right? So, when you cash  
3 the check your bank will notify my bank and say -- and  
4 basically on the back end we have two banks also involved in  
5 that transaction.

6 Q. So, there's really four parties?

7 A. At least, yeah.

8 Q. Me, you --

9 A. And the banks.

10 Q. -- and the two banks?

11 A. Mm-hmm.

12 Q. What are the banks doing in that transaction that we just  
13 talked about?

14 A. Well, effectively they're debiting my account and  
15 crediting yours.

16 Q. All right. So, I got richer --

17 A. Yes.

18 Q. -- and you got poorer, because you got the car?

19 A. Well, I mean, I got the car, so, yeah.

20 Q. Okay. All right. And I think everyone in here  
21 understands that transaction.

22 A. Yeah.

23 Q. So, let's talk now about how we might do the same  
24 transaction in the virtual space.

25 A. Yeah.

1 Q. Now, there are many types of virtual currency, right?

2 A. Yes.

3 Q. And you've investigated this case for a while, right?

4 A. Yes.

5 Q. And what type of virtual currency does this case involve?

6 A. Bitcoin.

7 Q. All right. So, my questions are going to be about how  
8 bitcoin works, understanding there are some differences in the  
9 different kinds of virtual currency.

10 A. Sure.

11 Q. All right. So, let's use the same example, and now,  
12 instead of using a check, we're going to do that transaction  
13 through bitcoin, and I am going to -- you are going to pay me  
14 one bitcoin for my car, and, just so we have some  
15 understanding, like, do you have a sense today about what a  
16 bitcoin is worth in U.S. dollars?

17 A. Yeah. I believe it's about between \$16,800 and \$17,000  
18 today.

19 Q. So, I'm not following the used-car market that closely,  
20 but maybe that's approximately what a used car might be worth?

21 A. Sure.

22 Q. All right. So, what do we need to do to do that kind of  
23 virtual currency transaction? What do we need? How do we  
24 start, get that going?

25 A. Well, for starters we need something to be able to store

1 the currency, right? We need something to be able to actually  
2 facilitate the sending and receiving of the currency, so you  
3 need what's called a "wallet."

4 Q. Okay. And how do I get -- so we both need wallets?

5 A. Yes.

6 Q. How do we get our wallets?

7 A. So, in the same way that you keep cash in your wallet  
8 there is a way to store that cash. For virtual currency, like  
9 bitcoin, you have basically, like, maybe it's -- it's like a  
10 type of software. It's a way to store the wallet -- I'm  
11 sorry -- store the money.

12 Q. To store the bitcoin?

13 A. To store the bitcoin, yes.

14 Q. And where do I get the wallet, the bitcoin wallet, the  
15 software? What does that mean?

16 A. Yeah. So, it's just a computer program, basically, at the  
17 end of the day, but there's lots of different types of wallets.  
18 There are, you know, wallets that you can download onto your  
19 phone or on your computer. There are, you know, things called  
20 "hardware wallets." There's a lot of different -- there's  
21 web-based wallets. But, most importantly, it's just a way for  
22 you to store your bitcoin.

23 Q. All right. And so, let's assume we both get our wallets.

24 A. Yup.

25 Q. You have a bitcoin wallet, I have a bitcoin wallet, and



1 let's put aside the idea of how we actually got bitcoin into  
2 it. Let's say we're already in the bitcoin world.

3 A. Okay.

4 Q. So, your wallet has five bitcoin, and you're going to give  
5 me one of them.

6 A. Yup.

7 Q. What happens for you to send to me one bitcoin in exchange  
8 for that car?

9 A. Yeah. So, the wallet actually automatically will generate  
10 or in many cases will automatically generate what are called  
11 public and private keys, or you may have heard the public key  
12 referred to as an address. That's a really common term for it.  
13 You can think of an address as basically like a bank account  
14 number, right?

15 Q. What does it look like?

16 A. It's a long string of alphanumeric characters, so letters  
17 and numbers.

18 Q. And what's the private key?

19 A. So, in the same way that if I were going to, you know,  
20 send, transfer you money from my bank account, I would need a  
21 pin number or a signatory authority. The private key is the  
22 same thing for bitcoin. You can think of it kind of like  
23 a super strong pin number, basically. So, it also is a long  
24 string of letters and numbers.

25 Q. And you need that to do the transaction?



1 A. You need both of those. They are inextricably linked.  
2 There is some really fancy math that goes into that.

3 Q. Okay, which we don't really need to understand to talk  
4 about this, right?

5 A. No.

6 Q. All right. So, if you send me the bitcoin through your  
7 wallet to my wallet how many people or entities are involved in  
8 that transaction?

9 A. So, it's just you and me, really, is the main entities,  
10 yes.

11 Q. And how did that compare when we talked a minute ago about  
12 the check example? How many parties were involved in that?

13 A. I mean, well, we also had the banks in that one.

14 Q. All right. So, we have at least four, right?

15 A. At least four, yeah.

16 Q. And when we said, when we talked about the banks a second  
17 ago is essentially the banks kept score in a way, right?

18 A. Mm-hmm.

19 Q. They reduced your account, your bank reduced your account,  
20 my bank increased my account. There was a money move between  
21 us, so one account got lower, one account got higher, right?

22 A. Yup. Correct.

23 Q. Tell me, then, how do we keep score in the bitcoin  
24 currency world?

25 A. Yeah. So, that's done on the blockchain.

1 Q. Okay. So, it's done on the blockchain. So tell us in,  
2 again, layman's terms what that is?

3 A. So, basically in the same way that your bank keeps a  
4 ledger of your account's debts and credits, the blockchain is  
5 keeping that for everybody participating in bitcoin. It's a  
6 public, open ledger that's available to everyone.

7 Q. Okay. And how do I get to see it, if I wanted to?

8 A. Well, you could download a copy of it, or there are online  
9 sites that you can go to that maintain a copy of it and allow  
10 other members of the public to view it.

11 Q. And is it constantly being updated with new transactions?

12 A. Yes.

13 Q. And sort of how often, roughly? I know not exactly.

14 A. All the time.

15 Q. So, I don't want to talk about -- what did you say and  
16 address is, 32 letters and numbers?

17 A. I believe it's 26 to 35, I think, or 25 to 36.

18 Q. All right. Let's simplify. We don't want to do that. So  
19 we're going to call my wallet ABC1, and we're going to call  
20 your wallet ABC2.

21 A. Okay.

22 Q. Fair?

23 A. Mm-hmm.

24 Q. All right. What does it look like on the blockchain when  
25 you sent me one bitcoin for that car?

1 A. Yeah. So, on the blockchain it will show that my wallet,  
2 ABC2, sent money to ABC1. Now, there's no identifiers saying  
3 that it's me or that it's Mr. Aframe, it's you; but it's  
4 basically just saying ABC2 sent money to ABC1, and it will show  
5 the amount of bitcoin, the time, and then a bunch of other  
6 information about the transaction as well.

7 Q. Okay.

8 A. But the main features are those.

9 Q. All right. So, what you just said is the wallets or the  
10 addresses are identified?

11 A. Yes.

12 Q. The time is identified?

13 A. Mm-hmm.

14 Q. And the amount of bitcoin is identified?

15 A. Yes.

16 Q. And are people doing that? What's doing all of that work?

17 A. The sending?

18 Q. No. The sending is between you and I.

19 A. Right. Yeah.

20 Q. The verification process.

21 A. Oh, the verification process? So, that's all part of the  
22 bitcoin network, and so those are the people who are involved  
23 in bitcoin around the world that are basically -- they're doing  
24 the confirmation to make sure.

25 Q. But is it people on computers? I'm sorry.

1 A. Yeah, they are computers, computers run by people, yeah.

2 Q. So, there's no -- like, Bank of America has workers --

3 A. Right.

4 Q. -- who work at the bank.

5 A. Right.

6 Q. Blockchain. Is that people or computers?

7 A. There's not an entity called "blockchain" or "bitcoin,"  
8 no, like a business entity, no.

9 Q. All right. So, you said when you just gave that  
10 description that one of the things not on the blockchain is the  
11 identity of the participants beyond just ABCD1 and ABCD2?

12 A. Correct.

13 Q. Is that one of the interesting features of bitcoin?

14 A. It is. Bitcoin is what we call pseudoanonymous.

15 Q. All right. So, that term "pseudoanonymous," which I think  
16 came up yesterday in the opening, can you tell us what that  
17 means?

18 A. It basically just means that technically there is an  
19 identifier, like the ABCD1, that you can follow across the  
20 blockchain and see all their transactions, but there's no  
21 personally identifying information, so there's no name,  
22 address, Social Security number, things like that.

23 Q. So, if I wanted to take the time, you are ABC2, I think --

24 A. Yup.

25 Q. -- could I figure out every transaction ABC2 made?



1 A. Yes.

2 Q. So that's not anonymous at all, right?

3 A. No.

4 Q. What would you call that?

5 A. I'm not sure what I would call it.

6 Q. So, "pseudo" means what?

7 A. Fake.

8 Q. Or partly?

9 A. Yeah. Sorry. Yes.

10 Q. And "anonymous" means?

11 A. That means you can't figure out who it is, yeah.

12 Q. So, the part that we know is what the transactions were?

13 A. Yes.

14 Q. And what's the part we don't know?

15 A. Who did the transactions.

16 Q. Okay. And in the bank example would you call the bank  
17 transaction with the check, would you call that pseudo  
18 anonymous?

19 A. No.

20 Q. Why not?

21 A. Well, first of all, my name is on the top left-hand corner  
22 of the check, you are in the "To" section, the payee section of  
23 the check, and my bank account number is in it, and our banks  
24 know who we are.

25 Q. Okay. And so, as an investigator, if you wanted to --



1 let's say either I gave you a lemon or I gave you no car at all  
2 and you were trying to investigate that, what might be a step  
3 you would take as an investigator in the check example?

4 A. Well, I would file a complaint with the police, but I'd  
5 also go to my bank and let them know to, hey, see if we can get  
6 the transaction to be recovered.

7 Q. And would they be able to -- I think you just said they  
8 would be able to know who was involved.

9 A. Yes.

10 Q. In a bitcoin transaction what would happen in that same  
11 scenario that I just sketched out for you?

12 A. Well, I could technically still call the police, but  
13 there's no revocability for that transaction. I can't get that  
14 transaction back; there's no recovering it.

15 Q. And is that an important feature of bitcoin?

16 A. Yes. Once a transaction has been sent, it cannot be --  
17 like, the sender cannot pull it back.

18 Q. Okay. And would you in that transaction know -- so it  
19 would be anonymous and nonreversible?

20 A. Yes.

21 Q. All right. So, I think that's what we need to know about  
22 bitcoin.

23 A. Okay.

24 Q. So, the premise of my -- of all the things we've been  
25 talking about is I had bitcoin, and you had bitcoin, and we

1 were able to do a transaction because I had my wallet, and you  
2 had your wallet, and you sent me a bitcoin?

3 A. Mm-hmm.

4 Q. But that presumes something, which is that I already had  
5 bitcoin. And there has to be a starting point to get into  
6 something new, right?

7 A. Yes.

8 Q. All right. So, let's go back and say now, instead of that  
9 hypothetical, I want to get into bitcoin, and I don't have any.

10 A. Okay.

11 Q. How do I -- what are some of the methods that I could use  
12 to take my -- I do have dollars, so if I took my dollars and  
13 wanted to get some bitcoin, how would I start to go about that?

14 A. Yeah. So, one of the most common ways that people get  
15 access to bitcoin is through something called "exchanges." You  
16 may have heard of some of these, like Coinbase or Kraken,  
17 Gemini is another common one, but basically they are places  
18 where you can buy bitcoin using either other types of  
19 cryptocurrency, other types of virtual currency, or, more  
20 commonly, your U.S. dollars or, you know, euros, what have you.

21 Q. And when you go to one of those companies and sign up to  
22 make that trade for your dollars to turn them into some bitcoin  
23 what information do you have to provide those companies?

24 A. Well, the ones that are compliant, you have to provide  
25 your license or some sort of identity card, so maybe a

1 passport, something like that, your email address and other  
2 identifying information.

3 Q. Okay. So, that's one way; you can go to one of these  
4 exchange companies. What's another way you could try to change  
5 cash into bitcoin?

6 A. Well, you could go to a site like localbitcoins.com. We  
7 call those peer-to-peer trading platforms.

8 Q. And what does that mean?

9 A. Basically, you can kind of think of them like an online  
10 eBay or Craigslist type of thing. People who want to sell or  
11 buy bitcoin can go onto sites like -- to localbitcoins.com and  
12 post advertisements with their terms of the trade and, for  
13 example, what type of payment methods they want to accept,  
14 whether it be cash in the mail or wire transfers, ACH  
15 transfers, thing like that.

16 Q. And is LocalBitcoins a company that sort of makes that  
17 available to people?

18 A. Yes.

19 Q. Would you call it peer-to-peer?

20 A. Yes, peer-to-peer. So, it would basically be like --  
21 peer-to-peer just means from person to person.

22 Q. Okay. And we'll talk a little bit more about, actually a  
23 lot more about LocalBitcoins in a few minutes, and we'll  
24 actually see how it works with many examples. How about what's  
25 some other ways? What's another way?



1 A. Well, many times when -- or I shouldn't say many times,  
2 but times when people will be buying bitcoin on a site like  
3 localbitcoins, they may decide to go direct with a trader and  
4 go offline into maybe a chat site or an encrypted messaging  
5 app, for example, like Telegram or Signal.

6 Q. Would you just call that a private sale?

7 A. Yeah, private sale.

8 Q. And can you think of one other way through a machine?

9 A. Oh, yes. Sorry. Of course. There are also kiosks  
10 commonly referred to as bitcoin ATMs. They work very similarly  
11 to regular ATMs in many ways.

12 Q. Meaning what? I put in money and -

13 A. You put in money and you get bitcoin out.

14 Q. So, we just -- so just so I have it, we have -- tell me if  
15 I have this right -- we have cryptocurrency exchange companies,  
16 peer-to-peer sales through websites that have been created,  
17 private sales, and bitcoin kiosks or ATMs.

18 A. Yeah.

19 Q. All right. So, let's now talk about LocalBitcoins and the  
20 investigation that you worked on. So, as part of the  
21 investigation were you able to determine that Mr. Freeman did  
22 some selling of bitcoin on localbitcoins.com?

23 A. Yes.

24 Q. And can you tell me about that, what you know about that  
25 company, as in where it's located?

1 A. LocalBitcoins is a Finnish company.

2 Q. As in Finland?

3 A. As in Finland, yes.

4 Q. And were you able to obtain documents, business records  
5 from localbitcoins.com in Finland?

6 A. Yes, we were.

7 Q. And did you use legal process to get that?

8 A. Yes.

9 Q. And did they produce a lot of records?

10 A. They did.

11 Q. Okay. And so, what we're going to do now for quite a bit  
12 of time is go through the records that were obtained from  
13 localbitcoins.com and what they show.

14 A. Okay.

15 Q. All right. So, let's go back to the beginning. Let me  
16 just ask you about you. You said, as an FBI undercover, you  
17 have done work on localbitcoins.com, that is, been a buyer?

18 A. Yes.

19 Q. And have you ever been a seller?

20 A. No.

21 Q. All right. So, tell me the experience as a buyer when you  
22 do this. What do you see? What are you doing?

23 A. Yeah. So, first off, you register an account with  
24 LocalBitcoins, but, once you have your account, if you're  
25 looking to buy bitcoin you basically have the option of putting



1 in how much bitcoin that you want to sell -- or sorry -- that  
2 you want to purchase, and then you also can choose what payment  
3 methods you might be interested in. So, if I only have -- if I  
4 only want to be able to send a wire, I can set and look for  
5 offers from sellers that only accept wires, or wires are one of  
6 the options that they accept.

7 Q. Okay. So, the ads provide the information for the buyer?

8 A. Yeah. You basically can search for ads, depending on  
9 certain parameters.

10 Q. So, like Craigslist, if I want a red car, I could search  
11 for a red car?

12 A. Yeah.

13 Q. If I want to pay through a wire I can search that way?

14 A. Exactly.

15 Q. Okay. And then -- all right. So you've found the ad you  
16 like; this is the person I want to do the trade with. What do  
17 you do next to get that going?

18 A. Well, the first thing that I do is I read the terms of the  
19 trade, and so these are basically terms set by the seller.

20 Sometimes sellers want you to be able to fulfill your side of  
21 the transfer in a certain amount of time, so I'll look for  
22 that. I'll also look to make sure that or to see if they want  
23 any sort of pictures that they want sent, you know, pictures of  
24 me with a receipt or something, for example, or other terms  
25 that they might put in there.

1 Q. All right. Let's assume now you're happy, you like the  
2 terms; whatever the terms are you like them.

3 A. Okay.

4 Q. You haven't talked to anybody yet, right?

5 A. Right. No.

6 Q. How do you get this actually going to get -- to trade?

7 A. Yeah. So, I enter in the amount of money I want to trade,  
8 so whether that's in U.S. dollars or bitcoin, and then I hit  
9 "Start trade" --

10 Q. Okay. So, let's just --

11 A. -- or "Open trade," yeah.

12 Q. Let's just assume -- I think it's easier if we just use  
13 numbers -- you're going to buy \$1,000 of bitcoin using United  
14 States dollars.

15 A. Okay.

16 Q. All right. So, you just told me you found the trade, the  
17 advertisement you like.

18 A. Mm-hmm.

19 Q. You enter the thousand dollars, you say "Start trade." Do  
20 you get to engage in any way now with the seller?

21 A. Yeah. So, a chat box opens on the -- a chat box opens  
22 that allows you to communicate with the seller.

23 Q. Okay. And we'll see some of those, but you're able to  
24 talk back and forth?

25 A. Yes. Mm-hmm.

1 Q. And then at some point you have to get the thousand  
2 dollars to the seller, right?

3 A. Yes.

4 Q. And how is that done? Does LocalBitcoins do that, or is  
5 that done some other way?

6 A. No. So, when the trade is opened -- so LocalBitcoins  
7 basically acts as an escrow, and so they will effectively  
8 escrow the amount of coin from the seller's account so that the  
9 seller can't, you know, just make off with my money once I've  
10 transferred it to them. That's the first thing that happens.

11 Q. Let me just break that down and make sure everybody  
12 understands. So, "escrow" is a fancy word for "hold"?

13 A. Yeah.

14 Q. So, if I'm the seller and I had a pot of ten bitcoin, and  
15 you're going to buy, let's just say, one, what happens on the  
16 LocalBitcoins side of the thing, when you say you're going to  
17 buy one of my bitcoin?

18 A. From your account it's going to put -- it's going to put a  
19 hold, escrow, one bitcoin.

20 Q. And then what do you have to do as the buyer before you  
21 can actually get that bitcoin moved to your wallet?

22 A. I'll have to comply with your terms of the trade and  
23 actually send you money.

24 Q. Okay. And that's between me, the seller, and you, the  
25 buyer?

1 A. Yeah. So, that could be done through a bank transfer or  
2 gift cards or whatever.

3 Q. Okay. And once that's done, then what happens?

4 A. Well, I will complete my end of the trade, and the bitcoin  
5 will ultimately be released to me, into my wallet on  
6 LocalBitcoins, into my account.

7 Q. And is that the end of the transaction?

8 A. Yeah. Aside from the feedback, yes.

9 Q. So, tell me -- that's what I was going to ask you next.  
10 Is feedback an important thing on localbitcoins.com?

11 A. Very important.

12 THE COURT: Time out. I need both the counsel and the  
13 witness to slow down.

14 THE WITNESS: Oh, okay.

15 MR. AFRAME: Sorry.

16 THE COURT: The reporter is struggling a little bit  
17 here. Just take an effort to breathe a little bit more when  
18 we're questioning and testifying.

19 MR. AFRAME: Sure.

20 Q. So, we were just talking about feedback. So, before we  
21 talk about in the localbitcoins.com context tell me some other  
22 places where online feedback's a thing, just so we know what  
23 we're talking about.

24 A. Well, you see feedback on Amazon, for example, or on Uber.  
25 Feedback's very, very important for, you know, especially on



1 LocalBitcoins.

2 Q. And why is it so important on LocalBitcoins?

3 A. Well, because buyers often choose their sellers based on  
4 high feedback levels and vice versa. You don't want to deal  
5 with someone who's known for not good work.

6 Q. And is there some -- I mean, I guess that's true in  
7 everything --

8 A. Yeah.

9 Q. -- including taxi rides, but does it seem more significant  
10 in these kind of transactions?

11 A. Yeah. There's a lot of money involved.

12 Q. Okay. All right. So, I think we've set up now what  
13 LocalBitcoins is, so let me start to show you some of the  
14 records that we received, and what's going to happen is I'm  
15 going to show you the record, and you're going to see it right  
16 up on the screen next to you.

17 MR. AFRAME: So, if we could open to Government's  
18 Exhibit 1202. Is this on or off? Can we turn off the jury?

19 THE COURT: Can the jury see? Well, it's up on my  
20 screen, but it's not up on the screen behind the --

21 MR. AFRAME: Okay.

22 THE CLERK: It should be all set.

23 MR. AFRAME: Okay.

24 Q. Do you recognize Government's Exhibit 1202?

25 A. I do.

1 Q. And what is that?

2 THE COURT: Wait a minute, wait a minute. What, are  
3 you laying a foundation?

4 MR. AFRAME: Yeah. I'm trying to admit it.

5 THE COURT: Is there going to be an objection?

6 MR. SISTI: If I could have a moment, Judge.

7 (Pause)

8 MR. SISTI: Your Honor, you know, I'd like to move  
9 this along. We don't have an objection to that.

10 THE COURT: All right.

11 MR. AFRAME: Okay.

12 THE COURT: Okay. It's admitted. Let's show it to  
13 the jury.

14 MR. SISTI: Thank you.

15 MR. AFRAME: Thank you.

16 THE COURT: What's the number of the exhibit?

17 MR. AFRAME: 1202.

18 THE COURT: 1202 admitted.

19 (Government's Exhibit No. 1202 admitted into evidence)

20 Q. And what is this, Ms. Comolli?

21 A. This is one of the records we received back from  
22 LocalBitcoins. This is the customer data for the account user  
23 name FTL\_Ian.

24 Q. Okay. So, let's just go through this document. So, I see  
25 account username, and it says FTL\_Ian. Based on your use of

1 LocalBitcoins, what is the account username, and why is it  
2 important?

3 A. Yeah. So, the username -- people don't want to  
4 necessarily use their real names. The username is basically  
5 just a way for you to be identified online without necessarily  
6 having to use your full real name.

7 Q. And do people tend to not use their full real name?

8 A. Yeah, that's correct.

9 Q. Is the username the identifier that is basically always  
10 used on LocalBitcoins?

11 A. Yeah, yeah. The real name wouldn't pop up to a buyer  
12 unless provided by the seller.

13 Q. Okay. And so, but this is a document used to open the  
14 account, right?

15 A. Yes.

16 Q. So, does LocalBitcoins require the real name?

17 A. Yes, they did here.

18 Q. And what was the real name here?

19 A. Ian B. Freeman.

20 Q. And there's his date of birth. And then what's the postal  
21 address?

22 A. 63 Emerald Street, No. 610, 03431.

23 Q. Okay. And then was an email address required?

24 A. Yes.

25 Q. And what was that?

1 A. ian@freetalklive.com.

2 Q. And there's a series of phone numbers provided, right?

3 A. Yes.

4 Q. A phone number, and then it asks for old phone numbers,  
5 right?

6 A. Yeah. Well, it kept them in the account, yup.

7 Q. And then it says Creation Date. So, what is that?

8 A. That was the day that the account was registered on the  
9 site.

10 Q. And then -- and so when was that? Sorry.

11 A. That was February 25th, 2016.

12 Q. And then below that it says, Account Last Seen. What's  
13 the date for that?

14 A. June 3rd, 2020.

15 Q. What does that mean, Last Seen?

16 A. It was the last time the account had been logged into.

17 Q. Okay. And it says, Number of Advertisements?

18 A. It's 39, yes.

19 Q. And we'll talk about advertisements in a second. And then  
20 what's the bottom number, Number of Trades?

21 A. 3,946.

22 Q. Okay. So, that's the number of trades done by this  
23 particular account?

24 A. Correct.

25 Q. And if we scroll down on the document, what's that?



1 A. That's the driver's license provided to open the account.

2 Q. And whose driver's license is it?

3 A. Ian B. Freeman.

4 Q. Okay. All right. So, let's -- so we know there's an  
5 account FTL\_Ian associated with Ian B. Freeman?

6 A. Yes.

7 MR. AFRAME: All right. Let's now look at what's been  
8 marked as Government's Exhibit 1201, and I guess I'd ask the  
9 same question, if there's going to be an objection to it.

10 MR. SISTI: Just give me a moment.

11 MR. AFRAME: Can we pull it up on the screen without  
12 the jury seeing it so the defense can see it?

13 THE COURT: Sure. Usually we can do that.

14 MR. SISTI: We are just getting the face sheet.  
15 That's all, Judge.

16 (Pause)

17 MR. SISTI: That can be entered without objection,  
18 Judge.

19 THE COURT: It's admitted.

20 (Government's Exhibit No. 1201 admitted into evidence)

21 MR. AFRAME: Okay. I ask that we pull up for all of  
22 us Government's Exhibit 1201. And we see -- everyone should be  
23 looking at a chart.

24 Q. Correct?

25 A. (Witness nodded).

1 Q. And was this chart sort of compiled by my office?

2 A. Yes.

3 Q. And what was it based on?

4 A. It was based on the records provided by LocalBitcoins.

5 Q. And did you compare the records -- what's in this chart to  
6 the records provided by LocalBitcoins?

7 A. I did.

8 Q. And is it accurate?

9 A. Yes.

10 Q. All right. And did LocalBitcoins provide a whole bunch of  
11 other information?

12 A. They did.

13 Q. And this is a cleaner way to look at it?

14 A. Oh, absolutely.

15 Q. All right. Let's just talk about the columns very briefly  
16 so we know what we're looking at. Column A says Advertisement  
17 ID. What does that mean?

18 A. Yeah. So, this is an internal LocalBitcoins identifier  
19 for a specific advertisement.

20 Q. And who assigns that number?

21 A. LocalBitcoins.

22 Q. And then the next column, B, says Advertiser?

23 A. Yes.

24 Q. And what does that mean?

25 A. So, that's just the username that is advertising that

1 specific advertisement.

2 Q. Okay. And looking at Columns 2 through 22, is the  
3 username the same?

4 A. Yes.

5 Q. And what is that?

6 A. FTL\_Ian.

7 Q. And if we went down to 23 and 24, do we see a different  
8 username?

9 A. Yes.

10 Q. And what do we see there?

11 A. Bitcoin bombshell.

12 Q. All right. And just so we know what that is, let's just  
13 take a small detour. Do you object to 1203?

14 MR. SISTI: No objection, Judge.

15 THE COURT: 1203 admitted.

16 (Government's Exhibit No. 1203 admitted into evidence)

17 Q. And so, if we could just pull up 1203, this is -- what is  
18 this?

19 A. This is the customer information provided by LocalBitcoins  
20 for the account user name Bitcoinbombshell.

21 Q. Okay. And that's the one in the bottom two columns --  
22 bottom two rows, right, Bitcoinbombshell that we just looked  
23 at?

24 A. Yes.

25 Q. And, according to this, what's the real name associated

1 with that account?

2 A. Renee Katherine Spinella.

3 Q. And according to this just what town does Ms. Spinella  
4 live in?

5 A. Derry.

6 Q. And what email address is provided for that?

7 A. bitcoinbombshell727@gmail.com.

8 Q. And how many trades were done by this one?

9 A. 1,127.

10 Q. And when was this account last seen?

11 A. It was March 13th, 2021.

12 Q. And when was it opened?

13 A. April 26, 2016.

14 Q. Okay. All right. So, going back to our bigger chart at  
15 1201, we now know what Bitcoinbombshell is. And back to the  
16 top, because we just figured out what the columns are, Column C  
17 is what?

18 A. That's the date the advertisement was created.

19 Q. Okay. And the dates go chronologically?

20 A. Yes.

21 Q. And Date Updated?

22 A. That's the date that the advertisement was last updated.

23 Q. Okay. And then Trade Type.

24 A. So, these are -- when it says -- these are basically just  
25 whether or not the advertisement was to sell bitcoin or buy



1 bitcoin.

2 Q. Okay. And if we look from Columns 2 through 24, except  
3 for line 5, are they all the same?

4 A. Yes.

5 Q. And what are they all telling us?

6 A. That it's advertisements to sell bitcoin.

7 Q. And what's line 5?

8 A. It's an advertisement to purchase bitcoin.

9 Q. And then there's something called Price Equation in Column  
10 F, right?

11 A. Mm-hmm.

12 Q. And what is that telling us?

13 A. So, this is basically the way or one of the ways that you  
14 can set the exchange rate for bitcoin for a specific  
15 advertisement.

16 Q. Okay. So, just so we understand that, I'm going to just  
17 pick one and just use it as our way to talk about this. So,  
18 let's just use line 15.

19 A. Okay.

20 Q. And when you were talking a minute ago I asked you -- we  
21 were talking about the different ways you could obtain bitcoin  
22 if you didn't have any?

23 A. Mm-hmm.

24 Q. Do you remember that?

25 A. Yes.

1 Q. And the first way you said was large exchange companies?

2 A. Yeah, exchange companies.

3 Q. And you listed them, a few of them?

4 A. Yes.

5 Q. And one of the ones I think you said was Kraken, right?

6 A. Yes.

7 Q. And I see Kraken again here, don't I?

8 A. Yes.

9 Q. All right. So, with that background, can you explain to  
10 me how does this set the price for the FTL\_Ian advertisement  
11 referenced there?

12 A. Sure. So that first -- anything to the left of the  
13 asterisk there is basically representing the 24-hour moving  
14 average for the price of bitcoin on the exchange Kraken, and  
15 anything to the right is what it will be multiplied by. So,  
16 here what we have, it represents a 14-percent markup on the  
17 price of bitcoin at Kraken for the last 24 hours.

18 Q. And just so everyone understands that, so I see Kraken, an  
19 asterisk and then I see a 1, right?

20 A. Mm-hmm.

21 Q. And what does the 1 mean?

22 A. It just represents the price of bitcoin at Kraken.

23 Q. And then the .14 would be what?

24 A. That's the markup.

25 Q. Okay. So, that one would have a 14-percent markup?

1 A. Correct.

2 Q. And there's different numbers after the decimal, but they  
3 all have a 1, right?

4 A. Yes.

5 Q. And then there's a number after the decimal?

6 A. Yes.

7 Q. And that's the percent markup?

8 A. Yes.

9 Q. So, let's look at the buy, just to make a comparison. So,  
10 that sale on line 15 had a 14-percent markup, right?

11 A. Mm-hmm.

12 Q. What about the buy at line 5?

13 A. That has a 1-percent markdown.

14 Q. Meaning what? Because remember here now the person wants,  
15 FTL\_Ian wants to buy bitcoin, right?

16 A. Yup.

17 Q. And so, what is that telling the potential seller?

18 A. That he will accept basically 1 percent less on the price  
19 of bitcoin.

20 Q. So, he'll pay a 1 percent commission? Is that a fair way  
21 to say it?

22 A. Yeah, he'll pay the 1 percent. Yeah.

23 Q. And the next columns talk about a minimum amount and a  
24 maximum amount. A, G and H, what are those telling us?

25 A. Yeah. So, that's just the range of the trade that the

1 user is willing to accept.

2 Q. Okay. And that seems self-explanatory. And then I, I see  
3 three different -- it says Payment Methods?

4 A. Mm-hmm.

5 Q. The most common one I see is cash deposit. So, what does  
6 that mean?

7 A. A cash deposit just means that you take cash; you go into  
8 a bank or to an ATM, and you can deposit cash into the user's  
9 account.

10 Q. So, that's lines 2 through 16, and then 17 and 18 say  
11 National Bank Transfer. What is that?

12 A. Those are wire transfers within the United States.

13 Q. Okay. And just to make sure everyone understands, what's  
14 a wire?

15 A. It's a transaction between bank accounts that's secured.  
16 Yeah.

17 Q. And 22 and 23 say International Wire SWIFT. What is that?

18 A. Same type of thing as a national bank transfer, except  
19 instead of within the United States it's between international  
20 bank accounts.

21 Q. Okay. And the final column says Terms of Trade, and here  
22 all the other text is black, and this text is blue. Why is  
23 this text blue?

24 A. Because it links to a PDF containing the terms of the  
25 trade.



1 Q. And were those just copy and pasted from the information  
2 LocalBitcoins provided?

3 A. Yes.

4 Q. Okay. So, let's just look at, we'll just pick one to  
5 start, column -- sorry -- Row 3. If we could open the Terms of  
6 Trade.

7 And so, we won't look at all of these in the same  
8 detail, but we'll look at the first one in pretty good, close  
9 detail so we understand. It says, Please read the full terms  
10 below before opening a trade, and it gives some instructions  
11 about going to a credit union to do the transaction, correct?

12 A. Yes.

13 Q. And if we go down a little bit further it says, Please  
14 initiate a trade, and I'll provide you with account information  
15 for the deposit. Right?

16 A. Yes.

17 Q. And just so I know what we're talking about, these are the  
18 instructions from FTL\_Ian to potential buyers?

19 A. Yes.

20 Q. Where do I see this as -- you're my buyer. Where do I see  
21 this on the sort of website platform that I'm looking at?

22 A. So, the first time you'd see it is after you've clicked on  
23 an advertisement; it would pop up with this information.

24 Q. Okay. Important for quick release. It says: Do not  
25 deposit anything besides cash. Always use a unique deposit

1 amount when you open a trade. For example, instead of 500 make  
2 it 502 or something. That makes it easier to find your  
3 transaction and quickly release the bitcoin. Is time something  
4 everyone is concerned with in these transactions?

5 A. Yes. Generally speaking, yes.

6 Q. Then it says: At the teller you will need to go into the  
7 bank and deposit with a human teller, get a receipt. Many  
8 credit unions require you show ID, so be sure to bring your ID.

9 Did I read that right?

10 A. Yes.

11 Q. All right. So, that's at the teller, right?

12 A. Mm-hmm.

13 Q. And then the next one says, Afterwards, like after the  
14 teller --

15 A. Mm-hmm.

16 Q. -- write across the receipt with a pen, For bitcoin, no  
17 refunds, take a clear photo of the entire receipt, scans are  
18 not acceptable, and send it to me for verification of the  
19 deposit. Do not throw away the receipt in case I need to reask  
20 you to photograph it.

21 Did I read that right?

22 A. In case I need to ask you to rephotograph it, yes.

23 Q. Yes. Based on your experience on the site, why is it  
24 important to get this copy of the receipt?

25 A. Well, it confirms that the funds were actually transferred

1 to the seller. So you don't want to complete the trade and not  
2 have the funds in your account; otherwise you have no recourse,  
3 really.

4 Q. And why is that, based on the key features of Bitcoin we  
5 talked about some time ago now?

6 A. Well, the funds are irrevocable. Now, granted, you could  
7 take issue with LocalBitcoins and file a complaint, but other  
8 than that you really have no recourse.

9 Q. And then it says, Finally, mark your payment as complete.  
10 And when it says, Mark it, where does it mean to mark it? Is  
11 that on LocalBitcoins?

12 A. On LocalBitcoins, yes.

13 Q. And it says, Please do not mark your payment as complete  
14 until you have submitted your receipt photo. So long as you've  
15 used a unique deposit amount it should be easy to find your  
16 deposit, and I'll quickly release the coin.

17 And is that a reference back to the 500 versus 502  
18 that we looked at a second ago?

19 A. Yes.

20 Q. All right. And then there's a disclaimer, and that  
21 disclaimer says: What you do with your bitcoin is your  
22 business. Don't tell me what your plans are.

23 Did I read that correctly?

24 A. Yes.

25 Q. If you do, I reserve the right to refuse the sale.

1                   Did I read that correctly?

2     A.    Yes.

3     Q.    Further, you certify that you are the one both buying and  
4    receiving the bitcoin.

5     A.    Yes.

6     Q.    Did I read the disclaimer correctly?

7     A.    You did.

8     Q.    And it says: About me, which would be about FTL\_Ian to  
9    the buyer, right?

10    A.    Yes.

11    Q.    I am the administrator of Shire BTC, the Shire Free  
12    Church's outreach program dedicated to spreading Bitcoin in  
13    furtherance of our message -- mission, excuse me, to foster  
14    peace. You are buying the church's bitcoin, and we respect  
15    your privacy. All USD and BTC earned is reinvested in the  
16    church's mission. Thanks for being part of it. See my user  
17    profile for more information about our mission.

18                   Did I read that correctly?

19    A.    Yeah.

20    Q.    Okay. So, let's go back out, and I am not going to show  
21    you each and every terms of the trade. The jury will have them  
22    and they could look at them if they so choose, but I do have a  
23    question. Have you reviewed each and every single one of those  
24    trades?

25    A.    Yes.



1 Q. And was the disclaimer, What you do with your bitcoin is  
2 your business, don't tell me what your plans are, was that in  
3 each and every one of the trade advertisements?

4 A. It was.

5 Q. Okay. I do want to point out a couple of other ones just  
6 to show how other aspects did change somewhat over time. So, I  
7 want to show you trade number 6. Sorry. Line -- yeah. Column  
8 Number 6, and open that term of trade.

9 So, different than the first one now, what does -- on  
10 the second paragraph: Due to fraud I may request ID, phone,  
11 additional photos or other verifying information from you at  
12 any point during the trade. If that is a problem you will need  
13 to find another seller. Did I read that right?

14 A. You did.

15 Q. Okay. And if we go down further to, Afterwards, some  
16 additional information has been added here. It says: Take a  
17 clear photo of the entire receipt showing all four corners, and  
18 then that was the same, but if we start from, Depending on my  
19 trading history with you, I may ask you to write more and take  
20 more photos of the receipt and/or the receipt with you in it.

21 Did I read that right?

22 A. You did.

23 Q. So, is that asking, basically, for what we say in common  
24 parlance as a selfie --

25 A. Yeah.

1 Q. -- of you with the receipt? Okay.

2 And the disclaimer's there, and that's the same,  
3 right?

4 A. Yes.

5 Q. So, while the selfie is required --

6 A. Sorry. It did have an additional line there, I believe,  
7 the, Further you certify that you are the one both buying and  
8 receiving the bitcoin.

9 Q. I think that was in the last one as well.

10 A. Oh, I apologize.

11 Q. In any event, What you do with your bitcoin is your  
12 business, don't tell me what your plans are, that's in this one  
13 as well?

14 A. Yes.

15 Q. So, whatever these pictures have to do with, they don't  
16 have to do with that; that remained the same?

17 A. Right.

18 Q. And now -- so that was 6. Let me show you 8. Again, if  
19 we go down, again we're talking, if we see the Afterwards part  
20 of this we see -- I'm going to draw your attention to the  
21 first -- to the fourth paragraph of that Afterwards part. Due  
22 to fraud, I've had to tighten up security, especially regarding  
23 new traders. Depending on our trading history, I may call the  
24 branch and verify your honesty and deposit status before I  
25 release the coins. Sorry for any inconvenience, but if you are

1 newer here you'll have to jump some extra hoops. Please be  
2 patient. My reputation is stellar. If you do as instructed,  
3 you will get the coins.

4 And so, what's the concern here about the money?

5 A. Well, part of the concern is that he wants to make sure  
6 that he gets the money from the buyer.

7 Q. And when you say "money," what kind of money do we mean  
8 here?

9 A. Fiat currency, U.S. dollars.

10 Q. And is the disclaimer that we see right below that exactly  
11 the same?

12 A. Yes.

13 Q. What you do with your bitcoin is your business. Don't  
14 tell me what your plans are?

15 A. Yes.

16 Q. Okay. And I'm just going to show you one more, which is  
17 number 17.

18 MR. AFRAME: And this is, if we go down -- so --  
19 actually go up a little. I'm sorry.

20 Q. So, the other ones we've looked at so far have all been  
21 for what kind of payment method?

22 A. Cash deposits.

23 Q. Okay. And this one is different because this one is for?

24 A. Domestic wire transfers.

25 Q. Okay. And so, this says: This trade is for a domestic

1 wire transfer. Please complete the wire yourself. The name  
2 and your bank account must match the name on your U.S.  
3 Government ID. Third-party wire transfers are not allowed. If  
4 doing a wire transfer from your business account, you must be  
5 the signer of the account. Please be prepared to provide a  
6 copy of your business license or articles of incorporation as  
7 well.

8 And it provides then some instructions below, and it  
9 says: Open a trade and provide a photo of your government ID  
10 with all four corners as well as a photo showing your face with  
11 you holding a written note -- a handwritten note with this  
12 written on it, quote: I certify that I am buying Bitcoins via  
13 wire transfer from the Church of the Invisible Hand and Ian  
14 Freeman via localbitcoins.com, and put your date, your  
15 signature and your cell phone or landline number.

16 Did I read that correctly?

17 A. Yes.

18 Q. And then it says: The phone number must be registered in  
19 your name or that of a direct relative. I will be checking and  
20 calling to verify.

21 Did I read that correctly?

22 A. Mm-hmm.

23 Q. And then below there's more what has to be written on the  
24 wire confirmation slip, and I'll just read one of these: I,  
25 blank, authorized and completed a wire transfer in the amount



1 of, blank, USD for the purchase of bitcoin from FTL\_Ian on  
2 localbitcoins.com. I understand that this transaction is  
3 non-refundable. Please write your user -- and then it asks to  
4 write the username and reference number on the receipt.

5 Did I read that correctly?

6 A. Yes, in substance.

7 Q. And then does it ask for the sending of a selfie holding  
8 that confirmation slip?

9 A. Yes.

10 Q. And if we go down further, now it's not called a  
11 disclaimer, but it says: Important: What you do with your  
12 bitcoin is your business. Do not tell me what your plans are.

13 A. Yes.

14 Q. So, there are a lot of other procedures we just talked  
15 about, right?

16 A. Yes.

17 Q. But did that line remain the same?

18 A. Yes.

19 MR. AFRAME: Okay. All right. So, what I'd actually  
20 ask to do now, Judge, is we're going to introduce a series of  
21 actual LocalBitcoin chats, and we've made binders for the jury  
22 so they can read along, it will be easier for them, so I'd like  
23 to distribute those now.

24 THE COURT: Please.

25 MR. AFRAME: Mr. Sisti, are you going to object to the

1 chats themselves?

2 MR. SISTI: If I could just see one of the binders?

3 MR. AFRAME: Yeah.

4 MR. SISTI: Thank you.

5 (Pause)

6 MR. SISTI: Your Honor, again to move things along,  
7 we'll have no objection with regard to this.

8 THE COURT: All right. So, what exhibit numbers are  
9 proffered -- offered?

10 MR. AFRAME: 1205, 1208, 1206 and then 1207 through  
11 1227.

12 THE COURT: Mr. Sisti, can I construe your lack of  
13 objection to the binders being used as basically an agreement  
14 that the exhibits contained in the binder are admissible?

15 MR. SISTI: I want them to be admissible, your Honor.

16 THE COURT: All right. So, all the exhibits in the  
17 binder, Kellie, are admitted.

18 THE CLERK: Yes, your Honor.

19 (Exhibit Nos. 1205 through 1227 admitted into evidence)

20 THE COURT: Thank you, Counsel.

21 MR. AFRAME: Everyone have one? So, what I'd ask you  
22 to do in your binders is open to 1205. There's other material  
23 in there that we'll come back to later, but we're going to  
24 start with 1205.

25 MR. SISTI: Your Honor, just for clarification, my

1 understanding is that the ones I'm agreeing to are the 1200  
2 series?

3 MR. AFRAME: Yes.

4 MR. SISTI: Okay. I just want to be clear.

5 THE COURT: Sorry. I didn't hear you.

6 MR. SISTI: There are other series in that binder.

7 THE COURT: That's what I was asking you a minute ago.

8 MR. SISTI: Oh, okay. The 1200 series that he  
9 referred to I have no problem.

10 THE COURT: All right. But that's all your --

11 MR. SISTI: Correct.

12 THE COURT: Okay. So, Kellie, in the binder only the  
13 1200 series are admitted.

14 THE CLERK: Yes, your Honor.

15 THE COURT: Thanks for that clarification, Counsel.

16 MR. SISTI: Thank you.

17 Q. Okay. And so, Ms. Comolli, we're going to go through  
18 these series of LocalBitcoin chats now to really get a flavor  
19 of how the FTL\_Ian username operated. Okay?

20 A. Okay.

21 Q. All right. So, the way that I want to do that is we've  
22 marked certain of the LocalBitcoin chats. You explained to the  
23 jury that chat function earlier. Where did we get these from?

24 A. These are from the records provided by LocalBitcoins.

25 Q. And what was the date range that localbitcoins.com

1 provided records?

2 A. I believe it was 2019 to approximately October 2021.

3 Q. So, was it the end of 2019?

4 A. Yes.

5 Q. All right. So, here's how I want to do this: I'm going  
6 to play the role of the buyer.

7 A. Okay.

8 Q. And you're going to play the role of FTL\_Ian, okay?

9 A. Okay.

10 Q. So, you see it up on the screen in front of you?

11 A. Not yet.

12 MR. AFRAME: Can we pull up, Christina or Caryn, 1205?

13 A. Yes, I see it.

14 MR. AFRAME: Okay. And so, jurors can either look on  
15 the screen or in the book, as they prefer, as we do this.

16 (CHATS AS READ BY MR. AFRAME AND THE WITNESS):

17 Q. And so, the first one is on December 9, 2019, and the  
18 username is ESchwartz891.

19 "Hello."

20 A. "Hello. You have good feedback, so I will waive some of  
21 my newbie requirements."

22 THE COURT: You've got to read slower. Reading just  
23 goes faster than speaking, so we have got to make an effort.  
24 But at least the reporter -- can you see that exhibit, too?

25 THE COURT REPORTER: I can.



1 THE COURT: All right. That will be helpful.

2 Go ahead.

3 THE WITNESS: Would you like me to start over?

4 THE COURT REPORTER: Yes, please.

5 A. "Hello. You have good feedback, so I will waive some of  
6 my newbie requirements, but since you are new to me, I need you  
7 to send me two photos, please: 1. One close-up of your  
8 government ID. 2. One including your face and you holding a  
9 piece of paper with these words on it: 'I certify that I am  
10 buying bitcoins from FTL\_Ian and the Shire Free Church.' Also  
11 include today's date and your signature."

12 Q. "I already opened trade with you before for 9,000. Are  
13 you a rebot?"

14 A. "Sorry, have a ton of open trades and lost track. I see  
15 your ID on the other trade. Did you need \$18,000 total?"

16 Q. "Yes. I am depositing 9,000 now in BOA."

17 A. If you need over \$10,000 I cannot help you from BOA. I  
18 can give you locations for credit unions that can accept over  
19 \$10,000. We must do it all at once, please."

20 Q. "If you split" -- that's you. Sorry.

21 A. "If you split deposits to avoid the 10K reporting  
22 requirement, the bank will likely fill out a Suspicious  
23 Activity Report on you and me, and that can lead to criminal  
24 charges of structuring.

25 "Please give me your zip code, and I will get you a

1 list of nearby locations for credit unions where you can do all  
2 \$18,000 at once. Okay?"

3 Q. "No, don't worry. Let me deposit the 9,000 first. Then  
4 we can start the trade. You get?"

5 A. "Eric, I'm sorry, but I cannot risk a SAR being filed.  
6 Please we need to do this all in one trade. I will open up my  
7 credit union limit to take the amount you want to deposit.  
8 Please do not try to avoid the cash transaction recording  
9 requirement. This could trigger a federal investigation for  
10 structuring."

11 Q. "I have cancelled this trade. I only deposited 9K."

12 So, you've testified that you were a government  
13 investigator before you became a prosecutor, right?

14 A. An analyst, yes.

15 Q. An analyst. Sorry. Were you familiar with Suspicious  
16 Activity Reports that FTL\_Ian is talking about there?

17 A. I'm familiar with, yes, with Suspicious Activity Reports,  
18 yes.

19 Q. And, generally speaking, what are they?

20 A. They are commonly referred to as "SARs." They are  
21 required by the Bank Secrecy Act for financial institutions  
22 like money transmitters to file.

23 Q. And when are they supposed to file them?

24 A. When?

25 Q. When?

1 A. Within 30 days.

2 Q. And under what circumstances?

3 A. Oh, when there's suspected fraud or money laundering  
4 occurring.

5 Q. And what's a Cash Transaction Report?

6 A. I believe what the user is referring to there is a  
7 Currency Transaction Report. It's commonly referred to as a  
8 CTR. It basically means -- it's a requirement, again under the  
9 Bank Secrecy Act, where the entity such as a money transmitter  
10 has to file a report for when there's over \$10,000 cash  
11 transacted over a period of 24 hours.

12 Q. Okay. And so, if we look at 1205A, that's four days after  
13 the one we just read, but it's the same username, right?

14 A. Yes.

15 Q. So, it starts: "Hello."

16 And so, I'm going to say this right now. So, we're  
17 going to see what we see in this box here many, many times as  
18 we do this process; so to save time, when we see a box that  
19 looks just like this, I'm going to ask you to tell me the bank  
20 name, the account name, the type of account and the reason for  
21 the deposit, but the preamble words you can omit.

22 A. Okay.

23 Q. Okay?

24 A. All right.

25 Q. So: "Hello."

1 A. "Bank Name: Bank of America. Account Name: Route 101  
2 Goods LLC, Account Type: Business checking. Your reason for  
3 deposit, if asked: Purchase of rare coins."

4 Q. And before we continue reading, there was a reason for  
5 deposit provided there. Have we had any information from  
6 ESchwartz about why ESchwartz wants to buy bitcoin?

7 A. No.

8 Q. All right.

9 "Bro, can I open another 9,000 trade; I will deposit  
10 it with two separate BOA 9K each," question mark.

11 A. "I cannot be seen as trying to avoid a Cash Transaction  
12 Report, sorry. That is a crime called 'structuring.' You need  
13 \$18,000 total?"

14 Q. "Oh, so you only accept 9K, right? Yes, bit (sic) I  
15 cannot do a wire transfer. I have cash."

16 A. "Let me check with my account partners. Why did you mark  
17 complete?"

18 Q. "I already made payment."

19 A. "Oh, darn. They approved the full amount as one deposit.  
20 Sorry. It took me a few to get ahold of them.

21 "Also, please do not mark complete until you have  
22 uploaded both required receipt photos per my terms. If it  
23 takes you too long I will request you restart the trade before  
24 I release the coins, as my release times are being harmed as I  
25 wait for you to upload. The proper order is: make the



1 deposit, upload the photos, then mark complete. Then it is  
2 fair to me on the release time score."

3 Q. "Am sorry, but, bro, this is not the first time trading  
4 with you. I am depositing another trader's money. I will send  
5 you receipt soon and only deposited 9K -- and I only deposited  
6 9K, bro. Am very sorry. Send all receipt now."

7 A. "Go ahead and restart the trade and post the receipt  
8 photos there. Thank you. Please cancel this trade. Thank  
9 you."

10 Q. So, a couple of questions. Just, there was a discussion  
11 about an account partner. Did you see that at 20:36:38?

12 A. Yes.

13 Q. And who is the account name?

14 A. Route 101 Local Goods LLC.

15 Q. And that's not Mr. Freeman, right?

16 A. No.

17 Q. And that's not Shire Free Church, right?

18 A. No.

19 Q. And then at 21:01:34 there was a discussion of some other  
20 person's money being used, right?

21 A. By ESchwartz, yes.

22 Q. By ESchwartz. Were any questions asked about that new  
23 information that was provided by -- did FTL\_Ian ask any  
24 questions about that new information being provided?

25 A. No.

1 Q. So, let's turn to 1206. And the user name is loveshotz,  
2 and this conversation, which will go on for a little while  
3 here, began on 12/9/2019.

4 "Hello. We have done business before, and it was  
5 great. I am looking forward to deal with you today."

6 A. "Sorry, but I don't see you on my list of clients. I'll  
7 need you to verify as follows. Thank you:

8 "Hello. You have good feedback so I will waive some  
9 of my newbie requirements, but since you are new to me, I need  
10 you to send me two photos, please: 1. One close-up of your  
11 government ID. 2. One including your face and you holding a  
12 piece of paper with these words on it: 'I certify that I am  
13 buying bitcoins from FTL\_Ian and the Shire Free Church.' Also  
14 include today's date and your signature."

15 Q. "I am currently offshore, and I have asked my in-law to  
16 make the deposit. Is it okay?"

17 A. "If you are having an agent deposit on your behalf, I'll  
18 need ID verification from you first, then your agent. We'll  
19 start with you, then I'll describe the photos I need from your  
20 agent. You can also just have the agent contact me directly.  
21 I need you to send me two photos, please: 1. One close-up of  
22 your government ID. 2. One including your face and you  
23 holding a piece of paper with these words on it: I certify  
24 that I am buying Bitcoins from FTL\_Ian and the Shire Free  
25 Church. Also include today's date and your signature."

1 Q. So, just so we understand, before I go on, this whole  
2 agent concept, in an agent transaction who is sending the money  
3 to FTL\_Ian?

4 A. The agent.

5 Q. And then where is the bitcoin going?

6 A. Well, in this case loveshotz, the person talking about the  
7 trade with him.

8 Q. Okay. And as we go on, I think that will become even  
9 clearer. All right. Let's continue.

10 Loveshotz: "Sorry. I mistakingly (sic) canceled. I  
11 opened up the trade again."

12 And then what do we see at that 12/9/2019, what do you  
13 see there with the red line?

14 A. I need them to move the --

15 Q. Sorry. We need to move -- yeah, sorry.

16 A. Thank you. That is a picture of a Nigerian passport.

17 Q. And can you read the name of the person?

18 A. It's "Onweazu Okafor Chiedu."

19 Q. And continuing on: "Here is my ID."

20 And then what do you see next?

21 A. I see a Nevada driver's license in the name of Mary Hurd.

22 Q. And how old is or what's Ms. Hurd's date of birth?

23 A. She was born in 1945.

24 Q. "Here is the depositor ID. Please advise if the trade can  
25 be opened so that I can continue with payment immediately."

1 A. "Okay. I still need this photo of you: One including  
2 your face and you holding a piece of paper with these words on  
3 it: 'I certify that I am buying bitcoins from FTL\_Ian and the  
4 Shire Free Church.' Also include today's date and your  
5 signature."

6 Q. "Okay."

7 And then on the next page what do we see?

8 A. We see a picture of what looks like Mr. Chiedu and those  
9 words written on the piece of paper with the date and his  
10 signature.

11 Q. If you actually look closely at it, I'm going to read it  
12 out loud to you, and tell me if I read it right.

13 "'I certify that I am buying bitcoin from FTL\_Ian and  
14 the Shire Free Church.' Also include today's date and your" --  
15 and then there's a line through "today's date and your."

16 Did we see those exact words?

17 A. We did.

18 Q. And where did we see that?

19 A. In the chat from Mr. Freeman.

20 Q. So, this guy was taking it pretty literally, right?

21 A. Absolutely.

22 Q. "All right. Please advise on payment details."

23 A. "I need you to send me one photo for your agent, please:  
24 One including your agent's face and your agent holding a piece  
25 of paper with these words written on it: 'I certify that I am



1 buying bitcoins from FTL\_Ian and the Shire Free Church on  
2 behalf of Onweazu Okafor Chiedu,' today's date and your agent's  
3 signature."

4 Q. Okay. And do you see a photograph there?

5 A. I do.

6 Q. And who does that appear to be?

7 A. That appears to be Ms. Hurd in the photo holding up a note  
8 next to her.

9 Q. And if we can just zoom in on the note.

10 "I certify that I am buying bitcoin from FTL\_Ian and  
11 the Shire Free Church on behalf of Onweazu Okafor Chiedu."

12 And I can see 12/9 Mary Hurd.

13 A. Correct.

14 Q. And where did those words that are written there come  
15 from?

16 A. They were in the chat from Mr. Freeman.

17 Q. Okay. Loveshotz again. We're at 17:54:13.

18 Loveshotz: "Please advise on payment ASAP."

19 And then just focusing now on the parts.

20 A. "Bank Name: Bank of America. Account Name: Route 101  
21 Goods LLC. Account Type: Business checking. Your reason for  
22 deposit, if asked: Purchase of rare coins/investment."

23 Q. And, again, has there been any discussion with Mr. Chiedu  
24 about why he wants to purchase bitcoin?

25 A. No.

1 Q. "Please" -- sorry. That's you.

2 A. "Please have her use a unique number to deposit, like  
3 \$9,000.02."

4 Q. "Bro, your process is too complicated. I have done  
5 everything you want. Please, if you want to trade let's trade.  
6 Okay?"

7 A. "Okay. You can go ahead with \$9,000 even, but, as my  
8 terms state, that can slow down release time. If she has a  
9 little pocket change that would help me identify it faster."

10 Q. "Okay."

11 And then what do we see there?

12 A. It's an image of a Bank of America customer receipt.

13 Q. In the amount of how much?

14 A. \$9,000.02.

15 Q. "\$9,00.02 paid. Please release bitcoin ASAP."

16 A. "You must write the required words on the receipt per my  
17 terms and also have the agent take a selfie with it, as I  
18 described earlier."

19 Q. "Okay. Bro, your terms is fucking complicated. I hope  
20 you don't give me this stress on our next trade."

21 A. "If you use the same agent, I won't need any more ID  
22 photos. If you change agents, I'll need new photos. I always  
23 require the receipt selfie to ensure it's the same person  
24 depositing and always have to have these words written on the  
25 receipt. This is good security, and I developed it by learning

1 the hard way. Sorry for any frustration."

2 Q. Based on your knowledge of LocalBitcoin transactions, what  
3 kind of security?

4 A. Security so that he'd make sure he gets the money.

5 Q. Which kind of money?

6 A. Fiat.

7 Q. Okay.

8 A. "Also, since you have marked this complete before you were  
9 100 percent complete, I will need you to please restart the  
10 trade and then post the proper receipt photos there."

11 Q. "What do you mean? I already paid before I mark complete.  
12 My bitcoin you will release is 1.14414294."

13 And then the next one says "LocalBitcoins' support,"  
14 and I'll just read that and ask you what that is, based on your  
15 familiarity.

16 It says: "This trade is now under dispute. Within  
17 the next 24 hours LocalBitcoins' support will start  
18 investigating this trade and provide instructions in the chat  
19 if there is a good way for you to provide any further evidence.  
20 Please avoid opening support tickets and keep all the  
21 communications in the trade --"

22 So, what's that, Ms. Comolli?

23 A. So, basically, a dispute on this trade was opened. They  
24 called in LocalBitcoins for help.

25 Q. And so, carrying on now, even though that's at 19:05:38,

1 within a little over a minute the communications continue,  
2 right?

3 A. Yes.

4 Q. So, let's just keep going.

5 A. Sorry. Say that -- can you repeat that question? Sorry.

6 Q. At 19:07 -- LocalBitcoin sent that comment at 19:05:38,  
7 right?

8 A. Yes.

9 Q. And pretty soon thereafter loveshotz and FTL\_Ian continue  
10 communicating, right?

11 A. Correct.

12 Q. So, let's just keep going.

13 A. Yeah.

14 Q. 19:07:11.

15 A. All right.

16 "You have not provided the required receipt selfie.  
17 Y."

18 Q. And then, once again, this photo is attached, right?

19 A. Yes. It's a picture of Ms. Hurd holding up the receipt  
20 selfie.

21 Q. "Here is your receipt writing with the words. Please  
22 release my bitcoin now. Are you fucking kidding me? I said  
23 release my bitcoin now before I lunch" (sic) "a police report  
24 on your bank account. Right now."

25 And, again, what do we have?



1 A. This is yet another selfie -- sorry -- yet another picture  
2 of Ms. Hurd holding the receipt photo or the receipt.

3 Q. "I have sent to you everything you ask. Release my  
4 bitcoins now."

5 A. "Photo looks good, but you for some reason canceled the  
6 trade you restarted. Please restart the trade and I will  
7 release your coins on the new trade. You did things out of  
8 order. Please make it right. Just restart and we'll be done  
9 and you'll get positive feedback. Thank you."

10 Q. "Bro, I am not restarting any" -- I'll omit the words  
11 here -- "any trade. If you don't release my bitcoin in the  
12 next 30 minutes we will see you in court. My bitcoin to be  
13 released is," and then the number. "Look at the time on the  
14 receipt and the time I mark paid. I already paid before I  
15 marked paid. You full of shit -- you full shit."

16 A. "Huh? I'm saying you marked paid before you uploaded the  
17 required photos."

18 Q. "I don't," expletive, "need your positive feedback because  
19 I am giving you a dishonest feedback."

20 A. "You marked paid over 20 minutes before uploading the  
21 required receipt selfie. My terms clearly state: Do not mark  
22 complete until you have completed uploading all required  
23 photos. If you mark the trade complete before you're done  
24 uploading the receipt photos, I reserve the right to have you  
25 restart the trade before releasing the coin to you."

1 Q. "I marked paid once I uploaded the receipt and the first  
2 picture. Didn't you look at the time creep. You are liar.  
3 Hold the bitcoin. Don't release and see what happen. You will  
4 be charged for fraud."

5 A. "You did, but I require a receipt selfie as I stated  
6 clearly when I gave you my account info. You did not upload  
7 the receipt selfie until 20-plus minutes later. That hurts my  
8 account release times so I asked you to simply restart the  
9 trade."

10 Q. "No. You will release my bitcoin amount," with the same  
11 number. "I am going to the police now."

12 A. "You should just follow my terms and your coins will be  
13 released. It's a bad idea to call the admins, because they  
14 will likely rule against you because it's a third-party trade  
15 and that's against the site rules. They may even lock out your  
16 account. I don't care if you do third-party trades, and you  
17 did almost everything right but just did it out of order. I'm  
18 giving you a way to fix it now. Cancel this trade and  
19 restart."

20 Q. "Release my bitcoin now."

21 So, let me just ask you, what's a third-party trade?

22 A. That's the trade with an agent that we were discussing  
23 earlier.

24 Q. And so, would this be a third-party trade?

25 A. Yes.

1 Q. Who would be the three parties involved in the trade?

2 A. It's the agent, in this case Ms. Hurd, the user FTL\_Ian  
3 and the Nigerian national we were discussing earlier,  
4 Mr. Chiedu.

5 Q. Okay. And so, again, we have the same photos we've  
6 already seen, right?

7 A. Yes.

8 Q. And keep going. The receipt and more photos.

9 A. Yes.

10 Q. And those were all being sent by loveshotz01?

11 A. Yes.

12 Q. Okay.

13 A. "Thank you. Now cancel the original trade and I will  
14 release the coins here. Thank you. That was easy, see?  
15 Releasing now, as promised. All set. I'm leaving you positive  
16 feedback. I would appreciate you doing the same for me. Thank  
17 you. Please spread the word of the peace and freedom that  
18 Bitcoin can bring the world. Also you will not need to provide  
19 ID initially in future trades. Thank you."

20 Q. And so, there was some disputing going on there, right?

21 A. Yes.

22 Q. But on -- and that was 12/9, right?

23 A. Yes.

24 Q. But despite that, on 12/13 does loveshotz come back to  
25 deal with FTL\_Ian?

1 A. He does.

2 Q. "Do you have Citibank or Wells Fargo?"

3 A. "I actually do have Wells Fargo."

4 Q. "Okay. Give me details to make cash deposit."

5 A. "Who is depositing? Mary?"

6 Q. "Barbara Kae Freeman, my company accountant."

7 A. "I need you to send me two photos for your agent, please:  
8 1. One close-up of your agent's government ID. 2. One  
9 including your agent's face and your agent holding a piece of  
10 paper with these words written on it: 'I certify that I am  
11 buying bitcoins from FTL\_Ian and the Shire Free Church on  
12 behalf of Onweazu Okafor Chiedu,' today's date and your agent's  
13 signature."

14 Q. "Okay. Hold on."

15 A. "Why cancel?"

16 Q. "My company accountant is busy. I will ask Mary to buy  
17 from you on Monday."

18 A. "Okay."

19 Q. So, now it's going forward six days, right? We're at  
20 12/19?

21 A. Seven days, yeah.

22 Q. Sorry. Seven days.

23 "How are you?"

24 A. "Well, thank you. Who is depositing today?"

25 Q. "Mary Hurd. Tomorrow if you are trading I will be buying



1 more 8,000. Please provide bank details."

2 A. "Bank Name: Bank of America. Account Name: Route 101  
3 Goods LLC. Account Type: Business checking. Your reason for  
4 deposit, if asked: Purchase of rare coins."

5 Q. And so, who is providing the reason for the transaction?

6 A. FTL\_Ian.

7 Q. Have any questions been asked of loveshotz about why he's  
8 doing the transaction?

9 A. No.

10 Q. Any follow-up questions been asked about Mary Hurd or  
11 Barbara Kay Freeman?

12 A. No.

13 Q. "I am paying now."

14 A. "Did something go wrong?"

15 Q. "Yes. I saw I delayed a lot and wanted to hear from you  
16 before I make the deposit. But you are not answering my  
17 message so I stop. We can deal this morning. Mary is paying  
18 today. Please advise."

19 A. "Bank Name: Bank of America. Account Name: Route 101  
20 Goods LLC. Account Type: Business checking. Your reason for  
21 deposit, if asked: Purchase of rare coins."

22 Q. "Mary will be depositing in two hours so I will cancel  
23 this trade and open the new trade one hour before Mary deposit.  
24 Is okay?"

25 A. "That is fine."

1 Q. "Okay. Here is a new trade."

2 A. "Bank Name: Bank of America. Account Name: Route 101  
3 Goods LLC. Account Type: Business checking. Your reason for  
4 deposit, if asked: Purchase of rare coins."

5 Q. "The payment is done, but I want to wait to send you your  
6 slip before I mark paid."

7 A. "You must send photo of receipt and selfie with receipt,  
8 and the receipt must have the required words on it. Thank  
9 you."

10 Q. And before this Ms. Hurd was always wearing her Coors  
11 Light shirt. Is she wearing that in this one?

12 A. She is not.

13 Q. And if we just focus in on the words. But is it the same  
14 person? Is that Ms. Hurd?

15 A. That is Ms. Hurd, yes.

16 Q. "For bitcoin purchase from FTL\_Ian on localbitcoins.com."  
17 And it says, "No refunds," and there's an address of somewhere  
18 in Las Vegas, Nevada, right?

19 A. Yes.

20 Q. And the name "Claudia"?

21 A. Yeah.

22 Q. "Please release bitcoin now." We're actually on 12/20  
23 now. "Please release bitcoin now."

24 A. "I'm grateful for the opportunity to serve you again.  
25 Thank you."

1 Q. "Okay. You welcome."

2 So, that was the end of the 12/19 to 12/20  
3 transaction?

4 A. Yes.

5 Q. So, we go ahead another week.

6 Loveshotz: "Are you trading today?"

7 A. "Unfortunately the BOA account for cash is frozen. I can  
8 only accept wires at this time or cash by mail."

9 Q. "How long does this process take before you release  
10 bitcoin?"

11 A. "Which one? With wire it's as soon as I receive the wire.  
12 With cash by mail it's as soon as I receive and verify the  
13 cash."

14 Q. And that was 12/27, and now it's 12/30.

15 "Good morning. I hope you are enjoying your holiday.  
16 I am still on vacation. Can you let me know if you are trading  
17 today?"

18 A. "Hello. I'm able to trade with wire transfer or cash by  
19 mail. My BOA is frozen."

20 Q. And that's it, right, for 12/30?

21 A. Yes.

22 Q. And then we go forward to April 12th.

23 A. Yes.

24 Q. "Can we trade next week?"

25 A. "Yes."

1 Q. "I am currently overseas and cannot fly because of the  
2 coronavirus lockdown. I will send Barbara Kae Freeman to make  
3 the deposit, but I would need Citibank or Wells Fargo to make  
4 those deposits -- to make the deposit, because these are  
5 available banks in my location. Please advise."

6 A. "Sorry, but I donut" (sic) "have either. Right now I have  
7 BOA and Chase."

8 Q. "Can you refer me to someone who have Wells Fargo?"

9 A. "Sorry, I don't have anyone at this time."

10 Q. And that was 4/13, right?

11 A. Mm-hmm.

12 Q. And that was the end of that. And then we get to May 1st?

13 A. Yes.

14 Q. "Please advise on payment. Mary is depositing today."

15 A. "Bank Name: Bank of America. Account Name: Church of  
16 the Invisible Hand. Account Type: Business checking. Reason  
17 for deposit: Church donation."

18 MR. AFRAME: Okay. So, if we go back just to 12/20  
19 for a second -- no, no.

20 THE COURT: December 20.

21 MR. AFRAME: Just to 12/20 for a second. I just want  
22 to make a comparison. Just up one screen. Higher up.

23 Q. So, the last time the banking information was shared what  
24 was the account?

25 A. The account name was Route 101 Goods LLC.



1 Q. And what was the reason?

2 A. Purchase of rare coins.

3 Q. And then if we go forward to where we just were on May  
4 1st, what was the account name?

5 A. Church of the Invisible Hand.

6 Q. And what was the reason?

7 A. Church donation.

8 Q. Was there any conversation between loveshotz and FTL\_Ian  
9 between the purchase of rare coins reason and the church  
10 donation about any -- discussion about why loveshotz was  
11 looking to buy bitcoin?

12 A. No.

13 Q. But did the name of the account change?

14 A. Yes.

15 Q. And what's the difference between the names on the  
16 accounts?

17 A. One is Route 101 Local Goods, and the other is Church of  
18 the Invisible Hand.

19 Q. So, one's a business, and one's a church?

20 A. Yes.

21 Q. Okay. So, carrying on now at 17 --

22 THE COURT: Since you're going to wrap on the May 1  
23 there, let's take that morning break.

24 As I told you yesterday, generally we go in 90-minute  
25 bursts; we go 90 minutes and take a 15-minute break. So, we

1 will reconvene in 15 minutes.

2 THE CLERK: All rise.

3 (The jury exited the courtroom)

4 THE COURT: Please be seated. Anything for the Court?

5 MR. AFRAME: There is something we probably could take  
6 up now.

7 THE COURT: Do you need a record?

8 MR. AFRAME: Probably so.

9 THE COURT: All right.

10 MR. AFRAME: So, maybe you want to come back.

11 THE COURT: We can do it now.

12 MR. AFRAME: So, after we finish with this Ms. Hurd  
13 chat I intended to introduce this document, which we would have  
14 marked as 1206A that I've just shown Mr. Sisti.

15 THE COURT: This is Exhibit 1206A for ID?

16 MR. AFRAME: For ID, yes.

17 THE COURT: Okay. And it's heavily redacted?

18 MR. AFRAME: Heavily redacted. It was a pleading  
19 filed with this Court in this case. Everything has been  
20 redacted out of it except the one statement that's attributed  
21 to Mr. Freeman that I would like to introduce.

22 THE COURT: You want to introduce it as an admission  
23 of the defendant?

24 MR. AFRAME: Yes, as made by his agent.

25 THE COURT: Yes.

1           Your position?

2           MR. SISTI: My position is I object because it calls  
3 for speculation in this case. This was filed on behalf of  
4 Freeman, of course, and it was to block the subpoena -- I'm  
5 sorry -- the out-of-court deposition aspect with regard to Hurd  
6 for that particular purpose only. I don't know what the jury  
7 is going to think of whatever that document is, and I think  
8 it's unfair, and there could be implications that are negative  
9 to Freeman.

10          THE COURT: What's unfair about it?

11          MR. SISTI: Because, first of all, there's no content.

12          THE COURT: That's probably for your client's  
13 protection, right? Wouldn't context -- I mean, I guess you  
14 could introduce the whole document, and that would give it  
15 context that both sides could inquire about, but it is redacted  
16 here, but I thought that was mostly for your client's  
17 protection, because the context might be damaging, right?

18          MR. SISTI: Frankly, I don't even know why it's coming  
19 in. I think the offer should be made by the government as to  
20 why they want to offer it, and then I'll speak to that.  
21 They've offered it as an exhibit.

22          THE COURT: Yeah. I'm assuming -- well, I'm not going  
23 to put words in his mouth. What are you offering it for?

24          MR. AFRAME: We are going to continue through an  
25 entire conversation that involves Ms. Hurd, and obviously you

1 know by now essential to our case is that no questions are  
2 asked, including of Ms. Hurd, and this is a statement that  
3 Mr. Freeman had no contact with Ms. Hurd, so we think that's  
4 relevant.

5 THE COURT: Relevant to what?

6 MR. AFRAME: Relevant to the failure to ask any  
7 questions or make any contact with somebody in the third-party  
8 trade.

9 MR. SISTI: Again, I'm struggling with why that has  
10 anything to do with this case.

11 THE COURT: I'm not sure. Yeah, I need you to explain  
12 it more.

13 MR. AFRAME: Okay. So, the premise of our case is no  
14 questions asked, and we now have someone in Nigeria having  
15 someone in Las Vegas make repeated transactions, and one way to  
16 get to whether that's a legitimate or illegitimate transaction  
17 would be to attempt to reach out to Ms. Hurd and say, Why are  
18 you putting in money on behalf of someone in Nigeria? And what  
19 that tells me is that effort was never made.

20 THE COURT: I see. I actually misinterpreted it. I  
21 thought you were actually, I don't know, trying to almost put  
22 this in as a lie that he had never had contact with Mary Hurd  
23 because there is a person named Mary Hurd apparently  
24 communicating with him, but that's not why. You're trying to  
25 demonstrate that he's admitted that he's never really done any



1 due diligence on Mary Hurd.

2 MR. AFRAME: Correct.

3 THE COURT: That's your purpose.

4 MR. AFRAME: That's my point.

5 THE COURT: So, that's the reason he's offering it.

6 MR. SISTI: All right. Well, I object to that,  
7 because he's got no duty to do due diligence with regard to  
8 that particular event. I mean, show me something where Bank of  
9 America did their due diligence. There's nothing there. It's  
10 loading him up with an obligation that a regulated bank didn't  
11 even touch. These transactions are going on through a  
12 regulated bank controlled by the United States Government, and  
13 they're not offering anything that the regulated bank even did.  
14 So, now Freeman has a heavier burden than a banking  
15 institution? I don't think so.

16 THE COURT: So, to your burden of proof, Mr. Aframe,  
17 why is it relevant that -- assuming this establishes what you  
18 say it does, there's a lack of due diligence on his part  
19 vis-a-vis Mary Hurd, what does that go to in your burden of  
20 proof?

21 MR. AFRAME: So, we're going to have many, many, many  
22 examples of cases that we think present red flags that he -- I  
23 mean, our whole case, right, is he's a money transmitter --

24 THE COURT: That's what I'm asking you.

25 MR. AFRAME: He's a money transmitter who is supposed

1 to be doing due diligence to decide whether there is suspicious  
2 activity. He chooses not to be a money transmitter, and he  
3 chooses not to ask any questions, because ultimately we are  
4 going to try --

5 THE COURT: He chooses not to be a money transmitter?

6 MR. SISTI: That's right.

7 MR. AFRAME: He chooses to not register as a money  
8 transmitter.

9 THE COURT: Oh.

10 MR. AFRAME: Sorry. He chooses not to register as a  
11 money transmitter and therefore do any of the things that  
12 federal law would require of a money transmitter.

13 MR. SISTI: His position is that he's not --

14 THE COURT: Hold on. Let him finish.

15 MR. SISTI: I'm sorry.

16 MR. AFRAME: And ultimately why he is doing that, why  
17 he is not registering as a money transmitter and doing any of  
18 those things, is because he's trying to operate a  
19 money-laundering business; and ultimately the way he operated a  
20 money-laundering business is through winks and nods with  
21 scammers, and, had he inquired of people about what they were  
22 doing, asking some basic questions, these transactions would  
23 have collapsed like a house of cards, and he didn't do it. And  
24 so, that's what this is about.

25 MR. SISTI: I counter with it started with a bank, an

1 actual bank unloading money from Mary, and there's no evidence  
2 that that bank followed any procedures with regard to the  
3 multiple, quote, red flags that they were experiencing. So,  
4 why is Ian Freeman, why is he carrying the load, and where is  
5 this code that he has to ask questions with regard to this  
6 particular transaction?

7 THE COURT: Well, the representation is that, if he  
8 was a registered money-transmitting business, there would be  
9 this obligation.

10 MR. SISTI: But he's not.

11 THE COURT: But that's the charge. It's not because  
12 he's unregistered. That's the allegation, anyway.

13 MR. SISTI: And he doesn't hold himself out to be a  
14 money transmitter. So, I mean, how can you define him as  
15 something and make him obligated to something if he doesn't  
16 identify with that?

17 THE COURT: Well, my understanding of the theory of  
18 the government's case is that, despite not identifying himself  
19 with a label as a money transmitter, he did hold himself out to  
20 conduct that type of activity.

21 Listen, so here's the deal: I've heard enough. The  
22 statement in Government's Exhibit 1206A, quote, that was made  
23 on Mr. Freeman's behalf, "Mr. Freeman has never interacted with  
24 Mary Hurd, to the best of his recollection," that's admissible.  
25 The form under which it goes, though --



1 MR. AFRAME: I'm fine with that.

2 THE COURT: There might be a different,  
3 less-prejudicial way to -- if you deem it prejudicial, the  
4 form, Mr. Sisti --

5 MR. SISTI: What I might do, Judge, is suggest what  
6 you had mentioned to the jury before, that we could stipulate  
7 to something.

8 MR. AFRAME: That's fine.

9 THE COURT: Yeah, and I can read the stipulation.

10 MR. SISTI: Yes.

11 THE COURT: Okay. What I'd like -- I'm just going to  
12 ask my law clerks, let's keep a running list of stipulations in  
13 this case, because we might want to do a printed one at the end  
14 the case to make it simple for the jury. But I'll read this to  
15 the jury, when you ask me to, as a stipulation.

16 MR. SISTI: Thank you.

17 MR. AFRAME: Thank you.

18 THE COURT: What I'll say, just so you're aware, is  
19 that, On October 26, 2022 Mr. Freeman's counsel made this  
20 representation on his behalf, and I'll read it. All right?

21 MR. AFRAME: Either that or just --

22 MR. SISTI: It doesn't matter. You can keep me out of  
23 it, if you want, Judge.

24 THE COURT: Okay. I'll say he made this  
25 representation. Okay.



1 MR. AFRAME: Thank you.

2 THE COURT: Now, look, we've gone a little bit longer.  
3 It is 10:50, so I want to give the reporter a break. We will  
4 reconvene at 11:05.

5 MR. AFRAME: Thank you.

6 THE CLERK: All rise.

7 THE COURT: Off the record.

8 (Discussion held off the record)

9 (Recess taken from 10:50 a.m. to 11:10 a.m.)

10 THE CLERK: All rise for the Honorable Court.

11 THE COURT: I'd like to pick up where we left off a  
12 little bit on that objection. I'm going to allow the  
13 admission. I think the evidence is clearly admissible, but I  
14 want to make sure I understand your theory.

15 MR. AFRAME: Okay.

16 THE COURT: I'm talking to the prosecutor now. This  
17 is not money-laundering evidence you're putting in; this is  
18 Bank Secrecy Act money-transmitting business evidence?

19 MR. AFRAME: They are not distinct, so let me explain  
20 it to you, okay?

21 THE COURT: Yeah.

22 MR. AFRAME: The overarching theory is that the whole  
23 purpose of this business was to engage in money laundering, so  
24 the way he did money laundering was through a willful  
25 blindness: I will invite scammers by telling them I will ask

1 no questions, and then I was confronted time and time again  
2 with transactions that appeared on their face to be suspicious,  
3 and I asked no questions about them. An important way to do  
4 that or a feature of that is to keep your business hidden, and  
5 one way to do that is to not register with FinCEN and the  
6 Department of Treasury, to not register as a money transmitter,  
7 to not file any of the reports that a money transmitter is  
8 supposed to file under the rule, the law, and so that's where  
9 the Bank Secrecy Act of it fits in.

10 My view of what you just looked at is it is one of  
11 many drops that go to this is money laundering, because  
12 ultimately, when we're done with this trial, I hope we have  
13 presented enough transactions where no questions were asked in  
14 the face of very strong evidence that it's a scammer.

15 THE COURT: Well, but your money-laundering conspiracy  
16 is supposed to be based on -- your money-laundering count is  
17 supposed to be based on, I guess, drug proceeds, purported.

18 MR. AFRAME: That's the conspiracy count.

19 THE COURT: That's the conspiracy count?

20 MR. AFRAME: No. Sorry. I'm sorry. You're right.

21 THE COURT: The money-laundering conspiracy is wire  
22 fraud. That's what --

23 MR. AFRAME: Correct.

24 THE COURT: -- the indictment says.

25 So, what about the Mary Hurd transactions conversation

1 suggests wire fraud?

2 MR. AFRAME: So, we're going to bring in many victims  
3 who will say they were wire fraud.

4 THE COURT: Right.

5 MR. AFRAME: But I don't think our evidence of how he  
6 operated his business with the no-questions model is limited to  
7 only showing those transactions. I think we can show how his  
8 business ran --

9 THE COURT: Agreed.

10 MR. AFRAME: -- and this is sort of how his business  
11 ran the no-questions-asked model. And we will have very  
12 specific examples of people who will testify to what happened  
13 to them that constitutes wire fraud, and we will also show that  
14 he worked with another person to conspire with another person  
15 to also service the same older victims and that that was his  
16 other conspirator.

17 THE COURT: Well, that's a more complete record, then.  
18 So, this goes beyond simply the unregistered money-transmitting  
19 business evidence, and it's also, to your mind at least,  
20 money-laundering evidence?

21 MR. AFRAME: Yes.

22 THE COURT: All right. Mr. Sisti, if you want to say  
23 anything about it, I'm happy to listen.

24 MR. SISTI: You don't have to listen to me, Judge.

25 I'm looking forward to discussing that with the jury.



1 THE COURT: Understood.

2 MR. SISTI: Thank you.

3 THE COURT: Let's get the jury.

4 THE CLERK: Please rise for the jury.

5 (The jury entered the courtroom)

6 THE COURT: Okay. Please be seated.

7 You may proceed. The witness is still under oath.

8 CONTINUING DIRECT EXAMINATION BY MR. AFRAME:

9 Q. So, Ms. Comolli, just to reorient us where we were in this  
10 discussion, we are at, according to my notes, 17:30:53 on 5/1.

11 A. I think it needs to be scrolled up a little bit. Okay.

12 Q. "Okay."

13 A. "Hi. It's been a couple of hours. Everything okay?"

14 Q. "I am paying now. On it now. I have to open a new trade  
15 because my money is short."

16 A. "Bank Name: Bank of America. Account Name: Church of  
17 the Invisible Hand. Account Type: Business checking. Reason  
18 for deposit: Church donation."

19 Q. "Okay. On it now."

20 A. "You will need to restart the trade as you have marked  
21 complete without uploading the required receipt photos. Thank  
22 you."

23 Q. "I have paid already. Mary is taking time to send the  
24 receipt and information. She need to get home first because  
25 she send the receipt."



1 A. "Okay. You must restart the trade and post a photo of the  
2 receipt up close. Thank you."

3 Q. "I am restarting the trade now. Please release coins now.  
4 Thank you."

5 A. "Thank you again."

6 Q. All right. So, that was 5/1, and now we're on to 5/4.

7 "Good morning. Are you trading today?"

8 A. "Yes. Putting up ads now."

9 Q. "All right. Okay. Mary will be depositing into the Bank  
10 of America account."

11 A. "All right."

12 Q. "Mary is paying into the same account now."

13 A. "Bank Name: Bank of America. Account Name: Church of  
14 the Invisible Hand. Account Type: Business checking. Reason  
15 for deposit: Church donation."

16 Q. "Mary is paying into the Bank of America account now."

17 A. "Okay."

18 Q. And that's the same, so we'll move on, and we see photos  
19 at 5/5/20. What are those photos of?

20 A. Those are photos of MoneyGram money orders.

21 "Why money orders?"

22 Q. "Sorry. That not for you. Here is the deposit receipt."

23 A. "She did not deposit cash, so that means we have to wait  
24 for tomorrow when the money orders clear. Why did she do  
25 that?"

1 Q. "Please confirm payment and release coins to trade. Bank  
2 of America only accepts money orders. All the transactions we  
3 did in the past was money order. When you take cash to bank  
4 account they will tell you to get a money order to make a cash  
5 deposit. This is the new system with the banks. The payment  
6 will be in today."

7 A. "That's not true. She did cash last time. My account is  
8 a business account and accepts cash. If it was a money order,  
9 it will clear tomorrow morning."

10 Q. "Hold on. Let me ask her if it was cash or money order.  
11 You can call her yourself to ask. Do you want to?"

12 A. "You will need to get in touch with me then, and then  
13 you'll need to restart the trade at that time to go get the --  
14 sorry -- to get the current BTC price. Then I'll be able to  
15 release the coins at that time. Thank you. I know it was  
16 money orders. The available balance did not increase."

17 Q. And another picture. Go ahead.

18 A. "Photos look good. Now we wait."

19 Q. Now it's 5/6. "Good morning. I am sure you must have  
20 received your money this morning. Please release bitcoin  
21 immediately. Thank you. Hello. Are you there?"

22 A. "Hello. I am here now. I have confirmed the money  
23 orders. Per my terms you must restart the trade so we can get  
24 the current bitcoin price. Thank you."

25 Q. "I have restart the trade."

1 A. "Okay. Please cancel the original trade here, and I will  
2 release the coins based on the photos you posted there  
3 yesterday. Thank you."

4 Q. "I have canceled the original trade. Please release my  
5 bitcoin now on this trade. It's the new trade."

6 A. "All set. Please remember to use cash next time for the  
7 fastest service. Thank you."

8 Q. "Mary paid some money into your account. I have been  
9 trying to set up a trade but your advert is not available. I  
10 will send receipt and selfie here. \$425. Please give me your  
11 WhatsApp number."

12 A. "I don't have WhatsApp. Am driving for an hour so please  
13 send me a message on Telegram if you would like to direct trade  
14 at username @FTL\_Ian and ask me to send you a screen shot of  
15 this conversation so you know you got the real me, as there is  
16 an imposter there trying to take money from people using my  
17 name."

18 Q. "I have sent the message to you through Telegram. Please  
19 check."

20 And do you know what this is on the next page?

21 A. Yeah. That's a photo from the encrypted messaging app you  
22 just referred to.

23 Q. "Is this you? Please contact me through Telegram here:  
24 @loveshotz."

25 A. "That is the imposter."

1 Q. Is that the end of the communication between FTL\_Ian and  
2 loveshotz01 on localbitcoin.com?

3 A. Yes.

4 Q. And we'll talk about Telegram later in the trial, so let's  
5 turn to 12/07.

6 MR. FRAME: I'm sorry. This would be the time, Judge,  
7 before I go to 12/07, if we could do the stipulation that we  
8 talked about.

9 MR. SISTI: I agree, Judge.

10 THE COURT: All right. I told you during the  
11 preliminary instructions that there are two types of evidence:  
12 testimony and exhibits. There's actually a third type of  
13 evidence, which is called a "stipulation." A "stipulation" is  
14 something that counsel agreed to as a fact in the case, just a  
15 fact that it occurred, that it took place. Once a fact has  
16 been stipulated to, and I inform you, you may consider it to  
17 have been proven beyond a reasonable doubt.

18 The stipulation on this is that during this litigation  
19 Mr. Freeman filed a document in this court where he  
20 represented, stated, that he had no recollection of any contact  
21 with Mary Hurd.

22 MR. AFRAME: Thank you.

23 MR. SISTI: Thank you, Judge.

24 Q. So, if we turn to 1207, the username is Warnerc987.

25 "Hi."



1 A. "Bank Name: Agriculture Federal Credit Union, AgFed.  
2 Amount Name: Ian B Freeman. Account Type: Personal checking.  
3 Your reason for deposit, if asked: Purchase of rare  
4 coins/investment."

5 Q. And is there anything about this chat that provided the  
6 basis for purchase of rare coins/investment?

7 A. No.

8 Q. "Account number issue. Check account number. Please get  
9 back to me immediately. I am in front of teller."

10 A. "That is the member account" -- oh, sorry -- "the member  
11 number, not the account number. Credit unions frequently only  
12 provide the member number. They should be able to find it by  
13 that number."

14 Q. "So there's no account number, just member number?"

15 A. "I'll see if I can find it. They should be able to look  
16 up the member number, though."

17 Q. "She's asking for your SSN now."

18 A. "I can provide that to her. Please get me the teller's  
19 name and branch phone, and I'll call it in. I can't give it to  
20 you for security reasons."

21 Q. "Account number is" --

22 A. "Account number is 799989-S08, which is just the member  
23 number plus S08, which indicates the checking side of the  
24 accounts."

25 Q. And there's a phone number, and then it says, "Her name is

1 Tai."

2 A. "Are you sure that's the right number? Which credit union  
3 are you at, and what is the location? Thank you."

4 Q. And there's an address there that I won't read. Then it  
5 says: "Did you call?"

6 A. "On hold. I called the main number, because the number  
7 you provided did not show as the credit union when I searched  
8 it."

9 Q. "Yes. That was teller number. Teller name is Tai."

10 A. "She says my account has a block on it. I will have to  
11 call my credit union."

12 Q. "So what do we do?"

13 A. "I will call and see what's going on. It's probably not  
14 going to be good news. Did you want to try a wire transfer?  
15 That would go to a different account."

16 Q. "I already withdraw. I can't do wire. Can the different  
17 account not take cash deposit?"

18 A. "I'm on the phone with my credit union now. Please hang  
19 on. So sorry about this."

20 Q. "Plus time for wire is gone. They won't approve it. Bank  
21 would close soon. What's up."

22 A. "I'm on with them now. The woman I need to speak with is  
23 not available. I have a backup account if you'd like to try  
24 that one. Bank Name: Connexus Credit Union. Account Name:  
25 Ian B Freeman. Account Type: Personal checking. Your reason

1 for deposit, if asked: Purchase of rare coins/investment."

2 Q. "Okay. She says she needs member number. Is it the  
3 same?"

4 A. "Member number is," the number.

5 Q. "Okay. In order for it to be processed I'll also need  
6 current address, employer, occupation, driver's number and  
7 date. This is what they told me. Seems this branch are just  
8 being stupid. This is why I don't do 10K. The amount is much.  
9 Can I do 9,500?"

10 A. "No, I can call with that info. Do not try to change the  
11 amount or they will file a Suspicious Activity Report. That  
12 could lead to criminal charges."

13 Q. "Yeah, I see. So, what do we do?"

14 A. "Are you still there? I can call now, if so."

15 Q. "Call them to give info. Yes, I'm here, and they close in  
16 10 minutes."

17 A. "I'm on with her now. Please come back in. I just gave  
18 her everything she needs."

19 Q. "Okay."

20 And there's the photo, correct?

21 A. Yes.

22 Q. "Really pissed for the delay at the bank."

23 A. "Sorry about that, but I didn't know the first account was  
24 frozen. Can you please photo the receipt by itself, close up.

25 Thank you."

1 Q. "Okay."

2 And there's the photo of the receipt.

3 "I'm grateful for the opportunity to serve you again.  
4 Thank you."

5 Sorry. That was you. Sorry. I messed that up.

6 "Thank you. Would you trade again next time?"

7 And then we've moved from 12/9 to the very next day.  
8 So, the very next day that person that we see the photo of:

9 "Hi friend. Can we do cash deposit Bank of America  
10 9,500 and credit union 10,500 today? Seems you don't have much  
11 coin."

12 A. "I have plenty of coin. If you don't see much, it's  
13 probably because you haven't passed verification here at LBC.  
14 If you want to direct trade, we can. I can give you my  
15 Telegram contact info. Do you want to try that?"

16 Q. "We traded more than 5K yesterday. And it was opened."

17 A. "Okay. Where are you seeing a low amount? I have over 7  
18 bitcoin in my wallet."

19 Q. "Hello."

20 So, that was 12/10/19. And then it moves to 1/30:

21 "Hello. Can we trade?"

22 A. "How much do you need?"

23 Q. And were there any questions asked about why this person  
24 wanted to do multiple thousand-dollar transactions on  
25 consecutive days?



1 A. No.

2 Q. Turning to 1208, this is on 12/16, and this is with a  
3 username RodnScarlett: "Hi."

4 A. "You need info again?"

5 Q. "Bofa is full of shit."

6 A. Question mark. "Yes, BOA sucks. What did they say to  
7 you?"

8 Q. "Asking my dumb questions like who are you to me?"

9 A. "That's frustrating. Did you tell them I'm your rare coin  
10 dealer?"

11 Q. Moving to 1209, this is 12/20 now, so this is Artnkate:

12 "\$16,100 by cash deposit at BofA."

13 And you see the driver's license there?

14 A. Yes.

15 Q. And what's the date of birth of that person?

16 A. 1959.

17 Q. "Selfie with ID." Keep going.

18 A. "Thanks. Just need one more pic."

19 Q. And you don't need to read that. You can just read the  
20 name of the bank. Just read the name of the bank, the account  
21 name and the reason for the deposit, moving down, below this  
22 picture.

23 A. "Bank Name: Bank of America. Account Name: Route 101  
24 Goods LLC. Account Type: Business checking. Your reason for  
25 deposit, if asked: Purchase of rare coins."

1 Q. And has there been any conversation about whether this  
2 person wants to buy rare coins?

3 A. No.

4 Q. "I have to get the money. I should be able to do it in an  
5 hour or so."

6 A. "Take your time. Thank you. I also offer wire transfer  
7 if you prefer that."

8 Q. "I would. I have a Bank of the West account. Is it the  
9 same rate?"

10 A. "Normally my wire rate is more expensive. I have put my  
11 lower priced wire ad up. Normally, my wires cost 21 percent,  
12 but this one is 15 percent."

13 Q. "Thanks."

14 A. "How did you want to proceed?"

15 Q. "I'm doing this buy for now. I will look for future  
16 buys."

17 A. "Okay. Thank you. Standing by."

18 Q. "I should have the money soon. Then I'm going to the  
19 BofA. What is the business name?"

20 A. "Route 101 Goods LLC. It's there in the info I gave you  
21 below."

22 Q. "I saw it later. They are doing the deposit right now.  
23 Receipt."

24 A. "You must also please take a selfie holding the receipt.  
25 Thank you."

1 Q. "Selfie with receipt. I had to load it separately. Is  
2 everything okay?"

3 A. "Yes, looks good. Releasing now. All set. I'm leaving  
4 you positive feedback. I would appreciate you doing the same  
5 for me. Thank you. Please spread the word of the peace and  
6 freedom that Bitcoin can bring the world. Also you will not  
7 need to provide ID initially in future trades. Thank you."

8 Q. And now to 1210, Happyday009:

9 "Do you have cashapp?"

10 A. "Hello. Have you read my terms" -- oh, sorry. "Have you  
11 read my full terms?"

12 Q. "Do you accept cashapp?"

13 A. "No, I'm sorry. I have a partner who does, however.  
14 Would you like her username?"

15 Q. "Please give me his WhatsApp or his web link so I can  
16 contact him. I have a big deal for him. I hope he is  
17 trusted."

18 A. "She's here now. She says she thinks that it will be too  
19 much for cashapp but is willing to try it."

20 Q. "Okay. I can split the payment 500 each. Just give me  
21 her WhatsApp details on her web link."

22 And then what's that there?

23 A. That's a link to a user profile, arianarchist.

24 "She just updated her price range to accommodate you.  
25 She is trusted and works directly with me, though her account

1 here is newer than mine."

2 Q. "Okay, good. Thanks. I appreciate. Give me your  
3 WhatsApp. Merry Xmas."

4 A. "I don't have that. Sorry. I do offer direct trades on  
5 the Telegram App. My user name there is @FTL\_Ian."

6 MR. AFRAME: So, now I would introduce the username of  
7 arianarchist.

8 MR. SISTI: Your Honor, this is one of those occasions  
9 where -- could we just approach for a moment?

10 THE COURT: Yes.

11 MS. SISTI: Thank you.

12 THE CLERK: Judge, do you want them to approach or do  
13 you want them to use their headphones?

14 THE COURT: You can approach. Whatever you prefer.  
15 If you guys want to approach, that's fine.

16 THE COURT REPORTER: I'm sorry. I can't hear over  
17 here. Try it again? No, I can't hear. Sorry. Try it again,  
18 please?

19 THE COURT: Sure.

20 THE COURT REPORTER: No. Sorry.

21 THE COURT: We'll have to go back to the headphones.

22 THE CLERK: Sir, the juror with the headphones on,  
23 could you take those off, please.

24 (The juror complied)

25 THE CLERK: Thank you.



1 (SIDEBAR CONFERENCE AS FOLLOWS):

2 THE COURT: Okay. Exhibit 1204. This is a sidebar.  
3 The jury is not hearing, and there's an objection.

4 MR. SISTI: There is an objection, your Honor. I  
5 believe there will be a reference to Aria, and my understanding  
6 is that the government is not intending, at least not planning  
7 on calling her as a live witness. We were faced with a similar  
8 situation with Spinella. My information is that the government  
9 is attempting with every effort to call her as a live witness,  
10 so I let that go, and we stipulated that it was a full exhibit.  
11 That's not the same situation with regard to this next offer.

12 THE COURT: So, what are you saying, that basically  
13 you're saying that DiMezzo won't be a witness and won't be  
14 immunized, right?

15 MR. AFRAME: Correct.

16 THE COURT: Okay.

17 MR. SISTI: Because of that, Freeman doesn't get to  
18 confront. Now, if they did call her and then offer, after they  
19 called her, obviously that would eliminate the problem with  
20 regard to foundation and my opportunity to confront. That's  
21 just not there now. And we don't have the burden to call her.

22 THE COURT: No, you don't, but why does her testimony  
23 or presence, why is that implicated in the admissibility of  
24 this exhibit? Like, why does --

25 MR. SISTI: I understand, Judge. The reason is

1 because, quite frankly, it becomes a full exhibit with  
2 implications that would become unchallenged in argument and  
3 speculation with regard to what her particular role would have  
4 been without being subjected to cross-examination. It gives  
5 the government a free pass to allow for, in fact, argument and  
6 allows for the jury to somehow come to the conclusion that  
7 there is a greater connection between her and Freeman.

8 THE COURT: Okay. He's charged in the conspiracy with  
9 Aria DiMezzo, though, right?

10 MR. AFRAME: Yes.

11 THE COURT: So, Ari DiMezzo's overt acts are going to  
12 be, at least allegedly, part of the conspiracy, right?

13 MR. AFRAME: Yes.

14 THE COURT: Now, do you plan on -- I understand what  
15 1204 is. Is there going to be a conversation that follows that  
16 we just saw, like, you know, with DiMezzo having a similar  
17 exchange with bitcoin purchasers?

18 MR. AFRAME: So, not right now, but this is a long  
19 trial, so there will be more evidence about DiMezzo. This is  
20 just showing he referred to her as his partner and gave her  
21 account information. I'm just trying to introduce now the  
22 account that he was referring to, to set up that eventually  
23 we'll learn more about Ari DiMezzo in later time.

24 MR. SISTI: I just don't think it's time to do this,  
25 Judge. I guess that's what I'm saying. I don't want this in

1 as a full exhibit. That's a pretty light foundation for where  
2 we are right now.

3 THE COURT: Well, this document, I mean, we probably  
4 haven't done enough about what the document is. Can you  
5 describe the document and what it is, Mr. Aframe?

6 MR. AFRAME: Yes. It's a document that shows an  
7 account that was opened at localbitcoins.com under the username  
8 arianarchist. What we just learned from the chat that we just  
9 read is that Mr. Freeman provided that username to a client  
10 that he was identifying as could work with his partner who's  
11 identified as arianarchist. Now I'm trying to show who  
12 arianarchist is according to that business record of  
13 localbitcoins.com.

14 THE COURT: It's not a statement of Aria DiMezzo. If  
15 it's a statement of anybody it's localbitcoins.com, and it  
16 certainly seems to be a business record.

17 So, go ahead, Mr. Sisti. I'm sorry.

18 MR. SISTI: Yeah. I just don't think there's  
19 sufficient information that she is a, quote, partner in the  
20 sense that it may have been referred to by Ian, and I think  
21 that, when we're talking about this in the context of a  
22 conspiracy, there has to be more foundation that's laid. If  
23 she's a live human being she's already entered a plea, and  
24 she's available to the government. So, again, I'm sitting back  
25 going all you're doing is you're asking the jury to speculate



1 now.

2 THE COURT: I see. All right. Look, I do think the  
3 evidence is admissible as a hearsay exception. It isn't really  
4 a statement except to the extent that it is a statement that an  
5 account exists at localbitcoins.com. I think it's admissible  
6 for that purpose. I don't even think it's hearsay for that  
7 purpose, subject to an exception, but if it is hearsay it is  
8 subject to an exception, the business records exception 806, I  
9 believe, so I'm going to admit it.

10 I'm going to admit it conditionally, though. To the  
11 extent it is not -- to the extent the exhibit is not linked up  
12 later with relevant evidence it will be subject to being  
13 stricken, but for now it's admitted over the defendant's  
14 objection.

15 MR. SISTI: Thank you.

16 (END OF SIDEBAR CONFERENCE)

17 THE COURT: Admitted, 1204.

18 (Government's Exhibit No. 1204 admitted into evidence)

19 MR. SISTI: Thank you, your Honor.

20 THE CLERK: Sir, you can put your headphones back on  
21 again.

22 (Juror complied)

23 Q. So, looking at 1204, this is -- we've looked at already  
24 some other account user names, correct?

25 A. Yes.



1 Q. And in the chat we just looked at, which was at Exhibit  
2 1210, Mr. Freeman says:

3 "I have a partner who uses cashapp. Would you like  
4 her username?"

5 And then this account username was provided,  
6 correct --

7 A. Correct.

8 Q. -- that we just read? And who's the real name associated  
9 with this account?

10 A. James Brodie Baker.

11 Q. And where do they live?

12 A. 659 Marlboro Street in Keene, 03431.

13 Q. And what is their email address?

14 A. aria.dimezzo86@gmail.com.

15 Q. And there's telephone number information, correct?

16 A. Correct.

17 Q. And advertisements and trades, right, like we've seen  
18 before?

19 A. Yes.

20 Q. And if we scroll down we'll see the driver's license for  
21 the person associated with that?

22 A. Correct.

23 Q. Do you see that?

24 A. Yes.

25 Q. Okay. And that says James Brodie Baker?

1 A. Yes.

2 Q. Thank you. Okay. So, going back to 12/11, this is on  
3 1/2/20, and the user name is ray4trade:

4 "Hi there and good afternoon. We have traded before  
5 and I hope we can do that again. Do I still need to go through  
6 all the process of last time?"

7 A. "No need for the initial photos, but the receipt photos  
8 are still required. I also have new account info. Bank Name:  
9 Bank of America. Account Name: Route 101 Goods LLC. Account  
10 Type: Business checking. Reason for wire: Purchase of rare  
11 coins."

12 Q. "Okay. So, that won't be a problem. Let's have them so  
13 that I can take care of this ASAP."

14 A. "Wait. That's the wrong account. This is the correct  
15 one: Bank Name: Bank of America. Account Name: Ian B  
16 Freeman. Account Type: Personal checking. Reason for wire:  
17 Purchase of rare coins."

18 Q. And then: "Okay."

19 And then there's a wire receipt, and can you see the  
20 signature on that wire receipt?

21 A. Yes.

22 Q. What is it?

23 A. It is an R, looks like Mayer (ph), I think.

24 Q. Miller?

25 A. Miller, Miller, yes.

1 Q. And are those the words that Mr. Freeman asked to be  
2 written?

3 A. Yes.

4 Q. "Done."

5 A. "Thank you. Please upload the selfie with the receipt  
6 too. Thanks. Okay. Keep in mind that it's late in the day so  
7 your wire may not go out until the morning."

8 Q. "Okay. I will put that in mind. Done. Has this wire  
9 come in yet?"

10 A. "Sorry, but it has not. At this point it won't be until  
11 the morning. If you like, you can log into your bank account  
12 and confirm that it was sent. If so, it should come in bright  
13 and early."

14 Q. "Okay. The funds have left my account for sure. My last  
15 trade with you, what time did it come in?"

16 A. "Looks like about 6 p.m. Eastern, but you sent it earlier  
17 in the day" -- or, sorry -- "in that day."

18 Q. "Hello. Please the funds has left my account since  
19 yesterday and you are yet to give me any update concerning the  
20 status of this trade. Haven't my wires come in yet? I just  
21 got off the phone with the bank. They just told me they are  
22 not letting this wire go through as I need to provide them  
23 evidence of this rare coins you are selling me. I just spoke  
24 to my bank and they will allow the transfer to go through,  
25 however, I have to go there and fill out some forms before they

1 allow it to go through."

2 A. "Crazy."

3 Q. "Have you had any issues recently with this account?"

4 A. "No. Maybe your bank thinks you are being scammed.

5 Didn't you give them the same reason last time? Wow, what a  
6 pain in the ass. Maybe I should change my reason to investment  
7 instead of rare coins."

8 Q. "You can say that again. Yes, good idea, or simply to  
9 purchase of virtual goods."

10 And in that chat was there any discussion about what  
11 this person, ray4trade, was actually doing or whoever that is  
12 in that picture, Ray -- R. Miller?

13 A. No.

14 Q. 1212. This is on 1/21/20. JoanB1965: "Hi, I want to  
15 trade."

16 A. "Bank Name: Bank of America. Account Name: Ian B  
17 Freeman. Account Type: Personal checking. Reason for wire:  
18 Purchase of virtual goods."

19 Q. Did we just see the suggestion that Mr. Freeman change his  
20 reason to purchase of virtual goods?

21 A. Yeah. It was ray4trade's idea.

22 Q. And apparently Mr. Freeman adopted it. Was there any  
23 discussion with JoanB1965 about whether she was purchasing  
24 virtual goods?

25 A. No. Is it possible to scroll up a little bit? Thank you.



1 "I see the wire in my account, but you still need to  
2 post the required receipt photos. Thank you."

3 Q. And is that a photo of a person?

4 A. Yes, with the wire transfer receipt.

5 Q. And let's just focus in on the wire receipt, because we'll  
6 see that better than in the photo. Can you just zoom in on  
7 that so we can really look at it. So, who's making the wire,  
8 the originator?

9 A. It's very tough to read the photo. Sorry.

10 Q. Here we go.

11 A. There we go, yeah. So, the originator's name is Joan  
12 Burns.

13 Q. Joan Burns. And if we go down, where is Joan Burns wiring  
14 the money from?

15 A. Sherman Oaks, California.

16 Q. And what account is she wiring it from?

17 A. Oh, sorry. The RJ Burns Family Trust of 2014.

18 Q. And who is she wiring it to?

19 A. Ian B. Freeman.

20 Q. And how much is she wiring?

21 A. 100,000 U.S. dollars.

22 Q. And down below did she write -- are the required words  
23 written there?

24 A. Yes.

25 Q. And was there any discussion about why this woman is

1 spending \$100,000 from a family trust to buy bitcoin?

2 A. No.

3 Q. Okay. JoanB, so down further: "Done."

4 A. "Looks good. Please go ahead and restart the trade per my  
5 terms and I'll release the coins on the new trade, as usual."

6 Q. And 1213, deedavice1969, on 2/26/20: "Hello."

7 A. "Hello. Are you using an agent to deposit on your behalf?  
8 I see you are in Nigeria."

9 Q. "No. Am in the States. Sorry. I was on call -- on a  
10 call. My husband was logged into my account, so I called to  
11 confirm."

12 And then skipping the boilerplate there.

13 "Okay."

14 And then there is a driver's license of Dee Hess Davis  
15 from what year?

16 A. 1965.

17 Q. Date of birth. Okay. Go ahead.

18 A. "The license must show all four corners. Thank you."

19 Q. "Hold on. Lemme get a pen."

20 A. "It's been over an hour. Did you still want this? If  
21 not, please cancel. Thank you."

22 Q. "Sorry. I was in a meeting. All done. Account please."

23 A. "Almost. The note must have your cell phone number on it,  
24 please, as specified below. Thank you."

25 Q. 1214, latashal on March 6, 2020: "What's your Chase bank

1 account number?"

2 A. "Hello. I see you are in Nigeria. Will you be using an  
3 agent in the U.S. to make a deposit on your behalf?"

4 Q. "Yes."

5 And then there's just the boilerplate.

6 Were any discussions asked about why they were using  
7 an agent being in Nigeria?

8 A. No.

9 Q. 1215. All right. This is a longer one. The username is  
10 jrossell11313:

11 "I need large amount of BTC of worth about 67,000. Do  
12 you have?"

13 A. "Yes, but I cannot have cash deposits that large. Please  
14 see my ad for wire transfer."

15 Q. "Are you referring to National Bank Transfer?"

16 And then 1215A, which is just the continuation:

17 "Hi. I guess this is the correct ads for wire  
18 transfer."

19 A. "Yes. Have you read the full terms?"

20 Q. "I don't have a business license. This is a personal  
21 investment."

22 A. "That is fine. You must provide the required verification  
23 photos as I have described in my terms. Thank you."

24 Q. "Okay. Let me start with the verification."

25 And there's a photo of a man with a white beard that

1 says: "I certify that I am buying bitcoin via wire transfer  
2 from the Church of the Invisible Hand and Ian Freeman via  
3 localbitcoins.com, March 16, 2020, James Rossell," with a  
4 telephone number.

5 A. Correct.

6 Q. And then there's a photo of Mr. Rossell holding up a New  
7 Jersey driver's license?

8 A. Yes.

9 Q. And I can't see the date of birth of Mr. Rossell. There  
10 we go. Well, Mr. Rossell is going to testify at the trial, so  
11 he'll provide his own date of birth.

12 A. Okay.

13 Q. So, FTL\_Ian.

14 A. "Please send a photo of just the ID alone. Thank you."

15 Q. "Any other thing needed?"

16 A. "Can you verify for me somehow that the phone number  
17 belongs to you? When I look it up it's registered to another  
18 name."

19 Q. "Yes, it is my number."

20 A. "Can you show me a photo of your phone bill perhaps?"

21 Q. And there's a phone bill, and if you look at the very top  
22 does it say "Rossell"?

23 A. "J Rossell." Yes.

24 Q. Go ahead.

25 A. "Okay. That is a different number than you have on your



1 photo. I will call you on," phone number.

2 Q. "Okay. I am here now."

3 A. "Bank Name: Service Credit Union. Account Name: Ian B  
4 Freeman. Account Type: Personal checking. Reason for wire:  
5 Church donation."

6 Q. And if we went back just to the beginning of this  
7 conversation in 1215A, jrossell1313 gave a reason this time,  
8 right?

9 A. Yes.

10 Q. And what was that?

11 A. He said, "This is a personal investment."

12 Q. But yet the reason here was?

13 A. "Church donation."

14 Q. And so, going to -- "I will be on my way soon. I have  
15 made the wire transfer. I will send pictures."

16 A. "Thank you. You must write the required words on the  
17 receipt as described in my terms. Thank you."

18 Q. Okay. And then there's a wire receipt for -- it says:  
19 "I, James Rossell, authorized and completed a wire transfer in  
20 the amount of \$60,000" (sic) "USD for the purchase of bitcoin."  
21 Right?

22 A. 67,000.

23 Q. "67,000 USD for the purchase of bitcoin," and it describes  
24 the words we've seen before, correct?

25 A. Correct.

1 Q. Okay. "Hello. Can you reopen the trade? This trade has  
2 been closed because you did not have press -- because you did  
3 not press I have paid button on time. If you have paid for  
4 this purchase ask the seller to reopen the trade."

5 So, did you understand that -- well, go ahead.

6 A. Okay. "Uh-oh. It looks like you sent the wire to Church  
7 of the Invisible Hand instead of my name, which my info  
8 specified. The bank may reject your wire."

9 Q. And if we went back to -- well, you see that it was a  
10 Service Credit Union account for Ian Freeman that was provided?

11 A. Yes. "Can you catch them before they send it out? I have  
12 reopened the escrow."

13 Q. "Okay."

14 A. "Can you call your bank to change the name on the  
15 receiving account to Ian Freeman before they send that wire?  
16 Otherwise it may be rejected."

17 Q. "Okay. Hold on. I have to go to the bank. I can't find  
18 their number. I'll be back shortly."

19 A. "It's at the top right of the receipt."

20 Q. "It's not complete. On my way to the bank. I am at the  
21 bank. They are trying to send an amendment to change the name  
22 on the account. The bank said you can get the money anyway  
23 because the account number is yours."

24 A. "Okay. I hope so. I'll take a look and see if it's in."

25 Q. "Okay. Can you check and let me know?"

1 A. "It's not there yet."

2 Q. "Okay. The bank sent an amendment to the wire service,  
3 but I think the money should be credited to your account. They  
4 told me that it was approved and already out of my account.  
5 So, if it's not in your account it should be soon."

6 A. "Okay. We'll keep an eye out."

7 Q. "Okay. Thank you. I think the system automatically  
8 generated the name on the account because the woman at the bank  
9 filled the wire form. Hello, Ian. Can you please check again  
10 if it has been credited."

11 A. "Sorry, but, no, it's not there. There is a good chance  
12 the wire team will reject it as an error or just that they  
13 already went home for the day before it arrived. I will call  
14 them.

15 "James, I just got off the phone and they said they  
16 would likely reject a wire to the wrong name. Also, they do  
17 not see any incoming wire activity, so unfortunately your wire  
18 is still coming -- so if your wire is still coming it won't  
19 arrive until tomorrow morning, but then they'll likely still  
20 reject it and send it back to you.

21 "I'm sorry about this, but wire info usually has to be  
22 accurate to guarantee success, and even then they can travel  
23 slowly thanks to the Federal Reserve and banking system."

24 Q. "Okay. Let's wait till tomorrow, okay?"

25 "Good morning, Ian. Are you there?"

1 A. "Just woke up. Wire has not come in. You should call  
2 your bank and see if it was returned yet."

3 Q. "Hello, Ian. The wire had been returned. I will make the  
4 wire transfer after my doctor appointment."

5 A. "Please double check that you give them against the info I  
6 gave you. It must be exactly right. Thank you."

7 Q. "Okay, I will."

8 And, again, we see a wire?

9 A. Yes.

10 Q. "Are you there?"

11 A. "Yes, that should go through. Now please write the  
12 required words on the receipt per my terms, then photo it  
13 again, then take a selfie holding it. Thank you."

14 Q. And the same prescribed words are on the receipt --

15 A. Yes.

16 Q. -- on the wire form?

17 A. Yes.

18 Q. "Sorry for the delay. I was having my lunch."

19 A. "No worries. Thank you. Will let you know when the wire  
20 comes in."

21 Q. "Okay. Thank you. The money is out of my account. Hi,  
22 Ian. Kindly check your account if it's been credited."

23 A. "Good news. The wire came in."

24 Q. "All you need to do" -- sorry.

25 A. "All you need to do now is restart the trade as my terms



1 require and that will get the current bitcoin price. I will  
2 release the coins to you on the new trade per my terms. Thank  
3 you."

4 Q. "Okay." And you can skip the email address or the web  
5 address.

6 "Okay. I did opened another trade."

7 And then 1251B. So, this is same day, March 17:

8 "Are you there?"

9 A. "Yes. Now please cancel the original trade. Thank you.  
10 I will release the coins here based on the photos you provided  
11 to the original trade here."

12 Q. "Should upload pictures here?"

13 A. "No need. Thank you. All set. I'm leaving you positive  
14 feedback. I would appreciate you doing the same for me. Thank  
15 you. Please spread the word of the peace and freedom that  
16 Bitcoin can bring the world. Also, you will not need to  
17 provide ID initially in future trades. Thank you."

18 Q. "I dropped feedback. Do you have TD bank for cash  
19 deposit?"

20 A. "I only have CHASE at this time. I had something weird  
21 happen at my bank on 3/19, James. I noticed an amount of  
22 \$67,000 was removed from my account. They say it was a mistake  
23 and that it will be credited back to me, but since you're here  
24 I'm wondering if it was sent to you. I wasn't going to bug you  
25 about it since they said it was a mistake but figured I'd ask

1 since you'd reached out."

2 Q. "No. Nothing was credited to my account. I would have  
3 contacted you if I got a credit in my account."

4 A. "Good to know. Thank you. Does CHASE work for you?"

5 Q. "No CHASE. You need to contact the bank to know what is  
6 happening."

7 A. "I'm in touch with them. They say it should be returned  
8 to my account by tomorrow sometime, hopefully. Again, I'm not  
9 blaming you or upset. I'm just asking if you'd seen anything.  
10 Thank you. Regarding today, are you looking only to do a cash  
11 deposit? I do offer a cash-by-mail service."

12 Q. "Cash deposit."

13 A. "How much?"

14 Q. "5,000."

15 A. "I wish I still had TD. Sorry that CHASE is all I have  
16 right now. If you would like service from me, we can do it as  
17 a wire, or I can have you mail it to me."

18 Q. "To avoid delay and stress, I will buy from you next  
19 time."

20 A. "I am always happy to help. Thank you."

21 Q. "Please kindly" update -- "please kindly keep me updated  
22 once the money is credited back to your bank account."

23 A. "Will do. Thank you."

24 Q. "Now the next day: Hello, Ian. How are you doing? I  
25 hope you've been able to rectify the issue with your bank."

1 A. "I'm actually on hold with them right now about that."

2 Q. "Okay. Let me know so I can go back to the bank  
3 tomorrow."

4 A. "They are saying you issued a wire recall request."

5 Q. "No, I did not. Remember the bank sent an amendment  
6 letter and the money was refunded back to my account which I  
7 got wired back to your account? I will have to go to the bank  
8 tomorrow but the problem is bank is now allowing customer into  
9 the bank except for drive-through. I will check my bank  
10 account first thing tomorrow, and if it arrives how do I send  
11 it to you? If the money is credited back to my account, I may  
12 not be able to process a wire transfer. How do I get money  
13 across to you?"

14 A. "You can wire it back to the same account from which it  
15 was taken. I would really appreciate it, as if you don't, this  
16 could lead to my account being closed as now my credit union  
17 knows I am selling bitcoin."

18 Q. "So sorry about that. You can be rest assured that the  
19 money will be wired back to your account if credited by  
20 tomorrow, and I hope they will allow me into the bank. Just in  
21 case, what are your other options?"

22 A. "Most banks can do wire over the phone if they don't let  
23 you in or via drive-through. Can I have the fraud department  
24 at my bank call you if they have questions?"

25 Q. "You don't have to worry about a thing. If credited



1 tomorrow, I will try all possible best to make a wire transfer  
2 back to the account."

3 A. "It should have come back to you on 3/19."

4 Q. "I will go to the bank tomorrow. Okay. I will be the  
5 first to write you in the morning. Okay?"

6 A. "Thank you, James."

7 Q. "You are welcome."

8 A. "Bank Name: Service Credit Union. Account Name: Ian B  
9 Freeman. Account Type: Personal checking. Reason for wire:  
10 Church donation."

11 Q. Was there anything here discussed about making a donation  
12 to a church?

13 A. No.

14 Q. "Good morning, Ian. I was at the bank this morning. The  
15 reason the bank took the money back is because they thought it  
16 was fraudulent. The only way to get the money to you is to  
17 mail" it to you -- "to get the money to you is to mail you a  
18 personal check. I await your response. I am waiting for your  
19 response."

20 A. "Sorry. Just now seeing this. Can you get a cashier's  
21 check?"

22 Q. All right. So, jrossell1313 just said that the bank  
23 thought the transaction was fraudulent, correct?

24 A. Yes.

25 Q. And it's talking about a check?



1 A. Yes.

2 Q. Did Mr. Freeman ask any questions about why the bank  
3 thought it was fraudulent?

4 A. No.

5 Q. What was his focus on?

6 A. About getting an alternative method of payment.

7 Q. The check?

8 A. Yeah, the check.

9 Q. Okay. "What name should be on the cashier's check, and  
10 what address should I mail it to?"

11 A. "Ian Freeman, 73 Leverett Street, Keene, New Hampshire,  
12 03431. Would you mind sending it two-day or Priority?"

13 Q. "Please make sure there's a tracking number." Oh, that's  
14 you. I'm sorry.

15 A. Sorry, sir.

16 "Please make sure there is a tracking number, and  
17 please take a picture of the check before you send it so I can  
18 send that to my credit union's fraud department so they can see  
19 you are making this right."

20 Q. "Yes. I will try to send it through Priority Mail, okay?  
21 Banks can be frustrating. Okay?."

22 A. "Also, if you would like to buy more bitcoin I'm happy to  
23 continue working with you after this. I can have you send to a  
24 different bank account which is under the name of the church  
25 next time. Please ensure to get a tracking number when you

1 send it, and don't forget to snap the photo of the check.

2 Thank you. Do you have time to get this done today? Thank  
3 you, James."

4 Q. "Ian, my personal check is good as gold."

5 A. "I believe you, but a cashier's check will clear much  
6 faster, if you don't mind. My credit union will hold a  
7 personal check's funds for much longer, especially for this  
8 amount."

9 Q. "Wait. Let me call the bank and make appointment."

10 A. "It will also look better to my credit union's fraud  
11 department and they may call off the investigation."

12 Q. "Okay. Hold on. I just got off with the bank, and they  
13 have my account flagged in the computer. I wonder when they  
14 said cash they meant cashier's check also. They did say  
15 personal check was okay, and they said a cashier's check is the  
16 same as taking cash out of the bank. No cashier's check."

17 A. "All right. Can you please take a photo of the personal  
18 check and send that to me here before you mail it? It is  
19 possible for you to overnight or two-day it?" Or "Is it  
20 possible..." Sorry.

21 Q. "Yes."

22 A. "Okay, I will look forward to hearing from you. Thank you  
23 for being willing to make this right. It's refreshing, as this  
24 site is full of scammers."

25 Q. And then there is a check here that is -- do you see James

1 Rossell and Janet Rossell?

2 A. Yes, in the top left-hand corner.

3 Q. And it's for \$60,000?

4 A. Yes.

5 Q. And what was the original amount of this transaction from  
6 the wire?

7 A. 67,000.

8 Q. Okay. jrossell1313: "It's not a problem, Ian, but I need  
9 to tell you something. My bills was automatically deducted  
10 from the money when credited to my account. My retirement  
11 check comes next week. I will have to make cash deposit of  
12 \$7,000 to any account you provide or mail a check -- or mail  
13 out a check also. I hope you understand. Please reply as soon  
14 as possible. I will go ahead and overnight the \$60,000 check  
15 if that's okay with you."

16 A. "Okay. Is there a CHASE bank near you? I have an account  
17 there. Yes, that would be great. Thank you. Or you can just  
18 include the cash in an envelope with the check."

19 Q. "I'm not sure, but I can look around. Why do you ask?"

20 A. "Sorry. I thought you said you wanted to deposit the  
21 \$7,000 in cash in another account of mine."

22 Q. "Should I go ahead and mail the check right away?"

23 A. "Here is a CHASE."

24 Q. And you can just go on.

25 A. Yeah. "But would you be willing to just put the \$7,000 in

1 an envelope inside the overnight package and send it that way?"

2 Q. "I don't have the cash available right now until next  
3 week. I am sorry for this, and I promise to give cash next  
4 week or mail a check. You can trust me on this. My bills was  
5 automatically deducted from the cash as it was credited. I  
6 have to wait till next week to pay up the balance. I'm sorry  
7 for the inconvenience."

8 A. "Okay. Please send the overnight and provide tracking  
9 number. Thank you. I will deposit the check tomorrow."

10 Q. Were there any questions asked here about why Mr. Rossell,  
11 jrossell11313, did not have enough money to cover his \$67,000  
12 bitcoin investment --

13 A. No.

14 Q. -- and that he had to wait for a retirement check?

15 A. No.

16 Q. "Okay. Thanks for your understanding. The bank is a  
17 mess. I am sorry. The woman at the bank reversed the money  
18 because of the mistake in the name when I did the first wire."

19 A. "Ugh. Frustrating. Oh, well, thanks for making this  
20 right. Please get me the tracking number today. Thank you.  
21 I'll let you hit the road and get it done."

22 Q. And is that a receipt from the Postal Service for sending  
23 some kind of package?

24 A. Yes, that's correct.

25 Q. "You should have it 3 p.m. tomorrow."



1 A. "Super. I will be here when it arrives. Thank you,  
2 James. I did notice that you cut the check from a different  
3 bank from which you sent the wire."

4 Q. "It's the same bank."

5 A. "Ah, I see the account number is the same. WSFS Bank at  
6 the top of the wire form seemed different from Beneficial Bank  
7 on the check. That's what threw me off."

8 Q. "I know it was Beneficial until WSFS took over a few  
9 months ago. I'm using up my old checks. It will be fine. I  
10 hope you are happy."

11 A. "Thank you. I'll be happy if my credit union doesn't  
12 close my account for selling bitcoin, which is what always  
13 happens when banks find out what I do. I'll reach out tomorrow  
14 when the check arrives to let you know. Thank you."

15 Q. "Selling bitcoin is not an offense. I don't think they  
16 should close your account."

17 A. "I've lost dozens of accounts over the last several years.  
18 Banks hate bitcoin. You are correct it is not illegal, but  
19 they will still shut it down. It's only a matter of when.

20 "Just an update. I received your package and have  
21 deposited the 60K check into my credit union account and  
22 informed the fraud department. Thank you. On what day next  
23 week will you have the remaining \$7,000?"

24 Q. And that's the money from the retirement check that we  
25 talked about earlier?

1 A. Correct.

2 Q. "Okay, good. I will inform you accordingly next week on  
3 the balance. Let your mind be at peace."

4 A. "James, are you able to see on your online banking if the  
5 check amount has been debited from your account? Thank you."

6 Q. "The money left my account. I think it should be credited  
7 to your account by now. I will try to make payment tomorrow  
8 after getting paid. Thank you for your patience."

9 A. "Thank you for making this right. My bank will hold the  
10 funds for several days before it's fully credited to me."

11 Q. "You are welcome. Ian, I will be making bitcoin  
12 investment for my friends, and they want to help me handle it.  
13 How do we go about, because I can't use my bank? Can they make  
14 the payment directly to you so that you can send the coin to  
15 me?"

16 A. "Yes, we can direct trade off of this site, if you like.  
17 I'm on the Telegram app at username @FTL\_Ian. Your friends  
18 will need to go through similar verification steps as you did,  
19 including a phone call."

20 Q. Let me ask you this question: Is there any way, just from  
21 what we've read here in this chat, to know that the photographs  
22 are the same person who is writing the jrossell1313?

23 A. I don't believe so.

24 THE COURT: I'll just make a suggestion here. There  
25 are sometimes when these conversations advance several days,

1 and you are not really noting that in your presentation, and I  
2 think it's worth noting.

3 MR. AFRAME: I will. I will.

4 Q. So, this has sort of gone on from March 17 to where we've  
5 reached March 31st, right?

6 A. Yes.

7 Q. All right. So we're still on March 31st. So, the offer  
8 was just made to move the relationship to Telegram, correct?

9 A. Yes, although if we can scroll down -- or sorry. I  
10 apologize. No. Up, I meant. Yes. Correct.

11 Q. And now back on 17:33:36: "Okay."

12 And now that was March 31st, and now it's April 2nd,  
13 and jrossell1313 says:

14 "Hello, Ian. Another heck" (sic) "for 7,000 will be  
15 issued out today or tomorrow. Once it's out I'll send you the  
16 tracking number. Okay."

17 And what's that a reference to?

18 A. That's the retirement check money.

19 Q. And is that, then, another United States Postal receipt  
20 showing that it was mailed?

21 A. Yes.

22 Q. jrossell: "Hello." Still April 2nd. "Hello, Ian.  
23 Kindly find the attached receipt with the tracking number from  
24 USPS. Kindly keep me updated when you get it."

25 A. "Splendid. Thank you."



1 Q. "You are welcome." And now it's the next day.

2 A. "I have received the \$7,000 check. Your previous check  
3 for \$60,000 has cleared without issue. Thank you so much for  
4 making this bank issue right. You are outstanding in your  
5 honesty, which is refreshing for this site. You are welcome to  
6 proceed with any further buys from me, and I will update your  
7 feedback here to be even more positive."

8 Q. And now it's the next day. "Hello, Ian. Thank you for  
9 your kind words. I am into bitcoin investment just like you,  
10 and I wouldn't want to go experience loss in your business.  
11 When I get more clients interested I will inform you. Let me  
12 know when the 7,000 check is finally cleared by your bank."

13 A. "All clear. Thank you again. Please let me know how I  
14 can assist in the future."

15 Q. And that was April 7th, and now it's April 9th. "You are  
16 welcome. Sorry. I have been busy with other things around the  
17 house. I hope business is good." Now the 10th.

18 A. "It's slowed down over the past two weeks, but there are  
19 still some buyers."

20 Q. Now it's May 7th. "Hi, Ian. How are you today?"

21 A. "Well, thank you. How can I help?"

22 Q. "I have a customer that want to invest in bitcoin with me,  
23 so what does he need to do? He will buy 2,000," dollar sign.

24 A. "Meaning the person will be using you as their agent to  
25 receive the coins and you will take a cut first?"



1 Q. "Yes. What percentage will you charge?"

2 A. "How will the payment be made?"

3 Q. "He will make cash deposit to your account."

4 A. "My cash rates on here are 9 percent right now. Please  
5 feel free to open a trade and I'll send you the photo  
6 requirements."

7 Q. "I will open a trade with you, but how about a future  
8 transaction? What percent will you charge? I understand this  
9 is a small amount."

10 A. "My rate can change based on various market forces, but  
11 recently cash deposit has been 9 percent."

12 Q. "Okay."

13 And this is the usual, right? Although, can you read  
14 from, "I certify"?

15 A. I just need it to scroll down.

16 Q. Sorry. 1215C.

17 A. "I certify that I am buying bitcoin from FTL\_Ian on  
18 localbitcoins.com. I am using my trusted agent, James Rossell,  
19 Jr., to receive the bitcoin on my behalf. Include today's date  
20 and the buyer's signature and their cell phone or landline  
21 phone number on the note."

22 Q. "I am here. Okay."

23 And then we have a driver's license and where is  
24 this -- what's the name of this person?

25 A. This is Ivan Andre Joseph Theoret.

1 Q. And what's the date of birth of Mr. Theoret?

2 A. 1953.

3 Q. And where does Mr. Theoret live?

4 A. In Florida.

5 Q. And where does Mr. Rossell live?

6 A. New Jersey.

7 Q. And is Mr. Theoret holding up in that photo one of the  
8 signs with the words that Mr. Freeman requires?

9 A. Yes.

10 Q. And does it say: "I am using my trusted agent, James  
11 Rossell, Jr., to receive the bitcoin on my behalf"?

12 A. Yes.

13 Q. So, that would mean that Mr. Theoret is sending the money  
14 to Mr. Freeman, and Mr. Freeman is sending the bitcoin to  
15 Mr. Rossell?

16 A. Correct.

17 "Is that his phone number? It's coming up registered  
18 in a woman's name. Can he photo the phone bill associated with  
19 that number showing his name?"

20 Q. "Yes, that is his phone number. Hold on."

21 Is there a phone bill there?

22 A. Yes.

23 Q. "Are you sure you got the number right? It is," and  
24 there's a number. "Here's his house number," and another  
25 number is provided. "Also find the attached phone bill. Are

1 you there?"

2 A. "Okay. That number checks out. One moment. Bank Name,  
3 Bank of America. Account Name: Church of the Invisible Hand.  
4 Account Type: Business checking. Reason for deposit: Church  
5 donation."

6 Q. Is there anything in here that says Mr. Theoret was trying  
7 to make a church donation?

8 A. No.

9 "Please have him write the required words on the  
10 receipt and also take a selfie holding it. Thank you."

11 Q. "Got it." "Okay, got it."

12 And is there a photo and receipts from Mr. Theoret?

13 A. Yes.

14 Q. And still on 5/7, go ahead.

15 A. Okay. "James, thank you for the photos, but because we're  
16 over the hour time limit, I must request that you restart the  
17 trade and I will release the coins to you on the new trade.  
18 Thank you."

19 Q. "Okay."

20 And now 1215D: "I have just requested."

21 A. "Releasing now based on the photos on the original trade  
22 here."

23 Q. "Okay."

24 A. "All set. Thank you."

25 Q. "You're welcome. Does Jay need to go through the same

1 verification next time?"

2 A. "Nope. He's good."

3 Q. Okay. That was 5/7. Now it's 5/15.

4 "Hi, Ian. I have another client who want to buy  
5 bitcoin worth 2700."

6 And, again, just read from the "I certify" language.

7 A. "I certify that I am buying bitcoin from FTL\_Ian on  
8 localbitcoins.com. I am using my trusted agent, James Rossell,  
9 Jr. to receive this bitcoin on my behalf. Include today's date  
10 and the buyer's signature and their cell phone or landline  
11 phone number on the note."

12 Q. "But do you have any other bank, because Bank of America  
13 seems far away from him?"

14 A. "I can accept wire."

15 Q. "Your wire rate is high. I will not make any gain.  
16 Should I attach his details here for you?"

17 And now we have a driver's license of who?

18 A. Steven J. Williams.

19 Q. And what's his date of birth?

20 A. 1953.

21 Q. And where is he from?

22 A. Wisconsin.

23 Q. And where is Mr. Theoret from?

24 A. Florida.

25 Q. And where is Mr. Rossell from?



1 A. New Jersey.

2 Q. Was there any conversation of how jrossell1313 is finding  
3 bitcoin customers around the country?

4 A. No.

5 Q. And going forward after the driver's license, is there a  
6 photo of Mr. Williams with the required words?

7 A. Yes.

8 Q. Go ahead.

9 A. "Looks good. You can open the trade when ready."

10 Q. "Your minimum limit says 3,000. Can you reduce to 2,700?"

11 A. "Okay. Done."

12 Q. And 1215E is the last part of jrossell1313 -- well, two  
13 more, I guess.

14 Jrossell: "The bank details."

15 A. "Bank Name: Bank of America. Account Name: Church of  
16 the Invisible Hand. Account Type: Business checking. Reason  
17 for deposit: Church donation."

18 Q. And, again, do we know anything about what Mr. Williams is  
19 doing from this? Do we know why he's buying bitcoin?

20 A. No.

21 Q. jrossell1313: "Got it." And then there's the words,  
22 right?

23 A. Yeah.

24 Q. "Okay, I will. Paid." And there are the words again,  
25 right?

1 A. Mm-hmm.

2 Q. It says: "I authorize delivery of the bitcoin to my  
3 trusted agent, James Rossell"?

4 A. Yes.

5 Q. What did we learn earlier this morning about bitcoin?  
6 Once that's sent to jrossell1313, what's the status of that  
7 bitcoin?

8 A. It's irrevocable.

9 Q. Going down to the bottom: "Please confirm the receipt and  
10 wire transfer. Trade is closed. You need to reopen."

11 A. "Looks good. I've been driving. Will put my offers back  
12 up now. I'll be driving about a half hour again. Please be  
13 patient when you open a trade. Thank you."

14 Q. And this is now 1215F, the last one that goes with  
15 jrossell1313.

16 A. Yes.

17 Q. And this is still 5/15. "Releasing now" -- sorry. Go  
18 ahead.

19 A. "Releasing now based on the photos used in the original  
20 trade here. Thank you again, James."

21 Q. "Thank you too."

22 So now still 5/15: "Hi, Ian. How many percent do you  
23 charge for payment through wire transfer?"

24 A. "16 to 21 percent. I offer lower rates on direct trade."

25 Q. "How many percent on direct trade?"

1 A. "13 percent."

2 Q. "Because I have made nothing from this transaction."

3 A. "You can reach me at Telegram username @FTL\_Ian. There is  
4 an imposter there, so ask me to send you a screenshot of this  
5 conversation to prove it is me."

6 Q. "Okay. I will do that later." And that's the end of  
7 jrossell1313.

8 The next one is ARNAIZ, which is March 18, 2020:

9 "I'm looking for a trusted provider. I need 16 BTC  
10 for no more than 15,600 each. I will be a regular buyer."

11 A. "I can handle that amount but not at that price today. My  
12 rates are over 10 percent today here. Did you want to move  
13 ahead with this \$500 purchase?"

14 Q. "Yes, I want more. I just want to see how we can work  
15 together."

16 And then there's the standard language, correct?

17 A. Yes.

18 Q. And then we have -- what do we have there?

19 A. We have a Mexican passport.

20 Q. And what's the person's name?

21 A. His name is Miguel Angel Arnaiz Moncebo Del Castillo.

22 Q. "Can you send me instructions?" And is that that same  
23 person with the passport holding up the sign with the words?

24 A. It appears so.

25 Q. And on the next, what is the bank information this time?

1 A. "Bank Name: Chase Bank. Account Name: Church of the  
2 Invisible Hand. Account Type: Business checking. Reason for  
3 deposit: Church donation."

4 Q. And is there a deposit slip there?

5 A. Yes.

6 "Thank you. Also please upload a selfie holding it.  
7 Thanks."

8 Q. And this was a \$500 transaction, right?

9 A. Yes.

10 Q. "Are we good?"

11 A. "All set. I'm leaving you positive feedback. I would  
12 appreciate you doing the same for me. Thank you. Please  
13 spread the word of peace -- of the peace and freedom that  
14 Bitcoin can bring the world. Also, you will not need to  
15 provide ID initially in future trades. Thank you."

16 Q. So, still on 3/18: "Hi, Ian. Great to work with you.  
17 Can you sell to me 17 BTC?"

18 A. "I cannot take a cash deposit that large at CHASE, but,  
19 yes, I can sell that much no problem. Do you want to do wire  
20 transfer or cash by mail?"

21 Q. And so, he talked about wanting to pay 5,600. At 5,000,  
22 17 would be about 85,000, right?

23 A. Yeah, 85-, 90,000, yeah. Somewhere in there.

24 Q. "How much can you take in CHASE? I can go visit different  
25 branches. I have the money in cash."



1 A. "Can you send by overnight to my private mailbox instead?  
2 It's fully staffed. No package will be stolen. I open package  
3 on video and put it through a counter/counterfeit detector. In  
4 case of any discrepancies I have proof. I can't have you  
5 splitting deposits. That could lead to the bank filing a  
6 Suspicious Activity Report against you/me, and that can lead to  
7 criminal charges in the U.S. It's stupid, but that's how it is  
8 here."

9 Q. Are there any questions about why Mr. Arnaiz would have  
10 85-or-so-thousand dollars in cash --

11 A. No.

12 Q. -- by Mr. Freeman?

13 A. No.

14 Q. "Which price are you going to give me for each BTC?"

15 A. "Are you on the Telegram app? We can trade direct there.  
16 My user name is @FTL\_Ian on that app. The way I handle cash by  
17 mail is this: Since you're buying a large amount and we will  
18 trade direct I'll give you a lower rate than what I charge  
19 here. My Telegram rate will be 10 percent for you. You send  
20 the cash, I take 10 percent off the top, then send you the  
21 remaining amount in bitcoin at the Kraken market rate at the  
22 time I receive the cash. Simple. So, if you sent me \$100,000  
23 I take 10,000 and you get \$90,000 in bitcoin at market rate.  
24 If I got the cash now, that would be 5,219 per bitcoin or about  
25 17.24 bitcoin. If you send the cash overnight, I get it

1 tomorrow; you get whatever the price is of bitcoin at the time  
2 I receive it tomorrow. Make sense?"

3 Q. "Makes sense. The only thing is I'm worried for the cash  
4 being lost. Are you sure this will happen smoothly? What's  
5 your private mailbox?"

6 A. "There are no guarantees, obviously. Would recommend  
7 putting the cash inside a box -- inside the box maybe inside a  
8 bag inside that. Also, you can try a smaller amount first.  
9 However, if you ship overnight trackable it is likely to be  
10 handled with care by FedEx. Let's chat further on Telegram."

11 Q. "I'm writing to you there. Please answer."

12 The next one is 1217.

13 "What's your simple verification, because I want to  
14 buy coin?" This is Gannon0102 on May 4th, 2020. And then  
15 there is the usual words, right?

16 A. Yes, the boilerplate.

17 Q. And it says in the boilerplate, the Church of the  
18 Invisible Hand is referenced, right?

19 A. Yes.

20 Q. Back to Gannon: "Okay. I will do that and send it to you  
21 before opening trade. Sorry. What's the Church of the  
22 Invisible Hand?"

23 A. "My partner church. They have the bank account."

24 Q. 1218. This is 3/23/20. Shechav27. "You accept Zelle?"

25 A. "No, sorry, but arianarchist does. We work together."

1 Q. And that's the account we looked at earlier?

2 A. Yes.

3 Q. Okay. And 1219, Princesonne and Ian, and FTL\_Ian, on  
4 March 31st, 2020:

5 "Hi. I need to buy in cash 30 BTC in cash if you are  
6 located in New York or in Miami."

7 A. "No, sorry, but I do offer cash-by-mail service, if that  
8 would help you."

9 Q. "Do you have 30 BTC?"

10 A. "I do, yes."

11 Q. "Wait. I call my partner if he can do that by mail.  
12 Where are you located in USA? I want buy 100 BTC normally, but  
13 I want start with you with any amount you feel good to do it  
14 with cash now and look for any way guarantee you your money."

15 A. "We should start with a lower amount. You do not want  
16 \$200,000 to get lost in the mail."

17 Q. And, again, were there any questions about why this person  
18 has \$200,000 they can put in the mail?

19 A. No.

20 Q. "That is the reason you didn't tell me you are located?  
21 Or he can make deposit direct in your account. I prefer to be  
22 cash in hand. Where are you located in USA?"

23 A. "We can take cash deposit at CHASE Bank, up to \$35,000 per  
24 day at this time."

25 Q. "Okay. That will be too good buy. Which verification



1 steps do you need?"

2 And then the usual words, right?

3 A. Yes, the boilerplate.

4 Q. "I am now in Germany and I am not who will send you money.  
5 That's why I told you meet him directly where you feel safe and  
6 make all conditions with him, ask him about all what you need.  
7 He can send his ID and all what you want. Send me your  
8 WhatsApp number."

9 A. "I don't have WhatsApp. If you are the receiving agent  
10 for a buyer, I will need the following photos, and then I will  
11 tell you what photos I need from the buyer."

12 Q. Is this the usual agent language we've read several times?

13 A. Yes.

14 Q. "Phone number where he can contact you, and everything  
15 will go via your trades with him."

16 A. "Are you saying I will direct trade with him?"

17 Q. "Yes, you can do directly with him or you prefer via this  
18 account. Normally I need to do cash out about 500K USD from  
19 USA to BTC, but I need to do it slowly. We can daily make  
20 amount. I am still searching about who can do that. ATM limit  
21 is 5K. How much rate percent win will you do?"

22 A. "My direct trade rate is 10 percent. He can reach me  
23 direct on the Telegram app at username @FTL\_Ian. Please have  
24 him mention your username when he does."

25 Q. "I contact you first in Telegram."



1           So, the next one is 1220 on April 9th, 2020,  
2 kevinmoore51:

3           "Hello. Are you available for a deposit?"

4           And then it's the usual boilerplate?

5 A.    Mm-hmm.

6 Q.    Is there a picture there of a person?

7 A.    Yes, holding a driver's license.

8           MR. AFRAME: And can you zoom in on that?

9 Q.    What is the name of the person?

10 A.    It's for a Susan Oyler in Louisiana.

11 Q.    And what is Susan Oyler's year of birth?

12 A.    1951.

13 Q.    And then there are the words written on the page next to  
14 that?

15 A.    Yes.

16 Q.    "Just hold the note" -- sorry. Go ahead.

17 A.    "You just hold the note in a selfie. Thank you."

18 Q.    "Okay. Go to Chase -- got to Chase and the queue is so  
19 long. I think I'll have to do this tomorrow. Can I cancel and  
20 do this tomorrow? Am so sorry for any inconvenience."

21 A.    "Okay, no problem. You can send a photo with you holding  
22 the note today, and then you'll be good to go when you open the  
23 trade tomorrow. Thank you."

24 Q.    "Okay. Will do that when I get home."

25           And is that the same person, Susan Oyler, holding a

1 piece of paper?

2 A. It appears so.

3 Q. "Is this okay? Please send me the account information. I  
4 will go to another branch now."

5 A. "Bank Name: Chase Bank. Account Name: Church of the  
6 Invisible Hand. Account Type: Business checking. Reason for  
7 deposit: Church donation."

8 Q. Has there been any conversation with kevinmoore51 about  
9 why Ms. Oyler would be making a church donation?

10 A. No.

11 Q. And then there's a series of receipts?

12 A. Yes. And -- well, that is a business card.

13 Q. Yeah. And then Ms. Oyler holding a receipt?

14 A. Yes.

15 Q. Okay. Back to kevinmoore51: "There you go."

16 A. "All set. I'm leaving you positive feedback. I would  
17 appreciate you doing the same for me. Thank you. Please  
18 spread the word of the peace and freedom that Bitcoin can bring  
19 the world. Also, you will not need to provide ID initially in  
20 future trades. Thank you."

21 Q. "Will like to continue trading with you. Can I please  
22 have your cell phone number, and I will sure leave you a  
23 feedback? Please do the same for me as well. Thanks."

24 A. "I just tried calling. Whose number is on the note in the  
25 verification photo?"

1 Q. "My number. I didn't see any call from you. Are you  
2 talking about the Chase card?"

3 A. "There is a man's voice on the voicemail. I called,"  
4 phone number."

5 Q. "That's my husband's voice."

6 A. "Just called again."

7 Q. "Hold on. Let me call you."

8 A. "Okay. I'm waiting for your call."

9 Q. "What's your cell number? I'm not seeing your call on  
10 here."

11 A. Phone number.

12 Q. "Tried calling. You didn't pick up. Trying again now."

13 A. "Phone has service. Your call did not come through.  
14 Leave a message if it happens again."

15 Q. "Please leave me a feedback, or have you done that?"

16 A. "Done. Thank you for the call. Happy to trade again in  
17 the future."

18 Q. "Hello. Are you available?"

19 A. "Yes."

20 Q. "Would you like to know if we can trade up" -- "would like  
21 to know if we can trade up to 35,000 or 40,000 with you. Can  
22 we do a transfer since it's a large amount of funds?" That's  
23 the following day, 4/10.

24 A. Okay. "Wire transfer? Yes. You can find my wire offer  
25 on my profile."

1 Q. "Okay. The other trade for 9,800, please can you send me  
2 the account information for that, for the cash deposit?"

3 A. "If it's someone new depositing, I will need to get  
4 verification first. Is the person who is depositing using you  
5 as their receiving agent?"

6 Q. "Nope. My friend called me and asked if she could buy  
7 bitcoin. Because she lives in New York I wasn't sure you would  
8 want to trade with her."

9 And, by the way, where does Ms. Oyler live?

10 A. Louisiana.

11 Q. And do we know where kevinmoore51 lives?

12 A. I don't believe so.

13 Q. "I opened the trade for the wire transfer for the 35,000."

14 A. "It doesn't matter to me where someone is. It's my  
15 mission to spread bitcoin."

16 Q. "Can you trade with her then? I accept all the  
17 responsibility from her trading with you. Is that okay?"

18 A. "If the friend wants to trade directly with me, that is  
19 fine either here or via Telegram app at username @FTL\_Ian.  
20 Careful, as there is an imposter on Telegram, so be sure it's  
21 @FTL\_Ian."

22 Q. "Can we please proceed with the trade of my transfer? I  
23 already opened a trade on that."

24 A. "Yes. I have a question waiting for you there."

25 Q. "You haven't responded there, though."



1 A. "I did 15 minutes ago with a question. Please see this  
2 link and continue discussion there. Thank you."

3 Q. "For some reason I can't open this link. I don't know  
4 why. I will open another trade under your other advert, and  
5 you can ask me the question you asked before. I just closed  
6 the other trade."

7 And there's one more with kevinmoore51 at 1220A:

8 "Hello friend. Please send me yo Chase account."

9 A. "Bank Name: Chase Bank. Account Name: Church of the  
10 Invisible Hand. Account Type: Business checking. Reason for  
11 deposit: Church donation."

12 Q. "I am going to cancel this because I might make more  
13 deposit, so once I have the cash at hand I will open trade.  
14 Don't want to hold your coin or waste your time."

15 A. "Okay."

16 Q. "Hi. Would you like to make a cash deposit now? Are you  
17 available?"

18 A. "Sorry, but CHASE has locked my account. We're on hold  
19 with them now. Do you have a BOA nearby?"

20 Q. "Hang on. Let me check. Yes, there is a BOA."

21 A. "Bank Name: Bank of America. Account Name: Church of  
22 the Invisible Hand. Account Type: Business checking. Reason  
23 for deposit : Church donation."

24 Q. "I am depositing 6,200. Do I need to open another trade?"

25 And then there's a comment there that the trader is

1 currently on vacation. Based on your use of LocalBitcoins, do  
2 you understand what that is?

3 A. Yeah. That's a message from LocalBitcoins that the user's  
4 likely posted on there.

5 Q. We're on April 22nd. "When I tried to open another trade  
6 for 6,200 -- should I proceed or not?"

7 A. "Sorry. Don't have ads up. Can we trade direct on  
8 Telegram? My username is at @FTL\_Ian."

9 Q. "It's fine. Will notify you on here when the deposit has  
10 been done. Okay?"

11 A. "Can we do Telegram? It's much easier to trade there."

12 Q. "Let me install it on my phone and get back to you. Do  
13 you have up to that bitcoin amount, though?"

14 A. "I have more than enough, yes."

15 MR. AFRAME: Okay. Judge, we just finished one. Do  
16 you want to stop here?

17 THE COURT: Yes. It's perfect timing. We'll take the  
18 lunch break.

19 Ladies and gentlemen of the jury, please report back  
20 here at 1:45; we'll pick it up for the afternoon. Don't have  
21 any conversations with each other or anybody else about the  
22 evidence during trial and no independent research or  
23 investigation.

24 THE CLERK: All rise.

25 (The jury exited the courtroom)

1           THE COURT: Please be seated. Anything for the Court  
2 before we break?

3           MR. SISTI: No. We're good, Judge.

4           MR. AFRAME: Not from me.

5           MR. SISTI: We're all set.

6           THE COURT: 1:45.

7           MR. AFRAME: Thank you.

8                               (Lunch recess taken at 12:43 p.m.)

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C E R T I F I C A T E

I, Brenda K. Hancock, RMR, CRR and Official Court Reporter of the United States District Court, do hereby certify that the foregoing transcript constitutes, to the best of my knowledge, skill, ability and belief, a true and accurate transcription of the within proceedings.

Date: 3/10/23

/s/ Brenda K. Hancock  
Brenda K. Hancock, RMR, CRR  
Official Court Reporter