

EXHIBIT "P6-1"

EXHIBIT 1

Claimant
C. S. Wright
First
Exhibit: None
3 July 2020

Claim No. CL-2018-000386

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMMERCIAL COURT (QBD)

BETWEEN:

MRS RAMONA ANG

Claimant

-AND-

RELIANTCO INVESTMENTS LIMITED

Defendant

FIRST WITNESS STATEMENT OF CRAIG STEVEN WRIGHT

I, Craig Steven Wright, of 21 Harebell Hill, Cobham, Surrey KT11 2RS WILL SAY AS FOLLOWS:

1. I am a computer scientist, academic, economist, programmer and businessman resident in England. I make this witness statement in support of my wife's claim, she is the Claimant in these proceedings (and referred to by me in this witness statement by her first name, or as my wife), against Reliantco Investments Limited ('**Reliantco**') (which company I also refer to as '**UFX**'),
2. The facts and matters set out in this witness statement are true to the best of my information and belief. Where I refer to information supplied by others, the source of the information is identified; facts and matters derived from other sources are true to the best of my knowledge and belief. Document references in this witness statement are to the parties' extended disclosure documents. Those with the prefix '**CLA**' are from Ramona's disclosure and those with the prefix '**DEF**' are from Reliantco's disclosure and the number that follows each such prefix is the relevant Bates Number. I have been

advised by Ramona's lawyers that it is not necessary to exhibit those documents to this witness statement.

3. This witness statement has been prepared by me and Ramona's lawyers in these proceedings, SCA ONTIER LLP (who also act for me in other matters), following a face to face meeting on 10 June 2020 at my home and numerous telephone calls and email communications. No privilege is intended to be waived by my reference to these communications.
4. In this witness statement, I intend to address the following:
 - (A) My background
 - (B) My own UFX accounts (set up in 2013 and 2016)
 - (C) How I helped Ramona set up her account in January 2017
 - (D) Our efforts to buy a home in May 2017 (where I refer to 'our' in this statement, I am referring to me and Ramona).
 - (E) Ramona's source of wealth
 - (F) Our investment strategy
 - (G) How our VPN works and the IT systems in our home

A. MY BACKGROUND

5. I have more than 25 years of experience in the fields of information technology and security. I was previously a lecturer and researcher in computer science at Charles Sturt University (in Australia) and have authored many articles, academic papers, and books, and spoken publicly at conferences on IT, security, Bitcoin, and other topics relating to digital currency.
6. I have personally conducted in excess of 1,200 engagements related to digital forensics / IT security for more than 120 Australian and international organisations in the private and government sectors, including 15 Commonwealth state agencies. I have held senior executive positions with companies focused on digital currency, digital forensics, and IT security, including having been the Vice President of the Centre for Strategic Cyberspace and Security Science, a strategic cyberspace think tank, with a focus on collaborating with government bodies in securing cyber systems. I also worked on systems that

protected the Australian Stock Exchange and have trained Australian government and corporate departments in security, cyber warfare, and cyber defence.

7. I am probably best known for being the creator of Bitcoin, which I did between 2008 and 2009, using the pseudonym, Satoshi Nakamoto. I acted under this pseudonym between 2008 and 2011. Since 2015 I have been the Chief Scientist of nChain Limited ('nChain'), the research and development arm of the nChain group of companies. nChain, which I helped establish in 2015, develops blockchain technologies and aims to leverage global trade through blockchain-driven solutions.

B. MY OWN UFX ACCOUNTS

8. As well as the account I set up with Reliantco in 2017, I have two other accounts: one set up in 2013 when I was living in Australia and another set up in 2016.

My 2013 Account

9. On 21 July 2013, I set up an account with Reliantco, then operating under the banner of UFX Markets (UFX being the common trading name for Reliantco Investments Ltd). I did so using the email address *craigswright@acm.org*. I am still able to access and trade using that account today. I understand that there is some dispute as to whether UFX Markets is the same entity as UFX. Upon opening this account, I received a "Welcome to UFX Markets" email [CLA00000001] that referred to Reliantco Investments Ltd and gave an address in Cyprus. To my mind, they were (and are) one and the same.

My 2016 Account¹

10. On or around 29 April 2016 (having moved from Australia to the UK), I opened another account with Reliantco, then operating under the banner of UFX. This time I used the email address *craig@rcjbr.org*. I deposited US\$10,000 into that new account [CLA00000002]. At the time that I set up this new account in 2016, I could not remember my old password and did not have access to my old email account. As such, I thought it would be quicker just to set up a new account as I had not used the 2013 account at all.

¹ List of Disputed Issues §4

11. On 3 May 2016, I received an email from Reliantco asking for certain identification and credit card documents [CLA00000003]. I think it was the following day when I provided Reliantco with a scanned copy of my Residence Permit, the back and front of my debit card, and a recent utility bill showing my then home address [DEF0000001-5].
12. Over the following two weeks, I received numerous emails from Reliantco inviting me to log in and trade.
13. On or around 24 May 2016, I made a request to Reliantco to withdraw US\$10,000 from my account [CLA00000013-14]. On the same day, I was informed that my account had been blocked. When I asked Reliantco about this, I was advised that my “*account details are being checked by our compliance Department.*” [DEF00000008] I responded (on 26 May 2016) to inform Reliantco that I had already provided all of the required documents (three weeks previously). I told Reliantco that I was “*not terribly happy*” and to “*please fix this ASAP or close my account returning my funds.*” [DEF00000007]
14. This dragged on for a few more days during which time I was told that the matter was being looked into. On 27 May 2016, I sent Reliantco an email which read:

“The question is, why would I want to trade with the group does not return your funds?”

You have days before I file a legal claim. This has been going on for a month now.

You accept the money and have not return a cent.” [DEF00000012]

15. On 30 May 2016, I sent a further chaser asking for an update, stating that I was “*ready just to close the account.*” [DEF00000015] Eventually, on 31 May 2016, I received two separate emails from Reliantco headed ‘Transfer of Funds Confirmation’. The money was returned to me in two tranches of US\$5,000. [CLA00000023-24] On 6 June 2016, I received a further email from Vlada Novak at Reliantco with the ‘withdraw request confirmations’. That email also stated that “*as we are a regulated company, UFX is obligated to comply with various international laws that our policy is based on, according to the regulatory authority were not allowed to have/accept any Australian clients.*” [DEF00000020]

16. Notwithstanding this apparent refusal to accept Australian clients, I was still able to access this account and trade (although I chose not to). On 23 June 2016, I received an email from the address support@ufx.com informing me that my case had been ‘handled and closed.’[CLA00000036]
17. After May 2016, I never used my Reliantco account to trade (despite receiving emails from Reliantco encouraging me to do so). [CLA00000070] I used (and still prefer) the platforms offered by Reliantco’s competitors, such as IG.com (“IG”). I have accounts with Kraken, SimpleFX, FloatSV and OKEX that I use to sell Bitcoin and derivations of Bitcoin (such as BTC). These alternative exchanges would and do allow me to trade in “bitcoin” derivatives and there was no reason for me to maintain an account with UFX other than as a means to help my wife when she asked questions about the site, as I explain below.

C. THE DEMONSTRATION ACCOUNT²

18. On 10 January 2017, after we had returned from a family holiday that morning [CLA00000234 and 236], Ramona asked me if I would help her set up a trading account with Reliantco. It is fair to say that Ramona is not very technically minded. Up to that point in time, Ramona had been using IG for her own personal investments, but IG is quite a detailed and complex trading platform, which she had told me on numerous occasions she found difficult to use and wanted something easier.
19. I recall that when Ramona asked for my help on that day, we were both sitting at desks about 4 feet away from each other in my study in the house we were living in at that time (7 Oak Road in Cobham) with our backs to each other, but sufficiently close such that either of us could turn around and easily see each other’s computer screen.
20. Ramona started off the process and was able to register a new account with Reliantco [CLA00000237], but she was not confident navigating the site so I agreed to show her how to do it. I did not use either of my previous Reliantco accounts for this purpose as that would not enable me to demonstrate to Ramona how to use the Reliantco system

² List of Disputed Issues §5, 6, 7 and 8

from scratch and so would have been a rather pointless exercise. The Reliantco account that I set up in 2013 whilst living in Australia was materially different and the Reliantco account that I set up in 2016 was also slightly different to Ramona's new account and was self-evidently not a new account. As I have said, what I was trying to do was show Ramona how to set up and use a new Reliantco account from scratch, including things like loading paperwork.

21. It may be important to note here that I am diagnosed with Asperger's. Although I am incredibly capable technically, my ability to explain complex topics or even help my wife navigate websites is limited. If something is exactly the same, I can demonstrate exactly what needs to be done without having to explain it verbally. When I have to explain topics to my wife without visual aids, she ends up frustrated and we end up fighting. By setting up a completely new account, I was able to visually demonstrate what she needed to do very quickly. Consequently, it was no good using existing accounts for that purpose. I also thought that using an account of my own would be simpler and better than accessing Ramona's account to demonstrate things to her (bearing in mind also that that was not my account to use in any case) and would allow me to talk her through any issues she had, whilst she operated her own account.
22. I registered a new account using the email address *craig@tuliptrading.net*. [DEF00000465] This account was never used (save for the two small CFD purchases referred to in paragraph 23 below). This account served only one purpose, which was to demonstrate to Ramona how to use Reliantco's website and services. I had no interest in using UFX myself. I still maintain an account with IG that was opened prior to my use of UFX and I have existing accounts that I sell bitcoin through with FloatSV, Okex and Kraken.
23. Once I had set up the new account, I deposited US\$100 into it and, a few minutes later, a further US\$50. [DEF00000466 and CLA00000341] With these funds I then opened two positions (which were closed out automatically the next day at a loss). The funding of my new account and opening of the two positions was for the sole purpose of demonstrating to Ramona how the Reliantco platform worked. I knew that Ramona had funded her Reliantco account in the same amounts and opened two similar positions so I

wanted my account to mirror hers as much as possible to make my explanations (of how the website worked) easier to follow.

24. I am aware from documents disclosed in the proceedings that I spoke with a Peter Vanspall at Reliantco around this time, but I do not remember that call. [CLA00000318]
25. I then demonstrated to Ramona a basic use of the Reliantco website and then let her go off to choose her settings herself from there.
26. Having set up the new Reliantco account, I was asked to provide various KYC documents [CLA00000255], which I did on 12 January 2017. I sent them copies of my Visa card, Council Tax bill and my passport. [CLA00000282-284] The following day I started to receive emails from Reliantco encouraging me to login and trade (just as I had in May 2016). [CLA00000299; CLA00000312; CLA00000313] In part, this is why I acted as a technical help support function for my wife. In my experience, the UFX personnel were unhelpful and rather than supply technical help, tried to sell products on their site and push people towards trading that was closer in nature to gambling. I believe that UFX makes money from both margins and fees on the opening and closing of new positions, which is why I was happy to help Ramona myself.
27. Having shown Ramona how to use Reliantco's website and her account, I know that she proceeded to transfer further funds into the account to start trading in earnest. [CLA00000287; CLA00000290; CLA00000293]
28. On 16 January 2017, I received an email from Alicja Kwiatkowska at Reliantco informing me that "*unfortunately your application does not fulfil the Compliance Department's requirements and was found to be unsuitable therefore we cannot accept you as a client of UFX.*" [CLA00000314] Upon receipt of this email I tried to contact Peter Vanspall at Reliantco, with whom I had spoken on 10 January. He sent me an email later the same day explaining that he had been in training and that he was enquiring about the status of my account. [CLA00000318] I told him (by email, a few minutes later) that "*Your guys have closed my account.*" [CLA00000319]

29. I was not particularly interested in maintaining the account for trading purposes. I simply wanted to keep an account open in case Ramona had questions or queries in the future that she wanted me to help her with. I find it difficult to hang over someone's shoulder and try and direct them where to point the mouse if I can't do this myself, as I can with my own account.
30. I have never used this account to trade and, as I have said, I used it for the sole purpose of showing Ramona how to use her own Reliantco account. I have never used Ramona's account for any reason, I have never logged onto Ramona's account and I do not know (and have never known) the password to Ramona's account. Ramona's trades are her own and are not something I keep tabs on.
31. Ramona and I use joint accounts and pool our funds, but maintain our own finances within those pools of funds. Although we have joint accounts, each of us is responsible for our own money.

D. APRIL / MAY 2017

32. Around May 2017 (I cannot recall the precise date), Ramona and I had resolved to try to buy the house we were renting at 7 Oak Road in Cobham. We had entered into discussions with the owners and the only requirement we had was that we could put in a basement. We conducted a survey to verify whether this was possible. In order to be in a position to buy the house, we had to realise some assets and Ramona took steps to withdraw her money from Reliantco.
33. Some time in early May, I am aware that Ramona tried to withdraw her funds from Reliantco and encountered various difficulties in getting her money back (much like I had encountered in the past with Reliantco). I believe that it was about a week or so later that Ramona actually received her funds from Reliantco.
34. Ultimately, we decided not to proceed with the purchase of the Oak Road house (due to the survey having identified structural reinforcements under the house that meant it would not be possible to build a basement). As we had decided not to complete the purchase of the property, Ramona wanted to return any funds she had set aside for the purchase of the property into an active investment as she had been doing before.

35. Ramona asked me to arrange the transfer of £300,000 back into her Reliantco account, which I did in three equal payments of £100,000 on 31 July, 2 August and 3 August 2017 (£100,000 being the daily transfer limit on our Lloyds Joint Current Account³ from which the payments were made). [CLA00000394; CLA00000405; CLA00000414] Ramona and I share responsibility over payments and bills. I frequently handle the payment of expenses that Ramona directs me to pay and equally when I'm not able to she does the same for me. I consider this a fairly normal scenario for a married couple.

E. RAMONA'S SOURCE OF WEALTH

36. On 4 August 2017, Reliantco asked Ramona to complete a Source of Wealth Form and send back some supporting documentation. [CLA00000412] I remember this as Ramona asked me about supplying some documents in relation to DeMorgan Limited ('DeMorgan'). DeMorgan was an Australian public listed company that we set up in 2014 and ran until late 2015 when we moved to the UK. The company was deregistered in 2016.

37. I provided Ramona with the company's Tax Declaration Form [CLA00000420], P&L [CLA00000422] and Balance Sheet [CLA00000421] (all for 2015). I was formerly chairman, director and CEO of DeMorgan and was required to maintain the corporate records of the companies in the group.

F. INVESTMENT STRATEGY⁴

38. In around May 2017, it was public knowledge that bitcoin was going through a period of upheaval. Bitcoin originally traded on exchanges with the ticker symbol "XBT" or "BTC", an abbreviation of the word "Bitcoin".

39. However, it is best to say the original bitcoin was being misappropriated by certain unscrupulous people, the effect of which was the unlawful creation in around July 2017 of "Bitcoin Core". This has been labelled a 'fork' (or 'hard fork') although I do not accept the validity of that description. The original version of Bitcoin continued to operate but became known as "Bitcoin Cash". Despite not being Bitcoin, Bitcoin Core

³ Account number 47017260 / Sort Code 30-13-54

⁴ List of Disputed Issues §36, 37

was allocated the “BTC” ticker symbol, and Bitcoin Cash received the ticker symbol “BCH” (the ticker symbols have no relation to the protocol in bitcoin). I had no interest in being involved in or associated with the alternative system (Bitcoin Core) that was passing itself off as a version of the true bitcoin protocol.

40. When Bitcoin Core copied Bitcoin, they airdropped an equivalent amount of Bitcoin Core to all existing holders of Bitcoin. It was for this reason that Ramona and I decided to sell all of the airdropped Bitcoin Core we had received on the Kraken exchange towards the end of August 2017. We did this for our personal holdings. I had no interest in maintaining any amount of Bitcoin Core following their attempt to create a new protocol and to pass themselves off as Bitcoin. Kraken mistakenly called the original bitcoin Bitcoin Cash. The Reliantco platform did not, at that time, support the true version of Bitcoin that was sold as Bitcoin Cash. Ramona wanted to buy Bitcoin (Bitcoin Cash) and not hold a copied version (Bitcoin Core) so I agreed to use my Kraken account in order to transfer an amount of bitcoin I would purchase for her. My wife knows that I work on Bitcoin and not Bitcoin Core and she also knows that I view the activities of those behind Bitcoin Core as unlawful. I obviously did not want to hold assets personally in an entity, Bitcoin Core, that was no longer representative of the original bitcoin.
41. As part of the strategy, Ramona and I discussed and agreed that she would close out her investments with Reliantco (which, as a result of the matters discussed above, were now linked to the value of Bitcoin Core and not Bitcoin) and purchase Bitcoin (i.e. Bitcoin Cash). At the same time I planned to sell the Bitcoin Core that I owned and purchase more Bitcoin, which was traded as Bitcoin Cash on Kraken. In addition, we decided to invest an additional sum in the region of US\$200,000 in Bitcoin (listed on Kraken as Bitcoin Cash) during the same period.
42. On 17 August 2017, I traded 606.311 Bitcoin Core for Bitcoin Cash on Kraken (at a price of 14.3125 Bitcoin Cash per Bitcoin Core). On the same day, I transferred US\$100,000 to my Kraken account to invest in Bitcoin Cash. Six days later, on 23 August 2017, I transferred the same amount and bought more Bitcoin Cash between 24 August and 4 September 2017.

43. The plan was for the funds Ramona held with Reliantco to be used in precisely the same way. However, Ramona was unfortunately not able to withdraw her funds from Reliantco as we had discussed, as Reliantco refused to return her money to her.

G. OUR HOME VPN⁵

44. As the information in the Background section above shows, I have extensive knowledge and experience of cyber security and it follows that I take the security of the IT systems deployed at my home very seriously. I work from home and maintain a large home office where I research and study. This network is connected to the nChain network and has access to very valuable intellectual property and research. In the simplest of terms, we have high level commercial grade security systems and protection at home.
45. As I spend a lot of my time working from home, I have a significant information technology investment with over £100,000 worth of equipment and software at this premises. This includes a mid-range Cisco ASA⁶ firewall and Intrusion Detection System. The Cisco equipment is licensed to handle a standard office of around 250 to 500 people with VPN connectivity. This is also the system I had in place at home at the material times in 2017.

VPN

46. I will try to explain in simple terms how a virtual private network (VPN) works and its relevance to Ramona's claim.
47. A VPN is a way to connect securely with an existing network, potentially anywhere in the world. Each device directly connected to the internet has a unique address, known as an IP (Internet Protocol) address. This is used to route information between systems much like a letter in the postal system that has both a recipient and sender address. When accessing a website, such as Google, it needs to know the sender IP address to return information. However, when using my VPN in full tunnel mode, the device (sender) IP address is replaced with the external address of my network. In this situation, Google would see the connection as originating from my network.

⁵ List of Disputed Issues §8.2

⁶ Adaptive Security Appliance.

48. All our devices (that is, mine and Ramona's) are configured to connect to the Internet through my VPN for the purpose of security and anonymity. My configuration forces all network traffic through my VPN, in effect making it appear that an authenticated user, for example, Ramona, is present on my home network when accessing external services, regardless of their actual geographical location, giving the impression you were physically there.
49. Using the letter analogy, a VPN could be considered to be acting as a PO Box, protecting the sender's current address while still corresponding with the recipient.
50. We run a Windows enterprise domain infrastructure including active directory servers. This incorporates IPsec⁷ and network access protection. My wife's computer and iPhone were integrated into the domain structure as she reviews documents I am writing and helps with my studies and research. Given the nature of my work, security is of paramount importance.
51. Ramona's computers and iPhone were configured to be on the domain and the security policy is set and pushed to her machine using group policy. Ramona's devices are all set to access all Internet sites through the VPN, i.e. this is an automatic process. There could, however, be a number of exceptions to this. For example, some countries and hotels don't allow VPN's. In those circumstances, when the VPN was not working, there is a setting that would allow the system to connect to the Internet, but this would still be via secured services.
52. The net effect of the way the VPN works is that Ramona could log on to a website from anywhere in the world and the IP address would be shown as being inside the VPN, i.e. at home in the UK. When using her standard equipment (her iPhone or laptop), Ramona will enter one of the public IP addresses used by the home network at the time (which, in 2017, included four addresses in the USA as exit points, 2048 addresses in the UK on the BT commercial network via a gigabit fibre, one IP address in Singapore, one IP address in Tokyo, and eight other randomised IP addresses in the UK). As I have said before, we do not run a standard home network and have the bandwidth capacity and connectivity of the average 500 person company at our home.

⁷ Internet Protocol Security.

53. I have looked at the evidence supplied by Reliantco of the IP addresses and devices used to access Ramona's Reliantco account and wish to make the following points:
- 53.1 There is no indication that Ramona has accessed her Reliantco account from her laptop or phone other than via the VPN. The configuration of her system was set up using group policy and was linked directly to her account (i.e. Ramona had to use this system and access websites through the VPN).
- 53.2 The system was automated, and Ramona had no interaction with logging into the VPN at any point. Once she had logged into her computer or her iPhone was switched on, she would be on the Windows NAP⁸ domain.
- 53.3 The IPsec VPN Tunnel is integrated using the active directory cloud-based authentication system. This allowed users of the domain to have local access to files and to use the anti-malware / anti-virus servers and proxies and IDS functions run on the main network even when travelling.
- 53.4 I have written several books and published many papers on this topic. I've held certifications in Windows and taught how to construct and set up network protection in Windows domains to the Australian government, at an Australian university, and in public commercial courses to corporations such as Australian banks.
54. I also understand Reliantco to allege that its data supports the contention that certain log ins to Ramona's account were made using an application ("**app**") on the Android operating system ("**OS**") and that because my mobile phone at the time ran on the Android OS - whereas Ramona's iPhone did not - that data is (they say) evidence that it was me accessing Ramona's account. I reject this entirely.
55. First, I never accessed Ramona's Reliantco account whether using the Reliantco app or its website. To the best of my recollection, I never used the Reliantco app at all and never

⁸ Network Access Protection.

downloaded it onto my Android device to access my Reliantco accounts. I generally dislike using mobile phone apps when I can visit a website instead. Apps are often little more than branded web browsers but which require you to automatically accept all of the app's default security and privacy permissions. These permissions are generally wider than I am comfortable with granting and I therefore use a web browser (with appropriate privacy software, including Trend Micro and Cisco ASA) to protect my privacy and security online. I don't know anything about the Reliantco app, but for this reason I wouldn't have downloaded or used it.

56. Second, I have no idea whether the data that Reliantco has disclosed is reliable because it appears to be a spreadsheet showing an analysis or summary of other data. It is therefore impossible for me to know whether it is accurate (but if it shows access from an Android app it must be inaccurate). I also know that the data is inconsistent with the same data demonstrating that Ramona accessed the UFX site from a Windows system. The attribution as an Android app is also without merit and is not based on anything more than a decision of a person in UFX who created a spreadsheet (and did not hand over logs and unmanipulated source material).
57. As a former forensic analyst, in my view it is very odd that UFX did not disclose the unaltered log information, but rather handed over spreadsheets allegedly recording that information. **[DEF00000465 and DEF00000470]** This strikes me as unusual and difficult to understand, and is not the approach I would expect; on any view, it means that the information is unreliable.
58. For the sake of clarity and completeness, I would reiterate here that I have never accessed Ramona's Reliantco account and did not do so on either 10 January, 14 or 20 April 2017 (or at all). I set up a new UFX account at the time of Ramona's starting with UFX so that I could demonstrate use of the site without ever accessing her account.
59. More importantly, I have no reason to use UFX. UFX are presenting this as if they are the only option and that I would need to use them to buy bitcoin and thus need to hide behind Ramona's account. This is not and was not the case. I still maintain an account with IG and I actively sell bitcoin using multiple exchanges even to this day. I find UFX's spurious claims that I need to hide behind Ramona's account because I cannot get

my own to be bizarre and offensive and strikes me as a pretext for holding on to Ramona's money.

60. I will further add that I have no reason, nor have I ever had any reason, to use Ramona's Reliantco account. I have my own Reliantco account that is still active. I have an IG account that is still active. As I have stated above, I also have accounts with Kraken, SimpleFX, OKEX and FloatSV. All of these allow me to trade bitcoin if I so wish. I have used Kraken continuously in selling bitcoin to pay bills since I have been in the UK.
61. I simply have no time, need or inclination, to use Ramona's Reliantco account, less still to get Ramona to do so for me.

Statement of Truth

I believe that the facts stated in this Witness Statement are true. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Signed: 

Craig S. Wright

Dated: 