## INDEX OF EXHIBITS

## EXHIBIT



Okay. I got to see those - I like the Matrix one. It's all (unintelligible).

Huh.

Yeah, and that's like his signal buddy.

> Yeah, that's cool, kinda linked it to together and...

No, not really...
Q:
Oh, okay.
...but it's interesting that they had given (unintelligible) same time. That's also (unintelligible), lake, I guess there was probably some desire on the characters to probably to work with each other again.

Have you worked with (unintelligible)?

A:
Yeah, I know, let's check it out.

Q:
It's like a space tent or something?

A:
No, it's just a - just a heavy duty tent, you know, it's like it came - you know, (unintelligible).
Kinda at the same time?

A:
min gen (an

A: You got a weapon there?

Q: I gotta look, you know, and then the thing they have these that are - you know you can pull 'em apart and it has a knife in it...

Q:
Oh, yeah:

A: ...and it has compartment in it, but I don't wanna have - you know, you go in a Ford or...

Q: Oh yeah.

A: ...something, I mean I can get the tent but - yeah. That'd be like $100 \%$.

Q:
(Unintelligible).

A:
So, I would have friends with me and, you know, I mean I'd...

Q: Little jabber?

A: Yeah 'cause (unintelligible). I-I - I do my best to - you know - screw with anybody who I don't feel safe around.

Q:
Yeah.

A: And then - put it back...

Q: $\quad$ Yeah, (unintelligible).

A: ...something - something (unintelligible). You know, I mean not - just for whatever reason.

Yeah. You know, it could be a random person...

Q:
Yeah.

A: ...you know...
Well, especially if you're walking around, somebody see you have the money, decides

Yeah.
Q:
Yeah.

A:
But, uh, so we do the deal with this guy - he texts some guy, walks up, he goes "Hey, uh, you know, I wanna know what kind of business you guys are doing and I - I'm a real hard worker...

Q: $\quad$ He asked you to talk to you about it?

A:
...bi- bilingual and..." you know, this and that. I'm like "Oh okay."

A: You know, "When l'm done with this guy, l'll - l'll talk to you."

Q: Yeah.

And so he comes in, uh, (unintelligible) my guy leaves, he comes in, we talked for a minute, like, hey, you know, what's bitcoin, l explained to him what it is.
Q: Yeah.

I go, "Do you have a cell phone?" "No." Do you have a car? "No." I'm like, "Okay, well here - I'll - l'll give you our website, you can go look something up if you access at home, you know, who knows, maybe, whatever." I'm just...

Q: Yeah.

A: ...I - I don't like to discount anything...

Q:
Yeah.

A: ...but you never know.

Q: Yeah.

A: Uh, and then - and then I'm coming to, uh, and then I pick up my stuff and I'm just Leaving and he goes, "Here, l'll walk to you to your car."

Q:
Huh.

A:

> Exactly. I'm like,

Q: "Here, let me see what you're driving and get you a loan."

A: No, I just - you know, it's like, "I gotta go to the bathroom," you know...

Q: Yeah.

A: ...so it's like, but - the thing is that that was...

Q: Right.

A: ...you know, a little too fishy, I mean, I don't know what his intentions were, but it was a little too fishy for me. I can ceitainly walk myself to the car, I don't know who the fuck you are.

Q:
Yeah.

A: Uh, and then...

Q:
It's been slow today.

A: $\quad$ Oh, well, it's - yeah, it's only been a few minutes but whatever, I mean - and then there was there was this one time, I'm like - l'm at McDonald's, another McDonald's...

## Yeah.

A: ...and I'm walking up and there's this guy and he's like, opening the door for people out - clearly he hasn't had - had a bath in a few weeks or whatever, I mean...

Q:
Right. Trying to get tips or something?

A: I have no idea and - and he's like, apparently, "I - I got it, man, don't have to open my door," uh, you know. I I I mean I like to (unintelligible) I mean I was in a deal the other day, the guy strikes up a conversation with me and my guy, he goes "Oh, you happen to have some money so I can buy something to eat," so I was like, "Right here." Just 50 cents.
Q: Yeah.

A:
You know, I - I mean - the guys that are paying at night, I'm like, what are you doing all day long. Don't you know you're hungry during the daytime?

Q:
Yeah.

A:
And you're paying to get nights?

Q:
Yeah.

A:
Gosh, where - where did you - what school of pain did you go to?

Q:
Yeah.

A:
So...

Q:
Yep, can't trust people anymore. Never know.

A: . Well no, it's just you gotta - you know, especially in this business you gotta, like, trust people...

Yeah.
...like - no, you gotta keep your eyes out.

Q: Uh-huh.

A: ...and I'm flowing through - I just get into, uh, Alabama, and this guy, he's like on the side of the road and it's like - I don't know, like, midnight or something, like...

Q: Yeah.

A:
...rolled down my window, "Hey, man, what's going on?" Oh, he gave me two (unintelligible), "You- you wanna kill me? Are you gonna rob me? No? Okay, hop in the car."

Q:
Yeah.

A:
And he goes, "Well, I'm going to - going to New Orleans," I'm like, "Okay, I'll take you to New Orleans." I was talking shit and this is right when Katrina came through...

Q:
Ah.

A: ...you know, just fucking wiped the whole place out...

Q: Yeah.

A: ...seemed like - l'm not in New Orleans anymore, l'm gonna check out the devastation.

## Q:

Yeah.

A:
And, uh, he's, uh - I mean we - I find this guy and I go, "Could you show me where's the worst devastation near ya?" We go down this road, and then you know, l'm like, "Here it goes, here - l'll - l'll - follow me."
Q:
Yeah.

A: So I follow 'em out there and - I mean, it's just like the fucking place been carpet bombed.

## Q:

A:

Q:

A: No, it was...

Q: Just pictures and things.

A: It was - you know, usually, you know, the pictures do not do things like that justice.

Q:

A:
I mean, you got cars on top of houses, you got houses on top of cars, I mean it was - it was really out of, you know, one of those things that, you know - you know, it's like a $B-52$ just ran through it

Q: Yeah.

A: ...and blew the shit out of it. But anyway - and so, um, this thing (unintelligible) - l'm taking him to where, like - to New Orleans, the center...

Yeah.

A: ...where (unintelligible)...

Q: Yeah.

A: ...and he's like, hating that guy and apparently the cops stole his van, old - school, you know...

Q: (Unintelligible)?

A: Yeah. Yes, of course.

Q: Yes.

A: Yeah, you know, so whatever (unintelligible)...

Q:
Right.

A:
...you own a driver's license...

Q:
Oh the motor - oh, the (unintelligible)...

A: But anyway' - but he, uh - and then, so we're, like, going down the road, there's these signs that say, you know, "Need your roof repaired? Call this number." And l'm like, "Oh, there's - like - that's a job."

Q: Yeah.

A: That's a job application right there. "Hey, I'm going down the road, I got my buddy here - he's - he's, uh, does roofing, he does this and that," and he goes, "Oh, yeah, yeah," and then so I - basically I got him a job...
Q: Huh.

A:

Q: Yeah.
...of - of it. Um, we're driving into New Orleans, I give him, like 3 or 4 phone numbers of people here, college guys, this is his name, and you need this, that, you know...

Q: What...

A: ...and we're, like, dropping him off and then, like I took back off to Arizona...

Q:
Hey you're showing up, I got one through, looks like we got a confirmation on that one.

A: Only one?

Q:
No, they all....

A: Oh, oh.
$Q:$
One is like confirmed.

A:
Oh, yeah, they should - I mean they should all come through at the same time...
$Q:$
Yeah, we got - I think you got a 3 and - we're just waiting on one more? Yeah.

A: No, we got all of them.

Q:
That's the thing, I mean, l'm waiting for...

A: $\quad$ No, they're all through. You got three on one and three on the other one and the two on the other one?

Q: Is that, like, the best?

A: That's what I - that's what I think.

Okay.

A That was easy?

Q:
Yeah.

A: So anyway, so then - I don't know...

Q: Cool.

A:
...after about two or three - maybe a month or two or three weeks, I call - like I got his phone number even though his phone wasn't working is what it - he had to get it (unintelligible) - I still had his phone number, and he must have must of kept (unintelligible).

Q: Let me checik on the thing. I don't trust this app, so I like to check and see what the actual block chain.

A:
Sure. Check whatever you want. But anyway, so I call him back and he goes, "Man, you're the coolest motherfucker I ever met." You know?

Q: You trusted him?

A: Well, and then they go - you know, I went out of my way, you know, get him booked up, he goes "You know, I got a job, I got a girlfriend now, the girlfriend is the daughter

Q:
Now you got a guy in another state.

A:
Right. Right. And you know, I mean it's just - I like going out of my way...
2216
2217 Q:
2218
of - of a guy that l'm working for..."

Q: Oh yeah.

A: ...and he gave me a house to live in, "and he goes "you know, l'll never forget you."
And I go, "Thank you."

Yeah.

A: ...to help people but on the same token (unintelligible)...
$Q:$
Oh yeah.

A:
(Unintelligible) I mean, uh, working at night...

Q:
Well that's...

A: ... was the last night.

Q:
Yeah. That's the thing, you got large amounts of cash like that and...

A: $\quad$ And then there was another - and then I picked up this other girl, same trip, and I'm she's hanging out and I pick her up and then she's got her hand and it's like bleeding...:

Q:
Yeah. ...and it's just, like, bleeding all over my - l'm like, "Hey, you know, here's some pape- paper towels, we can wrap this up and take you to the hospital or..." and then I, like, I go to the store less risky, and then she - she's like, rummaging around in my car, I'm like "Okay, you gotta get out."

## Q:

Yeah.

A:
And so I just went to the nearest - and saw (unintelligible) I didn't realize that was she was rummaging my car.

Q:
Yeah.

A: So I was, like, "Hey, I need to take you to the hospital, but I don't wanna be, you know, mixed up in whatever she was mixed up in."

Q:
Yeah. Huh.

A:
And so I was - I went to the nearest - I went to - it was, like, uh rest stop, you know, a few miles down the road, "Hey, let's go get, uh, you know, something to drink," "cause I'm like, you know, "Get out of the car, let's go get something to drink, 'cause I don't want to have to force you out of the car, you know"

$$
\text { Q: } \quad \text { Yeah. }
$$

A: "Hey l'll go buy you a soda pop or something." We get out of the car, and then I got back in the car and say, "hey," I, like, go. What - whoa - whoa. What are you doing?

Man: Don't grab anything.

A: We were talking...

| 2268 | Man: | (Unintelligible). |
| :---: | :---: | :---: |
| 2269 |  |  |
| 2270 . | A: | Yeah, you're fine... |
| 2271 |  |  |
| 2272 | Q: | You're (unintelligible) you're good, you're good. |
| 2273 |  |  |
| 2274 | Man: | And so I need to set - set up your (unintelligible) who's here. |
| 2275 |  |  |
| 2276 | Q: | (Unintelligible). |
| 2277 |  |  |
| 2278 | A: | Okay, oh, oh, oh, oh. |
| - 2279 |  |  |
| 2280 | Man: | (Unintelligible). |
| 2281 |  |  |
| 2282 | Q: | What's going on? |
| 2283 |  |  |
| 2284 | Man: | (Unintelligible). |
| 2285 |  |  |
| 2286 | Man: | About to (uninteligible). |
| 2287 |  |  |
| 2288 | Q: | Yeah. |
| 2289 |  |  |
| 2290 | Man: | (Unintelligible) |
| 2291 |  |  |
| 2292 | $Q$ : | Exactly. |
| 2293 |  |  |
| 2294 | Man: | Yep. (Unintelligible) you're good? |
| 2295 |  |  |
| 2296 | Q: | Walking around the building? |
| 2297 |  |  |
| 2298 | Man: | Want (unintelligible) this? |

## EXHIBIT

B

## MorpheusTitania

Hey I'm Morpheus lets get together and do Bitcoin! :)
Visit MorpheusTitania's homepage (http://titanians.org/who-is-morpheus/)

## Information on MorpheusTitania

## Trade volume

Higher than 150 BTC
Number of confirmed trades
100+
...with 107 different partners
Feedback score
100 \%
First purchase
3 years, 5 months ago (2013-03-13T20:06:39+00:00)
Account created
3 years, 5 months ago (2013-03-12T18:32:43+00:00)
Last seen
10 hours, 40 minutes ago (2016-09-07T07:02:55+00:00)
Language
English
Email
$\boxed{\nabla}$ Verified 2 years, 5 months ago (2014-03-28T22:42:35+00:00)
Phone number
$\boldsymbol{\square}$ Verified 2 years, 9 months ago (2013-12-03T02:37:28+00:00)
Trust
Trusted by $30+$ people

## Blocks

Blocked by 0 people
$\square$


## Buy bitcoins with cash from MorpheusTitania

| Seller | Location | Price/BTC | , |
| :---: | :---: | :---: | :---: |
| MorpheusTitania ( $100+$; 100\%) (https://localbitcoins.com/ad/16078/buy-bitcoins-with-cash-chandler-az-usa) | Chandler, AZ, USA | $\begin{aligned} & 708.18 \\ & \text { USD } \end{aligned}$ | Buy (https://localbitcoins.com/ad/16078/buy-bitcoins-with-cash-chandler-az-usa) |
| MorpheusTitania (100+; 100\%) (https://localbitcoins.com/ad/40390/buy-bitcoins-with-cash-avondale-az-85323usa) | Avondale, AZ 85323, USA | $\begin{aligned} & 677.39 \\ & \text { USD } \end{aligned}$ | Buy (https://localbitcoins.com/ad/40390/buy-bitcoins-with-cash-avondale-az-85323-usa) |
| MorpheusTitania ( $100+$; 100\%) (https://localbitcoins.com/ad/6372/buy-bitcoins-with-cash-scottsdale-az-85260usa) | Scottsdale, AZ 85260, USA | $659.43$ USD | Buy (https://localbitcoins.com/ad/6372/buy-bitcoins-with-cash-scottsdale-az-85260-usa) |

»Show all user's ads to buy bitcoins with cash (/accounts/profile/MorpheusTitania/buy-bitcoins-with-cash/)

## Sell bitcoins for cash to MorpheusTitania

| Buyer | Location | Price/BTC |  |
| :---: | :---: | :---: | :---: |
| MorpheusTitania ( $100+; 100 \%$ ) |  |  |  |
| (https://localbitcoins.com/ad/6675/sell- | Mesa, AZ | 594.26 | Sell (https://localbitcoins.com/ad/6675/sell-bitcoins-for-cash-mesa-az-85206-usa) |
| bitcoins-for-cash-mesa-az-85206-usa) | 85206, USA | USD |  |

## Feedback

Feedback left by users with noticeable trade volume.
Sept. 9, 2015, 10:41 a.m.
$B$
Nov. 17, 2015, 10:29 p.m.
(3) Awesome to work with!

May 13, 2015, 11:36 a.m.
0 Fast smooth transaction
Aug. 18, 2013, 4:11 p.m.
$B$ Good dealer!
Aug. 26, 2013, 2:19 p.m.
0 yeah all went smoothly as usual
... see $\Omega$ more feedback for MorpheusTitania (/accounts/profile/MorpheusTitania/feedback/)

```
9/7/2016
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    y Twitter (https://twitter.com/LocalBitcoins)
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    @ Reddit (http://www.reddit.com/r/localbitcoins/)
    # IRC (/irc)
    i\. Blog (http://localbitcoins.blogspot.com/)
    (%)Chinese Blog (http://www.weibo.com/localbitcoins/)
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A: Yeah.

A5: And there's 600 other (cryptos) so...

A:
See what I don't understand is - so we've got the minors who - who, like, the nodes who do the conformation.

A5: Right.

A:
And that's basically what keeps it all running.

A5:
Sure.

A:
That right?

A5: Right.

A:
So...

A5:
Well but - the - well you have two things. You have the nodes...

A:
Un-huh.

A5: ...which verify the - at the - the transaction. It's like when we do a transaction...

A: Yeah.

A5: ...it gets sent out to these nodes. The nodes go - does (Morpheus) in his account have the big coins all the way back to when those big coins were formed.

```
A:
Yeah.
    A5: And then if he does and all the numbers jive then it sends that out to the other nodes.
    Then the minors...
    A: But the nodes are run by the minors. Right?
    A5: No.
    A: Okay.
    A5:
    Separate.
    A: Nodes are different?
    A5: Right.
    A: Okay.
    A5:
    Separate.
    A:
    So the nodes will always be there.
    A5: Well the problem is - is you don't get paid to be a node...
    A: Yeah like when the (bic) coins runs out its still gonna probably go up in value 'cause
        there's none left to mine. But then who's gonna run the nodes if there's no reward for
        running a node.
    A5: Well the mi- see it's different. The nodes don't make any money.
```

A: Okay.

A5: I think that's a serious flaw in the system. So - but the - and - and - and it ta- it takes up gigabytes of - of data to store the block chain. Well so if you're a node you're running this thing just because you wanna support the network but it's, you know, it's - l've l'm tempted to do it myself.
A: Yeah.

A5: And I can't even download the chain. It just - it craps out every single time I do it. So, uh, I- and then it eats up your bandwidth...

A:
Yeah.

A5: I mean it - it's not an inexpensive thing to do. So - and then the miners - what they do is they take ail the transactions and they put 'em into, uh, they - they put it into (shatcha) 56...

A:
Yeah.

A5: ...and they go all these transactions - like transaction one, transaction two, transaction three, comma one.

A:
Yeah.

A5: $\quad$ What's the - (shatcha) 56 for that? Well if it's smaller than the target then it's considered to be solid block and then they transmit that to the nodes and the no- and then they check - everybody checks to make sure that...

A: Yeah.

A5:

A: All right.

A5: Okay? But the thing is - is that the blocks are gettin' so big that for the bl-there's so many transactions goin' through that the block can't handle it. So then you have all these un- un- uh, what'cha call it? In the, uh, the transactions that go in the memory pool that - the way I overcome makin' sure that my transactions go through is I pay the higher fee.

A:
Yeah.

A5: $\quad$ But then now you're paying this gigantic fee to make sure your transaction get included in the block. Now if you do $\$ 100,000$ who cares? If you're doin' $\$ 0.50$ now it's a problem.

A: Yeah.

A5: And unless the system can - can work at the small levels, you know, so we can do exchange pennies and parts of pennies...

A:
Yeah.

A5: ...uh, because everything that's big was small at one time.

A: Yeah.

A5: $\quad$ Well if you want to be able to do tipping or something, like, people who write articles. "Oh I wanna give you five cents."
A:
Yeah.

A5: $\quad$ Or whatever well - or it's just - you wanna sell things that don't have much value.

A: Yeah.

A5: $\quad$ But you wanna make it because $w$ - it's like if you owed the - like me with this place Starbucks but if you go to, like, a regular coffee shop and they'll charge you $\$ 2.00$ for this coffee. And I go in there - I'm broke. I say, "Hey I'll give you $\$ 1.50$." No they won't take it.

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A: Yeah.
```

A5: Well that's stupid. 'Cause you're makin' more than the $\$ 0.50$.

A: Yeah.

A5: $\quad$ And all - alls I got is $\$ 1.50$ at least you're makin' a sale and you're makin' some money. Some money is better than no money.

A: Yeah.

A5: Part of somethin's better than all of nothin'. Least the last time I checked.

A: Yeah.

A5: $\quad$ So but - and so this $w$ - what it leads to is a drive of crisis to go down.

A: Right.

A5: $\quad$ And that's what the - that's what the big Hawaiian economy is all about - is about making things - because the government wants everything to cost more.

A: Yeah.

A5: - Look at - hello. All the dumb shits in the minimum wage. Who wanna have a minimum wage that's $\$ 12$ an hour.

A: Yeah.

A5: $\quad$ Well guess what? I own a McDonald's. And the price the - it went from $\$ 8$ to $\$ 12$ or if everybody's fired and everybody's gonna work harder.

A:

## Right.

A5: $\quad$ And then plus l'll get some robots in there to do the work of all the people that l've had to fire...

A: Right.

A5: ...and then I don't pay 'em any benefits. I don't have to pay 'em any minimum wage and I don't have to have any, you know, all these dumb shit kids that I have to babysit.

A:
Yeah.

A5: $\quad$ Guess what? What's the net total? The net total is you have less jobs.

A: Yeah.

A5: $\quad$ But this is how dumb people are. My girlfriend even voted for that stupid shit. It's like wait a second. She goes well we have to pay people minimum wage. You know I remember when I was a kid - l'm older than you. My first job - I was working at (Fries) - the carry out. The minimum wage was $\$ 2.35$.
A: Yeah.

A5: $\quad$ But I didn't say to myself, you know, I wanna live on this forever.
A:
Yeah.

A5: $\quad$ I'm gonna be a carry out for the rest of my life.

A: Exactly.

A5: It's stupid.

A: $\quad$ Yup. Yup. (Unintelligible).

A5: $\quad$ So if I have a job that maybe doesn't - that maybe I have - I want somebody to sweep the sidewalks and I think it's only worth $\$ 5$ an hour. That means I can't hire somebody to sweep the side- that means I gotta do it myself.

A:
Yup. Yup. I don't get it.

A5: $\quad$ Y- it - it's just - it - it - the government has no business being involved in schools, being involved in marriage, being involved in education, being involved in - in - in - in, uh, in in employment.

```
A:
Yeah.
```

A5: $\quad$ Their job is to do two things. Protect our rights and make sure that nobody gets in that comes across the border without, uh, you know, some documentation or having some kind of, uh, border protection.

```
A:
Yeah.
A5: Like at your house - you have border protection 'cause you don't want somebody comin' in your house.
A: Yeah.
A5: I mean - somebody comes in your house you blow his brains out. You know? But I mean that - these are the two things they're supposed to do and those are the two things they don't do. And it pisses me off.
A: Weil and I hope (bic) point is around forever and I hope that's the new currency. You gotta keep it going.
A5: . There's no hoping. It - it already is.
A:
Yup.
A5: It already is.
A: \(\quad\) And right now it does what I need. I need to take my cash and I need to get it to somebody without havin' to drive across the country.
A5: Exactly. I have a guy...
A: And that's the only way to do it.
A5: . ...right now - his wife is getting a bonus who works for a , uh, a (unintelligible).
A: I had to deal with cops pullin' me over and tryin' to feed my money.
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