

2/12/12

Gmail - account funded by wire



Don Raggio &lt;donald.raggio@gmail.com&gt;

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**account funded by wire**

65 messages

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**Don Raggio <donald.raggio@gmail.com>**  
To: info@mtgox.com

Mon, Dec 20, 2010 at 11:30 PM

Hello,

I'm based in the US. I would like set up a Mt Gox account (right now I am having difficulty) and fund it with a wire transfer of \$25000 USD. Can you help me with the wire transfer. Please give me the account and wire instructions.

Thanks,

Don

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**Jed McCaleb <admin@mtgox.com>**  
To: Don Raggio <donald.raggio@gmail.com>

Tue, Dec 21, 2010 at 6:19 AM

Hi Don,  
You can send the wire to:  
Jed McCaleb  
Chase  
SWIFT: CHASUS33XXX  
routing#: 021272723  
account#: 3160195000

My bank charges \$15 for an incoming wire from the US and I think \$50 for an international one.  
Send me an email letting me know the amount you sent so I can keep an eye out for it.  
Thanks,  
Jed.

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Tue, Dec 21, 2010 at 10:01 AM

Ok I created an account called donraggio. Can you place the funds in that account? Thanks for your help.

Don

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Tue, Dec 21, 2010 at 10:03 AM

Let me know if you can put it in the donraggio account. I'll wire the money and let you know when it is sent.

Don

On Tuesday, December 21, 2010, Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)> wrote:  
[Quoted text hidden]

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**Don Raggio <[donald.raggio@gmail.com](mailto:donald.raggio@gmail.com)>**  
To: Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)>

**Tue, Dec 21, 2010 at 10:39 AM**

Is it ok if I give you a call and talk about this. I just have some questions about doing the wire. I appreciate you taking the time. My number is 6016725100

Don

On Tuesday, December 21, 2010, Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)> wrote:  
[Quoted text hidden]

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**Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)>**  
To: Don Raggio <[donald.raggio@gmail.com](mailto:donald.raggio@gmail.com)>

**Tue, Dec 21, 2010 at 3:30 PM**

Hi Don,  
Yeah I can put it in that account.  
I'm actually on vacation right now so it is hard to call. Can I call you thursday?  
Thanks,  
Jed.

[Quoted text hidden]

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**Don Raggio <[donald.raggio@gmail.com](mailto:donald.raggio@gmail.com)>**  
To: Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)>

**Tue, Dec 21, 2010 at 9:16 PM**

Is it ok if I send \$5000 to start?

Don

On Tuesday, December 21, 2010, Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)> wrote:  
[Quoted text hidden]

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**Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)>**  
To: Don Raggio <[donald.raggio@gmail.com](mailto:donald.raggio@gmail.com)>

**Wed, Dec 22, 2010 at 1:05 AM**

Sure how ever much you want to send.  
Thanks  
Jed

[Quoted text hidden]

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**Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)>**  
To: Don Raggio <[donald.raggio@gmail.com](mailto:donald.raggio@gmail.com)>

**Thu, Dec 23, 2010 at 6:37 AM**

Hi Don,  
I'm around today. If you still want me to call you I can.  
Thanks,

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Jed.

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**

**Thu, Dec 23, 2010 at 9:50 AM**

To: Jed McCaleb <admin@mtgox.com>

What number can I reach you at?

Don

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**

**Thu, Dec 23, 2010 at 11:16 AM**

To: Don Raggio <donald.raggio@gmail.com>

(917) 740-7509 but let me know when you want to call so I'll be around.

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**

**Fri, Dec 24, 2010 at 8:55 AM**

To: Jed McCaleb <admin@mtgox.com>

I'm going to send \$5000 to be placed in the donraggio account on mtgox. Thanks. I'll send the wire today. If you have any questions you can reach me at 6016725100

On Tuesday, December 21, 2010, Jed McCaleb <admin@mtgox.com> wrote:

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**

**Fri, Dec 24, 2010 at 9:15 AM**

To: Jed McCaleb <admin@mtgox.com>

Funds should be wired today.

Thanks

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**

**Fri, Dec 24, 2010 at 10:01 AM**

To: Don Raggio <donald.raggio@gmail.com>

Ok great I'll be looking for it.

Thanks,

Jed.

[Quoted text hidden]

---

**Don Raggio <donald.raggio@gmail.com>**

**Fri, Dec 24, 2010 at 9:11 PM**

To: Jed McCaleb <admin@mtgox.com>

Jed,

Please let me know when to expect it to be in the account.

Thanks for your help. Chris

Don

[Quoted text hidden]

<https://mail.google.com/mail/?ui=2&ik=42dadbb538&view=pt&search=inbox&th=12d076893352933e>

RAGGIO 00026

3/14

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**Don Raggio <donald.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Sat, Dec 25, 2010 at 12:28 AM

Jed,

Please let me know when to expect it to be in the account. Thanks

Don

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**  
To: Don Raggio <donald.raggio@gmail.com>

Sat, Dec 25, 2010 at 6:29 AM

It is there now.

Thanks,

Jed.

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Mon, Dec 27, 2010 at 9:58 AM

Thanks. The wire worked fine. May I send another for \$15000 to be placed in my account?

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**  
To: Don Raggio <donald.raggio@gmail.com>

Mon, Dec 27, 2010 at 10:08 AM

Yep I'll look out for it.

Thanks,

Jed.

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Mon, Dec 27, 2010 at 12:26 PM

Sent it.

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Mon, Dec 27, 2010 at 2:05 PM

Hey, I'm looking to make a bulk purchase with the USD I sent. Can you tell me how I can get the best deal for the money? Do you have any large bulk sellers or anyone that would place a large dark pool order?

Donald

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**

Mon, Dec 27, 2010 at 3:15 PM

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To: Don Raggio <donald.raggio@gmail.com>

Hi Donald,  
Well it depends on how fast you are hoping to convert the \$ to BTC.  
I'd suggest placing a large dark pool order around .27 and then you  
will pick up any BTC that people are trying to sell. but it will  
probably take a few days to get filled.  
I see your wire as pending. it will probably clear by tomorrow.  
Thanks,  
Jed.

[Quoted text hidden]

---

Don Raggio <donald.raggio@gmail.com>

Tue, Dec 28, 2010 at 12:27 PM

To: Jed McCaleb <admin@mtgox.com>

Ok, waiting for it to fill. We'll see how the market plays out.

Don

[Quoted text hidden]

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Don Raggio <donald.raggio@gmail.com>

Tue, Dec 28, 2010 at 2:02 PM

To: Jed McCaleb <admin@mtgox.com>

Ok, once the wire clears I'll try the dark pool order as you  
suggested. Thanks for the advice.

Don

[Quoted text hidden]

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Jed McCaleb <admin@mtgox.com>

Tue, Dec 28, 2010 at 2:08 PM

To: Don Raggio <donald.raggio@gmail.com>

Oh it cleared this morning. I thought I saw you trading it.  
Thanks,  
Jed.

[Quoted text hidden]

---

Don Raggio <donald.raggio@gmail.com>

Tue, Dec 28, 2010 at 6:30 PM

To: Jed McCaleb <admin@mtgox.com>

Yeah, I was able to make the trade. Thanks for your help. If I  
need to am I able to make withdrawals via wire or ACH transfer? How  
would I go about doing it?

Thanks

Don

[Quoted text hidden]

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Jed McCaleb <admin@mtgox.com>

Tue, Dec 28, 2010 at 7:53 PM

To: Don Raggio <donald.raggio@gmail.com>

Yeah I can ACH you your money back if you need it. That is the

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cheapest option. I'll just need your account and routing number.

Also I noticed you have your dark pool order set to "Dark pool only". You might want to set it to "dark pool and normal" so you can pick up the trades as people sell small amounts of BTC. The "only" option will just fill from other dark pool orders which will take longer to happen.

Jed.

[Quoted text hidden]

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**Don Raggio <donaId.raggio@gmail.com>**

**Wed, Dec 29, 2010 at 5:49 AM**

To: Jed McCaleb <admin@mtgox.com>

Jed can you send me 10,000 USD from my account?

My information is

Routing number 084201278

Account 03105229

If ACH won't work do you need more information to wire it to my BancorpSouth account? Let me know if there is a fee for wiring. Thanks for your service.

[Quoted text hidden]

---

**Jed McCaleb <admin@mtgox.com>**

**Wed, Dec 29, 2010 at 6:31 AM**

To: Don Raggio <donaId.raggio@gmail.com>

Ok no problem. I sent it back to you.

Thanks,

Jed.

[Quoted text hidden]

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**Don Raggio <donaId.raggio@gmail.com>**

**Sun, Jan 9, 2011 at 10:36 PM**

To: Jed McCaleb <admin@mtgox.com>

Somebody is conducting unauthorized withdrawals on my account. They've taken 9k in BTC so far. I changed the password. Please Advise. All were sent to 1DVQEpTFjxYpZMVy4Bam9MCxeGETmMmQCh

Don

[Quoted text hidden]

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**Don Raggio <donaId.raggio@gmail.com>**

**Sun, Jan 9, 2011 at 11:03 PM**

To: Jed McCaleb <admin@mtgox.com>

Now I am trying to withdraw and I am getting invalid bitcoin address

[Quoted text hidden]

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**Don Raggio <donaId.raggio@gmail.com>**

**Mon, Jan 10, 2011 at 3:18 AM**

<https://mail.google.com/mail/?ui=2&ik=42dadbb538&view=pt&search=inbox&th=12d076893352933e>

RAGGIO 00029

6/14

2/12/12

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To: Jed McCaleb <admin@mtgox.com>

can you give me IP address of who access my account for those withdrawals?

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**

**Mon, Jan 10, 2011 at 3:26 AM**

To: Don Raggio <donaId.raggio@gmail.com>

Oh jeez that's bad.

I would go to IRC channel #bitcoin-dev and talk to theymos. He wrote a block explorer that you can use to possibly track where the coins went.

Any idea how someone got your password?

Jed.

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**

**Mon, Jan 10, 2011 at 3:27 AM**

To: Don Raggio <donaId.raggio@gmail.com>

well I'm only storing the last login IP which was: 75.64.232.81

[Quoted text hidden]

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**Donald Raggio <donaId.raggio@gmail.com>**

**Mon, Jan 10, 2011 at 4:14 AM**

To: Jed McCaleb <admin@mtgox.com>

No I have no idea I just ran a key logger scanner and found nothing. I ran block explored and just saw a new address. Is there anything I can do?

Sent from my iPhone

[Quoted text hidden]

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**Donald Raggio <donaId.raggio@gmail.com>**

**Mon, Jan 10, 2011 at 4:15 AM**

To: Jed McCaleb <admin@mtgox.com>

The last one would be me.

Sent from my iPhone

[Quoted text hidden]

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**Donald Raggio <donaId.raggio@gmail.com>**

**Mon, Jan 10, 2011 at 4:17 AM**

To: Jed McCaleb <admin@mtgox.com>

Can I withdraw my bitcoins in a few minutes? I think last withdrawal was at 530 yesterday?

Sent from my iPhone

[Quoted text hidden]

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**Donald Raggio <donaId.raggio@gmail.com>**

**Mon, Jan 10, 2011 at 4:19 AM**

To: Jed McCaleb <admin@mtgox.com>

Can you keep monitoring the ip address and keep a log?

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Sent from my iPhone

On Jan 10, 2011, at 3:27 AM, Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)> wrote:

> 75.64.232.81

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**Don Raggio <[donald.raggio@gmail.com](mailto:donald.raggio@gmail.com)>**  
To: Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)>

**Mon, Jan 10, 2011 at 4:44 AM**

Please freeze account and send remaining bitcoin balance to  
1DAFkiM5uxRDJb7UCqSX4RpRJPmh1M5ETF

Please watch  
1DVQEPTFjxYpZMvy4Bam9MCxeGETmMmQCh

This is where stolen coins went.

freeze BTCs if they come back to Mt. Gox.

Please log IPs and see if another IP tries to access account. They most certainly will since there were 3  
withdrawals in a row.

Thanks Jed.  
Chris (for Don)  
[Quoted text hidden]

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**Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)>**  
To: Don Raggio <[donald.raggio@gmail.com](mailto:donald.raggio@gmail.com)>

**Mon, Jan 10, 2011 at 4:51 AM**

Yeah I froze the account and I'm logging all IP's on login now but you  
should change the password back to the one that they have so they are  
able to login still so we can see what their IP is.

[Quoted text hidden]

---

**Donald Raggio <[donald.raggio@gmail.com](mailto:donald.raggio@gmail.com)>**  
To: Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)>

**Mon, Jan 10, 2011 at 4:55 AM**

Ok I changed the password back to the one it was before. Hopefully they will try to log in again.

Chris (for Don).

Sent from my iPhone  
[Quoted text hidden]

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**Donald Raggio <[donald.raggio@gmail.com](mailto:donald.raggio@gmail.com)>**  
To: Jed McCaleb <[admin@mtgox.com](mailto:admin@mtgox.com)>

**Mon, Jan 10, 2011 at 5:11 AM**

The password is changed. I just logged in and logged out. Maybe we will get the ip of the person who did it.  
My only guess is that I got hit by a keylogger. I will scan my laptop today. This is bad but hopefully you can  
send the rest of the btcs once enough days have passed. Thanks for your help.

Chris (for Don)



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[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**  
To: Donald Raggio <donaId.raggio@gmail.com>

Mon, Jan 10, 2011 at 9:32 AM

ok someone logged in from: 192.231.69.201

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**  
To: Donald Raggio <donaId.raggio@gmail.com>

Mon, Jan 10, 2011 at 9:34 AM

Maybe still you guys?

<http://www.ip2location.com/free.asp>

says:

MISSISSIPPI JACKSON UNIVERSITY OF MISSISSIPPI MEDICAL CENTER

[Quoted text hidden]

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**Donald Raggio <donaId.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Mon, Jan 10, 2011 at 11:03 AM

That's us. Thanks for checking. Please keep watching.

Chris

Sent from my iPhone

[Quoted text hidden]

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**Donald Raggio <donaId.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Mon, Jan 10, 2011 at 12:21 PM

So right now the plan is for you to send it to my bitcoin address? How many days will you need? If so I won't log in so you can see where the other party is coming from.

Chris (for Don)

Sent from my iPhone

[Quoted text hidden]

---

**Don Raggio <donaId.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Tue, Jan 11, 2011 at 4:49 AM

Jed

once enough days have passed do you think you can send the remaining balance to:  
1DAFkiM5uxRDJb7UCqSX4RpRJPmh1M5ETF ?

Otherwise we can unfreeze the account and do daily withdrawals with a new password.

Thanks for your help and for talking ot me yesterday. Obviously this is a tough situation and I hope not to encounter it again. Thanks for guiding me through. I honestly don't know who could have done it. That's why I was thinking it was a key logger. I just looked at the activity of the address in block explorer and haven't seen any new transactions. I haven't logged in the account since yesterday. I don't know if the other party has

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attempted to log in. please let me know if you see any activity.

Thanks

Chris (for Don).

[Quoted text hidden]

---

**Donald Raggio <donald.raggio@gmail.com>**

**Tue, Jan 11, 2011 at 7:52 AM**

To: Jed McCaleb <admin@mtgox.com>

Please let me know when enough days will have passed that you can withdraw the bitcoins to my bitcoin address. Thanks for your help.

Chris (for Don)

Sent from my iPhone

[Quoted text hidden]

---

**Jed McCaleb <admin@mtgox.com>**

**Tue, Jan 11, 2011 at 8:49 AM**

To: Donald Raggio <donald.raggio@gmail.com>

I'll send it to you next monday on the 17th.

Thanks,

Jed.

[Quoted text hidden]

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**Donald Raggio <donald.raggio@gmail.com>**

**Wed, Jan 12, 2011 at 6:31 PM**

To: Jed McCaleb <admin@mtgox.com>

Thanks for sending it on the 17th. I logged in again just to see if there had been any activity. I didn't see anything logged.

Sent from my iPhone

[Quoted text hidden]

---

**Donald Raggio <donald.raggio@gmail.com>**

**Sat, Jan 15, 2011 at 4:48 PM**

To: Jed McCaleb <admin@mtgox.com>

Ok thanks for sending it monday. Please let me know what address it's going to. Also has anyone accessed the account? I logged in once.

Chris (for Don)

Thanks

[Quoted text hidden]

---

**Donald Raggio <donald.raggio@gmail.com>**

**Mon, Jan 17, 2011 at 8:20 AM**

To: Jed McCaleb <admin@mtgox.com>

Please let me know when you send it. Please let me know if there are any problems. Thanks for your help.

Chris (for Don)

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**  
To: Donald Raggio <donaId.raggio@gmail.com>

Mon, Jan 17, 2011 at 8:41 AM

ok what address do you want me to send it to?  
[Quoted text hidden]

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**Don Raggio <donaId.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Mon, Jan 17, 2011 at 8:58 AM

Jed,  
Please send entire balance to address

12fZ2HxkLjG9zn1u44XYsFFYKHM4A2zCea

Please let me know if there are any problems  
Thanks,

Chris (for Don)

[Quoted text hidden]

---

**Jed McCaleb <admin@mtgox.com>**  
To: Don Raggio <donaId.raggio@gmail.com>

Mon, Jan 17, 2011 at 9:05 AM

ok there you go.  
Have the stolen ones bent sent anywhere yet?  
[Quoted text hidden]

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**Don Raggio <donaId.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Mon, Jan 17, 2011 at 9:23 AM

Jed,

Thanks for sending them out. The stolen ones are still at the same address. I don't know who has control over them or what he or she plans to do with them. The log from bitcoin explorer is below. I don't know how the password was obtained. It wasn't an easy to guess password. My only guess is a keylogger. I ran software to detect one on that PC but none were found so I don't know what happened. I guess they never bothered to login again to your site. If they are careless enough to return them from that address to MtGox please seize them. Let me know if you want to unfreeze my account at MtGox (and for me to change the password) or if it is just better to create a new account given what's happened. Right now I'm just leaving it as is hoping they will login again and get their IP logged. The information about the stolen coins is below. Good luck running your site. I wish we could have spent more time with you discussing bitcoin's potential instead of this problem. Maybe we'll have a chance to do that yet. The future is very promising.

Chris (for Don)

**Address 1DVQEPTFjxYpZMVy4Bam9MCxeGEmM  
mQCh**

Short link: <http://blockexplorer.com/a/6C87FrVcb1>

- First seen<sup>2</sup>: [Block 101362](#) (2011-01-07 01:01:26)
- Received transactions: 4
- Received BTC: 9 506.33
- Sent transactions: 1
- Sent BTC: 100
- Hash160<sup>2</sup>: 89008dfd301ad098e368693d8bf9bcdedf78bd6c
- Public key<sup>2</sup>:  
04f0ceb57cc8038334c56317dc152c523f6dbb854f14f2ac63a7e9c227b9e1cee24f6bb2dcde2d9eb6f19acf57bd0eae4d7f9324905fa505f8a1a14b02a0b5c159

### Ledger<sup>2</sup>

Note: While the last "balance" is the accurate number of bitcoins available to this address, it is likely not the balance available to this person. Every time a transaction is sent, some bitcoins are usually sent back to yourself at a new address (not included in the Bitcoin UI), which makes the balance of a single address misleading. See the [wiki](#) for more info on transactions.

Transaction <sup>2</sup>	Block <sup>2</sup>	Amount <sup>2</sup>	Type <sup>2</sup>	From/To <sup>2</sup>	Balance <sup>2</sup>
<a href="#">691967a006...</a>	<a href="#">Block 101362</a> (2011-01-07 01:01:26)	100	Received: Address	<ul style="list-style-type: none"> <li>• <a href="#">19n8ogD8imvHn9iZSpmUqdZqjTuDxzDwv</a></li> </ul>	100
<a href="#">f73d2bb200...</a>	<a href="#">Block 101362</a> (2011-01-07 01:01:26)	100	Sent: Address	<ul style="list-style-type: none"> <li>• <a href="#">1Lnfce21gYa4WMZFFR4iVUFz9F39tHmz7W</a></li> <li>• <a href="#">12VLe9wFVdio8gEiRqFJdZ1g5qBDVfZkJ</a></li> </ul>	0
<a href="#">4d69213ee5...</a>	<a href="#">Block 101380</a> (2011-01-07 02:49:29)	3134.8	Received: Address	<ul style="list-style-type: none"> <li>• <a href="#">1K5PeNuth8dtveBrAhw8c2n899gBvGKTut</a></li> <li>• <a href="#">16GanxZBBxbSeWa177iSi6Y42zirxxJLnz</a></li> <li>• <a href="#">1JCmxZJBkQSpYEdYoukRcEz23YvMWBzF</a></li> </ul>	3134.8
<a href="#">a7b9ea9363...</a>	<a href="#">Block 101607</a> (2011-01-08 10:27:16)	3174.6	Received: Address	<ul style="list-style-type: none"> <li>• <a href="#">1JSiXdtNihFuVp16pGfJeK8DBTAmAVDteV</a></li> <li>• <a href="#">19FuFSs6pVUsKrqUpnyRbZp5XGYSatpwUD</a></li> <li>• <a href="#">1CRCF7qQPv9Sybe5RUN9ZcsQfabyXvcqyR</a></li> <li>• <a href="#">1EJxHS9F3BDME8r8gEijKVWc2rMKCD3Ssx</a></li> <li>• <a href="#">15fFrMJZkZ7YA1YRQT3PN41uKpkiRmN5ap</a></li> </ul>	6309.4
	<a href="#">Block 101760</a>			<ul style="list-style-type: none"> <li>• <a href="#">1JHQRFF5P9867t9hiqmPxn9rpZUZizb92C</a></li> <li>• <a href="#">16r2pK9zySywLi1beVRqCaRgCtW2rKkucZ</a></li> <li>• <a href="#">1MgHNzdUuNsE3N5gym5ojPuHGtPmifbosC</a></li> <li>• <a href="#">1DEY3nw7UJMxm5SoaVLxMG3rYeY5nP</a></li> </ul>	

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14a797025a... (2011-01- 3096.93 Received: hmc 9406.33  
09 Address • 1NeJmfihzqqpxskJrzFJoBebcihyFaggZd  
10:47:30) • 1Ay3N616QnNBp7bXwjKiatANHyKE2b  
NfHR  
• 13peLjL4LDQm2tiuubYQjxYV8JhaJg  
QQPy  
• 1LiMB3VwERw317K2RGh6ahJl3QaoTl  
RJG2

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Bitcoin Block Explorer (beta) - Donate: 1Cwr8AsCfbpVQ2xoWIFD1Gb2VRbGsEf28

[Quoted text hidden]

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**Donald Raggio <donald.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Sun, Jan 23, 2011 at 4:17 PM

Jed,

The stolen ones still haven't moved. Can you check and see if anybody has logged in?

Chris (for Don)

[Quoted text hidden]

---

**Jed McCaleb <admin@mtgox.com>**  
To: Donald Raggio <donald.raggio@gmail.com>

Mon, Jan 24, 2011 at 6:10 AM

No still no logins other than you.

[Quoted text hidden]

---

**Donald Raggio <donald.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Mon, Jan 24, 2011 at 6:11 AM

Thanks for checking.

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**  
To: Jed McCaleb <admin@mtgox.com>

Tue, Feb 1, 2011 at 8:09 PM

Jed, do you think we got hit by these guys running a dictionary attack?

<http://www.bitcoin.org/smf/index.php?topic=3089.0>

Chris (for Don)

[Quoted text hidden]

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**Jed McCaleb <admin@mtgox.com>**  
To: Don Raggio <donald.raggio@gmail.com>

Tue, Feb 1, 2011 at 8:24 PM

2/12/12

Gmail - account funded by wire

I don't think so. The attack happened after your account was stolen from. and also these guys didn't take BTC. They would just convert it to USD and take LR.

The coins still haven't moved?

[Quoted text hidden]

---

**Donald Raggio <donald.raggio@gmail.com>**

**Tue, Feb 1, 2011 at 9:04 PM**

To: Jed McCaleb <admin@mtgox.com>

Jed

They haven't moved the coins. I'm still not sure what happened. I ran spysheffer a keylogger detector and didn't find anything. Here is the block info.

[Quoted text hidden]

On Feb 1, 2011, at 8:24 PM, Jed McCaleb <admin@mtgox.com> wrote:

1DVQEpTFjxYpZMVy4Bam9MCxeGEtmMmQCh

---

**Donald Raggio <donald.raggio@gmail.com>**

**Thu, Feb 10, 2011 at 6:54 AM**

To: Jed McCaleb <admin@mtgox.com>

Thanks for telling me about Theymos. It's hard for me to use IRC at work. Maybe if we could get in touch with him he could create something that monitors that address and notifies us when they are transferred. I would reward him and you with BTC for recovering the stolen BTC. Does that sound like a good idea?

PS

Thanks for creating such a cool platform.

Chris (for Don)

[Quoted text hidden]

---

**Jed McCaleb <admin@mtgox.com>**

**Thu, Feb 10, 2011 at 7:39 AM**

To: Donald Raggio <donald.raggio@gmail.com>

Ok I sent him an email.

[Quoted text hidden]

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**Don Raggio <donald.raggio@gmail.com>**

**Mon, Dec 26, 2011 at 3:43 AM**

Draft To: Jed McCaleb <admin@mtgox.com>

[Quoted text hidden]



Chris Raggio &lt;chris.raggio@gmail.com&gt;

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**conference etc.**

6 messages

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**Chris Raggio** <chris.raggio@gmail.com>  
To: jed@mtgox.com

Tue, Aug 23, 2011 at 7:23 PM

Jed,

It was a real pleasure to meet you in person. All of us really appreciate you taking time to make yourself available and to share your thoughts with us. I remember you said you were interested in AI research and technological singularity discussion. I imagine based on your history of how you basically used eDonkey to turn the internet into one big searchable hard drive I could see you doing something like making a piece of software that turns the internet and every device attached to it into a planetary brain. It reminds me of a book I read in the 90s called "Darwin Among Machines: The Evolution of Global Intelligence." Hope you enjoy the book if you haven't read it already.

I believe that if this technological singularity happens humanity as it exists now will essentially be the "bootstrap" if you will for whatever comes next. If that is the case, God help us.

[http://www.amazon.com/Darwin-Among-Machines-Evolution-Intelligence/dp/0738200301/ref=sr\\_1\\_1?ie=UTF8&qid=1314144894&sr=8-1](http://www.amazon.com/Darwin-Among-Machines-Evolution-Intelligence/dp/0738200301/ref=sr_1_1?ie=UTF8&qid=1314144894&sr=8-1)

Chris

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**Jed McCaleb** <jed@mtgox.com>  
To: Chris Raggio <chris.raggio@gmail.com>

Wed, Aug 24, 2011 at 11:16 PM

Hi Chris,  
Yeah it was cool to finally meet so many people in person.  
There was talk of getting some sort of bitcoin foundation going. There should be more details about it coming soon.  
Thanks for the link. Yeah I think in the next 20-30 years things are going to get pretty crazy.  
Jed.  
(Quoted text hidden)

---

**Chris Raggio** <chris.raggio@gmail.com>  
To: Jed McCaleb <jed@mtgox.com>

Thu, Sep 15, 2011 at 4:36 PM

Hi Jed,

How is the foundation coming? There are some promising ideas out there.

<http://thedailyattack.com/2011/08/12/bitcoin-open-transactions-the-kryptonite-of-net-neutrality-works/>

Chris  
(Quoted text hidden)

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**Jed McCaleb** <jed@mtgox.com>

Fri, Sep 23, 2011 at 5:13 PM

To: Chris Raggio <chris.raggio@gmail.com>

Hi Chris,  
I've got something interesting I'm working on. I'll let you know more  
in another month or so.  
Jed.  
[Quoted text hidden]

---

**Chris Raggio** <chris.raggio@gmail.com>  
To: Jed McCaleb <jed@mtgox.com>

Fri, Sep 23, 2011 at 8:20 PM

Hi Jed,

Glad to hear it...

Chris  
[Quoted text hidden]

---

**Chris Raggio** <chris.raggio@gmail.com>  
To: Jed McCaleb <jed@mtgox.com>

Mon, Nov 28, 2011 at 9:50 PM

Hi Jed,

I saw this story about smartphone adoption: <http://www.wired.com/gadgetlab/2011/11/smartphones-feature-phones/>

I've been whiteboarding some ideas mostly stuff for improving convertibility. Also playing around with NFC (Near Field Communication) to familiarize myself with what it offers. It's interesting but it needs more work.

<http://www.paywiththis.com/>

That's about it between me and my day job. How is the stuff you have been working on coming along?

Chris  
[Quoted text hidden]





Chris Raggio &lt;chris.raggio@gmail.com&gt;

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**hey**

4 messages

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**Chris Raggio** <chris.raggio@gmail.com>

Wed, Dec 21, 2011 at 8:18 PM

To: Jed McCaleb &lt;jed@mtgox.com&gt;

Hey Jed,

How's everything going? I'm feeling good. I think 2012 is going to be a breakout year for bitcoin in terms of technology maturation, wider adoption, and increased exchange value which everyone is so focused on. I haven't been doing much with the technology. That is best left to guys like you who can code circles around me. I've been studying economics to try to understand how a currency as different from anything that has come before might change things. It's not easy. Economics is a social science and most of it makes no sense at all. Logical thinking is disadvantageous to anyone trying to learn what is accepted as truth in this field.

Just to let you know I e-mailed Mark asking him what he intends to do with the stolen coins. I haven't heard back from him yet. Originally he said he wanted to give "Baron a year to speak for himself." I don't know why we would bother with somebody who hides behind an alias and an altered passport but whatever. We are approaching the 1 year anniversary of the theft.

I'm not asking you to intervene on my or my father's behalf. Mark is the owner of Mt Gox now. It's his call whether he wants to make things right with us as he did with Bitomat. My father and I appreciate everything you did to investigate and pursue the thief. You didn't have to go to the lengths you went to for us. We thank you.

Have a nice holiday,

Chris

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**Jed McCaleb** <jed@mtgox.com>

Tue, Dec 27, 2011 at 1:16 PM

To: Chris Raggio &lt;chris.raggio@gmail.com&gt;

Hey Chris,

Yeah I think it is just a matter of time before something like bitcoin takes hold.

I'll ask him again what is happening to the baron money. I'm sure he will eventually give it to you. I know he is trying to do everything very by the book so I think he had to wait for legal reasons.

Do you happen to remember those two guys from the conference in nyc that were from Louisiana or mississippi? They owned a bank or something down there. Did you get their contact info by any chance?

Thanks,

Jed.

[Quoted text hidden]

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**Chris Raggio** <chris.raggio@gmail.com>

Tue, Dec 27, 2011 at 5:59 PM

To: Jed McCaleb &lt;jed@mtgox.com&gt;

Hey Jed,

I think it was two guys who told me they were from Louisiana. They gave me a business card that said "Bitcoin Solutions LLC" which is also the handle they use on the forums. Their business card is attached as an image. I talked to them at the conference for maybe 20 minutes. The product that they were offering at that time was a

pre-paid virtual visa card you purchase with bitcoins.

<http://bitcoinsolutionsilc.com/>

[https://en.bitcoin.it/wiki/Bitcoin\\_Cashout](https://en.bitcoin.it/wiki/Bitcoin_Cashout)

I told them that I was looking for something like that but that I wanted it to be reloadable at whatever the current exchange rate was. I told them that I thought it would be really cool if the virtual card would actually just let you convert on the fly so that when you spent say \$20.00 on the visa card it would just take 5 bitcoins (at \$4 exchange rate) from a bitcoin account associated with the card. All of this would essentially be invisible to the user and they could use it like any other card. In essence it wouldn't be much different than using the visa or mastercard you already have in Madrid. By no means would this fix everything for users. There are many other issues to resolve such as volatility (this might be mitigated with options trading; increased aggregate market value will help over time). It would still be a good place to start if it were possible.

Of course to make this work you would like to have a financial institution to partner with. These guys said that they had a strong relationship with a bank down there and that they were already talking to the bank about making this happen. I said that sounded great. I had never imagined that any financial institution would be interested in doing this. They said that they owned a bank or at least was talking to one that was interested.

As you already know banks are subject to regulations. They are not well regulated but are very tightly regulated. That means the regulators crack down hard on small stuff like bitcoin and totally miss colossal important things like MF Global or Lehman brothers that can crash the whole system in a few hours.

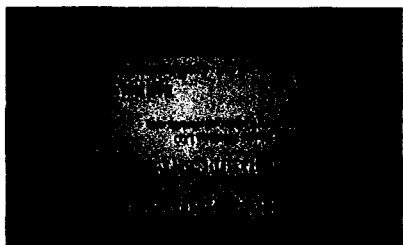
As much as I wanted to believe these guys I knew that it would be tough to do this because no commercial bank would want to be associated with bitcoin. Credit unions or community banks would be equally uninterested. I thought maybe an offshore bank would consider it but the rates they would charge for doing something like that would be exorbitant. These guys actually told me that they were talking about a commercial bank based in the US.

I've been playing around with some ideas. There can't be a single point of failure. It needs to be decentralized like P2P (as exemplified by eDonkey) and the internet itself. The nodes *and* the edges in the graph will be attacked. Any link between the conventional system and the cryptocurrency system is what an adversary is going to try to sever. So one thing that would help with this would be to have a whole lot of links and the ability to set up new links easily.

There are different ways to go about this. I'm trying to see how to make individual run microexchanges possible at least conceptually.

Chris

[Quoted text hidden]



20111227\_174957.jpg  
204K

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Chris Raggio <[chris.raggio@gmail.com](mailto:chris.raggio@gmail.com)>  
To: Jed McCaleb <[jed@mtgox.com](mailto:jed@mtgox.com)>

Tue, Aug 21, 2012 at 2:00 PM

<http://yro.slashdot.org/story/12/08/21/1530248/bitcoin-card-to-launch-in-2-months-says-bitinstant>

Looks interesting...

Gmail - hey

<https://mail.google.com/mail/u/0/?ui=2&ik=5948c6e8e8&view=pt&q=to...>

[Quoted text hidden]



Chris Raggio <chris.raggio@gmail.com>

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**Bitcoin's Hogwarts: San Francisco Tech Space "20Mission"**

1 message

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**Chris Raggio** <chris.raggio@gmail.com>

Tue, May 22, 2012 at 8:44 PM

To: Jed McCaleb <jed@mtgox.com>

<http://www.thebitcointrader.com/2012/05/bitcoins-hogwarts-san-francisco-tech.html>

**From:** "Mark Karpeles" <mark@tibanne.com>  
**To:** "Jed McCaleb" <admin@mtgox.com>  
**Date:** 2/14/2011 1:58:47 AM  
**Subject:** Re:

Hi,

This is suspicious indeed, and the best course (for now) would probably to freeze the account and watch withdraws from other accounts.

The main factor here is time, which hints at the events being related. I'd be handling the investigation myself if I had the database here, however with the server migration in progress I haven't got time to install mtgox on the space I reserved yet (I'd prefer directly setting it up on the new server with its own ip for SSL).

Anyway I'll keep you posted as soon as things are ready here. In the meantime I'll check what I can find out about contractor.net.

Btw there have been other transactions:  
<http://blockexplorer.com/address/1DVQEPTFjxYpZMVy4Bam9MCxeGEtmMmQCh>

Mark

Le samedi 12 février 2011 à 15:34 -0500, Jed McCaleb a écrit :

- > So here are the details of fraud and why I think it is this guy on the site...
- > This account donraggio had about 9k btc stolen from him Jan 6th-9th.
- > It looks like someone must have guessed or figured out his password
- > somehow. I talked to him on the phone so I believe that this really
- > happened.
- > The stolen coins were sent to: 1DVQEPTFjxYpZMVy4Bam9MCxeGEtmMmQCh
- > That address has sent 20 BTC to: 12VLe9wFVdio8gEjRqFJdZ1g5qBDfVfZkJ
- > Which happens to be a mtgox address.
- > The account that sent them there was name "baron"
- >
- > This baron account also has other suspicious activity.
- > Out of the blue he deposited \$75k in LR.
- > With that he bought about \$15k worth of coins. And has been just
- > withdrawing the money since then.
- >
- > Date of baron btc funding: 1294363502 01 / 06 / 11 @ 7:25:02pm EST
- > Date of LR fund U1172929: (01/06/11 @ 6:53:21pm, 7:14:07pm EST,
- > 7:14:58pm) 1294361601 1294362847 1294362898
- > Date of theft from donraggio: 1294367953 01 / 06 / 11 @ 8:39:13pm EST
- > Date of start withdrawal to U2839087: 1294519650 01 / 08 / 11 @
- > 2:47:30pm EST basically \$1000 a day till now
- > Date of LR fraud: Jan 20th
- >
- >
- > His email is: baron@contractor.net
- > Which I just find this on google:
- > <http://www.scamwarners.com/forum/viewtopic.php?f=12&t=10858>
- >
- > My thought is that he is related to the guys who stole so much LR from
- > us. I think he funded our LR account so he would be certain there
- > would be LR there to steal.
- > He definitely know who stole the coins from don raggio unless
- > 1DVQEPTFjxYpZMVy4Bam9MCxeGEtmMmQCh is a mybitcoin address.
- > What do you think?



Don Raggio &lt;donald.raggio@gmail.com&gt;

**Re: account funded by wire**

32 messages

theymos <theymos@mm.st>  
 To: donald.raggio@gmail.com  
 Cc: admin@mtgox.com

Thu, Feb 10, 2011 at 2:01 PM

[Copied to Jed]

Sorry to hear about your misfortune. I can't track the thief myself, but here is some information that might help you.

Tracking BTC is difficult, especially if the attacker knows what he's doing. Here is the attacker's address history:  
<http://blockexplorer.com/address/1DVQEPTFjxYpZMVy4Bam9MCxeGEtmMmQCh>

From this, you can see under the "sent" column that the owner of these addresses either knows the attacker or is the attacker:  
 1Lnfce21gYa4VWMZFFR4iVUFz9F39tHmz7W  
 12VLe9wFVdio8gEjRqFJdZ1g5qBDfVfZkJ

Looking deeper at those addresses, it's possible that the owners of these addresses also know the attacker directly or indirectly:  
 1LiEy7V4GK1JUMBPomx2JcCREdRdtpvuj8  
 15ZpDyyehXlc8BiCUBMis5sTa2pJdNpdeD  
 1BR5DuhypnMkVmJoQ2YncKiyvQgsjLjBqm  
 1MTqhJjCunRRHk1UBQkkAJBc1BjRwvHpkD

Take a look at 12VLe9wFVdio8gEjRqFJdZ1g5qBDfVfZkJ's sending transaction:  
<http://blockexplorer.com/tx/ff31ac4bb91cf21c96cf779b406b61bad67857812eb9610ada806cc575da0699#i302983>  
 That non-highlighted input address, 1HAnpTE76WTzVvEmyNmgspxZHqZqX6i1X6m, is guaranteed to also be owned by the owner of 12VLe9wFVdio8gEjRqFJdZ1g5qBDfVfZkJ.

You can also get information from the attacker's received payments. 1BR5DuhypnMkVmJoQ2YncKiyvQgsjLjBqm was paid by 19CJwUXXBsnmZCkj2hUpyY1cAPZatC12TT, who therefore knows him. Look at that transaction:  
<http://blockexplorer.com/tx/fb4bf12185bce7ff7c1b472fe74d4ad11560528ce57a8254a2ae23789ac2267b#o0>  
 The non-highlighted output address is owned by either 19CJwUXXBsnmZCkj2hUpyY1cAPZatC12TT or 1BR5DuhypnMkVmJoQ2YncKiyvQgsjLjBqm.

You can continue going deeper, though it fans out quickly. The third level probably has several hundred addresses.

More "top-level" addresses will become known once the attacker spends more BTC from the target address. Keep watching the page for 1DVQEPTFjxYpZMVy4Bam9MCxeGEtmMmQCh.

To find the attacker, you need to somehow link one of these addresses to a real person, and then get them to tell you who they received the coins from. By following these transactions, you should eventually be able to trace the coins back to the attacker. You might start by asking MtGox, MyBitcoin, Vekja, and other EWallet services whether they own any of these addresses.

Some day I plan to add a feature to Bitcoin Block Explorer that will show all addresses associated with a target (as I did manually in the text above), but I am unfortunately too busy to work on that right now.

Tell me if you have any questions about getting address histories. I hope you find the thief!

On Thu, 10 Feb 2011 08:39 -0500, "Jed McCaleb" <admin@mtgox.com> wrote:

> Can I give this guy your email?

>

>

> ----- Forwarded message -----

> From: Donald Raggio <donald.raggio@gmail.com>

> Date: Thu, Feb 10, 2011 at 7:54 AM

> Subject: Re: account funded by wire

> To: Jed McCaleb <admin@mtgox.com>

>

>

> Thanks for telling me about Theymos. It's hard for me to use IRC at  
 > work. Maybe if we could get in touch with him he could create  
 > something that monitors that address and notifies us when they are  
 > transferred. I would reward him and you with BTC for recovering the  
 > stolen BTC. Does that sound like a good idea?  
 >  
 >  
 >  
 > PS  
 >  
 > Thanks for creating such a cool platform.  
 >  
 > Chris (for Don)  
 >  
 >  
 >  
 > On Jan 10, 2011, at 3:26 AM, Jed McCaleb <admin@mtgox.com> wrote:  
 >  
 >> Oh jeez that's bad.  
 >> I would go to IRC channel #bitcoin-dev and talk to theymos. He wrote a  
 >> block explorer that you can use to possibly track where the coins  
 >> went.  
 >> Any idea how someone got your password?  
 >> Jed.  
 >>  
 >> On Sun, Jan 9, 2011 at 11:36 PM, Don Raggio <dona1d.raggio@gmail.com> wrote:  
 >>> Somebody is conducting unauthorized withdrawals on my account. They've  
 >>> taken 9k in BTC so far. I changed the password. Please Advise. All were  
 >>> sent to 1DVQEPTFjxYpZMVy4Bam9MCxeGEtmMmQCh  
 >>>  
 >>> Don  
 >>>  
 >

---

**Jed McCaleb** <admin@mtgox.com> Thu, Feb 10, 2011 at 3:40 PM  
 To: donald.raggio@gmail.com

Well I'm pretty sure I found the guy if I understand theymos's site correctly. He has enough coins in his account to repay you also. I've frozen his account but want to make sure I'm right before I do anything.  
 Do you know anyone else with an account on mtgox?  
 Do you know anyone that uses this domain: contractor.net ?  
 Thanks,  
 Jed.  
 [Quoted text hidden]

---

**Jed McCaleb** <admin@mtgox.com> Thu, Feb 10, 2011 at 3:43 PM  
 To: donald.raggio@gmail.com

Also do you mind telling me what your old password was? I assume you changed it. It didn't seem like the same attack that got the other guys password but maybe it was.  
 [Quoted text hidden]

---

**Donald Raggio** <dona1d.raggio@gmail.com> Thu, Feb 10, 2011 at 9:21 PM  
 To: Jed McCaleb <admin@mtgox.com>

The only person know that has a mt gox account is Eric Brigham. He told me about mt gox. Never heard of contractor.net.  
 Thanks  
 [Quoted text hidden]

**Donald Raggio** <donald.raggio@gmail.com>  
To: **Jed McCaleb** <admin@mtgox.com>

Thu, Feb 10, 2011 at 9:24 PM

do you want me to put the password in plaintext in an email or send it some other way? I changed it back to the original password after you froze the account in hopes that the attacker would log in and you would catch the ip. Let me know how you want to proceed.

Thanks  
[Quoted text hidden]

---

**Jed McCaleb** <admin@mtgox.com>  
To: **Donald Raggio** <donald.raggio@gmail.com>

Thu, Feb 10, 2011 at 9:27 PM

You should change the password and then email it to me in plaintext is fine.  
[Quoted text hidden]

---

**Donald Raggio** <donald.raggio@gmail.com>  
To: **Jed McCaleb** <admin@mtgox.com>

Thu, Feb 10, 2011 at 9:36 PM

Jed,  
  
New password is tele9067

Thanks  
[Quoted text hidden]

---

**Jed McCaleb** <admin@mtgox.com>  
To: **Donald Raggio** <donald.raggio@gmail.com>

Thu, Feb 10, 2011 at 9:44 PM

no no don't tell me the new password. I meant the old password. The one that this person must have gotten somehow.  
[Quoted text hidden]

---

**Don Raggio** <donald.raggio@gmail.com>  
To: **Jed McCaleb** <admin@mtgox.com>

Thu, Feb 10, 2011 at 10:00 PM

the old password is ternot99

hope that helps.

Thanks  
[Quoted text hidden]

---

**Don Raggio** <donald.raggio@gmail.com>  
To: **Jed McCaleb** <admin@mtgox.com>

Thu, Feb 10, 2011 at 10:01 PM

i changed the mt gox password again to make it safe.

thanks  
[Quoted text hidden]

---

**Donald Raggio** <donaqd.raggio@gmail.com>  
To: **Jed McCaleb** <admin@mtgox.com>

Fri, Feb 11, 2011 at 5:16 PM

Jed,  
  
Did you find out what you needed?

Thanks



Chris  
[Quoted text hidden]

---

**Jed McCaleb** <admin@mtgox.com>  
To: Donald Raggio <donaald.raggio@gmail.com>

Sat, Feb 12, 2011 at 1:55 PM

Still investigating. It will take awhile I think to be sure. the suspect could have been using mybitcoin or something. Then we can't be certain it came from him.  
[Quoted text hidden]

---

**Donald Raggio** <donaald.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Sat, Feb 12, 2011 at 2:20 PM

Theymos said something about asking "Mybitcoin,, Vekja, and other EWallet services whether they own any of these addresses."

Is sending inquiries to those sites a wise next step in your investigation? thanks for looking into this for us.

Chris (for Don)

On Feb 12, 2011, at 1:55 PM, Jed McCaleb <admin@mtgox.com> wrote:

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**Jed McCaleb** <admin@mtgox.com>  
To: Donald Raggio <donaald.raggio@gmail.com>

Sat, Feb 12, 2011 at 2:34 PM

Yeah I'm asking them...  
[Quoted text hidden]

---

**Don Raggio** <donaald.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Thu, Feb 17, 2011 at 1:32 AM

Jed,

I was wondering if it was safe to use the account for trading or if you would recommend a new one (the password has been changed)? Also have you found anything more out about the stolen ones? Is the suspect's account still frozen?

Thanks,

Chris (for Don)

[Quoted text hidden]

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**Jed McCaleb** <admin@mtgox.com>  
To: Don Raggio <donaald.raggio@gmail.com>

Thu, Feb 17, 2011 at 4:42 AM

You can use your account as long as you have a new password. Still working on determining if this is absolutely the right guy, His account is frozen.  
[Quoted text hidden]

---

**Don Raggio** <donaald.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Tue, Feb 22, 2011 at 8:43 PM

Saw this posted on the forums. I don't know if this is the same guy but I thought you might want to see it if you haven't already.  
<http://www.bitcoin.org/smf/index.php?topic=3712.0>

<http://www.bitcoin.org/smf/index.php?topic=3712.msg52648#msg52648>

Thanks for investigating this. Good luck.

Chris (for Don).  
[Quoted text hidden]

---

**Don Raggio** <donald.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Wed, Feb 23, 2011 at 7:36 PM

<http://www.bitcoin.org/smf/index.php?topic=3712.msg53798#msg53798>

I'm guessing this is the guy. He mentions having the same amount of BTC that was stolen from the account.

Chris (for Don)  
[Quoted text hidden]

---

**Donald Raggio** <donald.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Thu, Feb 24, 2011 at 9:20 PM

Saw your post on the forum

wow 16 pages!

Guys I really don't want to go into details about this until it is resolved. If baron is in fact a scammer the less he knows about what I know the better.  
I'm still talking to baron and trying to get to the bottom of this.

Thanks for working on this Jed. I didn't know this would get to be such a big deal in the community. Can you please keep our names from being associated with this once it is resolved? Please dont use our real name. From reading the forum I fear retaliation even though we are the victims.

Chris (for Don)  
[Quoted text hidden]

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**Jed McCaleb** <admin@mtgox.com>  
To: Donald Raggio <donald.raggio@gmail.com>

Thu, Feb 24, 2011 at 9:26 PM

Yeah it is pretty annoying that it is on the forum.  
[Quoted text hidden]

---

**Don Raggio** <donald.raggio@gmail.com>  
To: theymos <theymos@mm.st>

Thu, Mar 24, 2011 at 8:56 PM

Theymos,

I think Jed found the thief (Baron) but Mark (the new owner of Mt Gox) said he isn't able to complete his investigation yet and it has been put on hold due to events in Japan. Thanks for providing the information from the address history. I appreciate the work you and Jed put into tracking it down. It did help track down the thief. It's up to Mark to see if we are able to recover the stolen BTC.

On Thu, Feb 10, 2011 at 2:01 PM, theymos <theymos@mm.st> wrote:  
[Quoted text hidden]

theymos <theymos@mm.st>  
To: Don Raggio <donald.raggio@gmail.com>

Thu, Mar 24, 2011 at 9:09 PM

Glad I was able to help! I hope you get your money back.

On Thu, 24 Mar 2011 20:58 -0500, "Don Raggio" <donald.raggio@gmail.com> wrote:

Theymos,

I think Jed found the thief (Baron) but Mark (the new owner of Mt Gox) said he isn't able to complete his investigation yet and it has been put on hold due to events in Japan. Thanks for providing the information from the address history. I appreciate the work you and Jed put into tracking it down. It did help track down the thief. It's up to Mark to see if we are able to recover the stolen BTC.

Don Raggio <donald.raggio@gmail.com>  
To: theymos <theymos@mm.st>

Fri, May 20, 2011 at 9:58 PM

Theymos

It looks like there is a new transaction in Block Explorer dated 4-28. Do you make anything of it?

a01c1b8281...	Block 120711 (2011-04-28 20:34:02)	3096.93	Sent: Address	<ul style="list-style-type: none"> <li>• 1MDpkepGhrLrUDRUKhpHHGGd4mGsSs w94</li> <li>• 1MeEDTHiSA1n1x6s9hM6qjPzs1x6vb4Y5j</li> </ul>	6309.4
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Chris (for Don)  
[Quoted text hidden]

theymos <theymos@mm.st>  
To: Don Raggio <donald.raggio@gmail.com>

Fri, May 20, 2011 at 10:40 PM

The scammer sent 2000 BTC to an address, and that address sent 200,000 BTC to MtGox: I'm pretty sure 1MqsE... is a MtGox address. You should inform Mark about this new development. The person who made that 200,000 BTC MtGox deposit is either the scammer or someone who dealt with him directly.

[Quoted text hidden]

Donald Raggio <donald.raggio@gmail.com>  
To: Mark Karpeles <admin@mtgox.com>

Fri, May 20, 2011 at 11:56 PM

Mark,

Here is some more information. Can you do anything?

Chris (for Don)

Begin forwarded message:

**From:** "theymos" <theymos@mm.st>  
**Date:** May 20, 2011 10:40:08 PM CDT  
**To:** "Don Raggio" <donaId.raggio@gmail.com>  
**Subject:** Re: account funded by wire

[Quoted text hidden]

---

**Donald Raggio** <donaId.raggio@gmail.com>  
**To:** theymos <theymos@mm.st>

Sat, May 21, 2011 at 10:40 AM

I sent Mark an e-mail. I'll let you know what his response is.

Chris (for Don)

[Quoted text hidden]

---

**Mark Karpeles** <admin@mtgox.com>  
**To:** Donald Raggio <donaId.raggio@gmail.com>

Sat, May 21, 2011 at 11:00 AM

Hi,

Based on what I can see, there is not much I can do at this point. Those address do not match addresses used on mtgox (and we had no such large deposit).

Mark

[Quoted text hidden]

---

**Donald Raggio** <donaId.raggio@gmail.com>  
**To:** theymos <theymos@mm.st>

Sat, May 21, 2011 at 11:26 AM

I guess we can keep an eye on it. I believe what he is doing is trying to get a judgement implicating the frozen funds with the theft so that they may be returned.

That's a humongous deposit. I wonder who has it. That's bad that the stolen money is now associated with it if I understand this correctly.

Chris (for Don)

Begin forwarded message:

**From:** Mark Karpeles <admin@mtgox.com>  
**Date:** May 21, 2011 11:00:57 AM CDT  
**To:** Donald Raggio <donaId.raggio@gmail.com>

[Quoted text hidden]

[Quoted text hidden]

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**Donald Raggio** <donaId.raggio@gmail.com>  
**To:** Mark Karpeles <admin@mtgox.com>

Sun, May 22, 2011 at 7:07 PM

All right we'll keep an eye on it. Otherwise we will just wait and see how the "legal processing" rules with respect to the funds that were frozen in connection with the theft.

Chris (for Don)

[Quoted text hidden]

**Don Raggio** <donald.raggio@gmail.com>  
To: theymos <theymos@mm.st>

Fri, Dec 23, 2011 at 10:17 PM

Theymos,

When we last communicated the stolen bitcoins were associated with 1DVQEpTFjxYpZMVy4Bam9MCxeGEtmMmQCh. Now they appear to have been transferred to other addresses. Seems like Mt. Gox addresses but I'm not certain.

Chris (writing for Don)

On Thu, Feb 10, 2011 at 2:01 PM, theymos <theymos@mm.st> wrote:  
[Quoted text hidden]

**theymos** <theymos@mm.st>  
To: Don Raggio <donald.raggio@gmail.com>

Fri, Dec 23, 2011 at 10:46 PM

Yes, the funds do end up at MtGox eventually. I can't tell whether they're being sent to MtGox right away or if they were sold and then sent to MtGox, though.

You should let Mark know about this.

On Fri, Dec 23, 2011, at 10:17 PM, Don Raggio wrote:

Theymos,

When we last communicated the stolen bitcoins were associated with 1DVQEpTFjxYpZMVy4Bam9MCxeGEtmMmQCh. Now they appear to have been transferred to other addresses. Seems like Mt. Gox addresses but I'm not certain.

**Don Raggio** <donald.raggio@gmail.com>  
To: Mark Karpeles <admin@mtgox.com>  
Cc: theymos <theymos@mm.st>  
Bcc: djraggio@gmail.com

Sat, Dec 24, 2011 at 1:33 AM

Hi,

I want to make you aware of these transfers associated with the following bitcoin address:

1DVQEpTFjxYpZMVy4Bam9MCxeGEtmMmQCh

Chris (for Don)

Chris (for Don)  
[Quoted text hidden]



Don Raggio &lt;donald.raggio@gmail.com&gt;

**(no subject)**

20 messages

**Jed McCaleb** <admin@mtgox.com>  
To: Don Raggio <donald.raggio@gmail.com>

Sat, Feb 26, 2011 at 9:33 AM

Hi Chris,  
Can you think of a way that the thief would have gotten your mtgox username? Because he would have needed that before he did the dictionary attack.  
It looks like at the very least this guy is going to give your coins back. I want to wait longer though to gather more evidence if he is in fact related to other fraud that has happened on the site.  
Thanks,  
Jed.

**Don Raggio** <donald.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Sat, Feb 26, 2011 at 12:37 PM

Hi Jed,

I don't know but I'll try to let you know what I have thought about. The first thought when it happened was to suspect a keylogger. You made a good point when you said most people who spy with those wouldn't know about Mt. Gox but I couldn't think of any other possibility and thought maybe they learned about Mt. Gox through the keylogger. I ran several products but nothing malignant was detected. One of those products is called Spyshelter premium. The other possibility is that thief through a keylogger of other means was able to access my gmail account but I didn't detect any intrusion there based on the IP log. I should have picked a different username based on a psuedonym not one so closely related to the email account name. On Mt. Gox I'll set up a new account under different name for future use. That's as much information as I have. If I think of anything else I'll let you know. If you have any advice regarding on security or could refer me somewhere I'd love to hear it. Like what secure e-mail providers to use. Strong password generators. Protection against phishing, keyloggers. Etc. Maybe this would be a good thing for all users to read so they can do their part to protect themselves and Mt. Gox from scammers. Please let me how you want to proceed from here with regard the coins and what other steps you feel necessary to resolve this.

Thanks,  
Chris (for Don)  
[Quoted text hidden]

**Don Raggio** <donald.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Sat, Feb 26, 2011 at 3:19 PM

Hi Jed,

Obviously I'd like the coins returned as soon as it is possible but it sounds like they have some value to in terms of conducting your investigatoin into further fraud on the site. ??? Let me know how you want to do this. Also If and when it is possible to return the coins I'm guessing we should use an alternate BC address? If I pick a new address will it link back to my wallet? Should I create a new wallet on another machine? I'm sure people on the forum are watching that address the scammer used.

Chris (for Don)

On Sat, Feb 26, 2011 at 9:33 AM, Jed McCaleb <admin@mtgox.com> wrote:  
[Quoted text hidden]

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**Donald Raggio** <donaId.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Sat, Feb 26, 2011 at 7:52 PM

Jed,

Thanks for your help. Youve done more than we expected tracking down the coins and unexpectedly having to put up with a lot of annoying chatter on the forums. I asked Don and we still don't know how he would have gotten the username. We don't have reason to believe anyone we know personally would have gotten the username. We don't know how the thief would have gotten it. Wish we could shed more light on it.

Chris

[Quoted text hidden]

---

**Don Raggio** <donaId.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Sat, Mar 5, 2011 at 3:46 PM

Hi Jed,

What's the status of the stolen coins? Did you find out how the thief got the username? Shouldn't we pick another username to trade now that that part of the account has been compromised? Thanks for your help.

Chris

[Quoted text hidden]

---

**Don Raggio** <donaId.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Sat, Mar 5, 2011 at 8:57 PM

Jed,

Just saw on the forums that you are transferring Mt. Gox. Thanks for creating Mt. Gox and eDonkey among your other efforts. BTC wouldn't be where it is without your efforts. I know this growth has been exciting. It was "annoying" to say the least that some scammer that tried to create a bunch of problems for all of us. I guess that is a part of the growth. Can't wait to see Bitcoin hit \$10.

Chris

[Quoted text hidden]

---

**Donald Raggio** <donaId.raggio@gmail.com>  
To: Jed McCaleb <admin@mtgox.com>

Sun, Mar 6, 2011 at 10:22 AM

Jed,

I know you got a lot on your plate. Do I keep talking to you or do I talk to the new owner regarding recovery of the stolen BTC?

Chris

[Quoted text hidden]

---

**Jed McCaleb** <jed@mtgox.com>  
To: Mark Karpeles <admin@mtgox.com>, donald.raggio@gmail.com

Mon, Mar 7, 2011 at 7:19 AM

Hi Chris,  
Yeah Mark is the new owner and he will handle getting your coins back.  
It will still take awhile though since he has to wait to be sure baron  
is bluffing about suing us etc.  
Thanks,  
Jed.

On Sun, Mar 6, 2011 at 11:37 AM, Mark Karpeles <admin@mtgox.com> wrote:  
[Quoted text hidden]

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**Donald Raggio** <donaId.raggio@gmail.com>  
To: Mark Karpeles <admin@mtgox.com>

Tue, Mar 8, 2011 at 3:29 PM

Hi Mark,

I hope you are able to complete your investigation and return the coins. If for some reason you have to take your case public please respect our privacy wishes if possible by redacting our names or giving us a pseudonym. We don't want the "bad guy" to victimize us once again. Best wishes for Mt Gox, your company, and hope to be using your services in the future once this is cleared up.

Chris  
[Quoted text hidden]

---

**Don Raggio** <donaId.raggio@gmail.com>  
To: Mark Karpeles <admin@mtgox.com>

Mon, Mar 14, 2011 at 7:50 AM

Mark,

I'm sure you are busy but I wanted to check in to see if there were any developmetnts with regard to stolen coins. Thanks for handling this for us.

Chris (for Don).

On Mar 7, 2011, at 7:19 AM, Jed McCaleb <jed@mtgox.com> wrote:

[Quoted text hidden]

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**Mark Karpeles** <admin@mtgox.com>  
To: Don Raggio <donaId.raggio@gmail.com>

Mon, Mar 14, 2011 at 4:18 PM

Hi,

We are currently trying to escalate the issue to obtain a judgment that would tell us what to do with the stolen coins. We cannot just return them based on a decision taken on our own.

This might however take longer than expected as we have had a little problem here in Japan, and most not urgent requests were delayed to may.

Thanks,  
Mark  
[Quoted text hidden]



**Don Raggio** <donald.raggio@gmail.com>  
To: Mark Karpeles <admin@mtgox.com>

Thu, Mar 24, 2011 at 11:50 AM

Mark,

Hope things get back to normal in Japan. Thank you for working to return the stolen coins to us. Please keep us updated.

Thanks,

Chris (for Don).

[Quoted text hidden]

**Don Raggio** <donald.raggio@gmail.com>  
To: Mark Karpeles <admin@mtgox.com>

Thu, Mar 24, 2011 at 8:15 PM

Mark,

Is Baron still willing to hand the bitcoins over or do we have to wait for the "judgment?" Thanks

Chris (for Don)

On Mon, Mar 14, 2011 at 4:18 PM, Mark Karpeles <admin@mtgox.com> wrote:

[Quoted text hidden]

**Mark Karpeles** <admin@mtgox.com>  
To: Don Raggio <donald.raggio@gmail.com>

Thu, Mar 24, 2011 at 11:01 PM

Hi,

Baron is requesting access to his funds and do not want to hear anything else for now. Recent problems in Japan have put a hold on most legal processing, which are reported to "later this year". I really cannot provide any ETA right now.

Mark

[Quoted text hidden]

**Don Raggio** <donald.raggio@gmail.com>  
To: Mark Karpeles <admin@mtgox.com>

Fri, May 20, 2011 at 9:57 PM

Mark,

Did you every resolve the issue with the stolen BTC? It looks like there is a new transaction in Block Explorer dated 4-28.

a01c1b8281... Block 120711  
(2011-04-28 20:34:02) 3096.93 Sent:  
Address

- 1MDpheapGhrLrUDRUkhpHHGGd4mGsSs w94 6309.4
- 1MeEDTHiSA1n1x6s9hM6qjPzs1x6vb4Y5j

Chris (for Don)  
[Quoted text hidden]

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**Don Raggio** <donald.raggio@gmail.com>  
To: Mark Karpeles <admin@mtgox.com>

Mon, Aug 1, 2011 at 10:55 AM

Mark,

Have you heard anything about the situation with Baron or the case recently? I know a lot has happened since March. I was wondering if you could update me on the situation. If there is a docket number or equivalent can you supply it to us so that we can follow the case.

Thank you,

Chris (for Don).

On Mon, Mar 14, 2011 at 4:18 PM, Mark Karpeles <admin@mtgox.com> wrote:  
[Quoted text hidden]

---

**Mark Karpeles** <admin@mtgox.com>  
To: Don Raggio <donald.raggio@gmail.com>

Mon, Aug 1, 2011 at 11:31 AM

Hi,

There will be no judgment done in Japan before 2012 on that case: courts give priority to earthquake/tsunami related cases, and this "Baron" guy is 100% anonymous and we have no way to get in touch with him, and he never sent us any legal document (plus, the passport he submitted was altered), so the only way to make a fair judgment is to give him time (one year) to speak for himself.

Mark  
[Quoted text hidden]

---

**Don Raggio** <donald.raggio@gmail.com>  
To: "Chris.raggio@gmail.com" <Chris.raggio@gmail.com>

Mon, Aug 1, 2011 at 8:35 PM

[Quoted text hidden]

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**Donald Raggio** <donald.raggio@gmail.com>  
To: djraggio@gmail.com

Mon, Aug 1, 2011 at 8:46 PM

Begin forwarded message:

**From:** Mark Karpeles <admin@mtgox.com>  
**Date:** August 1, 2011 11:31:15 AM CDT  
**To:** Don Raggio <donald.raggio@gmail.com>  
**Subject:** Re:

[Quoted text hidden]

---

**Don Raggio** <donald.raggio@gmail.com>  
To: Mark Karpeles <admin@mtgox.com>  
Bcc: djraggio@gmail.com

Tue, Dec 20, 2011 at 12:50 AM

Hi,

January 10, 2012 will mark the one year anniversary of our loss. It was on that day Jed McCaleb froze the hacked Mt. Gox account to prevent further unauthorized withdrawals.

*On Mon, Jan 10, 2011 at 4:51 AM, Jed McCaleb <admin@mtgox.com> wrote:  
Yeah I froze the account and I'm logging all IP's on login now but you should change the password back to the one that they have so they are able to login still so we can see what their IP is.*

It seems plain that "Baron" is not going to speak for himself (assuming that "Baron" refers to a "him.") My father and I are real people. We both work for living. We don't hack or steal. We don't hide behind aliases or altered passports. Jed can attest to this. I have had many conversations with him and we have had the pleasure of meeting in real life.

We are asking that the coins stolen from my father's Mt. Gox account be returned. If you need us to help in any way let us know what we can do. This is important for us but also for the confidence of the Bitcoin community as a whole.

<http://coinbits.com/note/mt-gox-acquires-bitomat-pl-reimburses-lost-bitcoins-bitcoin/>

Chris and Don Raggio

"The root problem with conventional currency is all the trust that's required to make it work," Satoshi Nakamoto  
[Quoted text hidden]

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**From:** baron@contractor.net  
**Sent:** Wednesday, February 23, 2011 4:21 PM  
**To:** admin@mtgox.com  
**Subject:** solution

"There is pretty strong evidence that this guy was involved in some theft of BTC. I'm trying to talk to him to make absolutely certain."

it was hard to say to me this real reason?

I want to forget this situation and save my nerves.

I agree to return that money(3000 USD, because I received 9000 BTC in that time rate was about 0.30/btc) to bitcoin member from which was stoled funds, because it's too small amount to waste my and I think yours time. I am holding my BTC ( not withdrawing , or exchanging ) to do this, everytime I am ready to send money, Just tell me where. Or I can send to your bitcoin , so when you will figure out , what is what, you will have from where return stolen money.

I think it's right decision .

You must understand that I make money from money, so my blocked money not making any money, so I am loosing money every day.

Do you agree?

---

**From:** Mark Karpeles <mark@tibanne.com>  
**To:** Jed McCaleb <admin@mtgox.com>  
**Sent:** 1/28/2011 10:45:05 AM  
**Subject:** Re: Re:

Hi,

I can understand your worries, however having mtgox working with only a fraction of the amounts being exchanged might be problematic too.

By taking over mtgox, one of the first step will be to define terms & conditions defining exactly how the users are insured, and what they can do if (for example) someone manages to exploit problems in the site.

This means also that I need to be 100% sure we will be able to answer any withdraw request from someone who deposited anything. Any problem on this side might have a disastrous effect not only on mtgox, but on the whole bitcoin economy itself (ie. the moment when people understand the world is not all pink and get scared).

Anyway I both understand your worries (just giving up mtgox to someone you never met) and mine (taking the responsibility of a site without having the whole lot of stuff received by people). I haven't found any solution that would solve both problems at the same time yet, but I'm still thinking about it.

If you have any idea regarding that please let me know.

Also a loss of \$50k even before starting is rather large, especially considering what I could read in the mtgox presentation.

Anyway I'm tired, it's 00:45 here, I'll think more tonight and will reply again tomorrow.

Mark

PS: As for the framework no problem, I have plans if things go smoothly to adapt mtgox on the framework we use here :)

Le vendredi 28 janvier 2011 à 10:10 -0500, Jed McCaleb a écrit :

> Hi Mark,  
> I'm trying to think of the best way to handle the transfer.  
> I guess I should hold a lot of the BTC and \$ in reserve for some  
> amount of time. Right now I only keep 1/3 of the BTC on the server  
> anyway to limit the exposure if something terrible goes wrong. And  
> deposits always are greater than withdrawals so there is a  
> considerable buffer of both cash and BTC.  
>  
> Also there was a hacking incident since we started talking. Someone  
> was able to take about \$50k in LR. The problem was that LR allows  
> multiple transactions in their call to  
> <https://api.libertyreserve.com/xml/transfer.aspx> and I wasn't checking  
> that the LR account name they gave was valid. So they would just close  
> the current transaction and start another. Basically like a SQL  
> injection attack. Obviously a big mistake on my part.  
> I know now you probably wonder if the whole site is riddled with bugs.  
> I like to think I'm pretty careful about this type of thing and there  
> is nothing like this left in there. And I know this guy was hacking  
> around on the site trying various things for a month or so. So that is  
> some indication that there is nothing this bad on there.

>  
> The loss of the 50k although a lot of money shouldn't actually be an  
> issue as long as deposits continue to be greater than withdrawals. We  
> can just let the loss ride until the site either makes it or not.  
> And maybe you know some crafty way to track these guys down. The two  
> IPs they used seem static. The machines both respond to pings.  
>  
> Also I don't know if I mentioned but the site is built on this php  
> framework called lithium.  
> Jed.  
>  
>  
> On Mon, Jan 24, 2011 at 1:28 PM, Jed McCaleb <admin@mtgox.com> wrote:  
> > Hi Mark,  
> > So here is what I'm thinking:  
> > No cash upfront.  
> > I get 50% of revenue for 6 months or until I get \$60k whichever is greater.  
> > 12% of the company you form to hold mtgox.  
> > How does this sound?  
> > Thanks,  
> > Jed.  
> >

---

**From:** Jed McCaleb <jed@mtgox.com>  
**To:** Mark Karpeles <admin@mtgox.com>  
**Sent:** 4/28/2011 9:33:07 AM  
**Subject:**

I can't tell how big an issue it will be to be short 80k BTC if the price goes to \$100 or something. That is quite a bit to owe at that point but mtgox should have made a ton of BTC getting to there. There is also still the fact that the BTC balance will probably never fall below 80k. So maybe you don't really need to worry about it.

There are 3 solutions I have thought of:

- Slowly buy more BTC with the USD that Gox Bot has. Hopefully you would fill up the loss before the price got out of hand.
- Buy a big chunk of BTC (really just moving the BTC debt to the USD side) If BTC goes up this is a huge win. Problem is there isn't enough BTC for sale on mtgox. Maybe you could find someone on the forum to do it?
- Get those crystal island people to invest. They have 200+ BTC so they could fill in the gap.

Maybe you could just mine it?

---

**From:** Jed McCaleb <jed@mtgox.com>  
**To:** Mark Karpeles <admin@mtgox.com>  
**Sent:** 4/30/2011 8:13:49 AM  
**Subject:**

Can you start tracking the daily or every 4 hour usd/btc balance:

```
select sum(usd)/1000,sum(btc)/1000 from Users;
```

It would be good to know how the site balance is changing.

I'm guessing the level of BTC might actually go down as the price rises since I think the site will have a balance around the current price ratio. So if the price goes to \$10 (which it seems like it will do soon given the rate of deposits). We would need to hold 3.4 million USD to justify the current level of BTC. Maybe that is reasonable actually but I could easily imagine only 1 mil in deposits and 100k in BTC which is very close to the danger zone.

Oh if you implement options it will be easier to hedge this btc95k loss without having to spend \$300k now.



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**From:** Jed McCaleb <jed@mtgox.com>  
**To:** Mark Karpeles <admin@mtgox.com>  
**Sent:** 7/1/2011 3:42:13 PM  
**Subject:**

Please, please give me a way to wake you up.  
I promise only to do it if I'm sure the site is broken.  
I won't drunk dial you.

---

**From:** Jed McCaleb <jed@mtgox.com>  
**To:** Adam <adam@mtgox.com>; Mark Karpeles <admin@mtgox.com>  
**Sent:** 7/2/2011 1:32:06 PM  
**Subject:**

Site is screwed again.

Are you just intent on burning this thing to the ground? Why do you refuse to give me or someone in a different timezone a way to wake you up?

---

**From:** Jed McCaleb <jed@mtgox.com>  
**To:** Mark Karpeles <admin@mtgox.com>  
**Sent:** 7/2/2011 4:42:51 PM  
**Subject:**

It was stuck at 15.50. You couldn't place a sell order below that.  
Extremely annoying if you just made a bet that the price will drop.  
Seems to be working now. Maybe you woke up and fixed it or maybe not  
who knows since you don't communicate.  
Jed.

---

**From:** Jed McCaleb <jed@mtgox.com>  
**Sent:** 7/2/2011 5:02:25 PM  
**Subject:**

Mark,

I wanted to talk to you on the phone about all this since it will be much quicker but whatever

You guys are fucking this up so big time.

Before the hack mtgox was on pace to be easily worth \$30 million dollars. Much more if it continued to grow along with bitcoins. Now that has all changed obviously.

You are extremely lucky that tradehill kinda sucks and camp BX isn't ready yet. But that window is closing soon. There will be an e

Mark,

My balance, Other people's balance

Re-Design.

Camp BX

Hire people damit. It is really embarassing to say you have 2 people on staff.

Blame issues

you slaming the code

This was a prototype so I could see if I liked lithium.

I wrote it in 2 weeks

PR fuck ups:

Only communicating in IRC

Allowing withdrawing before issuing the Press Release

Never updating the status

Not handling the volume of email

That interview with onlyoneTV

Proving you hold the bitcoins on IRC

Did you do simple things like mail all the large account holders to reassure them? 20 people probably hold 50% of the funds on the site

TOS for the site

Posting how the exchange is regulated

Getting a team together. It is crazy to run a 30million dollar business by yourself. You need to decide what role you want in the company. CTO, CEO, Lead programmer etc.

In the meantime I can help you get a lot of this stuff going:

Design

Finding a CEO

Finding more programmers

Finding a Designer

Getting someone to security Audit the site

TOS for the site

Get the 4million in a money market account so it is making interest

Talk to lawyers in the US

Got to get volume back up

Make sure everyone has reclaimed their account

Put out the press release

Get the websocket working again

Good luck with the company,

Jed.

---

**From:** Jed McCaleb <jed@mtgox.com>  
**Sent:** Tuesday, December 06, 2011 10:09 PM  
**To:** Mark Karpeles  
**Subject:** Re: EARNOUT

> As for sending you \$263,431.00 it should be fine, as long as you  
> accept the fact we may be required to ask funds back once the  
> accounting is completed, in April.  
Yes that is fine.

I'd rather receive this money in 2012. So a wire in the first days of January would be great.  
Thanks Mark,  
Jed.

On Mon, Dec 5, 2011 at 6:13 PM, Mark Karpeles <admin@mtgox.com> wrote:

> Hi,  
> Unfortunately it is not possible for us to cover the loss of funds  
> directly taken from an account. Whatever the reason may be, your  
> account has been accessed directly and funds were withdrawn out of it.  
> Should you need funds to be located you need first to do a police  
> declaration stating the exact loss, and send us a copy so we can start an investigation here.  
> Those conditions are the same for everyone, and we cannot make  
> exceptions until most of our biggest investigations are completed.  
> Once we get the police reports we'll be able to submit the account  
> informations to the appropriate law enforcement agency, and possibly  
> get the insurance to refund the lost funds.  
> As for sending you \$263,431.00 it should be fine, as long as you  
> accept the fact we may be required to ask funds back once the  
> accounting is completed, in April. We won't know the exact amount  
> until we complete the whole accounting, which we had to re-do from  
> zero due to the fact it needs to be done in a specific way for  
> compliance with US, EU, JP, HK and other international laws.  
> Please note that all the funds we are sending are subject of  
> investigation for now, with FinCEN looking closely at our activity,  
> and preventing move of funds to accounts suspected of illegal  
> activity. We are working on solving this issue and expect a ruling  
> that would clear us of money laundering within the next months.  
>  
> While I'm not considering the BTC stolen from the rooted box to be  
> required to be paid by you, it is not up to me to decide. There is a  
> criminal investigation in progress to locate those BTC. I don't know  
> how long it'll take, but it's moving forward.  
>  
> Mark

> On Tue, Dec 6, 2011 at 3:00 AM, Jed McCaleb <jed@mtgox.com> wrote:  
>>  
>> Hi Mark,  
>> You need to pay me the earnout.

>> I have been very patient and have waited months beyond when this was due.

>>

>> I know you said you want to wait to see how much I still owe the

>> company from the chase account.

>> This is taking too long and I also reduced the amount of cash in my

>> mtgox account when you took over to be the approximate value of what

>> I still owed from chase. So I don't think I owe you much more.

>> Once your accounting is done and you determine how much I still owe

>> you can take it from my mtgox account.

>>

>> In the meantime you need to pay me:

>> \$263,431

>> + 2995 BTC (What was lost during the hack from my mtgox account)

>> + 145 BTC (What was lost during the hack from my fivegrinder account)

>> I'll send you the wire information tomorrow.

>>

>> I don't think the BTC that was stolen when the box was rooted should

>> come out of my earn out for the following reasons:

>> The contract between us was already signed.

>> You had root access to the box at that point The terms of this sale

>> are already extremely favorable to you. You are getting such a good

>> deal as it is.

>>

>>

>> Thanks,

>> Jed.

>

>

---

**From:** Jed McCaleb <jed@mtgox.com>  
**Sent:** 2/1/2012 11:39:15 AM  
**Subject:** IMPORTANT

Hi Mark,  
I'm going to try one last time to get through to you.

You are holding mtgox back.

You are fucking up the company.

You are incompetent as a manager.

Anyone I have talked to that knows anything about mtgox says the same thing:

Roger Ver

Jesse Powell

Andrew Lee

Steve DeProspero

Adam Turner

Any customer of yours

You don't listen to what anyone says. You are incapable of delegating authority so nothing gets done. Haven't you noticed how many people are upset with you? Do you think you are doing a good job?

Please, please, please step down as CEO and find someone else to run the company. Mtgox won't be around in a year if you don't do this.

I'm sure you are a good programmer but this doesn't make you a good manager. You clearly don't know how to run a business. It is ok to admit that.

If it is a pride thing you can still be the face of the company but you have to give control to someone else.

If you won't take the advice of literally \*everyone\* around you, then please make an offer for the 12% I still own. Serious I want to sell them make me an offer.

Thanks,  
Jed.

---

**From:** Mark Karpeles <mark@tibanne.com>  
**To:** Jed McCaleb <jed@mtgox.com>  
**Sent:** 2/1/2012 6:41:03 PM  
**Subject:** Re: A request regarding your ID

Hi,

Just so you may know, we've spent ~4 million yen a month during the past 3 months to progress on getting legal. This progress will allow us to display a healthy business and bring in investors without fear to see the business closed the next day by a police raid. Our operating cost for the past year is far from \$788k, however it'll get close to that once we finish what we are doing right now.

Now, the fact is, by its concept, MtGox acts as a money transmitter under US, EU, Japanese, Hong Kong, Australian and by law of most countries. This means that since its very beginning, MtGox has been operating illegally and allowing operations which shouldn't have been allowed (for example, allowing people to sell bitcoin or to withdraw is illegal).

This spending is not scheduled to go on forever, however running costs will increase (we need to hire 5~20 people by the end of 2012 to be operating legally, including auditors), but it is expected that the resulting company image will also increase quite a lot.

None of the candidates I saw for director had enough knowledge of international laws, banking laws and every single rule related to the business being run here. Some were ready to run MtGox as an illegal business by moving it to unregulated tax haven and control it from there. This would however be a major setback for Bitcoin, and not going to bring much business. The things we are doing right now will however most likely see someone else sitting as director, someone with experience in running a bitcoin exchange. I'll give more details once things gets clearer.

Anyway the business is being restructured to fit the requirement of acting legally, with proper auditing, and jobs for everyone. We've had a few setbacks and lost investments (Andrew is one), however things are globally moving in the right direction, including in terms of bringing investments.

Mark

2012/2/2 Jed McCaleb <jed@mtgox.com>  
Holy shit I just saw this: [https://mtgox.com/press\\_release\\_20120201.html](https://mtgox.com/press_release_20120201.html)  
Are you guys really spending \$788k a year!  
What on earth are you doing?

Mark I'm sure you are a smart guy and a good programmer. But you really really need to find someone that is a competent manager. Anyone I've talked to that knows anything about mtgox says the same thing. Please just ask anyone that works there what would help the company run better. I'm sure they will all say that you need to delegate some authority. You are the bottleneck for everything. It is really holding the company back.

Andrew was telling me he saw you making the freaking yubikeys while he was there! A completely mindless activity that you could easily have a support person do.

Anyway I could go on and on about things that are messed up but it seems pointless since the other issue is you don't listen to anyone.



Haven't you noticed how many people are upset with you? Do you think you are doing a good job?

Jed.

2012/1/30 Jed McCaleb <jed@mtgox.com>:

> Well I'm still waiting for a P&L sheet from you guys. I just need what  
> your expenses are vs what your revenue is. Without this it is  
> impossible to put a value on the shares. or just make me an offer.  
> Jed.

>

> 2012/1/30 Mark Karpeles <mark@tibanne.com>:

>> Hi,

>>

>> How much would you be willing to sell 15 of your 60 shares for?

>>

>> We can also do the transfer instead, just need some paperwork and signature  
>> from both you, as donator, and the receiver of shares.

>>

>>

>> Mark

>>

>>

>> 2012/1/31 Jed McCaleb <jed@mtgox.com>

>>>

>>> Hi guys,

>>> The better solution is to transfer 3% of the shares to:

>>> Dawn Mi Soon Burzlaff

>>> 3037 Deakin

>>> Berkeley CA 94705

>>>

>>> That way you can avoid giving them my ID.

>>>

>>> Even better than that would be for mark or mtgox to buy 3% (or more) from  
>>> me.

>>> Thanks,

>>> Jed.

>>>

>>> 2012/1/29 momoko asai 浅井桃子 <momoko@tibanne.com>:

>>> > Hello Jed,

>>> >

>>> > I want to ask if it is okay with you that we (MTGOX) submit your ID  
>>> > (copy of your passport) to HSBC Australia. It is required to submit all  
>>> > the IDs of 10%~ shareholders of our company in order to open an account  
>>> > at the bank.

>>> >

>>> > Please let me know if you are ok with that.

>>> >

>>> > We really appreciate your understanding and cooperation.

>>> >

>>> > Thank you very much,

>>> >

>>> > Momoko

>>>> > --  
>>>> > =====  
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