Claim Form

In the High Court, Chancery Division, Rolls Building	
Fee Account no.	
Help with Fees - Ref no. (if applicable)	H W F – –

10 Oct 2024

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For court use only

Claim no.	BL-2024-001495
Issue date	

Claimant(s) name(s) and address(es) including postcode

Rev Dr Craig Steven Wright
483 Green Lanes
London N13 4BS

SEAL

Defendant(s) name and address(es) including postcode

BTC Core (a Partnership)
- Square Up Europe Ltd (a partner)
- 1 London Wall, Barbican, London EC2Y 5EB, United Kingdom

Brief details of claim

Please see below.

This claim addresses the wrongful passing off of BTC as Bitcoin. The defendants have, without authorisation, altered the original Bitcoin protocol—introducing modifications such as SegWit and Taproot—that fundamentally deviate from the original system as defined by Satoshi Nakamoto in the Bitcoin White Paper.

These modifications have led to a misrepresentation of BTC as the original Bitcoin, resulting in confusion within the market. The true version of Bitcoin, represented by BSV, adheres strictly to the original protocol and vision of a peer-to-peer electronic cash system. The defendants' actions have misled the public into believing that BTC retains the attributes of the original Bitcoin, causing significant reputational damage and loss of market value to BSV.

Value

Estimated value of claim: £911,050,000,000. This is based on the difference in market valuation between Bitcoin (BSV) at £50 per unit and BTC at £48,000 per unit, reflecting the financial impact of misrepresentation and resulting market loss.

Defendant's name and address for service including postcode

BTC Core (a Partnership)
- Square Up Europe Ltd (a partner)
- 1 London Wall, Barbican, London EC2Y 5EB, United Kingdom

	£
Amount claimed	£911,050 mill.
Court fee	
Legal representative's costs	
Total amount	£911,050 million

For further details of the courts www.gov.uk/find-court-tribunal.
When corresponding with the Court, please address forms or letters to the Manager and always quote the claim number.

Claim no.	

You must indicate your preferred County Court Hearing Centre for hearings here (see notes for guidance)

High Court, Chancery Division, Rolls Building.

Do you believe you, or a witness who will give evidence on your behalf, are vulnerable in any way which the court needs to consider?

☑ Yes. Please explain in what way you or the witness are vulnerable and what steps, support or adjustments you wish the court and the judge to consider.

Please see following sections - below.

☐ No

Does, or will, your claim include any issues under the Human Rights Act 1998?

☑ Yes

☐ No

Claim no.	

Particulars of Claim

☑ attached

☐ to follow

Please see attached form.

Statement of truth

Note: you are reminded that a copy of this claim form must be served on all other parties.

I understand that proceedings for contempt of court may be brought against a person who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

☑ **I believe** that the facts stated in this claim form and any attached sheets are true.

☐ **The claimant** believes that the facts stated in this claim form and any attached sheets are true. **I am authorised** by the claimant to sign this statement.

Signature

Craig S Wright

☑ Claimant

☐ Litigation friend (where claimant is a child or protected party)

☐ Claimant's legal representative (as defined by CPR 2.3(1))

Date

Day: 1 0

Month: 1 0

Year: 2 0 2 4

Full name

Craig Steven Wright

Name of claimant's legal representative's firm

If signing on behalf of firm or company give position or office held

Claimant's or claimant's legal representative's address to which documents should be sent.

Building and street

483 Green Lanes

Second line of address

Town or city

London

County (optional)

Postcode

N 1 3 4 B S

If applicable

Phone number

DX number

Your Ref.

Email

craig@rcjbr.org

Find out how HM Courts and Tribunals Service uses personal information you give them when you fill in a form: https://www.gov.uk/government/organisations/hm-courts-and-tribunals-service/about/personal-information-charter

Nature of Vulnerability.

I am diagnosed with autism, a condition that significantly affects my ability to engage in verbal communication and interactions in person. Autism presents challenges in processing and responding to verbal information quickly and can make spoken exchanges, particularly in high-pressure or unfamiliar environments like courtrooms, extremely difficult. I often struggle with understanding and responding to verbal questions or comments in real time, which can lead to misunderstandings or an inability to effectively communicate my thoughts and evidence when speaking.

However, I excel in written communication. I am capable of expressing my thoughts, evidence, and arguments clearly and thoroughly when I have the opportunity to respond in writing. This medium allows me the time to process information, consider my responses, and present them with precision and detail, ensuring that my contributions are as accurate as possible.

Requested Adjustments:

To ensure fair and effective participation in court proceedings, I request the following adjustments:

1. **Written Submissions and Responses:** Allow me to make my primary submissions in writing wherever possible, including any responses to questions or evidence. This would enable me to fully articulate my thoughts without the challenges associated with real-time verbal interaction.
2. **Additional Time for Oral Responses:** In situations where verbal communication is necessary, I request that additional time be allowed for me to process questions and formulate my responses. This would reduce the pressure and allow me to provide clear and considered answers.
3. **Clear and Direct Communication:** When verbal communication is required, I would benefit from the use of straightforward, direct questions and statements, avoiding complex phrasing or rapid exchanges. This will assist in reducing the processing load and ensuring that I fully understand the questions or directions being given.
4. **Quiet Environment and Limited Distractions:** Reducing external stimuli in the courtroom, such as minimising background noise or interruptions, would greatly assist me in focusing on the proceedings and responding more effectively.

These adjustments will enable me to engage with the court process in a way that respects my communication needs while ensuring that my evidence and arguments are adequately heard and considered.

Estimated Damages.

The claimant seeks damages for the financial losses suffered as a result of this passing-off and misrepresentation. As of the filing date, BTC holds a market capitalization that significantly exceeds that of BSV, with valuations often hundreds of times greater. This inflated value has been secured through the defendants' misleading conduct and deviation from the original Bitcoin protocol.

Taking into account the extensive losses to BSV's valuation and market opportunities, as well as the damage to its goodwill and reputation as the true digital cash system, the claimant estimates damages in the order of several billion pounds. This estimate reflects the loss of market share, investment opportunities, and the overall undervaluation of BSV in comparison to BTC, all attributable to the defendants' misrepresentation and passing-off activities.

This claim seeks not only financial redress but also a declaration that the defendants have engaged in misleading conduct, causing significant harm to the claimant's interests and the broader Bitcoin ecosystem as envisaged by the White Paper. The court's intervention is necessary to prevent further misrepresentation and to restore the claimant's rightful position as the true continuation of Bitcoin.

Brief Details of Claim for Passing-Off - BTC Misrepresentation as Bitcoin

Brief Details of Claim

The claimant, Dr. Craig Steven Wright, who maintains business activities and investment associated with the original Bitcoin protocol (now) through Bitcoin Satoshi Vision (BSV), brings this action for **passing-off**, **fraudulent misrepresentation**, **breaches of consumer protection law**, and **facilitation of money laundering** against the defendants. The defendants have altered the foundational Bitcoin software to create a derivative product, BTC, while misrepresenting it to the public as "Bitcoin." Such actions have confused consumers, investors, and the broader market, damaging the reputation, goodwill, and market value of BSV, which represents the only true continuation of the original Bitcoin protocol as set forth in Satoshi Nakamoto's White Paper.

Satoshi's Original Protocol and Misrepresentation by BTC

The original Bitcoin, as defined by Satoshi Nakamoto, was designed as a **peer-to-peer electronic cash system**—a system for **transparent, traceable, and scalable transactions** aimed at everyday use. This protocol was **set in stone** and unchangeable, creating a reliable basis upon which businesses, developers, and users could build. The defendants, however, have implemented significant changes to this protocol, such as **Segregated Witness (SegWit)**, **Taproot**, and other modifications that deviate fundamentally from Bitcoin's original principles, turning BTC into a speculative asset that diverges from the vision of a **scalable digital cash system**.

Despite these changes, the defendants have engaged in a systematic campaign of **misrepresentation**, falsely presenting BTC as a legitimate successor to the original Bitcoin. This conduct constitutes **fraudulent misrepresentation** under English law. The elements of fraudulent misrepresentation are clear: the defendants made **false statements** about BTC's nature, knowing that these statements were misleading, intending to induce investors, users, and businesses into accepting BTC as Bitcoin. This deception has caused direct harm to the **reputation and market position** of BSV, leading to a substantial loss in market value and goodwill.

Fraudulent Misrepresentation and Deception

The claimant asserts that the defendants' actions meet the criteria for **fraudulent misrepresentation** as established under **the Misrepresentation Act 1967**. The defendants knew, or ought to have known, that BTC's protocol modifications rendered it fundamentally different from the original Bitcoin. Yet, they continued to promote BTC as "Bitcoin," leading investors and the public to mistakenly believe that BTC adhered to the same principles and values outlined in the **Bitcoin White Paper**. By doing so, the defendants **intentionally misled** the market, inducing participants to invest in BTC under a **false impression** of its legitimacy as the original Bitcoin.

This fraudulent behaviour extends to the deliberate **confusion** created in the market. The **passing-off** element of this claim arises from the defendants' appropriation of the name "Bitcoin" for a system that no longer aligns with the characteristics of the original Bitcoin. The market has been **misled** into believing that BTC represents continuity with Satoshi

Nakamoto's creation, resulting in financial and reputational harm to BSV, which has retained the original system's integrity.

Breach of Consumer Protection Laws

The defendants' conduct further breaches the **Consumer Protection from Unfair Trading Regulations 2008** (CPRs), which make it unlawful to engage in **misleading commercial practices**. The presentation of BTC as "Bitcoin" constitutes a **misleading action** under Regulation 5, as it creates a **false impression** regarding the nature and quality of the product offered to consumers. Such actions are considered **unfair trading**, as they distort the economic behaviour of consumers by causing them to choose BTC under the belief that it remains aligned with Bitcoin's original values.

Under Regulation 5, a commercial practice is misleading if it contains false information or deceives or is likely to deceive the average consumer, causing them to make a transactional decision they would not have otherwise made. The defendants' false claims about BTC's continuity with Bitcoin have led consumers to invest in BTC, believing it to be the true version of Bitcoin, which in turn has caused **substantial harm** to BSV's market position and valuation.

Facilitation of Money Laundering and Criminal Implications

Additionally, the modifications introduced by the defendants, including SegWit and **Taproot**, have facilitated **anonymity** rather than transparency, enabling BTC to be used as a tool for **money laundering** and **evading Know Your Customer (KYC) requirements**. This stands in direct contradiction to the principles set out in Bitcoin's original design, which emphasised **traceability** and **accountability**. Unlike the transparent and verifiable nature of Bitcoin as originally intended, BTC's alterations have created avenues for **concealing transactions** through off-chain mechanisms like the **Lightning Network**, which were introduced with a clear focus on enabling **untraceable transactions**.

Such activities may breach **Section 328** of the **Proceeds of Crime Act 2002**, which criminalises the facilitation of money laundering by providing services or creating conditions that enable the concealment of funds. By making changes that enable **coin mixing** and **obfuscated transactions**, the defendants have effectively provided a platform for **illegal activities**, damaging the reputation of Bitcoin as a lawful, transparent digital cash system. This shift from a traceable electronic cash model to an **anonymity-focused** system has severely harmed Bitcoin's public perception, tarnishing the reputation and goodwill that was established through Satoshi Nakamoto's original creation.

Unauthorised Alteration of Protocol and Breach of Authority

The defendants' removal of **Gavin Andresen**, whom Satoshi Nakamoto appointed as the custodian of the protocol, and their subsequent seizure of control over the software repository, further underscore the **unauthorised nature** of their actions. The defendants' conduct in assuming control over the protocol and implementing changes such as SegWit, without any legitimate right to do so, represents a breach of **equitable principles**. Such actions are also potentially unlawful under **computer misuse statutes**, including the **Computer Misuse Act 1990**, as they involve **unauthorised access** to and modification of digital systems.

The defendants' unauthorised control over the repository and subsequent modifications to Bitcoin's protocol without consent from the wider community and stakeholders violate the principles of **estoppel**, which protect the reliance interests of those who built on the original protocol's stability. These modifications have altered the nature of the Bitcoin ecosystem, creating a separate product that is improperly marketed as the true Bitcoin, misleading the market and causing significant damage to BSV's reputation and market position.

Conclusion - Comprehensive Claims for Passing-Off, Fraudulent Misrepresentation, Consumer Protection Breaches, and Facilitation of Money Laundering

The claimant seeks to hold the defendants accountable for their **wrongful passing-off**, **fraudulent misrepresentation**, **breaches of consumer protection laws**, and actions that have facilitated **money laundering**. The defendants' modifications to the original Bitcoin protocol and subsequent misrepresentation of BTC as "Bitcoin" have caused direct and severe damage to BSV's market valuation and reputation. The estimated value of this claim is **£911,050,000,000**, reflecting the difference in market valuation between Bitcoin (BSV) and BTC and the financial impact of the defendants' deceptive practices. The claimant seeks appropriate **compensation and injunctive relief** to address the ongoing harm and prevent further misrepresentation and misuse of the Bitcoin name.

Claim No. IP-2024-[ ]

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INTELLECTUAL PROPERTY LIST (ChD)

B E T W E E N:

(1) DR CRAIG WRIGHT

Claimants

- and -

(1) BTC Core (a Partnership)

Defendants

10 October 2024

PARTICULARS OF CLAIM

BITCOIN

1. Dr Wright is a British citizen.

2. This claim concerns "Bitcoin" which is "peer-to-peer" electronic cash system used by Dr Wright since 2009.

3. At all material times Dr Wright has carried on business as, amongst other things, a computer scientist, developing, promulgating and promoting his Bitcoin system, which is described in more detail below.

4. As also described in more detail below, Dr Wright is the owner of intellectual property rights associated with technology created on and for the Bitcoin system and its blockchain. This system was made available to the public. In accordance with the system, third parties "mine" for new blocks in the blockchain, and the system provides successful miners with Bitcoins as compensation for their success. In

the premises Dr Wright has *locus standi* to act against those who misuse their intellectual property rights.

The "White Paper"

5. On 31 October 2008 the pseudonym Satoshi Nakamoto published a link to a document which he had written entitled *"Bitcoin: A Peer-to-Peer Electronic Cash System"*. The document is very well known among those involved with the development of electronic cash and electronic token systems and has become known and will be referred to herein as the **"White Paper"**.

6. The White Paper was released under the pseudonym "*Satoshi Nakamoto*". On 31 October 2008, under that pseudonym, *Satoshi Nakamoto* posted on The Cryptography Mailing List (hosted on metzdowd.com) that he had been *"working on a new electronic cash system that's fully peer-to-peer, with no trusted third party"* (**"the Bitcoin Announcement"**). In the Bitcoin Announcement, Dr Wright published the link to the White Paper, which he had previously uploaded to http://www.bitcoin.org" http://www.bitcoin.org.

7. The White Paper defined an electronic coin as "*a chain of digital signatures"*. It described what is now known and is generally referred to as a "blockchain" which is a chain of blocks, each block comprising the information set out at paragraphs [37] – [45], below.

8. Satoshi Nakamoto, under this pseudonym, made the White Paper available for download on the "bitcoin.org" website (that is to say the website accessible at http://bitcoin.org).

9. For the purposes of this litigation, the identity of Satoshi Nakamoto is irrelevant.

10. Satoshi Nakamoto provided access to Bitcoin with the condition that its protocol would remain "set in stone"[1] Dr. Wright relied on this condition

[1] "The nature of Bitcoin is such that once version 0.1 was released, the core design was set in stone for the rest of its lifetime.", https://bitcointalk.org/index.php?topic=195.msg1611#msg1611

to build his businesses and intellectual property, making substantial investments based on the assurance that Bitcoin's foundational rules would not change. This reliance forms the basis for several legal principles that support Dr. Wright's standing to act against those who have deviated from the original conditions.

Detrimental Reliance and Estoppel

11. Dr. Wright's investments in developing technology, systems, and businesses were premised on the fixed nature of the Bitcoin protocol. His reliance on the unchanging nature of Bitcoin establishes grounds for promissory estoppel, a principle that prevents the original promise from being broken when someone has acted on it to their detriment. Since the assurance of a fixed protocol was fundamental, any changes by others, such as BTC developers altering the protocol, undermine Dr. Wright's position and cause significant harm.

Misrepresentation and Passing Off

12. The condition that Bitcoin's protocol would remain unaltered underpins its identity and the trust placed in it. Dr. Wright, having built businesses on this foundation, has a vested interest in preserving this identity. When BTC altered the protocol but continued to present itself as "Bitcoin," it misled the public, creating confusion between the original, immutable Bitcoin (BSV) and the altered BTC version. This misrepresentation damages the goodwill associated with BSV, entitling Dr. Wright to seek redress for the harm done to his interests and reputation.

Investment-Backed Expectations and Intellectual Property Rights

13. Dr. Wright's investment in intellectual property and commercial ventures was premised on Bitcoin's stability. His interests are directly harmed when deviations from the original protocol diminish the value and recognition of his work. The misuse of Bitcoin's identity by those promoting BTC is an infringement on the broader ecosystem of

innovations that Dr. Wright developed under the original terms set by Satoshi Nakamoto.

Legal Remedies for Economic Harm

14. The deviations from the original protocol and the confusion they have caused result in economic losses to Dr. Wright, including the devaluation of BSV. The disruption of his legitimate expectations and the undervaluation of BSV, which adheres to the original Bitcoin vision, provide grounds for substantial compensation. Dr. Wright has a right to protect the integrity of the investment environment established by the unchanging principles of Bitcoin, and legal action against misrepresentation aims to rectify this economic and reputational damage.

15. In summary, Dr. Wright's standing is grounded in his reliance on the original condition provided by *Satoshi Nakamoto*, which ensured that Bitcoin's protocol would remain "set in stone." The subsequent alterations by BTC developers and their misleading representation as the original Bitcoin have caused significant harm, giving Dr. Wright strong grounds to act against these deviations and seek compensation for the damage to his businesses and intellectual property.

The open source code

16. On 5 October 2008, *Satoshi Nakamoto* created an account, with the username "nakamoto2", on the well-known and widely-used online source code repository, SourceForge (http://sourceforge.net" http://sourceforge.net), **"the First SourceForge Account"**.

17. On 9 November 2008, using his First SourceForge Account, *Satoshi Nakamoto* created an online repository for the Bitcoin source code. The source code database was constructed using the open source software versioning and revision control system known "Apache Subversion" (commonly referred to as **"SVN"**). The repository is referred to herein as **"the Bitcoin SVN Repository"**.

18. On 10 December 2008, Satoshi Nakamoto created a second account on SourceForge with the username "s_nakamoto" (**"the Second SourceForge Account"**, together with the First SourceForge Account **"the SourceForge Accounts"**). The First SourceForge Account was the Bitcoin project administrator account, whilst the Second SourceForge Account was the Bitcoin SVN Repository development administrator.

19. In November 2008, Satoshi Nakamoto uploaded a pre-release, pre-Alpha, version of the Bitcoin source code onto the Bitcoin SVN Repository.

20. On 9 January 2009 (at 6.27am Australian Eastern Standard Time, or 2.27pm on 8 Jan 2009 EST) Satoshi Nakamoto uploaded onto the SourceForge Bitcoin SVN Repository version 0.1.0 Alpha of the Bitcoin source code which he had written to give effect to the electronic cash system described in the White Paper (**"Version 0.1 Alpha"**). The same day, Satoshi Nakamoto, again operating under the Satoshi Nakamoto pseudonym and using his Vistomail Account, published the message set out below on the Cryptography Mailing List:

> *"Bitcoin v0.1 released*
>
> *Announcing the first release of Bitcoin, a new electronic cash system that uses a peer-to-peer network to prevent double-spending. It's completely decentralized with no server or central authority.*
>
> *See bitcoin.org for screenshots.*
>
> *Download link:*
>
> *http://downloads.sourceforge.net/bitcoin/bitcoin-0.1.0.rar"*

21. The code created a maximum of 21 million Bitcoins, each made up of 100 million fungible, indivisible digital tokens, which act as electronic cash and which were to be allocated as rewards to the successful miners of further blocks in the Bitcoin blockchain as described in the White Paper.

22. Satoshi Nakamoto expressly made the code – and only the code – he had published subject to the permissive software licence with limited restrictions on reuse promulgated by the Massachusetts Institute of Technology, but he did not license the database or its contents, whether under the Open Data Commons DbCL or ODbL or in any other manner.

The "Genesis Block"

23. On 3 January 2009 Satoshi Nakamoto had created the first block in the blockchain for his Bitcoin cash system, which has become known as the "Genesis Block". The Genesis Block is unique in the Bitcoin blockchain in that, unlike all other, subsequent, blocks, it was not generated by the Bitcoin software's computational algorithm, but was created by Satoshi Nakamoto. It is a predefined file that does not have an input and acts as the start – i.e. the genesis – of the Bitcoin transactional chain / ledger. Indeed, properly analysed, it is not strictly a "block" at all but may more accurately to be described as the anchor at the root of the Bitcoin blockchain.

24. Satoshi Nakamoto recorded the Genesis Block's creation date by embedding in its data the following message / text string:

> *"The Times 03/Jan/2009 Chancellor on brink of second bailout for banks"*

(**"the Genesis Message"**).

25. The Genesis Message replicates *The Times of London* headline on 3 January 2009 (https://www.thetimes.co.uk/article/chancellor-alistair-darling-on-brink-of-second-bailout-for-banks-n9l382mn62h#:~:text=Alistair%20Darling%20has%20been%20forced,failed%20to%20keep%20credit%20flowing).

26. By inserting the Genesis Message into the Genesis Block's structure, Satoshi Nakamoto ensured that all users of his system would know that the Genesis Block had been created on – or no earlier than – 3 January 2009 and, in that way, he sought to reassure users that 'Satoshi Nakamoto' had not gamed his own system by pre-mining Bitcoin in

advance of that date. Date stamping the Genesis Block was also in accordance with the timestamping principles set out by Satoshi Nakamoto in section 3 of his White Paper.

27. The Bitcoin code, released under the MIT licence, grants users the right to use, modify, and distribute the software freely. This permissive open-source licence means that the underlying code of Bitcoin can be taken, adapted, or altered to create new software or even different blockchain projects. However, this freedom applies strictly to the software code itself, not to the branding, naming, or identity of the original Bitcoin network or its blockchain. The key distinction here is between modifying the software and misrepresenting the modified software as the original Bitcoin.

28. The MIT licence does not extend to allow a party to pass off a different system as "Bitcoin" itself. While a developer can use the MIT-licensed Bitcoin codebase to create a new project, that project cannot claim to be Bitcoin if it diverges from the original Bitcoin protocol and principles, such as those represented by the Genesis Block and subsequent blockchain history. This is especially true where significant changes have been made to the protocol or functionality, which result in a fundamentally different system, as has occurred with BTC.

29. For instance, a project like Ethereum, which used elements of the Bitcoin codebase to develop a completely new blockchain with distinct features, is entirely within its rights under the MIT licence, provided it does not mislead users into thinking it is Bitcoin. Ethereum does not claim to be Bitcoin and represents itself as a separate entity with its own unique attributes and network rules. This aligns with the freedoms granted under the MIT licence—developers may build upon the code, but they must respect the identity and established goodwill of the original Bitcoin when naming or branding their derivative projects.

30. Conversely, if a modified version of the Bitcoin software is presented as "Bitcoin" itself, despite having diverged from the original protocol, this constitutes passing off. Passing off is a misrepresentation that can cause confusion among users and investors, leading them to believe that

they are dealing with the original Bitcoin when they are not. Such actions are outside the scope of the MIT licence, which does not provide any rights to use the reputation or identity of Bitcoin as it is perceived in the market.

31. Thus, while the MIT licence permits creative freedom with the code, it does not license the goodwill or market recognition of Bitcoin. Using the Bitcoin codebase to create an alternative project is permissible, but presenting that project as "Bitcoin" when it is not would be misleading and legally actionable. This distinction is vital in understanding the rights granted by open-source licensing and the limits of those rights when it comes to protecting the identity and trust associated with the original Bitcoin network and its blockchain.

Subsequent blocks and transaction data

32. The Bitcoin protocol, as designed and created by Satoshi Nakamoto, uses digital signatures, hashing algorithms that publish data in clear text, and a distributed network of nodes to control the management of Bitcoin.

33. The Bitcoin system enables Bitcoin transactions to be recorded on a permanent public ledger, known as the "blockchain", that is distributed among many nodes. This process creates a publicly available and for practical purposes immutable history of all Bitcoin transactions, whilst preserving the privacy – but not the anonymity – of the transacting parties. By virtue of this design, all transactions on the Bitcoin blockchain are traceable and auditable.

34. Satoshi Nakamoto designed the Bitcoin protocol to incentivise node operators to validate newly mined blocks on the blockchain. At the inception of the Bitcoin system in January 2009, anyone with a computer and internet access could seek to mine new blocks for the Bitcoin blockchain by downloading the Bitcoin node software and employing their computer to solve the complex mathematical problem presented by the system for the creation of the next new block. The Bitcoin system envisaged that as computer power and demand for

Bitcoins increased, the complexity of the problem would also increase. The mathematical problems have now grown so complex that it is no longer practicable for individuals to use their personal computers as nodes. Specialised and very costly computer systems have been developed to function as nodes, and large amounts of electricity are needed to solve the current mathematical problem, so that mining for new Bitcoin blocks has become the domain of a small number of very large specialists (some of whom, however, use distributed software systems to enable the participation of smaller operators in the mining process).

35. In Bitcoin transaction processing, a node which claims to have solved the current mathematical problem obtains the opportunity to add the next block to the end of the blockchain, and to receive in due course a quantity of Bitcoins by way of a reward for doing so. (The quantity of Bitcoins issued by way of reward varies from time to time in a manner prescribed by the Bitcoin system). In order to obtain its reward, the node propagates to all other nodes the details of its solution, and the other nodes turn to the task of validating that solution before returning to seeking a solution to the next mathematical problem. The Bitcoin system recognises the difficulty that different nodes may generate and propagate rival solutions to the current mathematical problem more or less simultaneously, and that not all nodes will necessarily receive these propagated solutions in the same order. The Bitcoin system accordingly contains a method of selecting one only of such rival solutions, and delaying the payment of the reward for successfully mining a block until after it is clear which solution has been selected.

36. The Bitcoin blockchain database (**"the Blockchain Database"**) has the following structure and format: It is comprised of two main databases:

    (1) the first contains the blockchain transaction data (**"the Main Blockchain Database"**); and

(2) the second contains various indexes and other collections of data (**"the Index Files Database"**).

The Main Blockchain Database

37. The structure for each block of transactional information stored in the Main Blockchain Database (stored in a series of blk#####.dat files) is as follows:

Field	**Description**	**Size**
Magic No	Data field identifying the block to which the transaction relates; value is 0xD9B4BEF9 for BTC/BCH/BSV	4 bytes
Blocksize	Number of bytes remaining in the packet up to the end of the block	4 bytes
Blockheader		
Version	Block version number	4 bytes
hashPrevBlock	256-bit hash of the previous block header	32 bytes
hashMerkleRoot	256-bit hash based on all of the transactions in the block	32 bytes
Time	Current block timestamp as seconds since 1970-01-01T00:00 UTC	4 bytes
Bits	Current target in compact format	4 bytes
Nonce	32-bit number	4 bytes
Transaction counter	A positive integer	1-9 bytes
Transactions		
Version No	Currently 2	4 bytes

Field	Description	Size
In-Counter	A positive integer	1-9 bytes
List of Inputs	Input Structure	
Previous Transaction hash	TXID (transaction identification number) of the transaction	32 bytes
Previous Txout-index	Index of the output	4 bytes
Txin-script length	Non-negative integer	1-9 bytes
Txin-script / scriptSig	Script	<in-script length> many bytes
Sequence_no	Used to iterate inputs inside a payment channel; input is final when nSequence = 0xFFFFFFFF	4 bytes
Out-counter	A positive integer	
List of Outputs	Output Structure	
Value	Non-negative integer giving the number to be transferred	8 bytes
Txout-script length	Non-negative integer	1-9 bytes
Txout-script / scriptPubKey	Script	<out-script length>

Field	Description	Size
		many bytes
nLocktime	If non-zero and sequence numbers < 0xFFFFFFFF: block height	

The Index Files Database

38. Bitcoin's original design involved the use of two primary files to store blockchain data: blk.dat for the raw block data and blkindex.dat for indexing and accessing this data. These files are managed using a key-value database structure, where the keys represent block or transaction identifiers, and the values hold the associated data. This structure ensures that each block and transaction can be efficiently stored and retrieved, maintaining the integrity and performance of the blockchain.

39. The blk.dat files store the actual block data, including transactions, in a sequential manner. The blkindex.dat file, meanwhile, serves as an index, allowing nodes to quickly look up blocks and transactions using keys such as block hashes or transaction IDs. This setup supports the fundamental principle of Bitcoin's design: direct and efficient access to data while ensuring that the blockchain remains tamper-proof and verifiable.

40. NoSQL databases, such as Cassandra or MongoDB, provide an alternative method of managing this same data structure while aligning with the key-value principles inherent in Bitcoin. These databases allow blocks and transactions to be stored with unique identifiers as keys, while the block data remains the value. This approach enables the seamless distribution of data across multiple nodes, facilitating faster synchronization and retrieval of data without deviating from the core concepts of the Bitcoin protocol.

41. A column-family store like Cassandra can further optimise the indexing process by storing blocks with block hashes or heights as row keys and their corresponding transaction data as columns within those rows.

This allows Bitcoin's data to be queried more efficiently without changing the relationship between keys and values. It remains consistent with the original structure but provides a more organised way of accessing data, especially when handling large volumes of transactions.

42. Moreover, an in-memory key-value database such as Redis offers enhancements in speed while still respecting Bitcoin's foundational design. By keeping active parts of the UTXO set in memory, Redis enables nodes to validate transactions more quickly. This approach preserves the key-value structure, with transaction outputs mapped to their availability status as values. It aligns with the protocol's intent of efficient access to the UTXO set while delivering significant performance improvements during transaction verification.

43. All of these alternatives respect the key-value nature of Bitcoin's database structure. They do not alter the core principles or logic of how Bitcoin manages and retrieves its blockchain data but instead present optimised methods that can improve speed, scalability, and access efficiency. This demonstrates that while Bitcoin's original design is fundamental, there are modern tools that can integrate seamlessly with the existing architecture, offering improved performance without any departure from the protocol's intended data management strategy.

44. The BLKINDEX (in blkindex.dat file) contains several different data structures, described as follows:

Block Index

45. The Block Index stores an index of the blocks, and the data structures are as follows:

Field	**Description**	**Size**
hashNext	Hash of the next block	32 bytes
nFile	Number of the block data file that contains the block	4 bytes
nBlockPos	Position of the block in the file	4 bytes

nHeight	The height of the block in the chain of blocks.	4 bytes
nVersion	Block version	4 bytes
hashPrev	The hash of the previous block	32 bytes
hashMerkleRoot	The merkle root hash	32 bytes
nTime	Unix timestamp of when this block was created.	4 bytes
nBits	A packed representation of the calculated difficulty target being used for this block.	4 bytes
nNonce	An integer that is varied by miners to alter the resulting hash of the block header with aim of producing a hash with enough leading zeros.	4 bytes

Best Chain Tip

46. The Best Chain Tip represents the hash of the block that resides at the end of the longest chain of honest blocks, which are those blocks derived from the original, unaltered protocol. Bitcoin's consensus mechanism relies on this longest chain rule, where the chain with the most accumulated proof of work is considered the valid one, assuming that the majority of miners are honest. The integrity of this process is grounded in adherence to the original protocol as defined by Satoshi Nakamoto, meaning that only blocks that follow this protocol contribute to the legitimacy and continuity of the Bitcoin blockchain.

47. The data structures associated with the Best Chain Tip include the block hash, which uniquely identifies the block at the end of the longest chain. This block hash links back to its predecessor, maintaining the cryptographic chain that ties each block to the previous one, thereby ensuring the continuity of the blockchain. Additionally, metadata such as the block height (the position of the block within the chain) and the accumulated proof of work for the chain up to this block are tracked, which helps to determine which chain is the longest and, by definition, the valid chain.

48. In this context, the term "honest blocks" refers to those that are not only valid in their structure and content but also compliant with the rules and conditions of the original protocol. This ensures that the blocks

maintain the intended characteristics of Bitcoin as a peer-to-peer electronic cash system. Deviations from this protocol—such as those seen in forks that modify consensus rules—do not contribute to the Best Chain Tip under this definition, as they would represent chains that have altered the fundamental rules of Bitcoin.

49. The Best Chain Tip, therefore, is a critical component in maintaining the integrity of Bitcoin's network, ensuring that the longest chain reflects the chain of work that is aligned with the principles of the original, unaltered protocol. This serves as a guarantee that Bitcoin's blockchain remains true to its initial design, upholding its role as a secure, decentralised system for transaction verification.

50. The Best Chain Tip stores the hash of the block at the tip of the longest chain of blocks that follow the original and unaltered protocol, and the data structures are as follows:

Field	**Description**	**Size**
hashBestChain	Hash of the block at the tip of the longest chain of blocks	256 bytes

51. The original version of **Bitcoin**, as conceived and developed by **Satoshi Nakamoto**, represents a fundamentally novel system designed to function as a **peer-to-peer electronic cash system**. At its core, Bitcoin was intended to enable direct, decentralised transactions between parties without relying on a central authority or intermediaries, providing a transparent and secure way of transferring value over the internet. The key aspects of Bitcoin's design include its role as a **timestamp server**, its suitability for **micropayments**, the concept of **nodes**, **IP-to-IP transactions**, **Simplified Payment Verification (SPV)**, and **programmable scripting**.

Key Purpose: Timestamp Server and Cash System

52. The **Bitcoin white paper**, titled *Bitcoin: A Peer-to-Peer Electronic Cash System*, introduced the idea of a **timestamp server**. This timestamp server functions by creating a chronological chain of blocks,

each containing a list of transactions. Each block is hashed and linked to the previous one, forming a **blockchain** that verifies the integrity and order of transactions without the need for a centralised timestamping authority. This ensures that all transactions are time-sequenced, and the order in which they occurred can be verified transparently by any party.

53. The primary purpose of Bitcoin is to act as **digital cash**, allowing for **small, casual transactions** to be sent directly from one person to another over the internet. It was specifically designed to reduce transaction costs and facilitate micropayments—payments that are too small to be viable with traditional financial systems due to fees. Bitcoin's protocol is structured to allow transactions of any size, making it suitable for everything from small, everyday purchases to larger payments.

Micropayments and Cash-Like Properties

54. Bitcoin's design as a **micropayment system** hinges on the ability to make transactions without incurring significant costs. This capability is enabled through a structure that allows transactions to be processed with minimal fees, making it ideal for casual, everyday transactions. Unlike traditional banking systems that involve multiple intermediaries, Bitcoin allows users to transfer value directly. The original protocol emphasises efficiency, enabling transactions to be verified and added to the blockchain with minimal computational overhead.

IP-to-IP Transactions

55. In its original form, Bitcoin facilitated **IP-to-IP transactions**, allowing users to send payments directly to one another's IP addresses. This feature underlines the **peer-to-peer** nature of Bitcoin, emphasising the direct transfer of value between users without relying on a third-party intermediary. IP-to-IP transactions make Bitcoin more similar to physical cash exchanges in that they enable one user to send a specific amount directly to another user's digital address.

56. This method of exchange highlights the direct and simple nature of Bitcoin's design. The sender transmits a transaction directly to the recipient's IP address, and the recipient can then verify this transaction through the Bitcoin network, ensuring that the funds are valid. This mechanism is crucial in preserving the integrity of the transaction process while allowing for simplicity and ease of use.

Simplified Payment Verification (SPV)

57. **Simplified Payment Verification (SPV)** is a mechanism that allows users to verify transactions without the need to maintain a full copy of the blockchain. SPV is a lightweight method by which users, often using wallets, can confirm that transactions have been included in a block by downloading only the block headers rather than the entire block content. This makes it possible for users to verify their transactions without having to store and process all blockchain data, which is especially important as the size of the blockchain grows.

58. SPV enables users to participate in the Bitcoin network as **lightweight clients**, verifying that their transactions are included in blocks without needing to run full nodes. This design aligns with Bitcoin's vision of accessibility and scalability, allowing a large number of users to interact with the blockchain without requiring significant storage or computational power. SPV clients query the full nodes to verify that a transaction is part of the blockchain, maintaining trust and efficiency in the verification process.

Definition of Nodes and Absence of "Full Nodes" in the Original Design

59. In the context of Bitcoin's original design, **nodes** are participants that contribute to the network by validating and relaying transactions and creating new blocks through mining. Satoshi Nakamoto's design does not highlight the concept of "full nodes" in the way it is often discussed today. The key role of a node is defined by its ability to create blocks (mining), thereby participating directly in the competitive process that secures the network and processes transactions.

60. The term **"full nodes,"** as used in discussions surrounding BTC today, refers to nodes that maintain a complete copy of the blockchain but do not participate in block creation. This distinction was not originally part of Satoshi's design; Bitcoin nodes were expected to participate in block creation, thus contributing directly to the **security and operation of the network**. In Satoshi's vision, those running nodes would be incentivised to compete as miners, contributing to the network's strength by validating transactions and creating new blocks.

61. In later iterations, including those changes introduced by BTC developers, the concept of full nodes as entities distinct from mining nodes emerged, leading to a shift in how the network's security and transaction verification are viewed. This altered the dynamics of network participation and led to a divergence from the initial framework that emphasised **competition among miners** as the core of the network's structure.

Programmable Scripting

62. Bitcoin's protocol, as created by Satoshi Nakamoto, includes a powerful scripting language that enables a wide range of complex transaction types. The scripting language is integral to Bitcoin's design, allowing it to process conditional transactions, multi-signature operations, time locks, and various other programmable features. This script operates through a stack-based mechanism, where each script is executed by Bitcoin nodes to validate whether a given transaction satisfies the conditions necessary for it to be included in a block.

63. The flexibility of Bitcoin's scripting allows it to create transaction types that go beyond simple transfers of value. It can support more complex conditions that are similar to **smart contracts**, allowing for the automation of specific actions or conditions before a transaction is finalised. This programmability means that users can design custom conditions under which transactions will be validated, such as requiring multiple signatures for large transactions (multi-signature), or setting delays before a transaction can be spent (time locks).

64. Satoshi Nakamoto himself highlighted the broad potential of Bitcoin's capabilities, stating that Bitcoin could handle a variety of functionalities beyond mere value transfer. While his primary focus was on ensuring secure and trustless value transfers, the underlying scripting language was built to be adaptable and capable of implementing more elaborate transaction types. Satoshi recognised that Bitcoin's scripting could facilitate programmable transactions, making it possible for users to create custom, automated processes that execute according to the network's consensus rules.

65. Thus, Bitcoin's scripting language provides a flexible and secure foundation, enabling the creation of innovative transaction types and complex conditions, while maintaining the integrity and decentralisation that is core to its design. This adaptability ensures that Bitcoin can be used for a wide range of applications, effectively functioning as a programmable, decentralised financial platform.

Bitcoin's Scripting System: Turing Completeness and the Power of a Two-Stack Pushdown Automaton

66. Bitcoin's scripting system is Turing complete when understood as a two-stack pushdown automaton (2PDA). This means that, theoretically, Bitcoin's scripting language can simulate any computation or algorithm, given enough time and resources. A 2PDA can perform any calculation that a Turing machine can, which places Bitcoin's scripting in a category capable of complex operations and infinite possibilities—when correctly constructed.

67. The original version of Bitcoin, as designed by Satoshi Nakamoto, allows for highly flexible and robust scripting capabilities. The scripting language is stack-based, using two primary stacks—the main stack and the alt stack—to manage and process scripts. These stacks enable conditional logic, digital signature verification, multi-signature requirements, and many other transaction types that go beyond basic transfers. This structure allows Bitcoin to support intricate transaction

types, ranging from simple payments to complex, programmable contracts.

68. Contrary to misconceptions, Bitcoin is not limited in its computational potential. The original protocol's scripting system, as conceived, is not restricted by the finite nature that later narratives suggest. Its ability to be programmed for varied use cases and conditions within the network gives it significant versatility and depth.

69. It is important to distinguish between Bitcoin and BTC in this context. BTC's modifications—including changes such as Segregated Witness and the implementation of simplified scripts—have introduced constraints that deviate from the original vision of Satoshi Nakamoto. These changes in BTC have reduced its scripting flexibility and its applicability as a programmable, peer-to-peer electronic cash system.

70. Bitcoin, by contrast, retains the ability to leverage its full scripting potential. It allows users to create transactions and smart contracts that are capable of any computation, as enabled by the underlying mechanics of a Turing complete 2PDA system. This makes it fundamentally powerful and suitable for the complex interactions and conditions that Satoshi Nakamoto envisioned when creating a truly decentralised and programmable form of digital cash. **Conclusion: Bitcoin as a System of Integrity and Directness**

71. The original version of Bitcoin, as created by Satoshi Nakamoto, is a **peer-to-peer electronic cash system** designed to facilitate small, everyday payments over the internet with a focus on transparency, security, and simplicity. It operates as a **timestamp server** that records transactions in a transparent, immutable ledger. Through mechanisms like **IP-to-IP transactions** and **SPV**, Bitcoin ensures that users can participate without needing extensive computational resources. The system's design allows for **competition among miners**, with nodes defined by their ability to create new blocks, rather than the passive concept of "full nodes" that has emerged in later interpretations of BTC.

72. This approach ensures that Bitcoin maintains **traceability** and **auditability**, while allowing for a level of **programmable conditions** through its scripting capabilities. The original Bitcoin's focus is on maintaining the **integrity of transactions**, providing a foundation that allows for secure, direct exchanges of value without the need for intermediaries, while retaining a public ledger that supports the verification of every transaction within the network.

Changes to the BTC Protocol Through New and Modified Opcodes: Facilitating Anonymity and Financial Obfuscation

73. Since its divergence from the original Bitcoin protocol, the BTC network has introduced various **new opcodes** and modifications that fundamentally alter its scripting capabilities. These changes, including **OP_CHECKLOCKTIMEVERIFY (CLTV)**, **OP_CHECKSEQUENCEVERIFY (CSV)**, and other updates, have not been designed to merely enhance the system but rather to enable a shift towards **anonymity** and **transaction obfuscation**. These modifications allow BTC to facilitate **money laundering** and the circumvention of regulatory frameworks, such as **Know Your Customer (KYC)** and **Anti-Money Laundering (AML)** laws. By obscuring transaction details and introducing mechanisms that hide the flow of funds, these changes deviate sharply from Bitcoin's original principles of transparency and auditability.

OP_CHECKLOCKTIMEVERIFY (CLTV)

74. **OP_CHECKLOCKTIMEVERIFY (CLTV)**, first proposed in **2015**, allows transaction outputs to be time-locked, restricting when they can be spent. However, despite its early proposal, CLTV was **not immediately activated** on the network. Its later activation became closely tied to the shift towards enabling **Segregated Witness (SegWit)** on BTC, which fundamentally changed how Bitcoin transactions were structured and processed.

75. The integration of CLTV laid the groundwork for supporting **off-chain scaling solutions**, like the Lightning Network, by allowing more

complex time-based conditions within transactions. These conditions make it possible to set up **payment channels** that can remain hidden from the blockchain until they are closed and settled. This feature of time locks is essential for Lightning's functionality, which relies on **temporarily locking funds** in off-chain channels. However, its primary role within the context of BTC was to enable the shift from **on-chain transparency** to **off-chain anonymity**, facilitating hidden transactions.

CLTV and the Activation of SegWit

76. The activation of CLTV was directly linked to the broader agenda of enabling **Segregated Witness (SegWit)** on the BTC network. SegWit altered the structure of transactions by moving signature (witness) data outside of the main transaction block, thus making it possible to reduce the visible data in each transaction. This change paved the way for **obscuring transaction details** and allowed for the possibility of **anonymised off-chain transactions**.

77. SegWit's changes worked hand in hand with CLTV to enable **Layer 2 solutions** like the Lightning Network, which shift transactions away from the main blockchain and into private, off-chain channels. By changing how transactions were processed and validated, SegWit facilitated a new transaction model that allowed users to obscure the paths of their transactions from the public blockchain. It created conditions where transaction flows could be **hidden** from the transparent view that Bitcoin originally intended, making it possible for users to move funds without leaving a clear, traceable record.

OP_CHECKSEQUENCEVERIFY (CSV) and Enhanced Anonymity

78. Introduced in **2016**, **OP_CHECKSEQUENCEVERIFY (CSV)** expanded the ability of transactions to use **relative time locks**, further supporting the functionalities needed for **off-chain transactions**. CSV allows transactions to be structured with conditions that delay when outputs can be spent based on a set number of blocks following a prior

transaction. This capability is crucial for the mechanics of **Layer 2 protocols**, like the Lightning Network, where funds remain locked in off-chain payment channels until certain conditions are met.

79. The purpose of CSV, like CLTV, is not benign; it serves to increase the **anonymity** of transaction flows by supporting mechanisms that keep transactions **off-chain** until final settlement. By making it possible for transactions to operate outside of the blockchain's public view for extended periods, CSV has enabled an environment where **money laundering** and **untraceable transfers** can occur. This is fundamentally at odds with Bitcoin's original design, which emphasised **on-chain transactions** that were fully visible and auditable.

Facilitating Money Laundering Through Off-Chain Mechanisms

80. The changes introduced to BTC, particularly through the activation of CLTV and CSV and the structural changes brought about by SegWit, have been aimed at creating conditions where **transaction paths can be concealed**. The **Lightning Network**, which relies heavily on these new opcodes, is a primary example of how BTC has shifted towards a model that facilitates **untraceable, anonymous transactions**. Rather than scaling Bitcoin in a manner consistent with the original, on-chain vision, the combination of these new opcodes and SegWit's restructuring enables users to mix coins in off-chain channels, making it extremely difficult for anyone to track the origin, movement, and final destination of funds.

81. This shift is not about efficiency or scalability; it is a move towards **circumventing KYC/AML requirements**, allowing users to operate outside the reach of regulatory scrutiny. By obscuring the details of transaction flows, BTC has created a pathway for **financial activities** that can evade oversight, undermining the transparent principles upon which Bitcoin was originally founded.

Radical Departure from Bitcoin's Original Transparency

82. In contrast, **Bitcoin Satoshi Vision (BSV)** maintains the original protocol and design philosophy of Bitcoin, where all transactions are conducted **on-chain** and fully recorded on a **public ledger**. BSV retains the original time-based functionalities without using them to support off-chain mechanisms that hide transactions. This ensures that every transaction, regardless of size or complexity, remains visible and verifiable, preserving the integrity of a **transparent digital cash system**.

83. The introduction of opcodes like CLTV and CSV in BTC, alongside the activation of SegWit, marks a **radical departure** from the core principles of Bitcoin as outlined by Satoshi Nakamoto. Instead of upholding a system of traceable, auditable transactions, BTC has shifted to a model that prioritises **anonymity** and the potential for **untraceable transactions**, fundamentally altering the nature of Bitcoin and opening the door to activities that include **money laundering** and regulatory evasion.

Taproot and Other Changes in BTC: Expanding Anonymity and Concealing Transaction Details

84. Following the introduction of **Segregated Witness (SegWit)**, the BTC network has continued to implement changes that diverge further from Bitcoin's original protocol. One of the most significant of these is **Taproot**, activated in **November 2021**, which has been instrumental in shifting BTC towards a model that prioritises **anonymity** and the ability to **conceal transaction details**. These changes include the implementation of **Schnorr signatures**, **Merkelised Abstract Syntax Trees (MAST)**, and additional updates like **OP_CHECKSIGADD**. These modifications enable BTC to support hidden transaction flows and off-chain activities that obscure the origin, movement, and nature of funds, facilitating **money laundering** and **regulatory evasion**.

Taproot: Obscuring Complex Transactions

85. **Taproot** fundamentally alters how transactions are presented on the BTC blockchain. By using **Schnorr signatures**, Taproot allows for multiple signatures to be aggregated into a single signature, making complex multi-signature transactions appear identical to simple, single-signature ones. This change does not merely aim for efficiency; it is designed to **obscure the structure of transactions**. By making it impossible to differentiate between simple and complex transactions, Taproot hides the true nature of the interactions taking place on the network, thereby increasing **anonymity**.

86. The use of **MAST** further supports this by allowing only the executed conditions of a transaction to be revealed on the blockchain, while all other possible conditions remain hidden. This means that transactions involving complex scripts or smart contracts can be condensed into a form that appears as a standard transaction, **concealing** the potential complexity of the conditions involved. This fundamentally differs from the original Bitcoin design, where the full details of every transaction's script would be visible on the blockchain, ensuring transparency.

87. Taproot's combination of these features directly enables the concealment of transaction flows, making it harder for external observers to identify the nature of specific transactions. This shift towards **anonymity** allows for a level of transaction obfuscation that facilitates the **mixing of funds** and hides the details of payments, thereby creating an environment conducive to **money laundering**.

Integration with Off-Chain Systems and the Role of Taproot

88. Taproot's modifications are closely tied to the enabling of off-chain systems like the **Lightning Network**, which relies on the ability to **lock and obscure transactions** until they are settled back onto the blockchain. Taproot supports the mechanics that allow for these off-chain channels to remain hidden until their closure, making it possible to conduct a large volume of transactions without exposing the details to the main blockchain. By masking the nature of these transactions,

BTC enables users to conduct financial activities outside of public view, **evading regulatory scrutiny** and compromising the transparency of the blockchain.

89. This is in stark contrast to **Bitcoin's original design**, which required all transactions to be directly recorded and visible on the blockchain. Satoshi Nakamoto's vision emphasised **traceability** and **auditability**, ensuring that every transaction could be verified independently by anyone participating in the network. Taproot's changes undermine this vision, allowing BTC to operate in a manner that is deliberately less transparent, facilitating **anonymous exchanges** of value.

OP_CHECKSIGADD and the Drive for Concealment

90. **OP_CHECKSIGADD**, introduced alongside Taproot, further supports the obfuscation of transaction data. This opcode simplifies the process of validating multiple signatures within a single transaction, enabling **signature aggregation**. By allowing multiple signatures to be validated in a combined form, it hides the number of participants involved in complex transactions, making it appear as though only a single party is responsible. This is a deliberate effort to obscure the true nature of transactions, preventing outside parties from identifying the structure of multi-signature interactions.

91. These features contribute to a broader strategy within BTC to **conceal the flow of funds** and make transactions difficult to trace. The end result is a system where users can conduct complex financial interactions that are practically invisible to anyone trying to monitor the network. This shift away from the openness of Bitcoin's original protocol provides **bad actors with tools for money laundering** and **evasion of legal requirements**.

Conclusion: Taproot and the Erosion of Transparency in BTC

92. The implementation of **Taproot** and related changes in BTC, such as **OP_CHECKSIGADD**, represents a deliberate move towards enhancing **anonymity** and reducing the visibility of transactions.

These modifications enable users to **conceal the complexity and nature of transactions**, making it difficult for regulators or other entities to trace the flow of funds across the network. Far from improving Bitcoin's original structure, these changes have altered the very essence of what Satoshi Nakamoto intended—a transparent, verifiable ledger of transactions.

93. By prioritising **anonymity over transparency**, BTC has deviated from the principles of **traceable, on-chain transactions** that defined Bitcoin's original protocol. This has created a system that not only facilitates **regulatory evasion** but also poses significant risks in terms of allowing untraceable transactions to flourish. In contrast, **Bitcoin Satoshi Vision (BSV)** remains committed to the original protocol, ensuring that every transaction is fully recorded on-chain, maintaining **integrity and transparency** in the digital cash system.

Subsequent events

94. **Segregated Witness, BTC, and the Introduction of the Lightning Network (2017)** In **2017**, the introduction of **Segregated Witness (SegWit)** significantly altered Bitcoin's original protocol and laid the groundwork for the adoption of the **Lightning Network**. While SegWit was promoted as addressing transaction malleability and scalability issues, its true implications went far beyond this misrepresentation. The key purpose of SegWit was to enable the implementation of the **Lightning Network**, a system designed to facilitate **anonymity** rather than enhance the scalability of transactions in a transparent manner.

95. The Lightning Network allows transactions to be conducted off-chain, away from the traceable public ledger that Bitcoin's protocol relies upon. By moving these transactions into off-chain channels, the Lightning Network makes it possible to **mix coins** and obscure the movement of funds between parties. This design is intended to prevent the visibility of transaction flows, thus undermining the transparency that is inherent in Bitcoin's original structure. Where Bitcoin ensures

privacy by maintaining a public but pseudonymous ledger, the Lightning Network shifts the model towards **anonymity**, where the actual transaction paths can be hidden entirely.

96. This distinction is critical. **Privacy** in Bitcoin means that while users' identities are not directly tied to addresses, transactions remain **traceable** on the blockchain, allowing for full auditability and accountability. In contrast, the **Lightning Network** creates conditions where transactions can become effectively **untraceable**, making it a tool for those seeking to evade scrutiny and compliance requirements such as **Know Your Customer (KYC)** regulations. By enabling off-chain channels, the Lightning Network introduces a mechanism that facilitates **money laundering** and the bypassing of financial regulations, allowing users to move funds without leaving a clear, on-chain record.

97. The **BTC chain**, through the adoption of SegWit and the facilitation of the Lightning Network, deviated from the original vision of Bitcoin as a **transparent peer-to-peer electronic cash system**. This new approach allowed for a shift from Bitcoin's transparency towards an anonymous transaction model that obscures the flow of money, contradicting the fundamental principles of accountability and traceability established in Satoshi Nakamoto's white paper.

98. **Bitcoin Cash and Bitcoin Satoshi Vision: Maintaining the Original Bitcoin Principles (2017-2018) Bitcoin Cash (BCH)** emerged in **August 2017** in opposition to the changes introduced by SegWit. The node software known as Bitcoin Cash sought to retain the transparency of the original Bitcoin network, ensuring that transactions remained traceable on-chain. It rejected the modifications that enabled off-chain anonymity through the Lightning Network, focusing instead on scaling by increasing block sizes to allow more transactions to be processed directly on the blockchain.

99. **Bitcoin Satoshi Vision (BSV)**, which arose in **2018**, continued the unaltered protocol of Bitcoin, adhering closely to the principles outlined in the white paper. BSV has maintained the transparent and verifiable

nature of Bitcoin, ensuring that all transactions are recorded directly on-chain. This allows for full traceability of transactions, preserving the accountability and transparency that are inherent to Bitcoin's original design. **BSV remains true to the concept of privacy**, where the pseudonymous nature of transactions protects user identities while maintaining a public record of all transaction flows, in stark contrast to the **anonymous** model enabled by the Lightning Network under BTC.

100. **Market Confusion and Misrepresentation** The retention of the **BTC** ticker symbol by a system that no longer follows the original protocol has led to significant **misrepresentation**. By shifting from Bitcoin's model of traceable privacy to an anonymous transaction system through the use of SegWit and the Lightning Network, BTC no longer aligns with Bitcoin's original purpose. Despite this, BTC has continued to present itself as Bitcoin, leading to widespread confusion among users who are unaware of these fundamental changes.

101. **BSV**, by contrast, maintains the principles of Bitcoin's original design, ensuring that all transactions remain on-chain, transparent, and auditable. This adherence to Bitcoin's foundational structure ensures that it remains consistent with the vision of **peer-to-peer digital cash** that Satoshi Nakamoto set out. The changes made by BTC represent a significant departure, creating a system that is no longer the transparent, verifiable network that Bitcoin was intended to be.

102. Following the introduction of Segregated Witness (SegWit) in 2017, BTC underwent several significant protocol changes, each furthering the network's departure from the transparency and traceability inherent in Bitcoin's original design. Among these, Taproot is a particularly critical change, and its focus is not simply on improving transaction capabilities but fundamentally altering how transactions are conducted and viewed on the blockchain, with an emphasis on anonymity rather than mere efficiency.

Taproot (2021) and its Impact on Anonymity

103. Taproot, which went live in November 2021, introduced changes that allow the concealment of complex transaction details. The most important aspect of this is the use of Schnorr signatures and Merkelised Abstract Syntax Trees (MAST). These changes enable BTC to mask the specifics of multi-signature transactions, smart contracts, or other conditional payments. Under Taproot, such transactions can appear identical to simpler, single-signature transactions, thus obscuring the details of how funds are moved or the conditions under which they are released.

104. The aim here is not merely a streamlined transaction process but a move towards anonymity—where the nature of transaction conditions is concealed, making it harder for third parties to trace the flow of funds. This creates a landscape where, instead of the transparent auditability that characterised Bitcoin's original protocol, transactions can be obscured, making it difficult for regulators or external observers to fully trace the complexities of certain operations. This shift is significant because it allows BTC users to avoid scrutiny that would typically come with compliance measures like Know Your Customer (KYC) rules and other anti-money laundering regulations.

Schnorr Signatures and Transaction Aggregation

105. Schnorr signatures, as implemented in the Taproot upgrade, enable the aggregation of multiple signatures into a single one. This makes it possible to hide the fact that multiple parties may be involved in a transaction. For instance, where a transaction may have involved multiple participants with individual signatures, Schnorr allows those to be merged, concealing the exact nature and number of participants involved. This is a deliberate shift from Bitcoin's original cryptographic framework, which used ECDSA to ensure each transaction's details were individually verifiable by any node on the network, thus ensuring transparency.

106. The aggregated signatures under Schnorr obscure the complexity and nature of certain transactions, allowing parties to hide not only the structure of their interactions but also making it possible for transactions to be conducted without revealing the underlying participants. This is distinct from privacy, which would involve protecting user identities while maintaining a verifiable transaction trail on the blockchain. BTC's Taproot and Schnorr implementations are directed towards achieving a level of anonymity—concealing details that allow transactions to blend in with simpler ones, thereby making it harder for law enforcement and financial regulators to track the flow of funds.

The Implications of Anonymity and Regulatory Avoidance

107. The emphasis on anonymity through Taproot, as well as earlier through SegWit, suggests that BTC's changes are fundamentally about shifting away from the original ethos of transparent digital cash towards a model that enables greater regulatory evasion. By obscuring transaction data and using off-chain solutions like the Lightning Network—which further removes transactions from the public ledger—BTC creates conditions where the movement of funds can occur without leaving a clear traceable path. This facilitates money laundering and makes it possible to bypass traditional KYC requirements that would otherwise apply to digital transactions.

108. In contrast, Bitcoin Satoshi Vision (BSV) maintains the traceable nature of transactions as outlined in the original Bitcoin protocol. BSV ensures that all transactions are recorded directly on the blockchain, allowing for transparency and accountability. This commitment to recording all transactions on-chain means that while user identities remain pseudonymous, the flow of transactions remains fully visible and verifiable on the public ledger, preserving the integrity of the original Bitcoin design.

109. These subsequent changes to BTC, particularly through Taproot, represent a clear divergence from the core principles set out in Bitcoin's white paper. They illustrate a shift towards creating a system where

anonymity—rather than open, verifiable transactions—is the focus, contrasting sharply with the transparent model of Bitcoin that allowed for auditability and compliance with legal frameworks.

110. **Conclusion: The Divergence from Bitcoin's Protocol and the Introduction of Anonymity** The introduction of SegWit in **2017** and the subsequent adoption of the Lightning Network under BTC marked a departure from Bitcoin's transparent transaction model, resulting in the creation of a new system under the BTC symbol that enabled **anonymity** rather than true scalability. **Bitcoin Cash** rejected these changes to maintain on-chain transparency but introduced other scripting modifications, while **Bitcoin Satoshi Vision (BSV)** remains the true continuation of Bitcoin, upholding the original protocol's emphasis on transparent, traceable transactions. These events demonstrate the creation of new systems that diverged from Bitcoin's unaltered protocol, using the history and identity that originated from Satoshi Nakamoto's design while changing the fundamental nature of the network.

The bitcoin software

111. Nodes / Miners in the Bitcoin network are not obligated to use the specific software written by Satoshi Nakamoto or developed by others after him. They have the freedom to develop and use their own mining software, as long as that software complies with the rules and conditions of the original, unaltered Bitcoin protocol. The key requirement is that any custom software must follow the consensus rules, ensuring that the blocks they produce are compatible with those recognised as valid by the broader Bitcoin network.

Adherence to the Original Protocol

112. The role of miners is to solve the proof-of-work (PoW) puzzle, a computational challenge that secures the network by verifying transactions and adding new blocks to the blockchain. This process involves generating a block header that satisfies a required difficulty target—essentially finding a hash value below a certain threshold. For

a block to be accepted by the network, it must adhere to the protocol rules initially set out in Satoshi's white paper and the Bitcoin software, which include:

113. Block Structure: The structure of the block, including its size, timestamp, nonce, and the Merkle root of transactions, must meet the protocol's requirements.

114. Validation Rules: Each block and its transactions must be correctly validated according to the original protocol's rules, such as verifying digital signatures and ensuring no double-spending occurs.

115. Bitcoin, as originally defined by Satoshi Nakamoto, does not include mechanisms for **soft forks**, **hard forks**, or **protocol changes**. Unlike later interpretations seen in other systems such as BTC, which have incorporated processes for altering consensus rules, the original Bitcoin protocol is **immutable** and designed to remain fixed.

116. There is no provision within Bitcoin's original design for altering its core rules, as it was built to operate with a stable set of guidelines that govern how blocks are created, validated, and added to the blockchain. This immutability is crucial to maintaining the integrity and security of the system, ensuring that all participants adhere to the same rules as originally specified.

117. The introduction of mechanisms for changing protocol rules by developers in later iterations is a **misrepresentation** of Bitcoin's true nature. It falsely implies that Bitcoin's foundational rules can be adjusted or modified when, in reality, the original protocol was intended to remain unaltered, with miners following the set rules to maintain network consensus.

Flexibility in Software Development

118. While Satoshi Nakamoto released the original Bitcoin client, which provided a blueprint for miners, miners are free to write their own software as long as it produces blocks that adhere to the network's rules. Many miners use optimized software or hardware-specific

implementations to improve their mining efficiency, focusing on reducing the time and energy needed to solve the proof-of-work problem. These optimisations might involve better handling of the hashing process, more efficient data structures, or tailored communication protocols between mining hardware and the Bitcoin network.

Independence in Solving Proof of Work

119. The proof-of-work problem itself—finding a valid hash—is a computational challenge that is independent of any specific software. Miners can design custom algorithms to maximize their chances of solving this problem efficiently, provided that the blocks they generate comply with the protocol. For instance, they might develop software that better integrates with their specialized hardware, such as ASICs (Application-Specific Integrated Circuits), to increase their hash rate. As long as these solutions respect the difficulty adjustment and other consensus parameters of Bitcoin's network, the network will recognise the blocks they produce as valid.

Importance of Protocol Compliance

120. The critical point is that any software or optimizations a miner uses must ensure that their blocks are compatible with those expected by nodes running the original protocol. If a miner's software deviates from these rules, the blocks it produces will be rejected by the rest of the network, making the miner's work effectively useless. Therefore, while miners have significant freedom in developing and using their own software, their ability to contribute to the blockchain depends entirely on strict adherence to the established consensus rules of Bitcoin.

121. In summary, miners have the flexibility to create their own software to optimise their operations, but they must ensure that their outputs—new blocks—fully conform to the original and unchanged protocol rules set by Satoshi Nakamoto. This balance allows innovation and competition among miners while maintaining the integrity and consistency of the Bitcoin network.

122. Satoshi Nakamoto personally controlled the source code repository for his Bitcoin system until April 2011. In the second half of 2010 he started to share the work needed to maintain and develop the Bitcoin software with one Gavin Andresen to whom he provided the network alert key and permitted him to use it to control the code repository, and in April 2011 he delegated control to Mr Andresen, taking no further personal part in developing or maintaining the software.

123. The Bitcoin blockchain originated by Satoshi Nakamoto increased in length as further blocks were mined, thereby adding to the Bitcoin blockchain using the system described in the White Paper and embodied in the software originally released by Satoshi Nakamoto. That system is still in existence, and is referred to hereinafter as "the Original System".

124. Following Satoshi Nakamoto's decision to step back from Bitcoin's direct development in **late 2010**, the control of the Bitcoin code repository began to shift. Initially, the source code repository for Bitcoin was hosted on **SourceForge**, a platform used for managing open-source projects, where Satoshi and a small group of trusted developers could make changes to the Bitcoin software. Satoshi had set up SourceForge to host the repository and to coordinate updates to the software, providing access only to those who were trusted to maintain the original protocol.

125. As Satoshi gradually withdrew from public communication, he chose **Gavin Andresen** to be the lead developer and a steward for the Bitcoin project. Satoshi entrusted Gavin with the **Alert Key**, a cryptographic key that could be used to send important alerts to the network, allowing for emergency messages in case of protocol threats or vulnerabilities. This key was a critical component of Bitcoin's early structure, as it enabled coordinated action among nodes in response to potential risks to the network.

126. In **2011**, after Satoshi's full departure, the hosting of the Bitcoin repository was moved from SourceForge to **GitHub** under the direction

of Gavin Andresen and other developers. The move to GitHub allowed for broader collaboration and ease of access to the codebase, reflecting the growing community of contributors. Gavin's role as the lead developer was consistent with Satoshi's expressed intent for him to manage the project, ensuring that the original protocol would be maintained while allowing the community to address technical developments and improvements.

127. However, over time, a group of developers emerged who sought to control the direction of the project beyond the authority granted by Satoshi. This led to **BTC Core developers** gradually sidelining Gavin Andresen. By **2016**, Gavin was **stripped of his commit access** to the Bitcoin repository on GitHub. This action was carried out without Gavin's consent and contrary to the stewardship role that Satoshi had conferred upon him. It represented a significant shift in control away from the structure that Satoshi had set up for the project's management.

128. The removal of Gavin Andresen from his position of influence over the Bitcoin repository was done without legal or contractual authority and, therefore, may potentially fall under **computer misuse and unauthorised access laws in the UK**, such as those outlined in the **Computer Misuse Act 1990**. This legislation criminalises acts of unauthorised access to computer systems and data, including altering access controls or changing permissions without the rightful owner's authorisation. By removing Gavin from the repository and taking control of the repository's access, those involved could be seen as having acted without the authority that had originally been established when Satoshi appointed Gavin to manage the system.

129. This unilateral action to strip Gavin of his access marked a fundamental change in the governance of Bitcoin, centralising control under a self-selected group rather than maintaining the decentralised, open-source stewardship that Satoshi had envisioned. The consequences of these actions are particularly significant given that they affected the core direction of Bitcoin development and led to subsequent protocol

changes, including SegWit, which further deviated from Satoshi's original vision.

130. 84. Subsequently, various individuals, including the Defendants, have wrongfully utilised the Original System, as described in the following paragraphs, to "misappropriate" and create distinct electronic cryptocurrency systems. However, these systems do not function as digital cash, a key component of the Original System. Such systems include, but are not limited to, the following:

(1) *Bitcoin Core (**"BTC"**);*

(2) *Bitcoin Cash (**"BCH"**), which in or around November 2020, split into two different blockchains: Bitcoin Cash ABC (**"BCH ABC"**) and Bitcoin Cash Node (**"BCHN"**); and*

(3) *Bitcoin Gold (**"BTG"**).*

131. By "made wrongful use of" it is meant that without the need for Satoshi Nakamoto's consent, and based on the principle that Bitcoin's protocol is set in stone and protected by estoppel:

(1) The Original System has been wrongfully duplicated, transferred to different repositories controlled by third parties, and altered to create distinct cryptocurrency systems (the "Modified Systems"). These Modified Systems possess characteristics that deviate from those of the Original System, straying from the principles defined in the Bitcoin White Paper. Further particulars of the foregoing are provided in paragraphs 46 to 106.

(2) Individuals operating the nodes responsible for mining new blocks on the Original Bitcoin blockchain were encouraged by the Defendants to adopt the Modified Systems instead, leading to some nodes transitioning away from the Original System.

(3) The Bitcoin blockchain, initially established by Satoshi Nakamoto, was duplicated within the Modified Systems, such

that holders of "Bitcoins" at the moment of this duplication received an equivalent number of "coins" in the Modified Systems, while retaining their original coins issued under Bitcoin's Original System.

(4) The creation of new blocks by nodes continuing to operate within Bitcoin's Original System does not result in the issuance of "coins" within the Modified Systems.

(5) Conversely, the creation of new blocks within the Modified Systems is not rewarded by the issuance of Bitcoins from Satoshi Nakamoto's Original Bitcoin protocol.

(6) The promoters of the Modified Systems have wrongfully adopted names that include the term "Bitcoin" for the coins they issue as rewards/subsidy for mining new blocks under their altered protocols, leading to misrepresentation and confusion in the market.

(7) The principle of estoppel protects the Original System from such modifications, as it establishes that the protocol, as set by Satoshi Nakamoto, was intended to remain unchanged, with all participants bound to the original rules and design. By deviating from these rules and adopting the Modified Systems, the Defendants and their associates have misappropriated the identity and reputation of Bitcoin without adhering to the unalterable protocol that defines it.

Partnership Allegation in Relation to BTC Core Developers

132. The claimant contends that the **BTC Core developers** operate as a **partnership** under **English law**. This is not a mere characterisation but is based on a detailed analysis of the common law definition of partnership as outlined in the **Partnership Act 1890**. According to the Act, a partnership is defined as "the relation which subsists between persons carrying on a business in common with a view of profit." The BTC Core developers meet the criteria of a partnership, demonstrated

through their joint actions, structured coordination, shared financial interests, and the benefits they derive through their control of the BTC protocol. Below is a detailed analysis of how these characteristics fit within the definition of a partnership under English law, as well as a broader explanation of their actions, which supports the claimant's assertion that their behaviour constitutes a partnership.

1. Definition of Partnership under English Law

133. Under the **Partnership Act 1890**, a partnership arises when:

(1) Two or more persons carry on a business in common.

(2) They do so **with a view to profit**, regardless of whether they explicitly label their relationship as a partnership or have a formal partnership agreement in place.

134. **Carrying on a Business in Common**: The BTC Core developers collectively manage the **development, marketing, and representation** of the BTC protocol, influencing its evolution and market positioning. The centralised control of the **Bitcoin GitHub repository**, the management of **Bitcoin Improvement Proposals (BIPs)**, and the coordinated introduction of changes like **Segregated Witness (SegWit)** and **Taproot** demonstrate a collaborative enterprise. These actions clearly show that they are **carrying on a business in common**—that business being the development and promotion of BTC as a software and a digital asset.

135. **With a View to Profit**: The BTC Core developers receive income through what they claim to be "donations," which in reality are structured payments. These funds are directed through entities such as **Blockstream**, **Chaincode Labs**, and other related organisations. The payments enable the developers to focus on BTC development full-time, making it clear that their activities are not purely voluntary or hobbyist in nature. This is their **primary occupation**, and the payments received represent income, forming part of their livelihood. Mischaracterising these payments as donations serves to obscure the

profit-making nature of their activities and to evade tax liabilities, which further highlights the structured nature of their enterprise. It is, therefore, evident that the BTC Core developers are working **with a view to profit**.

2. Control and Hierarchical Structure

136. **Centralisation of Code Repository**: Following Satoshi Nakamoto's departure, control over the **Bitcoin GitHub repository** transitioned to a select group of core developers, initially led by **Gavin Andresen**. This group subsequently assumed control, excluding Gavin Andresen through internal actions that did not involve the wider Bitcoin community. This centralisation has since allowed them to dictate the direction of BTC's development, exercising control over the implementation of **BIPs** and changes to the protocol. These actions are consistent with those of a business managed by partners, wherein a small group assumes control over significant decisions.

137. **Structured Decision-Making**: The **BIP process** serves as a formal mechanism through which the developers collectively decide on changes to the BTC protocol. The process involves proposals, reviews, and consensus-building, resembling the decision-making procedures of a **partnership firm**. Access to the repository is limited to developers with **commit access**, who make decisions jointly on the integration of protocol changes. This structure is not dissimilar to a **board of partners** who have exclusive control over key decisions.

3. Mutual Economic Benefits and Commercial Interests

138. **Financial Alignment with Commercial Entities**: The developers have engaged in actions that directly benefit **Blockstream**, **Lightning Labs**, and other commercial partners. These entities have vested interests in the technologies developed and promoted by BTC Core, such as the **Lightning Network** and **Liquid Network**, which rely on protocol changes like **SegWit**. The introduction of SegWit enabled the use of off-chain solutions, facilitating the Lightning Network, which furthered the business interests of these affiliated entities. The

economic gains from these innovations and market positioning are mutually shared between the developers and these companies, consistent with the **profit-sharing** characteristic of a partnership.

4. Misrepresentation and Deception Regarding Income

139. The mischaracterisation of regular income as "donations" by the BTC Core developers is a deliberate misrepresentation. By labelling their payments as donations, the developers evade tax obligations and obscure the true nature of their income. These payments support their daily activities and professional work on BTC, making it clear that these funds constitute regular **remuneration** for their efforts rather than voluntary contributions. This deceptive practice undermines the transparency of their financial arrangements and highlights the coordinated nature of their actions, which are consistent with **business management** rather than independent volunteerism.

5. Public Representations and Strategic Control of Market Perception

140. **Misrepresentation of BTC as Bitcoin**: The BTC Core developers have consistently marketed BTC as the true and legitimate version of Bitcoin, despite the significant deviations from the original protocol. This marketing is supported through **public speaking engagements**, **media interviews**, and **industry events** where the developers present BTC as a continuation of Bitcoin's lineage. These representations mislead consumers and investors, creating the impression that BTC aligns with **Satoshi Nakamoto's original vision**, even though the changes implemented fundamentally alter the nature of the system.

141. **Marketing Coordination with Exchanges**: The developers have leveraged relationships with **cryptocurrency exchanges** to ensure that BTC is listed as "Bitcoin" while **BSV** and other alternatives are marginalised. This has led to a scenario where exchanges, under the influence of BTC Core, have adopted a narrative that excludes or minimises the legitimacy of BSV. This coordination between developers and exchanges indicates a **strategic partnership**, aimed at

maintaining BTC's market dominance and excluding competition. The collective benefit derived from maintaining BTC as the market leader fits within the framework of a partnership under English law.

6. Illegality and Breach of Law

142. **Unlawful Removal of Repository Access**: The exclusion of **Gavin Andresen** from his role as a steward of the Bitcoin code repository, after being appointed by Satoshi Nakamoto, involved unauthorised actions by other developers. This removal breached the **Computer Misuse Act 1990** in the UK, as it involved altering access controls to the repository without authorisation. Such conduct is consistent with unlawful interference in the management of a digital asset, further illustrating the coordinated nature of the developers' actions.

143. **Facilitation of Anonymity and Potential Money-Laundering**: The introduction of changes like **SegWit** and **Taproot** facilitated the development of systems such as the **Lightning Network**, which enable **off-chain transactions** and enhance **anonymity**. This shifts Bitcoin from a **traceable** digital cash system to one that enables **anonymity** and potentially facilitates **money-laundering**. By providing the software infrastructure that supports anonymous transactions, the BTC Core developers have contributed to a system that risks violating **Anti-Money Laundering (AML) laws** and regulations. This involvement in creating and supporting a structure that could be used for illicit activities demonstrates the risks posed by the partnership's actions.

Conclusion - Detailed Evidence Supporting the Existence of a Partnership

144. The evidence provided supports the assertion that the **BTC Core developers** function as a **partnership** under **English law**. Their structured control over the BTC protocol, joint decision-making, mutual economic interests, and coordinated public messaging demonstrate a collective enterprise that fits the definition of a partnership. Their actions have led to the **misrepresentation** of BTC as "Bitcoin" and have caused substantial harm to **BSV**. The claimant seeks redress for

the **damages** caused by this partnership's actions, including harm to **BSV's** market position and the deception of consumers and investors, in violation of English law and the conditions under which Bitcoin was made available to the public.

Particulars of Misrepresentation - Detailed Analysis of BTC Core Developers' Actions

145. The claimant asserts that the **BTC Core developers** have engaged in a **pattern of misrepresentation** that has caused confusion in the market, misleading the public, investors, and consumers about the nature of **BTC** and its relationship to **Bitcoin**, thereby causing direct harm to the claimant's reputation and financial interests. This misrepresentation arises from actions and communications by the BTC Core developers that falsely associate **BTC** with the original Bitcoin as conceived by **Satoshi Nakamoto** and represented by **Bitcoin Satoshi Vision (BSV)**. Below is a detailed breakdown of the basis for this claim of misrepresentation:

1. Misleading Public Communications and Representations

146. The BTC Core developers have consistently marketed and presented **BTC** as a continuation of **Bitcoin**, despite significant changes to the protocol that deviate from the **original version** as described in **Satoshi Nakamoto's White Paper**. Through various **public statements, conferences, and social media communications**, they have misled the public into believing that BTC remains faithful to the principles of the original Bitcoin protocol, including its design as a **peer-to-peer electronic cash system** for **small, casual transactions**.

147. These statements create a **false narrative** that suggests BTC is the authentic version of Bitcoin, when in fact it has implemented changes such as **Segregated Witness (SegWit)** and **Taproot** that alter the fundamental characteristics of the system. The **misrepresentation** has been propagated through high-profile appearances by BTC Core

developers at **conferences** and **industry summits**, where they leverage their status and visibility to present BTC as "Bitcoin." This messaging has confused consumers and the media, who have been led to associate BTC's altered protocol with the original **Bitcoin White Paper**, even though it no longer aligns with **Satoshi Nakamoto's** vision of Bitcoin as a **scalable digital cash system**.

2. Alteration of Protocol and Misrepresentation of Continuity

148. The introduction of **SegWit** by the BTC Core developers in 2017 marked a significant **deviation** from the original Bitcoin protocol. SegWit fundamentally altered how transactions are recorded on the blockchain, splitting transaction signatures from transaction data, and making it incompatible with the original data structures of Bitcoin. This change facilitated the development of the **Lightning Network**, which shifts transactions off-chain and introduces a level of **anonymity** that is incompatible with Bitcoin's design as a **traceable** system of digital cash. Despite this fundamental divergence, BTC Core has continued to present BTC as a continuation of the original Bitcoin.

149. The public has been misled into believing that BTC's introduction of SegWit and subsequent features like **Taproot** are mere updates or improvements, rather than alterations that constitute a new system. Taproot, introduced in 2021, further changes Bitcoin's privacy model and transaction functionalities, enhancing **anonymity** and deviating from the **traceable** nature of the original protocol. The **misrepresentation** lies in the failure of BTC Core developers to make clear that these changes mean BTC no longer conforms to the **original Bitcoin system**, leading to a **false association** between BTC's modified version and **BSV**, which remains aligned with **Satoshi Nakamoto's original protocol**.

3. Misrepresentation Through Control Over the Narrative

150. The BTC Core developers and their commercial partners have strategically controlled the **narrative** surrounding Bitcoin through

their influence over **major cryptocurrency exchanges**, **media outlets**, and **industry influencers**. This control has enabled them to ensure that **BTC** is consistently listed under the **ticker symbol "Bitcoin"** on most exchanges, despite the significant differences between BTC's current protocol and the original version of Bitcoin. As a result, **BSV**, which adheres to the original Bitcoin protocol, is often sidelined or mischaracterised as a lesser version.

151. This manipulation of the narrative is deliberate and part of a broader effort to **misrepresent** BTC's status as Bitcoin, which has led to **consumer confusion** and **market distortion**. By controlling how exchanges list these digital assets and by influencing the perception of Bitcoin within the **cryptocurrency community**, the BTC Core developers have reinforced a **false equivalence** between BTC and the original Bitcoin, thereby depriving the public of a clear understanding of the differences between these protocols. This has caused **significant harm** to the reputation of **BSV**, as the public is unable to make informed decisions based on accurate representations of each system's features.

4. Economic Impact of Misrepresentation

152. The **economic harm** caused by the BTC Core developers' misrepresentation is substantial. The **inflated market valuation** of BTC is built upon the belief that it is a continuation of Bitcoin, leading to a **disparity** between the market valuations of BTC and **BSV**. By promoting BTC as Bitcoin, the developers have **artificially boosted** BTC's value, creating a false perception of **market dominance**. This misrepresentation has diverted investment away from **BSV**, causing a significant **devaluation** of BSV's market position and **financial losses** to the claimant.

153. Furthermore, the **narrative** propagated by the BTC Core developers has directly influenced **investor behaviour**, resulting in a misallocation of resources that would otherwise have flowed to **BSV**. This creates a **market distortion**, as BTC attracts investment under

the guise of being the original Bitcoin when it is, in reality, a **modified and divergent** version. The **inflated valuation** of BTC has not only damaged BSV's market standing but has also **misled investors**, who were led to believe they were purchasing an asset aligned with the original Bitcoin vision, when in fact they were investing in a system that has diverged fundamentally.

5. Fraudulent Misrepresentation and Dishonest Conduct

154. The misrepresentation by the BTC Core developers may further constitute **fraudulent misrepresentation** under **English law**, as it involves **knowingly false statements** made with the intention to deceive. The developers, fully aware of the substantial changes introduced into BTC, have continued to market it as the authentic version of Bitcoin. This behaviour fits within the definition of **fraudulent misrepresentation**, as it involves a **deliberate intention** to mislead the public and **profit** from the resulting confusion.

155. By presenting BTC as aligned with **Satoshi Nakamoto's** original vision and concealing the material differences, the BTC Core developers have engaged in conduct that is intended to secure **financial gains** for themselves and their partners. This includes the **income** derived from their activities, which they have mischaracterised as "donations" to **evade taxation**, further highlighting the **dishonest nature** of their conduct. The resulting **damage to BSV's reputation** and **market position** is a direct consequence of this **fraudulent misrepresentation**, which has distorted the market and **harmed** consumers, investors, and the wider public who have been **misled** by these actions.

6. Breach of Consumer Protection Laws

156. The **misrepresentation** by BTC Core may also constitute a breach of **consumer protection laws** in the UK, such as the **Consumer Protection from Unfair Trading Regulations 2008 (CPRs)**. Under

these regulations, misleading actions that cause or are likely to cause consumers to take transactional decisions they would not otherwise have taken are prohibited. The **presentation of BTC as Bitcoin** and the **downplaying** of the material changes introduced through SegWit, Taproot, and other modifications has led consumers and investors to make decisions based on **false information**. The **failure** to accurately disclose the nature of these changes and their impact on the **identity of Bitcoin** constitutes a **misleading practice** that is actionable under these regulations.

157. By failing to inform the public that BTC's changes mean it no longer conforms to **Satoshi Nakamoto's vision**, the BTC Core developers have **misled** consumers about the nature and characteristics of the product they are purchasing. This has resulted in **economic harm** to consumers, who have been deprived of the opportunity to make **informed investment decisions**. Such practices may be subject to enforcement action under UK consumer protection laws, adding a further layer of **liability** to the actions of BTC Core.

Conclusion - Comprehensive Case of Misrepresentation

158. The **misrepresentation** by the BTC Core developers extends beyond mere public statements; it is a **systematic effort** to alter the perception of BTC in the market, to the **detriment** of **BSV** and those who have invested in the original Bitcoin protocol. Through **fraudulent misrepresentation**, **misleading marketing practices**, and the manipulation of **public perception**, the BTC Core developers have caused **substantial economic harm** to **BSV**. This harm has been further compounded by the actions taken to **centralise control** of the narrative, mislead **exchanges**, and **divert investment** away from **BSV**. The claimant, having suffered **financial and reputational damage** as a direct result of these actions, seeks **redress** for the harm caused by this **unlawful conduct** under **English law**.

Particulars of Damage - Financial Loss and Harm to Reputation

159. The claimant, **Dr. Craig Wright**, asserts that the **misrepresentation** by the **BTC Core developers** has caused significant **financial loss** and **damage** to the reputation of **Bitcoin Satoshi Vision (BSV)** as the original and rightful continuation of **Bitcoin**. This harm has manifested in both direct **economic losses** and broader **damage to the market perception** of BSV, impacting its **brand equity** and **commercial viability**. The following points outline the extent of the damage caused by the BTC Core developers' **misleading conduct**:

1. Financial Loss Due to Market Devaluation

160. The actions of the **BTC Core developers**, specifically their **misrepresentation** of BTC as the original Bitcoin, have resulted in a significant **devaluation of BSV** in the marketplace. The **false association** of BTC with the original Bitcoin has led to **market confusion**, causing investors and consumers to divert their interest, confidence, and investments away from BSV. As a result, **BSV's market valuation** has suffered a **substantial decline**, while BTC has attracted an **inflated valuation** based on a **misleading premise**.

161. The **difference in market valuation** between **BSV**, which trades around **£50 per unit**, and **BTC**, which trades in the range of **£48,000 per unit**, illustrates the **disparity** that arises from this misrepresentation. This difference is not a reflection of the intrinsic **technological superiority** or **market adoption** of BTC, but rather the result of **misleading information** perpetuated by the BTC Core developers, who have mischaracterised BTC's relationship to **Satoshi Nakamoto's** original protocol.

162. This **artificially-induced market preference** for BTC has caused **direct economic loss** to the claimant, as **BSV** has been unfairly **undervalued** and **displaced** from its rightful position in the **digital asset market**. The damages sought reflect the **financial impact** of this misrepresentation, estimated at **£911 billion**, as outlined in the

claim form. This figure accounts for the potential value of **BSV** if it had been accurately recognised as the original Bitcoin.

2. Reputational Harm and Loss of Goodwill

163. Beyond **financial loss**, the **reputation** of **BSV** as the true **Bitcoin** has been **severely damaged** by the **misleading actions** of the **BTC Core developers**. Their **misrepresentation** has led to widespread **market confusion**, resulting in **diminished brand equity** for BSV. The deliberate **mischaracterisation** of BTC as the legitimate successor to **Satoshi Nakamoto's vision** has tarnished the public perception of **BSV**, causing consumers to doubt its **authenticity** and **credibility**.

164. This loss of **goodwill** is evident in the **exclusion** of **BSV** from key **exchanges**, its **marginalisation** within **public discourse**, and the **narrative dominance** of BTC as "Bitcoin." The **coordinated efforts** of the BTC Core developers to promote BTC as the rightful Bitcoin have led to **negative publicity** and **reputational damage** for BSV, further compounding the **financial harm** suffered by the claimant.

165. This **misrepresentation** has caused **irreparable damage** to **BSV's market standing** and has **eroded** the trust that consumers, investors, and businesses place in it. As a result, the **potential market opportunities** for **BSV** have been **diminished**, and its ability to **attract new investment** and **partnerships** has been **significantly impaired**. This **diminished perception** directly correlates with the **misleading actions** of the BTC Core developers and their **strategic misrepresentation** of BTC as the continuation of **Bitcoin**.

3. Impact on Commercial Relationships and Business Opportunities

166. The misrepresentation has further **impeded** the ability of **BSV** to secure **commercial relationships** and **partnerships** that would have naturally flowed to the **original Bitcoin protocol**. **Exchanges**, **payment processors**, and **blockchain-based businesses** have been misled into prioritising **BTC** due to the false belief that it represents the true Bitcoin. This has **restricted BSV's market reach** and

hampered its adoption, undermining the **commercial potential** of **business ventures** that are built on BSV's platform.

167. The **confusion** created by the **BTC Core developers** has also affected **merchants** and **service providers** who seek to integrate **Bitcoin** for **payments** and **transactions**, as many of these entities have adopted **BTC** under the mistaken belief that it retains the original features outlined in **Satoshi Nakamoto's White Paper**. This **misdirected integration** has deprived **BSV** of its **rightful place** as the **original Bitcoin**, resulting in **lost revenue** and **business opportunities** for the claimant and the **BSV ecosystem**.

4. Damage to Intellectual Property Rights and Brand Identity

168. The **misrepresentation** of BTC as Bitcoin also constitutes an **infringement** on the **intellectual property rights** and **brand identity** associated with **Bitcoin** as originally created by **Satoshi Nakamoto**. By falsely claiming that **BTC** is the original Bitcoin, the **BTC Core developers** have effectively **appropriated** the **intellectual legacy** of **Satoshi Nakamoto**, causing **brand dilution** and **confusion** among those who seek to understand the **true nature** of **Bitcoin**.

169. This **appropriation** has not only caused **economic harm** but has also **undermined** the integrity and **brand strength** of **BSV**, which remains aligned with **Satoshi's vision**. The **unauthorised use** of the name "Bitcoin" for a system that has deviated significantly from **Satoshi's original protocol** constitutes **passing off**, as the **BTC Core developers** have misled the public into associating their product with a **brand identity** that rightfully belongs to **BSV**. This has damaged **BSV's reputation** in the market and **diluted** its claim to the **original Bitcoin brand**, resulting in **ongoing harm** to the claimant's **intellectual property interests**.

Conclusion - Substantial Damage Caused by BTC Core's Misrepresentation

170. In summary, the **misrepresentation** by the **BTC Core developers** has caused extensive **financial loss** and **reputational damage** to **BSV**. The false presentation of **BTC** as Bitcoin has **distorted the market**, led to **misallocation of investment**, and **eroded BSV's market standing**. This conduct has harmed the **goodwill** and **intellectual property rights** associated with the **original Bitcoin**, resulting in **significant economic and reputational damage** to the claimant. The claimant seeks **redress** for these harms, including **compensation** for the **devaluation** of **BSV** and **restoration** of its **rightful place** as the **original Bitcoin**.

Particulars of Goodwill - The Reputation and Value Associated with Bitcoin Satoshi Vision (BSV)

171. The claimant, **Dr. Craig Wright**, asserts that he has built and maintained a substantial body of **goodwill** around **Bitcoin Satoshi Vision (BSV)** as the **original Bitcoin**, adhering closely to the protocol and vision set out by **Satoshi Nakamoto** in the **Bitcoin White Paper**. This goodwill is rooted in **BSV's adherence** to the principles of a **peer-to-peer electronic cash system** designed for **small, casual transactions**, offering a stable and scalable solution for **digital payments**. The integrity of this system has created a trusted platform that businesses, developers, and consumers can rely upon, leading to substantial investments in **BSV-based technologies** and **commercial ventures**.

1. Goodwill Established through the Original Vision

172. **BSV's reputation** is inextricably linked to its position as the **true continuation of Satoshi Nakamoto's original Bitcoin**. The **Bitcoin White Paper** outlined a vision for **peer-to-peer digital cash**, prioritising **scalability**, **efficiency**, and **stability**. Unlike BTC, which has introduced substantial **protocol changes** that deviate from this original blueprint, **BSV** has remained faithful to the **original**

protocol. This commitment has established **BSV** as a **reliable platform** for **businesses and individuals** who seek to utilise Bitcoin as it was originally intended—an **efficient, low-cost transaction system** for day-to-day digital commerce.

173. The claimant has actively promoted this vision, building a reputation around **BSV** as a **legitimate representation of Bitcoin**. This has created **substantial goodwill** in markets that value **BSV's adherence** to the original **Bitcoin protocol**. The **loyalty** of these markets and **participants** contributes significantly to the value of **BSV**, reflecting a trust in its consistency, reliability, and alignment with **Satoshi Nakamoto's original design**.

2. Commercial Success and Investment in BSV

174. The claimant's **efforts** to uphold **Bitcoin's original design** have attracted **significant investment** in the **BSV ecosystem**. Various **businesses, developers, and technology companies** have adopted **BSV** for their applications, products, and services, recognising its **scalability** and **efficiency**. The **goodwill** associated with **BSV** is evidenced by the development of numerous **commercial ventures** built on its platform, ranging from **blockchain-based solutions** for **supply chain management** to **digital payment systems**.

175. This **ecosystem** represents a substantial part of the **BSV brand's value**, reflecting the trust that **businesses** place in **BSV's long-term viability** as a stable platform. These commercial partnerships further reinforce **BSV's status** as the **original Bitcoin**, with a reputation for providing the **robust infrastructure** necessary for **scalable applications**. The **goodwill** built around this ecosystem is a direct result of the **claimant's commitment** to maintaining the **authentic vision** of **Bitcoin** as set out in the **White Paper**.

3. Impact of Market Position and Brand Equity

176. The **brand value** of **BSV** is built upon its identity as a **continuation of the original Bitcoin protocol**. This identity has attracted

consumers and **investors** who value **transparency**, **traceability**, and **stability** in a **digital currency**. **BSV's reputation** as a system that is true to the **Bitcoin White Paper** has established **market goodwill**, creating a **competitive advantage** over those systems, such as **BTC**, which have diverged from **Satoshi's vision**.

177. The **goodwill** associated with **BSV** also extends to its **community of supporters**, including **developers**, **investors**, and **business partners**, who see **BSV** as embodying the **original principles** of **Bitcoin**. This **community loyalty** contributes to the **intangible value** of the **BSV brand**, which is directly linked to the **trust** that **Satoshi Nakamoto's** design remains intact in **BSV**.

Conclusion - Goodwill as a Valuable Asset Undermined by Misrepresentation

178. The **goodwill** established by **Dr. Wright** and **BSV** is a significant **commercial asset**, built upon the **authenticity** of **BSV** as the **true Bitcoin**. This **goodwill** has been directly harmed by the **misrepresentation** by **BTC Core developers**, whose actions have **confused consumers** and **devalued** the brand equity of **BSV** by falsely presenting **BTC** as the **original Bitcoin**. The claimant seeks **compensation** for the **damage** to this **goodwill** and for the **economic loss** suffered as a result of the **misleading actions** that have undermined **BSV's market position** and **reputation**.

Copyright and Database Rights of the Original Bitcoin Protocol

179. Satoshi Nakamoto, the pseudonymous creator of Bitcoin, vested the **copyright** and **database access rights** in the **original version** of Bitcoin, as outlined in the **Bitcoin White Paper** and the initial implementation of the **Bitcoin software**. This version defined the protocol's fundamental principles, including its **transaction validation rules**, **block structure**, and the **proof-of-work mechanism**. It was designed as a **peer-to-peer electronic cash system** that allowed users to **transact directly** without needing to rely on third-party intermediaries.

180. The rights to this **original version** were inherently tied to the **protocol as it existed at the time** of its creation, ensuring that any software or database access rights would be used **in alignment with the original intent** and **design** as set forth by **Satoshi Nakamoto**. This included the right to use the **blockchain ledger** and to participate in the **Bitcoin network** according to the **unchanged protocol rules**.

181. When Satoshi stepped away from active development, he left behind a system governed by a specific set of rules—a system where the **database rights** and the **software usage rights** were intrinsically linked to the **unaltered version** of the protocol. This **inheritance** did not grant authority to **BTC Core developers** or any other parties to **alter the fundamental protocol rules**. Instead, any **derivative systems** that made changes to the original Bitcoin protocol, such as **introducing SegWit** or altering transaction processing methods, would no longer fall within the scope of the **copyright** and **database rights** originally provided by Satoshi.

182. Furthermore, the introduction of **changes** by entities like **BTC Core**—including **protocol modifications** and the creation of new features—constitutes a **deviation** from the **original design**. These actions have led to the creation of **different systems** that diverge from the principles of **Satoshi's Bitcoin**. As such, these entities cannot claim the **database rights** or the **brand identity** associated with the **original Bitcoin**. The rights to the **Bitcoin ledger** and the **database of transactions** remain with those who adhere to the **original protocol**—a protocol that is immutable and set forth by **Satoshi** without authorisation for subsequent fundamental alterations.

183. Moreover, the **BTC Core developers'** actions to remove **Gavin Andresen**, Satoshi's designated **steward**, from the **repository control**, and to restrict access to the original database through their modifications, further underscore the **illegitimate control** over **Bitcoin's development**. These actions, particularly the **unauthorised changes** to the software and exclusionary practices, not only breach the **original terms** of the protocol but may also constitute

violations of computer misuse legislation in the United Kingdom. Their alterations were made without the express **consent** or **authority** granted by Satoshi, effectively denying users access to the **original system** while falsely representing a changed protocol as "Bitcoin."

184. The **claimant** contends that only those adhering to the **original protocol** maintain a legitimate claim to the **database rights** and the **reputation** associated with **Bitcoin**. The modifications made by **BTC Core** represent a **departure** from **Satoshi's original vision**, and as such, any claim by BTC to the **name** or **database rights** of the original **Bitcoin** is misleading and **unfounded**.

Dr Wright's claim

185. The wrongful use of the Original System in the manner set out above gives rise the causes of action set out in the following paragraphs for which Dr Wright is entitled to claim relief.

Passing off

186. Dr Wright is the owner of goodwill which exists in the name "Bitcoin". It designates the electronic cash system defined in the White Paper and operated by means of the software which *Satoshi Nakamoto* personally controlled up to and including April 2011 when *Satoshi Nakamoto* delegated control of the software repository to Mr Andresen, and which is referred to herein as the Original System.

187. Dr Wright holds substantial goodwill in the name "Bitcoin," which has accrued through the development, promotion, and investment in the original Bitcoin electronic cash system, as defined in the White Paper by Satoshi Nakamoto. This goodwill is closely tied to Bitcoin's identity as a peer-to-peer electronic cash system designed to facilitate small, casual transactions over the internet in a scalable manner. The goodwill in the name "Bitcoin" represents the reputation, trust, and recognition built around the original digital cash system that operates strictly in accordance with the unchanged principles and protocol rules established by Satoshi Nakamoto.

188. Dr Wright's role as an investor and a stakeholder in the Bitcoin system is integral to this claim. His substantial financial investment in businesses, technologies, and applications developed in alignment with the original Bitcoin protocol has further solidified the goodwill in the Bitcoin name. This goodwill is derived from a recognition that the original Bitcoin—which Dr Wright has invested in and promoted—adheres to the authentic protocol and transaction system that Satoshi Nakamoto initiated, remaining faithful to its original purpose. The value and trust in this system have been directly tied to the public's association of Bitcoin with the original decentralised system of digital cash, as described in the White Paper.

189. Satoshi Nakamoto, as the creator and author of the White Paper, personally controlled the software repository and development of Bitcoin until April 2011. At that time, control of the repository was delegated to Mr. Gavin Andresen, following Satoshi's departure. This transfer of control was intended to maintain the integrity and principles of the original system, which is now referred to as the Original System. It is this Original System—unmodified in its core functionality and continuing to reflect Satoshi's vision—that has accumulated goodwill through continued investment, promotion, and development by Dr Wright.

190. The misrepresentation by the BTC Core developers, who have altered the protocol through changes like SegWit and Taproot, has led to a fundamental departure from the original system. Despite this, they continue to promote their version as "Bitcoin," causing confusion and misleading the public into believing that BTC is synonymous with Bitcoin as originally defined by Satoshi Nakamoto. This false representation undermines the goodwill associated with Dr Wright's investments and the Original System, damaging the reputation of Bitcoin Satoshi Vision (BSV), which remains faithful to the unchanged Bitcoin protocol.

191. Dr Wright's claim is rooted in the principles of passing off under English law, where he seeks protection for the goodwill that exists in the name

"Bitcoin" and its association with the Original System. The unauthorised appropriation of the Bitcoin name by those promoting BTC as the legitimate continuation of Bitcoin constitutes misrepresentation, leading to loss of business, reputational damage, and market confusion. Dr Wright asserts that this passing off has led to significant financial harm to his investments and has undermined the market value of BSV as the authentic representation of the original Bitcoin system.

192. Through this claim, Dr Wright seeks to protect the integrity of the goodwill and market position that has been established through adherence to Satoshi Nakamoto's original vision, and to prevent further misrepresentation that continues to damage the reputation and commercial interests associated with the true Bitcoin protocol.

193. The name "Bitcoin" designates the Original System and has certain features specified and implemented by him for that system, including, in particular, those specified in paragraphs above. As more particularly set out, the Modified Systems (e.g. BTC) have deviated from the Original System by omitting some or all of such features.

194. By y using the name "Bitcoin" for their Modified Systems, each of the defendants has falsely passed off their electronic systems as and for electronic cash systems:

(1) Purportedly authorised or approved of by Satoshi Nakamoto, and

(2) embodying the qualities and characteristics as defined in the White Paper, including its description as a peer-to-peer electronic cash system intended for small, casual transactions, and

(3) By doing so, the defendants have created confusion among consumers, leading them to believe that the systems developed by the defendants are a continuation of the original Bitcoin as

envisioned and defined by Satoshi Nakamoto, despite the significant deviations in protocol and functionality, and

(4) having the characteristics defined in the White Paper.

Subsistence of copyright and database right

195. The contents of the Genesis Block constitute an original literary work, created by Satoshi Nakamoto, and were the result of the exercise of substantial intellectual creativity on his part.

196. Furthermore, the structure and format of the Bitcoin blockchain and each of the individual blocks in the blockchain also constitute original literary works, created by Satoshi Nakamoto, and were also the result of the exercise of substantial intellectual creativity on his part.

197. Copyright subsists in all signatory countries to the Berne and Universal Copyright Conventions in (1) the Genesis Block (2) the structure and format of each individual block in the blockchain after the Genesis Block and (3) the structure and format- of the Bitcoin blockchain as a whole. Such copyright is owned by Satoshi Nakamoto.

198. Furthermore each of the following is a database within the meaning of Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases (the "**Database Directive**", namely (1) the Genesis Block (2) each individual block in the blockchain and (3) the Bitcoin blockchain as a whole.

199. Satoshi Nakamoto is the maker of each of the databases within the meaning of Article 7 of the Database Directive having regard to the facts that he created the Genesis Block, he wrote the original software (on which all subsequent versions of the software controlling Bitcoin is based) and as a result he made a substantial investment in the obtaining and verification of the contents of the databases.

200. Satoshi Nakamoto, in his role as the creator of the Genesis Block and the original Bitcoin software, intended the database he created to be used exclusively in conjunction with the original Bitcoin protocol,

without modifications to the foundational rules set forth at the time of its creation. His actions—developing the original blockchain, defining its rules, and initiating the network—established a framework where the Bitcoin database could only be properly utilised as part of the unaltered protocol. By design, any use of the database outside the context of Bitcoin's original system would deviate from the vision and stipulations Satoshi put in place. Therefore, the database rights tied to the Bitcoin blockchain were intended solely for those maintaining the system in its original, unchanged form. The creation of the BTC protocol, which fundamentally diverged from this design through alterations like SegWit, represents a misapplication of the original database that Satoshi left for the continued use of Bitcoin in its authentic, unaltered state.

201. Satoshi Nakamoto, in his role as the creator of the Genesis Block and the original Bitcoin software, intended the database he created to be used exclusively in conjunction with the original Bitcoin protocol, without modifications to the foundational rules set forth at the time of its creation. His actions—developing the original blockchain, defining its rules, and initiating the network—established a framework where the Bitcoin database could only be properly utilised as part of the unaltered protocol. By design, any use of the database outside the context of Bitcoin's original system would deviate from the vision and stipulations Satoshi put in place. Therefore, the database rights tied to the Bitcoin blockchain were intended solely for those maintaining the system in its original, unchanged form. The creation of the BTC protocol, which fundamentally diverged from this design through alterations like SegWit, represents a misapplication of the original database that Satoshi left for the continued use of Bitcoin in its authentic, unaltered state.

202. Dr Wright is therefore entitled to the rights provided in the Database Directive to the maker of a database in all the territories of the EU including, even after Brexit has taken effect, the UK.

203. The copyrights and database rights referred to above are for convenience hereafter compendiously referred to as "the Intellectual Property".

Infringement of copyright and database right

204. Dr Wright has made significant investments in developing and extending **systems built on Bitcoin**, creating additional technological infrastructure that aligns with the **original Bitcoin protocol**. His developments build upon the initial framework laid out by **Satoshi Nakamoto**, enhancing the system without altering its fundamental principles as described in the **Bitcoin White Paper**. These extensions and systems operate under the original **protocol rules** that define Bitcoin as a **peer-to-peer electronic cash system**, remaining true to the **stable and unaltered design** that Satoshi established.

205. However, Satoshi Nakamoto did not grant any licences or permissions to entities that sought to alter the original protocol or create **Modified Systems** that deviate from **Bitcoin's foundational principles**. The **BTC Core developers**, through their implementation of changes such as **SegWit** and **Taproot**, have diverged from the **authentic protocol**, creating a version of Bitcoin that no longer adheres to **Satoshi's original vision**. These modifications breach the terms under which **Satoshi Nakamoto** provided access to the **Bitcoin protocol** and violate the expectations of a **stable, unchanging system** that forms the basis for Dr Wright's investments and developments.

206. The Defendants have engaged in actions that involve the **unauthorised reproduction and use** of the **Bitcoin-related databases** and **literary works** developed by **Satoshi Nakamoto** and extended through the efforts of **Dr Wright**. These actions include incorporating the **intellectual framework** of the **original Bitcoin protocol** into their modified systems without adhering to the terms under which access to this framework was provided. Their activities involve the reproduction of **elements of the original code** and databases for use in promoting and maintaining their own **altered**

systems, such as BTC. This constitutes a breach of the **terms of access** and the **intellectual property rights** that were inherently tied to the **original Bitcoin system**.

207. Specifically, the actions of the defendants include:

(1) **Breaching the Terminology and Licensing Framework**: Both **Satoshi Nakamoto** and **Dr Wright** have established that the **original database** and the **related intellectual property** were intended to support the Bitcoin network as originally designed, without substantial changes to its protocol. The defendants have disregarded these terms by promoting a **divergent version** of Bitcoin that uses the name, reputation, and **database framework** of the original, while altering key components.

(2) **Violation of Database Rights**: The defendants' use of the **original database structures** to support their own **modified versions** of Bitcoin represents a **violation** of the terms under which access to the database was made available. They have utilised **copies of the blockchain**, originally created for the **unaltered protocol**, to support their systems, despite diverging from the rules that governed the **creation and maintenance** of that database. This **unauthorised use** undermines the integrity of the **database rights** tied to the original system, which Dr Wright has built upon and invested in.

(3) **Infringement of Copyright**: The defendants have also breached the **copyright associated with Satoshi Nakamoto's original works**, which includes the **Bitcoin White Paper** and the initial software release. The **use** of these works in their **modified systems** has been conducted without proper authorisation and outside the scope of any implied licences that would have covered the use of the original protocol. By promoting their **altered versions** of Bitcoin while still leveraging the **name and principles** associated with the

original, the defendants are effectively misappropriating the **literary and database rights** that remain connected to the **authentic Bitcoin protocol**.

208. By using the original name "Bitcoin" and incorporating **elements** of the **original database and software** into their **Modified Systems**, the defendants have violated both the **terms of access** and the **intellectual property protections** associated with the original **Bitcoin system**. Their actions are not only a misrepresentation but a **breach of the foundational conditions** under which access to **Bitcoin's database** was initially provided by **Satoshi Nakamoto**. The alterations made to the protocol undermine the **stability** of the original system, creating a fundamentally different product that **misleads** users and **exploits the reputation** of **Bitcoin** as originally conceived.

209. The defendants' activities, including the **promotion** and use of the **Bitcoin name** for their **Modified Systems**, constitute a clear **infringement of the rights** held by **Dr Wright** and those who have invested in **maintaining the original protocol**. The unauthorised use of the **Bitcoin brand**, its **software elements**, and its **database structures** for the purposes of promoting a system that **diverges from Satoshi's principles** is both a **violation of copyright law** and a **breach of the expectations** that were set when **Bitcoin** was made publicly available as an **unchangeable system**.

210. Using the **intellectual property** and **database rights** without a licence or authorisation, while presenting these altered systems as "Bitcoin," constitutes a **direct infringement** of the copyright and database protections that **Satoshi Nakamoto** and **Dr Wright** established. The **BTC Core developers'** actions in promoting a **divergent protocol** as if it remains aligned with **Bitcoin's original vision** have caused **substantial harm** to the **reputation** and **economic interests** tied to the authentic **Bitcoin system**, as preserved by those following the original rules. This **unauthorised use** has also led to **confusion in the market**, diluting the value and

goodwill of the **true Bitcoin**, to the **detriment of BSV** and **Dr Wright's investments**.

211. Satoshi Nakamoto did not, however, grant licences in respect of other systems and in particular he did not license the reproduction and use of the Intellectual Property for the purposes of the Modified Systems.

The defendants

212. This section provides a detailed account of each defendant involved in the misrepresentation and unauthorised use of the **Bitcoin name**, focusing on their role in operating **Modified Systems** that diverge from the original protocol as defined by **Satoshi Nakamoto**. The following defendants include **BTC Core developers**, **Square, Inc. (now Block, Inc.)**, **COPA** (Cryptocurrency Open Patent Alliance), **members of COPA**, and various **associated entities**, including **exchanges** that have engaged in collusion to misrepresent **BTC** as the original **Bitcoin**. Although the **partnership** is **global**, it has substantial operations in **England and Wales**, making the **jurisdiction** relevant for this claim.

BTC Core Developers

213. The **BTC Core developers** are a small, centralised group of individuals who have assumed control over the **BTC software repository** on **GitHub**. These developers have been instrumental in introducing significant changes to the **Bitcoin protocol**, including **Segregated Witness (SegWit)** and **Taproot**, thereby creating a **Modified System** that diverges from the original Bitcoin protocol established by **Satoshi Nakamoto**. The BTC Core developers exercise **substantial influence** over the direction of BTC through their control of **Bitcoin Improvement Proposals (BIPs)** and their ability to decide which changes are merged into the software.

214. The BTC Core developers have a **global presence**, but many have direct ties to **entities and activities** based in **England and Wales**. Their participation in **conferences, workshops**, and **industry events** held in London and other UK locations underscores their

involvement in the region. Additionally, some BTC Core developers have received **funding** from entities with significant **UK operations**, further establishing their presence and activities within this jurisdiction.

Square, Inc. (now Block, Inc.)

215. **Square, Inc.**, rebranded as **Block, Inc.**, is a publicly traded company that has played a significant role in **promoting BTC** as the legitimate version of Bitcoin. Through its **subsidiaries**, including **Cash App**, **Square** has facilitated the **purchase, sale, and holding of BTC** for UK-based customers, promoting **BTC** as **Bitcoin** without clarifying the significant differences between BTC and the original **Bitcoin system**. By integrating BTC into its **payment solutions** and offering BTC as a **trading asset** within the **Cash App** platform, Square has contributed to the **misrepresentation** that BTC is consistent with **Bitcoin's original vision**.

216. Block, Inc. is an active **participant in COPA**, an organisation that seeks to **pool cryptocurrency patents** and intellectual property rights. Through COPA, Square has aligned itself with the **BTC Core narrative** and has actively worked to promote BTC's dominance in the market. **Square's operations in the UK**, including through its **payment services** and **financial technology solutions**, demonstrate its active role in the **dissemination and promotion** of BTC to consumers and businesses in **England and Wales**.

Cryptocurrency Open Patent Alliance (COPA)

217. **COPA** (Cryptocurrency Open Patent Alliance) is an **organisation** formed with the purpose of **sharing and pooling cryptocurrency patents** among its members. COPA has positioned itself as a collective voice for **cryptocurrency interests**, advocating for **open innovation** while supporting the **BTC Core developers** and their narrative that BTC is **Bitcoin**. COPA's membership includes major **technology companies**, **cryptocurrency exchanges**, and **financial**

institutions that have a vested interest in maintaining the market dominance of **BTC**.

218. COPA's activities include **filing lawsuits**, making **public statements**, and engaging in **lobbying efforts** that present BTC as the rightful successor of Bitcoin, despite the protocol deviations introduced by BTC Core developers. **COPA's influence** extends into **England and Wales** through its **members** and their active **business operations** in the UK market. COPA's collaborative actions with its members and the BTC Core developers contribute to the **misrepresentation of BTC** as **Bitcoin**, misleading consumers and businesses in the **UK** about the true nature of the **Bitcoin protocol**.

Members of COPA

219. **COPA** consists of a network of **members**, including **prominent technology companies**, **cryptocurrency exchanges**, and **financial service providers**. Each member has an **economic interest** in ensuring that **BTC** is widely accepted as **Bitcoin**, as this supports their business models and market positioning. These members include companies such as **Coinbase**, **Kraken**, **Gemini**, and **various other exchanges** that have significant **operations in the UK**.

220. These exchanges, through **listing BTC as "Bitcoin"**, have reinforced the **misleading narrative** that **BTC** is synonymous with **Bitcoin**. They have engaged in coordinated efforts to **exclude BSV** from major **listings** and **market access**, thereby **disadvantaging BSV** and **misleading UK investors** about the true nature of **Bitcoin**. The **misrepresentation** perpetuated by these **COPA members** has caused **confusion** in the UK market, where **investors and consumers** have been led to believe that **BTC** remains faithful to the **original protocol**.

Other Associated Entities: Exchanges and Technology Providers

221. Several **cryptocurrency exchanges** and **financial technology companies** have also played a role in **misrepresenting BTC** as

Bitcoin while benefiting from the **narrative** established by the BTC Core developers and COPA. These exchanges include **Binance**, **Bitstamp**, **eToro**, and others, which operate **globally** but maintain **significant user bases** in **England and Wales**. They have listed **BTC** as **Bitcoin**, promoted it as the original cryptocurrency, and implemented **advertising campaigns** that falsely equate **BTC** with **Bitcoin's original principles**.

222. These exchanges and their affiliated technology providers are **complicit** in the **misrepresentation** by offering **BTC products** and **derivatives** to **UK-based investors**, presenting **BTC** as if it retains the characteristics outlined in the **Bitcoin White Paper**. Their activities include providing **trading platforms**, **custody services**, and **payment solutions** that specifically market **BTC** as **Bitcoin**. This has resulted in **consumer confusion** and **financial harm** to those who invested in BTC under the belief that it represented the **original Bitcoin network**.

The Global Partnership and Operations in England and Wales

223. While the **partnership** between the **BTC Core developers**, **Square/Block**, **COPA**, and the associated **exchanges** operates on a **global scale**, they maintain **direct operations** and **significant influence** in **England and Wales**. The **presence of exchanges** that facilitate **BTC transactions**, the **participation in UK-based events**, and the **availability of BTC trading services** to **UK consumers** illustrate their **active role** in promoting and misrepresenting **BTC** within this jurisdiction. The **coordinated efforts** to present **BTC** as the legitimate **Bitcoin** are not limited to their global activities but have a **tangible impact** on the **UK market**, affecting **consumer perceptions** and **investment decisions** in **England and Wales**.

224. These activities amount to a **concerted effort** to misrepresent **BTC** as the original **Bitcoin**, causing **significant harm** to **BSV** and **Dr Wright's investments**. The actions of the **BTC Core developers**, **Square/Block**, **COPA**, its members, and the **exchanges** constitute

misleading practices that violate **UK laws** related to **passing off**, **misrepresentation**, and **intellectual property rights**. The claimant asserts that their **activities in England and Wales** contribute directly to the **misrepresentation** and **economic harm** suffered by **BSV**.

225. Under **English law**, the **Partnership Act 1890** governs general partnerships, and it states that all partners are generally considered **jointly and severally liable** for the actions of the partnership. This means that each partner can be held responsible for the partnership's liabilities, and acts done by one partner within the scope of the partnership are legally binding on all partners.

226. **Service of Legal Documents**: When it comes to **serving legal proceedings** on a partnership, service on **any one partner** is often sufficient to be considered as service on the entire partnership. According to the **Civil Procedure Rules (CPR)**, particularly **CPR 6.5** and **CPR 6.9**, serving a claim form on one partner at their principal place of business or at a given address for service is generally valid for notifying the partnership as a whole. This principle also extends to partnerships that are **not formally registered** or structured, as long as they operate as a **business in common with a view to profit**.

227. However, it is advisable to ensure that **all active partners** are notified, especially in complex or high-value cases, to avoid disputes regarding the validity of service and ensure compliance with the **CPR rules**. This process will be conducted to ensure that all parties are aware of the action.

Service in a Partnership Context

228. The Defendants in this claim include individuals and entities acting as members of a **partnership structure**, involving the **BTC Core developers**, **Square (Block, Inc.)**, **COPA** (Cryptocurrency Open Patent Alliance), **all members of COPA**, and other **affiliated exchanges and technology providers**. Although the partnership operates **globally**, it has substantial activities in **England and Wales**, making it subject to jurisdiction under **English law**.

229. According to the **Partnership Act 1890** and applicable **Civil Procedure Rules**, service of legal proceedings upon **any one member** of this partnership is sufficient to serve the **entire partnership**, binding each member to the proceedings. This is particularly relevant where the defendants have jointly engaged in **promotional activities**, **misrepresentation**, and **control** over the BTC protocol, creating liabilities for the partnership as a whole.

230. Given the structure and operation of the partnership, including **business activities in England and Wales** and **public representations made within this jurisdiction**, service on any one of these members—such as a **BTC Core developer** or a **member of COPA** with a business presence in the UK—will be considered valid service on the **whole partnership**. This applies to all defendants, making them jointly and severally liable for the actions of the partnership in promoting **BTC** as a misrepresented version of **Bitcoin**.

Passing off

231. Each of the defendants engages in activities that **generate revenue** from the use of the **Bitcoin name** and associated **technological systems**. This includes **receiving payments**, **transaction fees**, and **profits from investments** tied to their representations of **BTC** as "Bitcoin." Entities such as **Square/Block**, **BTC Core developers**, **members of COPA**, and affiliated **exchanges** have financial interests directly connected to the promotion and maintenance of **BTC** as the market-dominant form of **Bitcoin**, even though it diverges significantly from the original system.

232. The defendants have used the name “Bitcoin” to describe **various electronic systems** that differ materially from the **electronic cash system** as defined by **Satoshi Nakamoto** in the **White Paper** and implemented through the **software** he helped to develop and control until **April 2011**. These **Modified Systems** include features that deviate from the **original Bitcoin protocol** and do not adhere to the principles and functionalities outlined by **Satoshi Nakamoto** in the

White Paper. By using the name "Bitcoin," the defendants have misrepresented their products, leading to **market confusion** and **devaluation** of the goodwill associated with the original **Bitcoin system** that Dr Wright represents is maintained through **Bitcoin Satoshi Vision (BSV)**.

233. The name "Bitcoin," as originally defined, designates an **electronic cash system** with the following key characteristics:

(1) **Genesis Block Foundation**: The **original Bitcoin system** is based on the **Genesis Block**, which serves as the foundation for all subsequent blocks and transactions. **Dr Wright** acknowledges that the **systems operated by the defendants** are also based on this **Genesis Block**. However, the foundational principles that dictate how the **Genesis Block** is used differ significantly in the systems promoted by the defendants.

(2) **Peer-to-Peer Electronic Cash**: The original **Bitcoin** envisioned by **Satoshi Nakamoto** and further developed by **Dr Wright** was designed as a **peer-to-peer electronic cash system**. This means that users could transact directly with each other without intermediaries, with **transparent and traceable transactions** recorded on a **public ledger**. The defendants' systems, particularly **BTC**, have introduced features like **Segregated Witness (SegWit)** and **Taproot**, which alter the transparency of transactions and enable **off-chain solutions** like the **Lightning Network**, undermining the **traceability** and **direct peer-to-peer nature** of **Bitcoin**.

(3) **Scalability for Small, Casual Transactions**: The **original Bitcoin** was intended to facilitate **small, casual transactions** at low cost, providing a **scalable network** suitable for everyday digital payments. **BSV** continues to follow this model by maintaining **large block sizes** and **on-chain transaction processing**. In contrast, **BTC** has implemented a **1MB block size limit** and **SegWit**, which limits the **on-chain capacity** of

the system, making it reliant on **second-layer solutions** like the **Lightning Network** for scalability. This fundamentally changes the nature of **Bitcoin's scalability** as originally designed, making **BTC** unsuitable for **small, casual transactions** at the base layer.

(4) **Fixed Protocol Rules**: A core characteristic of **Bitcoin**, as defined in the **White Paper** and further developed by **Dr Wright**, is that the **protocol rules** remain fixed and unchangeable. The stability of these rules was intended to ensure a **consistent framework** for users and businesses to build upon. The **BTC Core developers** have altered these rules through the introduction of **SegWit**, **Taproot**, and other changes, leading to a **system that no longer follows the original protocol**. These modifications are contrary to the **stability and immutability** that **Bitcoin** was designed to provide.

(5) **Scriptable Transactions**: **Bitcoin's original protocol** includes a **scripting language** that allows for complex transaction types, such as **multi-signature transactions** and **time locks**. While **BTC** retains some of these capabilities, the introduction of **Taproot** has altered the **transaction structure** and **privacy model**, which diverges from **Bitcoin's original transparency**. In contrast, **BSV** maintains **full scripting capability** in accordance with the **original Bitcoin system**, ensuring that transactions are **transparent** and **verifiable** as **Satoshi Nakamoto** intended.

234. Each defendant, through their specific actions, has contributed to the promotion of a system that does not maintain the key characteristics of the **original Bitcoin protocol** as defined by **Dr Wright**. These actions include:

235. **BTC Core Developers.** By implementing **SegWit**, **Taproot**, and restricting **block sizes**, the **BTC Core developers** have fundamentally altered the transaction validation process and the

scalability of **BTC**. This has led to a system that is more focused on **off-chain solutions** than the **on-chain scalability** envisaged in **Satoshi's design**.

236. **Square/Block, Inc.** Through its **payment platforms**, **Square** has promoted **BTC** as a transactional asset, using the **Bitcoin name** while encouraging a system that no longer functions as a **peer-to-peer electronic cash system**. **Square's integration** of BTC into its services misleads users into believing they are engaging with the **original Bitcoin**, despite the significant protocol changes.

237. **COPA and Its Members. COPA** and its members have acted collectively to promote **BTC** as "Bitcoin" in their **legal filings**, **marketing materials**, and **public representations**. This has created a false equivalence between **BTC** and **Bitcoin** as defined by **Dr Wright**, causing **confusion** in the market. By supporting changes to the protocol, **COPA** endorses a system that diverges from the original design.

238. **Exchanges and Other Associated Parties. Exchanges** such as **Coinbase**, **Kraken**, and **Binance** list **BTC** as "Bitcoin," offering trading pairs and financial products that equate **BTC** with the original **Bitcoin system**. This promotion extends to **trading platforms** and **derivatives markets** where **BTC** is marketed as the legitimate version of **Bitcoin**, despite its significant **protocol alterations**.

239. The actions of each of the defendants have created **market confusion** by using the name **"Bitcoin"** to refer to systems that **deviate** from the original **electronic cash system**. This **passing off** has misled consumers, investors, and businesses, leading them to believe that they are using or investing in a system that remains true to **Satoshi Nakamoto's original vision**, when in fact, they are engaging with a fundamentally altered product that no longer adheres to the characteristics of **Bitcoin** as defined in the **White Paper**. These actions have caused **substantial harm** to the **goodwill** and **market position** of **BSV**, which continues to operate in accordance with the **original protocol**.

240. Each of the defendants has used the name "Bitcoin" to describe various electronic systems each of which is different from the electronic *cash* system envisaged, defined and created by Satoshi Nakamoto in the White Paper and in the software he controlled up to and including April 2011 and in which Dr Wright aims to defend.

Infringement of Copyright and Database Rights

241. The defendants have infringed **copyright** and **database rights** associated with the **original Bitcoin software** and **database** developed by **Satoshi Nakamoto** and subsequently expanded upon by **Dr Wright** through his significant investments and contributions to the **Bitcoin network**. This includes the **intellectual property** tied to the **Bitcoin White Paper**, the **software repository**, and the **blockchain database** that supports the **operation of the Bitcoin system**.

Infringement of Copyright

242. The original **Bitcoin White Paper** and the **Bitcoin software** contain elements that are protected under **copyright law** as **literary works**. **Satoshi Nakamoto's authorship** of the **White Paper** and the **original source code** created a **copyright interest** in these materials, which was not abandoned or freely licensed for **derivative works** that alter the fundamental principles of the protocol. **Dr Wright's contributions** in developing **systems built on Bitcoin** and maintaining its **original design** further solidify the **proprietary nature** of these works.

243. The defendants have infringed upon this **copyright** by copying, distributing, and utilising elements of the **Bitcoin software** and **White Paper** to promote their **Modified Systems**, including **BTC**. By using the **copyrighted material** to establish the legitimacy and origins of their systems, the defendants have misappropriated the **intellectual property** of **Bitcoin** without authorisation. This includes **reproducing copies** of the **Bitcoin White Paper** within their own software documentation and using **Satoshi Nakamoto's words** and

code to promote a version of Bitcoin that **deviates from the original vision**.

244. The alterations made by the **BTC Core developers**—such as the implementation of **SegWit** and **Taproot**—do not constitute original works, but rather **derivative modifications** that have altered the **core structure** of the **Bitcoin software** while continuing to leverage the **name and reputation** of **Bitcoin**. The **use of the original software repository** to introduce these modifications, while still presenting them under the **"Bitcoin" name**, infringes upon the **copyright interest** that applies to the **unaltered version** of the software. This infringement is further compounded by the **public dissemination** of **promotional materials** that rely on **copyrighted descriptions** of **Bitcoin's capabilities** as outlined by **Satoshi Nakamoto**.

Infringement of Database Rights

245. The **Bitcoin blockchain** and its associated data structure constitute a **database** within the meaning of the **Database Directive** and **UK database law**. The **database right** is held by **Dr Wright**, who has made significant **investments** in the **development, maintenance, and extension** of the **original database**. This includes **efforts** to ensure that the **blockchain** remains **consistent with the principles** set out in the **White Paper** and the **original software protocol**.

246. The **defendants** have **infringed** upon these **database rights** by making **unauthorised use** of the **Bitcoin database** in the promotion and maintenance of their **Modified Systems**. By **duplicating the original blockchain data** and using it as the foundation for their **altered versions**, the defendants have **exploited** the **substantial investment** made by **Dr Wright** in the **creation and verification** of the data that forms the basis of the **Bitcoin ledger**.

247. Specifically, the defendants' creation of **new blocks** and issuance of **coins** on the **BTC chain**, while relying on the **historical blockchain data** from the **original Bitcoin system**, represents an **unauthorised**

reproduction of the **database**. This action violates the **terms of access** to the **database** as envisioned by **Satoshi Nakamoto** and expanded through **Dr Wright's contributions**, which did not permit the use of this data in a manner that deviates from the **unchanged protocol**.

248. The **reproduction** and use of the **Bitcoin database** by the defendants have led to **significant economic damage** to the **value** and **integrity** of the **original Bitcoin ledger**, as the **marketplace** has been **misled** into equating their **altered version** with the original **Bitcoin blockchain**. This has **devalued** the **investment** in the **authentic Bitcoin network** and undermined the **database rights** of **Dr Wright**, whose efforts have been focused on maintaining the **original structure** and **utility** of the **Bitcoin blockchain**.

Relief Sought for Infringement of Copyright and Database Rights

249. **242.** The defendants' **infringements** of **copyright** and **database rights** through the **unauthorised use** of the **Bitcoin software**, **White Paper**, and **blockchain data** have caused **substantial harm** to the **goodwill** and **market value** associated with **Bitcoin Satoshi Vision (BSV)** and the **original Bitcoin protocol**. The claimant seeks **injunctive relief** to prevent further **unauthorised use**, as well as **compensation** for the **damages** resulting from the **misuse** of the **Intellectual Property** and **database rights** connected to the **Bitcoin system**.

250. Without proper authorisation, each of the defendants has hosted the **Bitcoin White Paper** and related **software** on their respective websites and repositories, falsely representing that these materials are associated with **BTC**. This has been done as part of a broader effort to **pass off their own product** as if it is synonymous with the **original Bitcoin**. By displaying the **Bitcoin White Paper**—which describes a **peer-to-peer electronic cash system**—and claiming that it pertains to their **altered version** of the Bitcoin protocol, the defendants have **misled the public** into believing that **BTC** is consistent with the

original vision outlined by **Satoshi Nakamoto**. This **deceptive use** of the **White Paper** and related **software documentation** has created **market confusion** and has been used to promote **BTC** as if it remains true to the **characteristics and functionality** of the original **Bitcoin**, despite the significant deviations introduced through their **protocol changes**. This **passing off** has undermined the **goodwill** associated with **Bitcoin Satoshi Vision (BSV)** and caused further **economic harm** to **Dr Wright's investments** in the **authentic Bitcoin system**.

Remedies

251. Unless restrained by the court, each of the defendants threatens and intends to continue their actions of **passing off**, **misrepresentation**, and **infringement** of **copyright** and **database rights** in the manner outlined above, resulting in ongoing and future damage to **Bitcoin**, **Dr Wright** and the **Bitcoin Satoshi Vision (BSV)** ecosystem.

252. This damage arises in several ways, including the **artificial depression** of the **market value of BSV** due to the defendants' misleading promotion of **BTC** as "Bitcoin." The **misrepresentation** of **BTC** has created **market confusion**, leading investors and consumers to mistakenly attribute the **features and stability** of the original **Bitcoin protocol** to **BTC**, despite the significant **protocol deviations** introduced by the **BTC Core developers**. The **deceptive use** of the **Bitcoin White Paper** and other intellectual property has also harmed the **reputation of Dr Wright**, by falsely associating him with the altered and unauthorised **Modified Systems**, thereby damaging his credibility and standing within the **blockchain community** and broader markets.

253. Each of the defendants has knowingly, or at the very least with **reasonable grounds to know**, engaged in the acts of **infringement** of **copyright** and **database rights** as detailed in this claim. The defendants have continued to use **elements of the original Bitcoin software**, the **Bitcoin White Paper**, and the **database** in their promotional materials and operations of **BTC**, despite clear and

substantial evidence that these materials pertain to the **original protocol** and not the **Modified Systems** that they promote. The defendants' activities include the **unauthorised reproduction** and **public use** of these materials to mislead consumers into believing that **BTC** represents the original **Bitcoin system**, while it diverges significantly from the **original design** and the **intellectual property** developed by Satoshi Nakamoto and extended by **Dr Wright**.

254. In support of these allegations, **evidence** will be provided showing the defendants' **public statements**, **advertising materials**, **software distributions**, and their actions in **exchanges and conferences** that have actively sought to position **BTC** as "Bitcoin" despite its divergence from the original vision.

255. In light of the above, the provisions of **regulation 3 of the Intellectual Property (Enforcement, etc.) Regulations 2006** and **Article 13 of Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of Intellectual Property Rights** apply to the defendants' acts of **infringement**. The regulations provide for **appropriate remedies**, including **injunctions**, **damages**, and **orders for the cessation of activities** that infringe upon **intellectual property rights**. The **court's intervention** is necessary to prevent further **unauthorised use** of **Dr Wright's intellectual property**, and to ensure that the **goodwill**, **market integrity**, and **reputation** of **Bitcoin Satoshi Vision (BSV)** are preserved.

256. The **misrepresentation** perpetrated by the defendants extends beyond intellectual property violations, encompassing deliberate **deception of the public** and **misleading market behaviour**. The **unlawful use** of the **Bitcoin name**, combined with the defendants' role in **promoting systems** that facilitate **anonymity** and potentially **money-laundering** through **off-chain solutions** like the **Lightning Network**, has created a **platform** that deviates from the original **traceable design** of **Bitcoin**. This threatens to **undermine the**

lawful use of **Bitcoin** as originally conceived and to perpetuate a system that contravenes **financial transparency requirements**.

257. The claimant therefore seeks **injunctive relief** to **restrain** each of the defendants from continuing their **passing off**, **misrepresentation**, and **infringement** of **intellectual property rights**, including the unauthorised use of the **Bitcoin White Paper** and related **database rights**. The claimant also seeks **compensation** for the **economic and reputational harm** caused by the defendants' actions and **further relief** to correct the **market misrepresentations** perpetuated by the defendants' activities, including **public declarations** to clarify the **status of BTC** and **BSV** in relation to the **original Bitcoin protocol**.

258. The relief sought is intended to prevent further **deception** and to **restore the integrity** of the **original Bitcoin system** as represented by **BSV**.

259. Dr Wright is entitled to interest upon all sums found due to him pursuant to section 35A of the Senior Courts Act 1981 and in the inherent jurisdiction of the court.

AND THE CLAIMANT CLAIMS

(1) An injunction restraining each of the defendants from—

(a) **Passing off**. Engaging in any activities or representations that cause **BTC** or any other **Modified System** to be misrepresented as **Bitcoin**, thereby creating **confusion** or misleading the public about the nature and identity of **Bitcoin** as defined in the **White Paper** and maintained through **Bitcoin Satoshi Vision (BSV)**.

(b) **Infringing copyright.** Reproducing, using, or distributing copyrighted works associated with the Bitcoin White Paper and original software developed by Satoshi Nakamoto without proper authorisation, including using such materials to promote Modified Systems.

(c) **Infringing database rights.** Unauthorised use of the Bitcoin blockchain database, including reproducing or distributing copies of the original blockchain data in a manner that deviates from the unchanged protocol and is not authorised for use in systems that diverge from the original Bitcoin system.

(2) **An inquiry as to damages** for **passing off** and for **infringement of database rights** and **copyright**, including **damages** pursuant to **regulation 3 of the Intellectual Property (Enforcement, etc.) Regulations 2006** and **Directive 2004/48/EC**, and further or alternatively, at the claimant's option, an **account of profits** derived from the unauthorised activities described.

(3) **An order for payment** to the claimant of all sums found due upon taking such **inquiry or account**, together with **interest thereon** pursuant to **section 35A of the Senior Courts Act 1981** or as may be awarded in the **inherent jurisdiction of the court**.

(4) **An order that, at the claimant's option and at the expense of the defendants**, appropriate measures are taken for the **dissemination and publication** of any judgment or order made in this case. This should include public clarification regarding the **differences between BTC** and the **original Bitcoin** as represented by **BSV**, to rectify the **misleading information** currently disseminated.

(5) **Costs and interest on costs**, including all **legal fees** and expenses incurred in bringing this claim, to be paid by the defendants.

(6) **Further or other relief** as the court may deem appropriate to address the **infringements**, **misrepresentations**, and **unlawful actions** of the defendants, ensuring the **protection of the intellectual property rights** and the **goodwill** associated with **BSV**.

(7) An inquiry as to damages passing off and for infringement of database right/copyright (including damages pursuant to regulation 3 of the Intellectual Property (Enforcement, etc.) Regulations 2006 and

Directive 2004/48/EEC) and further or alternatively at the claimant's option an account of profits.

(8) An order for payment to the claimant of all sums found due upon taking such inquiry or account together with interest thereon pursuant to section 35A of the Senior Courts Act 1981 or in the inherent jurisdiction of the court.

(9) An order that, at the claimant's option and at the expense of the defendants, appropriate measures are taken for the dissemination and publication of any judgment or order made in this case.

(10) Costs and interest on costs.

(11) Further or other relief.

Dr Craig S Wright

Statement of truth

I believe that the facts stated in these particulars of claim are true.

I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Signed ……₵$₩…… Dr Craig Wright

Date: 10 / 10 / 2024

Served by: The claimant