

To The Director of the FBI

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Dear Sir,

I read recently that the US authorities have finally acted against E-Gold. The article I saw claimed that the company had allowed this currency to be used for money-laundering and illegal purposes including child pornography and terrorism. Although there is obvious potential for such serious abuse I am skeptical about such claims, I would though like to share my own experience of an observations on E-Gold.

On June 2, 2006, I deposited £140 of E-gold in my account, number 2382307; I spent a small amount; within hours the rest had been emptied, \$179. The money Batch: 62456954 was transferred to account 2914702, which is said to be owned by "zhou".

I contacted E-Gold at once and was told that the company could not refund my money or reverse the transaction although it did agree to put a stop on this account receiving anymore funds. I have no idea if this was actually the case. The firm implied that I was at fault for not taking proper security precautions; the most likely explanation is that a keylogger had hacked into my account from another computer; I am fairly satisfied with my own security, but I had recently used an Internet Café to process an E-Gold transaction.

Although the company said it would not recover my stolen funds, I was given an address in Bermuda on which I was told I could serve legal papers in order to attempt to recover my money.

I was not satisfied with this, and at some point, possibly before this, I contacted my local police. Later I contacted the Governor of Bermuda and the Richmond Branch of the FBI. The British police told me – eventually – that the theft had not occurred within their jurisdiction, and the FBI was worse than useless. I did though receive a phone call from a British detective based in Bermuda who informed me that the advice E-Gold had given me was plain misleading, and that any attempt to serve papers in Bermuda relating to the theft would be a waste of money. Later the same detective E-mailed me with particulars of Omni-Pay, the owners of E-Gold, and the correct person to serve, although the contact address was wrong. Clearly E-Gold, Omni-Pay or whatever had put out incorrect contact information.

On the technical side, with minimal help from E-Gold and with assistance from other Internet users I was able to obtain the following information:

The spend (ie theft from my account) was made from ip address '69.143.136.149' on 2006-06-02 @ 08:27:36.000 (this is in EDT)

The automation was enabled from ip address '86.144.184.151' on 2006-06-01 11:39:32.000 (this is in GMT)

The AccSent security was disabled from ip address '86.144.184.151' on 2006-06-01 11:39:32.000 (also in GMT)

**A full trace revealed**

**69.143.136.149 rDNS c-69-143-136-149.hsd1.va.comcast.net  
86.144.184.151 rDNS host86-144-184-151.range86-144.btcentralplus.com**

**IP: 69.143.136.149  
Country: United States  
City: Arlington, Virginia**

**The above address is why I contacted Richmond FBI. It should have been possible to trace this theft if not to an actual computer then to a physical location, but the authorities were not the slightest interested.**

**With regard to E-Gold's position that they will never recover stolen funds, this is clearly inadequate. If I look out of my window and witness a man break into a car, remove a radio and walk into a house further down the street, a phone call to the police will lead to them calling on the householder in question and asking him to explain his actions. The theft of my E-Gold is analogous to that; the location to which it was removed can be pinpointed fairly accurately. I know from personal experience and inquiry that such thefts are rampant; E-Gold themselves say only that there are viruses and Trojans that can steal money from account holders and that if it happens, tough luck. I don't expect ever to recover my funds but I feel the FBI should come down hard on this kind of fraud. An associated type of fraud is phishing.**

**Everyday, I and countless other Internet users receive fraudulent E-mails ostensibly from banks etc which try to obtain our personal details by duping us into clicking verification links. I have never been gullible enough to fall for this type of fraud but I am sure many people have. Obviously there is no meaningful attempt being made by the legal authorities to combat such crimes, yet there is no anonymity on the Internet. A while ago a local news programme showed footage of a man in an Internet Café. This paedophile had been grooming a child on-line or something. The CCTV showed his actual arrest; the police had traced him while he was on-line, having been made aware of his activities. Of course, the theft of E-Gold and raiding of people's bank accounts is not in the same league as paedophiles, but if the British police and the FBI can catch perverts on-line then surely they can with a little effort stamp out the mass thefts that are going on constantly.**

**Yours Sincerely,  
A Baron**