

## Additional Evidence Against Spendcoin

Spendcoin has made several moves recently to try to comply with the terms however it seems that they are trying to fool the jurors.

From the original evidence against Spendcoin, where they admit that they had not distributed more than 3% of the tokens, these were the addresses that controlled 91% of the holding:

0xcd76dec4b04150b16cbce12e80be772cb830d33a  
0xd3babb884b9cf4579db1ab1a2f437aa96a5fd37c  
0x0afe12cb056c238f09739d327081ecf14722142d  
0xe8837aa3731b9bcba29ade0d2c84e03167d2dc67  
0xa0bc1ad4679b7c5a74b43101b9bf3157eb6f9aec  
0x53ea0ba31d1fb02722b93ca9b96b74b15be319a5

Now, several months later all of the funds have moved from the top 2 addresses that previously held 50% of the tokens. Spend claimed previously that foundations controlled these wallets and were holding the tokens for various reasons. They said they would be distributing tokens when their users use their apps. So how did all of these tokens get distributed so quickly? You can see 13% of the tokens are now on Bitrex. Spendcoin claims that it distributed these tokens that are now on Bitrex but if you follow the transactions it is quite clear they are going directly from Spendcoin to Bitrex. Let's start with the 1st address which held exactly 25% of Spendcoin that was minted to this address, so we can assume it was a team controlled account.

<https://etherscan.io/token/0xdd460bbd9f79847ea08681563e8a9696867210c?a=0xcd76dec4b04150b16cbce12e80be772cb830d33a>

These outgoing transactions from the Spendcoin account go directly to Bitrex:

- <https://etherscan.io/tx/0x02a8e0cab7ee102cc9709483005ef5896967ae8f4f817231ee97b3cb2bb105b3> Moves ~1.5%
- <https://etherscan.io/tx/0x02a8e0cab7ee102cc9709483005ef5896967ae8f4f817231ee97b3cb2bb105b3> Moves ~1.5%
- <https://etherscan.io/tx/0xb3c918c18035f57d9eff06c83fe036836c8b67f6229605d33e41266e0d0ff494>,  
<https://etherscan.io/tx/0x4debe70c6897d8bf460141bb8ab091ee2afc33bd74151702468682a209657752>,  
<https://etherscan.io/tx/0x961f413a517ebbaca02298da9c3fea60aca583599590eafd6c0d9591171508c3> Move a combined 1.2%

These are transactions in the last 30 days that have gone to Bitrex with one hop.

- <https://etherscan.io/tx/0xe5a3575373b8ca743570f915e48075e3bddc498e89fd20c7f45002486fe18c25>,  
<https://etherscan.io/tx/0x0724e0d67ccfe5f79874cdd6ab6dcfe5b6b90f1f7bc11a2128e25f981e25c972> Moves 1.7%. Note these are the only Spendcoin actions on this account.
- <https://etherscan.io/tx/0x4fe563ced409cca7640b3b53d524f06925ca1352e42560a871874a4ca54cd5c0> Moves 1.5%

These transactions alone account for 7.4% of the now 13.2% on Bitrex at the moment. I am sure I could find more links from this Spendcoin accounts to Bitrex if necessary. This seems to disprove that these tokens were distributed by their Proof-of-Purchase as they claimed in evidence during the last dispute.

Just because the tokens are held in an exchange wallet does not mean that they have been distributed. It is also highly dubious that the Spendcoin foundation would dump 7.4+% of their reserve tokens on the open market with no notice or public announcement. There has been no considerable price movement in the past month which would suggest that these tokens have been sold.

Therefore I claim that Spendcoin has not distributed 10% of the tokens yet which violates 5.2.

Additionally this is a huge red flag for point 2.1: *The token issuers directors are fit and proper persons*. From the looks of the activity they tried to hide token centralization by slowly dispersing it from the Spendcoin addresses over the course of a month. They have moved tokens onto an exchange to try to make it look as though they have distributed the tokens when in fact they had not. Nowhere on the website can you find information about the Foundations and the expected uses of the tokens. They previously had broken it down in a transparent way, where there were different foundations that had control over certain amounts and there were clear accounts where tokens were minted to and had not been moved to back this up. They have replaced this section with a blurb that states:

**The Spend Foundation has given all resources and technology to Spend Europe LTD as a grant towards future development of the open-source protocols.**

<https://spend.org/foundation/>

And have dispersed the tokens that were held in these accounts. They also dispersed the tokens in a way to try to hide the action, by slowly moving them out ~15,000,000 at a time to make it look like they were being distributed. This is an attempt to reduce transparency and is not an honest action. Therefore they also should be denied for violating point 2.1.