

# **ATTACHMENT A**



# CHEAPEST

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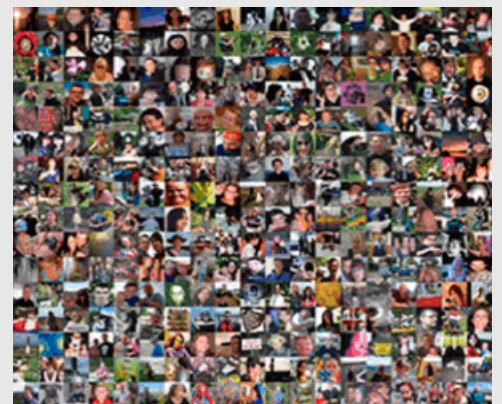
by **VITALIK BUTERIN** on APRIL 1, 2013

Butterfly Labs' Josh Zerlan also recently provided updates on the state of Butterfly Labs' production [in an IRC channel](#). The core of the conversation is this:

**BFL\_Josh:** Well guys, I had planned on updating everyone with a video of a board hashing here in KC tonight, but I haven't been able to get that together yet, so I'm probably going to have to push it off until tomorrow. We are targeting a start of shipment next week, but I'm not quite ready to commit to that at the moment, given

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our past estimates. It's imminent, though.

**Lab\_Rat:** It hashes????

**BFL\_Josh:** Yes, it hashes

Further down in the conversation, Zerlan provides the main reasons for the current delay. Zerlan writes: "We may miss our power targets, that's been part of the hold up... we think there's a problem with the power consumption and we're trying to figure out where it's having an issue ... What's causing even more consternation is the fact that the wafer we burned for tests runs at far less power than a second wafer we mounted on the BGA package... so it may be a wafer by wafer thing, and since we only have two datapoints, it's hard to nail down the issue." To many in the field, these difficulties are unsurprising; in mid-January, Avalon founder Yifu Guo wrote on the topic "recently they changed it to 1.2W, but they won't even reach that. We ran 65nm simulations and they should be around 3W." But to many of Butterfly Labs' customers, who have now suffered from six months of delays, power consumption does not even matter; given that every extra day represents a lost opportunity for profit that will never come back, almost any level of power consumption is acceptable if it means that the devices will ship faster.

Butterfly Labs' shipment has been awaited by the community for nearly ten months; the company was in fact the first to [start accepting pre-orders in June 2012](#). Although the original shipping date was scheduled for October, the company suffered a number of delays that changed their expected shipping date first to late November, then early January, then mid-February and finally where it is today. In the meantime two other major ASIC producers, Avalon and ASICMiner, have also started hashing, and are partially responsible for raising the network hashpower from 20 TH/s to 55 TH/s over the past three months (the other contributing factor being the rapidly increasing BTC price). However, the community is still watching Butterfly Labs intently for one key reason: its potential hashpower. Although the output of Avalon and ASICMiner has been small, with Avalon's first release being 20 TH/s and ASICMiner's launch 12 TH/s, Butterfly Labs' preorders altogether make up [over 60 TH/s](#) – more than is currently on the entire Bitcoin network.

For the security of the Bitcoin network, it is arguably quite fortunate that Butterfly Labs has been delayed by so much; if their machines had come any earlier, or even today, the company would have had access to more hashpower than the rest of the entire Bitcoin network put together, fundamentally compromising a key assumption of Bitcoin's security. This threat was a major reason why Avalon founder Yifu Guo decided to go ahead with his project; "that was our main goal – we wanted to prevent this potential monopoly," Guo [wrote in a recent interview](#). However, it turned out that the major providers released in just the right order; Avalon started shipping their first, 20 TH/s, batch first on Jan 19, although all but two of their devices were delayed by many weeks after that date. ASICMiner [started hashing on Feb 14](#), starting off with 2 TH/s and slowly ramping up over the past two months, and over these past two months hundreds of anonymous GPU miners turned on their hardware because of the



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increased mining profitability from Bitcoin's rapidly growing price.

The rapidly rising Bitcoin price has been a massive boon to the Bitcoin mining industry in general. Since the beginning of the year, the Bitcoin price has [risen from \\$13.3 to over \\$100](#), making mining extremely profitable for those lucky enough to have the hardware to do it. The fact that Bitcoin mining is now so heavily focused on specialized hardware compounds the advantage; while in 2010 or 2011 such price increases were quickly met with large numbers of off-the-shelf GPUs joining the network, now the most powerful miners are all specialized devices, and production takes months to compensate for the increased demand. When Jeff Garzik received Avalon's first ASIC at the end of January, the device paid for itself in nine days, and its profitability since then has only increased. As a result, Avalon has raised the price on their third batch to 75 BTC, or \$7,500, and has nevertheless sold a significant number of units. Because ASICMiner is not selling their hardware, instead selling shares and doing mining in-house, they can benefit from the increased value of their revenues directly. Notably, Butterfly Labs has [not increased their prices](#), but even if they continue to keep their prices the same they will still benefit massively from increased sales.

In the next few months, Bitcoin network hashpower will only continue to increase. Avalon's three shipments altogether will make up a [total of 1500 units](#), or over 75 TH/s, and ASICMiner is planning [50 TH/s by the end of April](#), and 200 TH/s soon after. By the end of the year, ASICMiner's friedcat writes on Bitcointalk, ASICMiner's total hashpower may be as high as 1000 TH/s, and friedcat even adds that "some may say that 1,000TH/s at the end of this year is too conservative."

 **Tip** BTC: 1FxfkJQLJTXpW6QmxGT6oF43ZH959ns8Cq

 **Tip** LTC: LaBhvWiAP7msku6w8QSQ5G7omVWMF3uxJC

By Vitalik Buterin



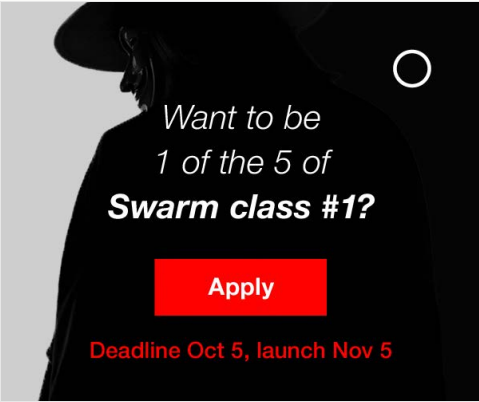
Vitalik Buterin is a co-founder of Bitcoin Magazine who has been involved in the Bitcoin community since 2011, and has contributed to Bitcoin both as a writer and the developer of a fork of bitcoinjs-lib, pybitcointools and multisig.info, as well as one of the developers behind Egora. Now, Vitalik's primary job is as the main developer of Ethereum, a project which intends to create a next-generation smart contract and decentralized application platform that allows people to create any kind of decentralized application on top of a blockchain that can be imagined.

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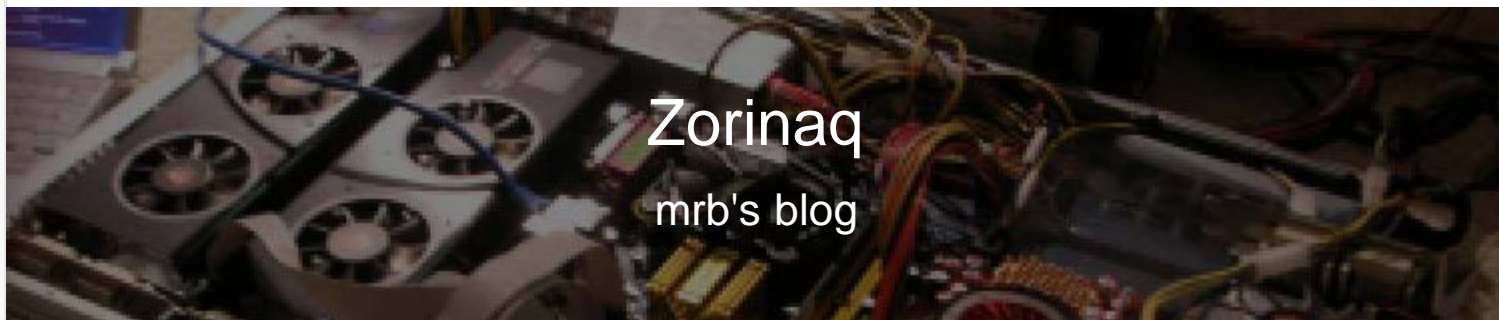


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# **ATTACHMENT B**



## Company Announces 65nm Chip for Mining Bitcoins, Funded with Venture Capital

Confidence in Bitcoin has never been demonstrated in such a blazing way. A private company announced they designed a [full custom 65nm ASIC](#) for mining bitcoins. They claim that consumer devices based on the chip will start shipping to customers this December.

The company, [Butterfly Labs](#), had announced in June 2012, in a very brief press release, that they [accepted venture capital from unnamed investors](#) for designing a chip optimized for mining bitcoins. Given that we now know that they manufactured them at 65nm, and that the NRE costs for this process node are roughly half a million USD, the size of the VC investment must have been of the order of at least one million USD.

The only details publicly released at that time were estimated performance numbers for 3 devices that BFL planned to build based on this chip. The Bitcoin community received that announcement with skepticism. Nonetheless, a couple weeks later, when BFL started taking pre-orders, they [received a quarter million USD of pre-orders in the first 24 hours](#).

Since then, not only BFL [revised their performance numbers upwards in September](#) (eg. the "Single SC" device was revised from 40 GHash/second to 60 Ghash/second), but they also announced a very impressive power efficiency: 1000 Mhash per Joule. They also released [pictures of prototypes](#).

The performance of these ASICs is far above anything that the current FPGA-based Bitcoin mining devices achieve (10 to 20 Mhash per Joule), including BFL's own FPGA devices. (FPGA, or field-programmable gate array, is a type of technology typically found in high-performance computing devices or clusters, eg. in financial or medical fields.) In fact, because BFL expects the ASIC-based devices to completely obsolete the FPGA-based ones, they have offered to buy back old BFL devices from their customers.

BFL has been growing very quickly in the past year, and not without pain. The order backlog for their current-generation FPGA-based devices peaked at [about 3 months](#) in mid-2012, and has never been brought down to acceptable levels, not even until a week ago when BFL stopped selling FPGA-based devices, to focus on their ASIC line. The community estimates that BFL received about 2-4 million USD of ASIC pre-orders so far. So the backlog situation is likely to get worse, even though BFL is working very hard to resolve these startup growing pains, [as one of their representatives explained](#) at the London Bitcoin Conference.

As a Bitcoin miner myself since 2010, I am shocked that the mining competition went so quickly through the 4 classical phases of computing hardware evolution:

- 2009: CPU mining on general-purpose computers.
- 2010: GPU mining on graphics cards-equipped computers.

### About Me

*Marc Bevand, aka mrb.* I am passionate about high-performance computing, GPGPU, computer and network security, free and open source software, assembly optimization (AMD64, x86, ATI CAL IL), low-level programming, security vulnerability research and exploitation, reversing, Linux, \*BSD, Solaris kernels internals, operating systems design, new hardware advances... Check out my [personal page](#) to learn more about my interests.

### Tag Cloud

[amd](#), [amusing](#), [android](#), [attack](#), [bitcoin](#), [bruteforcing](#), [bug](#), [cpu](#), [cryptography](#), [finance](#), [google](#), [gpu](#), [hack](#), [hardware](#), [intel](#), [largescale](#), [network](#), [nvidia](#), [performance](#), [perl](#), [qemu](#), [sata](#), [security](#), [ssd](#), [standard](#), [storage](#), [sysadmin](#), [virtualization](#), [web](#), [zfs\(all\)](#)

### Latest Comments

- [mrb op A Decentralized A...:](#)  
Steve: I was not aware of WebFinger, thanks for the pointer. I will talk to one of the authors of th...
- [hn:arethuza op A Decentralized A...:](#) Great idea What about treating the subject line like the first line of an HTTP request with
- [Hugo Rodger-Brown... op A Decentralized A...:](#) Great idea – esp. given that access to an email account is becoming a de facto proof of identity (vi...
- [Steve op A Decentralized A...:](#)

- 2011: FPGA mining on somewhat specialized devices.
- 2012/2013: ASIC mining on completely custom silicon chips!

I totally expected ASICs to arrive *at some point* (mining is an embarrassingly parallel process based on the SHA-256 hashing algorithm, perfectly suited to ASICs). I just did not expect a venture capitalist to understand the potential of a distributed cryptocurrency like Bitcoin so soon. Either he is a non-technical person who blindly trusted the founders. Or he is a very technical crypto/network person who grasped Bitcoin's concepts instantly. I see no other possibilities. [Bitcoin is notably hard to explain](#). I see many intelligent but non-technical persons (ie. a typical VC) who completely fail to understand Bitcoin. Anyway.

This is a moment of significance for Bitcoin. We are witnessing the birth of a specialized Bitcoin mining industry.

mrb Tuesday 06 November 2012 at 10:55 pm | ¶ | Default

Used tags: [bitcoin](#), [finance](#), [hardware](#)

four comments



Bitcoin has got Venture funding before with Coinlab and Coinbase.

<http://wp.me/p2ITcm-4B>

Benson, (URL) - 07-11-'12 14:53



Nice catch

Whilst true that it could create a mining industry, doesn't that sound like wasted investment? Like doesn't bitcoins cap at 21 million? Or is this supposed to not be a concern for many years from now?

Either way, this means very exciting times for bitcoin and it's uptake. There's been a lot of financial & emotional investment into Bitcoin that it seems stirring the beast within. We'll know when it has made it when we can pay for our coffee with any device (card, phone, brain :P) using bitcoin. Infrastructures & technology is all there, waiting for us.

Curious, - 15-11-'12 20:34

funmin



[Edit by mrb on 2012-03-21: the poster below is a liar – labsnovo.com is a scam – do not send money to this company]

i think personally that bfl is a big scam. i ordered and received from <http://www.labsnovo.com>

not 20 as they advertise but ~ 18gh/s stable.... very good... and they told me they are working a new firmware that will stable the speed on 20-22 gh/s.....

Thanks novo labs

funmin, - 20-03-'13 05:33

Have you seen the WebFinger protocol? It seems like it's capable of similar things without relying o...

- [man op Whitepixel breaks....](#): not everytime password are tested again live systems. so me passwords are tested on files or hash st...
- [Eric op "I Contribute to ....](#): People people all this rubbish about Linux, Android versus Windows and you call yourselves developers, ...

## Pages

- [About Me](#)
- [Links](#)

## Archives

- [May 2010](#)
- [Jun 2010](#)
- [Jul 2010](#)
- [Aug 2010](#)
- [Sep 2010](#)
- [Oct 2010](#)
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- [Dec 2010](#)
- [Jan 2011](#)
- [Feb 2011](#)
- [Mar 2011](#)
- [May 2013](#)
- [Nov 2013](#)
- [Jul 2014](#)

## Categories

- [Default](#)
- [Linkdump](#)

## Meta



## Links

None





Everyone saying the labsnovo is a SCAM. Beware.

Jake Hansen, ([URL](#)) - 14-04-'13 22:05

Name

Email (optional field)

URL (optional field)

Comment

**Remember personal info?**

Yes, give me a cookie and remember me.

**Small print:** All html tags except <b> and <i> will be removed from your comment. You can make links by just typing the url or mail-address.

« [What the heck, Pandor...](#) | [Home](#) | [The Insane Bitcoin AS...](#) »

# ATTACHMENT C

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2013

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Introducing

# The Monarch

Butterfly Labs 28nm Technology Bitcoin Mining Card



The fastest and most power-efficient  
Bitcoin miner yet

Datacenter ready PCI cards

Cloud hosted mining makes it flexible and easy

Performance                      Power                      Price

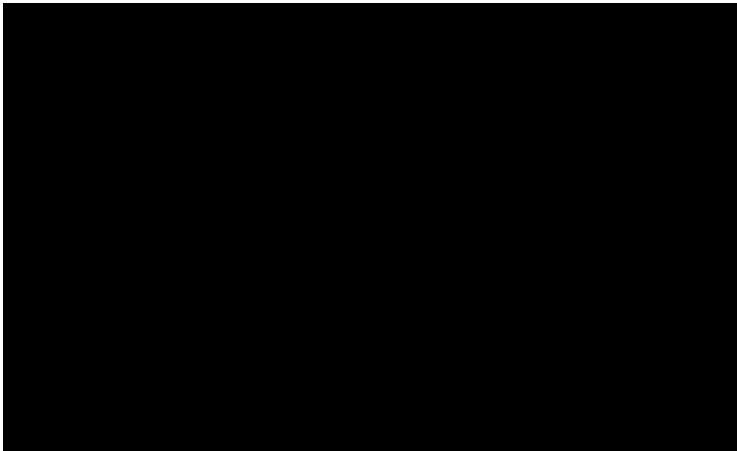
600 GH/s      350W      \$4,680

Tape out August 2013

November / December    Initial Shipping    (Sold out)

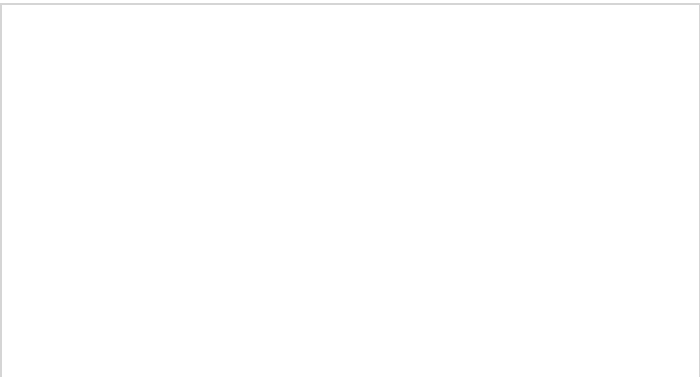
January / February    Bulk Shipping

PRE-ORDER NOW >>



We are pioneers of the industry – having manufactured the first commercial Bitcoin mining hardware.

Butterfly Labs has shipped more ASIC products than all competitors combined





The Monarch 28 nm Bitcoin mining card is our 4th generation bitcoin processor – our 2nd generation ASIC chip.



Our facility in Kansas has the largest production capacity of all Bitcoin hardware manufacturers.

Our engineering and **management team** has deep experience in technology and the Bitcoin space.

## Why Butterfly Labs?



Price

**\$ 7.80 /GH**

Power Consumption

0.6w per GH

The Competition

at least **\$ 17.50 /GH**



Form Factor

Professional and expandable card design

Experience

4th Generation miners since 2011

2.5w per GH

Bulky Case design

1st generation late 2013

## Tough Questions about the Monarch Card

- Q Hey you Jerks, what are you doing announcing 28nm gear while you're still shipping 65nm? I want my Single!
- Q Will the power & performance really be that good?
- Q Can I transfer my existing order into a 28nm Monarch card ?
- Q Can you host these for me?
- Q Why should I place my Pre-Order with Butterfly Labs?
- Q When do the 28nm Monarch cards ship?

## Testimonials



*"As a fairly early Bitcoin adopter and institutional miner, the choice for mining hardware comes down to innovation. Who is going to have the experience and best technology going forward to keep me ahead of the curve? The fact that BFL has a proven chip design, combined with their innovations in form factor and node size means that they will be hard to beat moving forward."*  
James Gibson – GigaVPS



PRE-ORDER NOW >>

## Pre-Order Terms

Bitcoin, Dwolla or  
Bank Transfer only

Transfer your 65nm product  
order into new 28 nm product  
order queue (Transfer rules  
apply)

Existing unused vouchers can be  
used with new orders

# **ATTACHMENT D**

REPORT: MNETFIN

Law Enforcement Agency Scan Report

PAGE: 224

DATE: 12/06/2013

TIME: 12:17:11

Found >BF LABS INC< in data for seq num 130617503805

LEA information:

Key field: 20131206-0001

LEA ID: CSI KW

LEA Type: B

Scanned Thru Date:

INC

1815901

Transaction Information:

Seq Num: 130617503805

DR Acct: 5901

CR Acct:

Amount: 16,000.00 USD

To/From: SWO SOGEFRPP

Wire Data: SRC,OLBB2013061731289322-Dave McClain/9137104865ORG

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indicates where the text was found.

REPORT: MNETFIN

Law Enforcement Agency Scan Report

PAGE: 228

DATE: 12/06/2013

TIME: 12:17:11

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LEA information:

Key field: 20131206-0001

LEA ID: CSI KW

LEA Type: B

Scanned Thru Date: 121001

AKAS: BF LABS INC

1815901

Transaction Information:

Seq Num: 130617503944

DR Acct: 5901

CR Acct:

Amount: 16,000.00 USD

To/From: FWO 026004226

Wire Data: RCV A SOGEUS33 BNF A SOGEFRPP RFB

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REPORT: MNETFIN

Law Enforcement Agency Scan Report

PAGE: 292

DATE: 12/06/2013

TIME: 12:17:11

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Key field: 20131206-0001

LEA ID: CSI KW

LEA Type: B

Scanned Thru Date: 121001

AKAS: BF LABS INC  
1815901

Transaction Information:

Seq Num: 130719013661

DR Acct: 5901

CR Acct:

Amount: 50,000.00 USD

To/From: FWO 021000021

Wire Data: BMO HARRIS BANK NA/ORG=BF LABS INC;OVERLAND PARK,KS

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REPORT: MNETFIN

Law Enforcement Agency Scan Report

PAGE: 530

DATE: 12/06/2013

TIME: 12:17:11

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Key field: 20131206-0001

LEA ID: CSI KW

LEA Type: B

Scanned Thru Date: 121001

AKAS: BF LABS INC  
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Transaction Information:

Seq Num: 130909504144

DR Acct: 5901

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Wire Data: SRC.OLBB2013090931466001-Dave McClain/913-710-4865ORG  
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REPORT: MNETFIN

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PAGE: 535

DATE: 12/06/2013

TIME: 12:17:11

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LEA ID: CSI KW

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Transaction Information:

Seq Num: 130909504175

DR Acct: 5901

CR Acct:

Amount: 12,000.00 USD

To/From: FWO 026004226

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REPORT: MNETFIN

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PAGE: 588

DATE: 12/06/2013

TIME: 12:17:11

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LEA ID: CSI KW

LEA Type: B

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AKAS: BF LABS INC

1815901

Transaction Information:

Seq Num: 130918503539

DR Acct: 5901

CR Acct:

Amount: 20,160.00 USD

To/From: FWO 021001033

Wire Data: SRC- -Dave McClain/913710-4865ORG

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SUITE 101\*OPERATING ACCOUNT\*OVERLAND PARK, KS,

30913-1 DealerHound.com Sonny Vlei\*sides loan against

earnings\*

REPORT: MNETFIN

Law Enforcement Agency Scan Report

PAGE: 654

DATE: 12/06/2013

TIME: 12:17:11

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LEA information:

Key field: 20131206-0001

LEA ID: CSI KW

LEA Type: B

Scanned Thru Date: 121001

AKAS: BF LABS INC

1815901

Transaction Information:

Seq Num: 130926502060

DR Acct: 5901

CR Acct:

Amount: 20,160.00 USD

To/From: FWO 021001033

Wire Data: SRC.

-Dave McClain/913-710-4865ORG

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5901\*BF LABS INC\*10770 EL MONTE,SUITE

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REPORT: MNETFIN

Law Enforcement Agency Scan Report

PAGE: 292

DATE: 12/06/2013

TIME: 12:17:11

Found >BF LABS INC< in data for seq num 130719013661

LEA information:

Key field: 20131206-0001

LEA ID: CSI KW

LEA Type: B

Scanned Thru Date: 121001

AKAS: BF LABS INC  
1815901

Transaction Information:

Seq Num: 130719013661

DR Acct: 5901

CR Acct:

Amount: 50,000.00 USD

To/From: FWO 021000021

Wire Data: BMO HARRIS BANK NA/ORG=BF LABS INC;OVERLAND PARK,KS

JPMCHASE <-

/CTR/BBK=CHASE 850 S WABASH CHICAGO IL 60605

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LABS INC\*10770 EL MONTE,SUITE 101\*OPERATING

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PARK, KS 66211\*é6000èLoan against Dividends\*é6310èPHN

The <- on the right hand side of the Wire Data  
indicates where the text was found.

REPORT: MNETFIN  
PAGE: 297  
DATE: 12/06/2013  
TIME: 12:17:11

Law Enforcement Agency Scan Report

Found >BF LABS INC< in data for seq num 130723005004

LEA information:

Key field: 20131206-0001  
LEA ID: CSI KW  
LEA Type: B  
Scanned Thru Date: 121001  
AKAS: BF LABS INC  
1815901

Transaction Information:

Seq Num:

CR Acct:

Amount: 50,000.00 USD

To/From: FWO 021000021

Wire Data: BMO HARRIS BANK NA/ORG=BF LABS INC;OVERLAND PARK, KS

JPMCHASE <-

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indicates where the text was found.

REPORT: MNETFIN

Law Enforcement Agency Scan Report

PAGE: 705

DATE: 12/06/2013

TIME: 12:17:11

Found >BF LABS INC< in data for seq num 131003008585

LEA information:

Key field: 20131206-0001

LEA ID: CSI KW

LEA Type: B

Scanned Thru Date: 121001

AKAS: BF LABS INC  
1815901

Transaction Information:

Seq Num: 131003008585

DR Acct: 5901

CR Acct:

Amount: 10,000.00 USD

To/From: FWO 071000013

Wire Data: BMO HARRIS BANK NA/ORG=BF LABS INC;OVERLAND PARK, KS

JPMCHASE <-

ILLINOIS /CTR/BBK=071000013 BNF=Jeffrey Ownby

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indicates where the text was found.

REPORT: MNETFIN

Law Enforcement Agency Scan Report

PAGE: 2988

DATE: 04/11/2014

TIME: 15:44:15

Found >BF LABS INC< in data for seq num 140314009523

LEA information:

Key field: 20140411-0002

LEA ID: USCSI-2

LEA Type: B

Scanned Thru Date: 131130

AKAS: BF LABS INC

Transaction Information:

Seq Num: 140314009523

DR Acct: 5901

CR Acct:

Amount: 5,000.00 USD

To/From: FWO 071000013

Wire Data: BMO HARRIS BANK NA/ORG=BF LABS INC;OVERLAND PARK, KS

JPMCHASE <-

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The <- on the right hand side of the Wire Data  
indicates where the text was found.

# **ATTACHMENT E**



## Bitcoin Forum

**Bitcoin => Hardware => Topic started by:**                      **on August 02, 2013, 05:55:49 PM**

Title: **YES, you can get a REFUND from BFL**  
 Post by:                      on **August 02, 2013, 05:55:49 PM**

**I recently received a full refund from BFL for an order I placed several months ago.**

I know, I know, BFL claims that *"all sales are final"*. Well, there's "final", and then there's "final"...

It took a month, but here's what worked for me:

- I sent an email to office@butterflylabs.com in which I politely requested a refund.
- *About a week later*, I received a reply from BFL denying my request.
- I filed a dispute with PayPal. In this dispute I noted that BFL failed to deliver, denied my refund request, and *violated PayPal's Terms of Service for pre-order sales*.
- PayPal closed my dispute the same day, stating that I was outside the 45-day window.
- I called PayPal's customer service and complained about my dispute being closed, and *explained to PayPal exactly how BFL is violating the ToS*.
- I sent an email to fraud@paypal.com in which I listed my transaction and dispute number, and *explained how BFL is violating the ToS*.
- A few days later, a PayPal Customer Solutions Supervisor called me on the phone. *He had already spoken to BFL and assured me that BFL would be contacting me*. I told him that I just wanted a refund, and *explained to him how BFL is violating the ToS*.
- I waited a week to give BFL plenty of time to contact me. They didn't.
- I emailed the PayPal Customer Solutions Supervisor and told him that BFL had not contacted me. He seemed shocked. I wasn't. He told me that PayPal could take action against BFL if necessary.
- The PayPal Customer Solutions Supervisor escalated my dispute to the next level (whatever that is). He told me that someone else would call.
- The next day I received a call from a guy named Bruce at BFL. He told me that since I had complained to PayPal, BFL was placing my order "under review" and taking it out of the queue. From his tone, I got the impression that Bruce thought this would bother me. I told him that I didn't need a review, I just wanted my money back. He wouldn't give me a firm answer and just kept repeating that they were placing my order "under review" and taking it out of the queue. I even asked if this review would take a day, week, month, or year. No answer, just the same "under review" statement.
- Within 5 minutes of BFL's call, an Account Representative from PayPal called. I told her about the strange conversation with Bruce. She said that she would contact BFL again.
- **My payment to BFL was refunded to my PayPal account the next business day.**

IMHO, this is the bottom line:

**BFL needs PayPal. If you want your money back, complain to PayPal and don't give up.**

# **ATTACHMENT F**



107



## I got \$6000 refund from BFL in just 8 hours from Paypal (self.Bitcoin)

submitted 1 year ago \* by t

EDIT: This method is no longer working. File a chargeback with your CC company and refuse any deliveries that will magically appear.

---- original post:

I ordered over 6 months ago. Finally asked for a refund from BFL last month and was refused. Paypal also declined because it was over the 45 day limit.

Then yesterday, I followed instructions from someone at Bitcointalk and got a refund 8 hours later!

If you paid by Paypal and want a refund, either email or PM me (see below).

This just involves one email to a Paypal caseworker who is already aware of the BFL fiasco and authorized to act in customer's best interests.

When you get your refund, please contact me with the amount as I would like to keep a running total (I wont quote any names).

Reddit PM:

<http://www.reddit.com/message/compose/?to=tharlam>

Email: [bflrefund@gmail.com](mailto:bflrefund@gmail.com)

Website: <http://bflrefund.me/> for full details on the process including a SAMPLE LETTER TEMPLATE.

If you have a Twitter account, please tweet your successes referencing this thread and use the hashtags #bitcoin #bflrefund

REFUNDS HERE SO FAR: 67 (that I am aware of) ranging from \$228 - \$7,600 each

REFUNDS ON OT: 97 (that OTOP is aware of).

Grand total between threads: 164

Total estimated refund value: \$330,132

this post was submitted on 16 Sep 2013

**107 points** (94% upvoted)

shortlink:

remember me reset password

gift



Buy Gift Cards With Bitcoin.  
Earn 3% Points Back.

BUY NOW

Submit a new link

Submit a new text post

## Bitcoin

subscribe 136,291 readers

794 users here now

Bitcoin is *the currency of the Internet*: a distributed, worldwide, decentralized digital money. Unlike traditional currencies such as dollars, bitcoins are issued and managed without any central authority whatsoever: there is no government, company, or bank in charge of Bitcoin. As such, it is more resistant to wild inflation and corrupt banks. With Bitcoin, you can *be your own bank*.

If you are new to Bitcoin, check out [We Use Coins](#) and [Bitcoin.org](#). You can also explore the [Bitcoin Wiki](#):

- [Getting Started](#)
- [FAQ](#)
- [Common Myths](#)
- [Bitcoin Merchants](#)

Original source:

<https://bitcointalk.org/index.php?topic=295187> - i moved this down here because a lot of new users can't PM at Bitcointalk, and it helps spread the load since we're getting A LOT of inquiries.

126 comments share

all 126 comments · sorted by: **best** ▼

permalink

84

[–] [deleted] 1 year ago

[deleted]

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## Community rules

- Do not use URL shortening services: always submit the real link.
- Begging/asking for bitcoins is absolutely not allowed, no matter how badly you need the bitcoins. Only requests for donations to large, recognized charities are allowed, and only if there is good reason to believe that the person accepting bitcoins on behalf of the charity is trustworthy.
- News articles that do not contain the word "Bitcoin" are usually off-topic. This subreddit is not about general financial news.
- Submissions that are mostly about some other cryptocurrency belong elsewhere. For example, [/r/CryptoCurrency](#) is a good place to discuss all cryptocurrencies.
- No referral links in submissions.
- No compilations of free Bitcoin sites.
- Trades should usually not be advertised here. For example, submissions like "Buying 100 BTC" or "Selling my computer for bitcoins" do not belong here. [/r/Bitcoin](#) is primarily for news and discussion.
- Please avoid repetition — [/r/bitcoin](#) is a subreddit devoted to new information and discussion about Bitcoin and its ecosystem. New merchants are welcome to announce their services for Bitcoin, but after those have been announced they are no longer news and should not be re-posted. Aside from *new* merchant announcements, those interested in advertising to our audience should consider [Reddit's self-serve advertising system](#).
- No wallet addresses in posts/comments. The [tipbot](#) can be used.

## Related communities

(Sorted roughly by decreasing popularity.)

### Bitcoin communities

- [Bitcoin Beginners](#)
- [Local Bitcoin communities](#)
- [BitcoinMining](#)
- [ChangeTip](#)

# **ATTACHMENT G**



Home	Products	Drivers	Consulting	FAQ	Support Forums	Jobs
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# BitForce SC – Release notes

[Home](#) / BitForce SC – Release notes

The **BitForce SC** product line is the giant final step in the progression of SHA256 verification technology. The implications for our customers are significant and with this comes a measure of responsibility that we've worked hard to respectfully fold into our plans. Along with encouragement, there has been quite a lot of worry about these implications. We hope clarifying our position and what you can expect from BF Labs Inc. on these points may be helpful to our customers as they decide how to proceed with their SHA256 efforts. What's your trade in policy? In recognition of the burden such an increase in hashing power puts on owners of our equipment, we've instituted a policy designed to preserve the value of your investment through this technology change. Our objective is to make sure you can recover your investment whether you wish to continue mining or not. To achieve this goal, we will accept earlier generation units in trade at full purchase price towards the purchase of their new ASIC based counterparts.

- What's a typical trade in example? A customer can trade in his 832 MH/s Single and get \$599 credit towards the purchase of a \$1,299 SC Single. The end cost to upgrade to 60 GH/s would be \$699.
- Do I have to ship my trade in when I order the SC version? You may keep your current single (or Mini Rig) up to the date your SC based product is ready. We'll notify you at that time and wait for your trade in to arrive before releasing your unit.
- Can I trade in two old generation singles for one SC version? No. You can only use trade in credit to pay for up to 50% of the cost of the new gear. (otherwise, we'd go out of business pretty quickly).
- I don't want to mine anymore, what do I do with my Singles? The value of an old Single on the secondary market should continue to hover close to it's \$599 purchase price minus shipping and any convenience costs of exchange with whoever wants to buy it in preparation to purchase an SC based product. When we receive it towards the purchase of an SC, it will be accepted at it's full \$599 value. This ensures that you can get out of your investment with no losses.
- How are Mini Rigs traded in? Mini Rigs are traded in the same way as Singles. Up to 50% of the purchase price of new SC gear can be paid for with trade in credit from an older generation Mini Rig or many older generation Singles.
- How long will you continue to accept trade ins? Our trade in offer expires March 1, 2013.
- Can I trade in my Singles even though I didn't buy them from you? Yes, we will honor trade in units whether you purchased them directly from us or from a third party.

Will you limit supply to would be 51% attackers? We absolutely will not knowingly sell hardware to a client if we feel they pose a threat to any network. Why are you selling so much performance for so little? We feel cheap & powerful hashing gear is more valuable to our customers and the growth of the network. For example, our USB coffee warmer product (the 'Jalapeno') was designed for maximum gift-ability in time for the holiday season. It might find a role as a fun starter kit for would be network participants while at the same time increasing network d-centralization. In sum, cheaper & easier is better and we'll continue to push this envelope as company policy. What will happen to my investment if ASIC competition arrives? It's our belief that ASIC level competition is inevitable. In expectation of this, we've kept our prices low and we'll maintain them at stable rates. There's no such thing as a monopoly in a free market. If you're greedy, someone can come along and fix the situation. With this in mind, our products are priced very well relative to the investments involved and this leaves little room for profit motivated competitors. This may very well induce a welcome phase of price stability for SHA256 operators. In the end, we believe success all comes down to aggressive investment in product improvement and a generous attitude towards supporting the customers we serve. Price stability is a part of the equation. However, in the event of a price war, it's fair to say that the capability of the product may exceed the figures published and our price / performance advantage will adjust as needed to remain the top choice. With the financial backing we have, we're able to continue development and prepare for the future mission to support SHA256, no matter how the market turns. Please know that in doing this, we pledge to continue to respect the value of the investment our customers have made. In the end, competition ultimately benefits overall network security so everyone wins. **Why don't you guys mine? This is a popular question. The answer is pretty simple. Hardware is the focus of our passion.** We're hardware designers. So will the BitForce SC product line REALLY come out in October? This is a fair question. Let's review our track record. If you're not aware, our initial product, the BitForce Single had a slow delivery cycle. This was initially due to a last minute design change before initial product release. When we did release it, we weren't quite prepared for the explosive success we had. After several rounds of scaling, single delivery is in sufficient volume to catch up quickly. The Mini Rig



product release has followed it's development and release timeline pretty well. Initial deliveries aren't far from estimates and the speed of production is on pace to ensure most customers will get their Mini Rigs ahead of schedule. The SC product line has been under development for quite some time and is not the result of an expedited development process. Although there are always issues during development, our team is highly experienced in exactly this field and we're currently ahead of our original timeline. Honest Abe, we're scheduling shipments for October of 2012. Will it REALLY be as fast as you say? YES. It's really that fast. Let's review our track record once again. Our most recent release was the Mini Rig. It's performance exceeded spec by more than 1 GH/s in speed while consuming 100W less in power draw.


Promised: 25.2 GH/s 1,250W

Delivered: 26.4 GH/s 1,141W

Our one blemish in spec estimate was with our original product. The Single was announced at 1.05 GH/s @ 20W. However, we released it at 832 MH/s @ 80W. This was part of our introductory learning curve specific to this network hash application which is really quite extraordinary and unlike simple processor cryptography which is our background. In the end, we missed our speed spec by 20% and power by a factor of 4. In fairness, we offered refunds and lowered our prices from \$699 to \$599 to compensate. The product was a hit and remains our best seller to date. In short, we have the experience and have shipped the most product in the industry. You can count on the SC. It's real and it's coming to a network near you.

# **ATTACHMENT H**

**Bitcoin Forum**

 simple machines forum

September 25, 2014, 02:36:31 PM

Welcome, **Guest**. Please [login](#) or [register](#).

Forever

Login with username, password and session length

**News:** Bitcoin Core 0.9.2.1 has been released. [Download](#).

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Bitcoin Forum > Other > Off-topic > is butterfly labs mining with those ASICs at the moment?

« [previous topic](#) [next topic](#) »

Pages: [1](#) [2](#) [3](#) [**4**] [5](#) [6](#) [7](#) [8](#) [9](#) [10](#) [11](#) [12](#) [13](#) [14](#) [All](#)

[print](#)

 Author Topic: is butterfly labs mining with those ASICs at the moment? (Read 26868 times)

**j**  
Legendary  
  
  
Activity: 1386  
  
  
[Ignore](#)

 **Re: butterfly labs is definitely mining with those ASICs at the moment** #61  
September 19, 2012, 08:49:06 PM

Quote from: c on September 19, 2012, 08:39:29 PM

Do not you dare test a difficulty changing amount of hashing power on mainnet.  
  
THIS IS WHAT TEST NET IS FOR.

More like testnet-in-a-box.

, bitcoin core dev team and BitPay engineer; opinions are my own, not my employer.  
Donations / tip jar: 1BrufViLKnSWtuWGkryPsKsxonV2NQ7Tcj




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**BFL\_Josh**  
Member  
  
  
Activity: 78  
  
 **BUTTERFLYLA**  
  
  
[Ignore](#)

 **Re: butterfly labs is definitely mining with those ASICs at the moment** #62  
September 19, 2012, 08:53:38 PM

If we tested on testnet, it would make testnet useless, since it would spike the difficulty to unmanagable levels.

Regardless, we aren't testing any ASIC equipment on the live network either now or in the past, so it's pretty immaterial. We already have a plan, which I explained to several people at the Bitcoin conference on how we are going to handle the live testing when that time comes.

  
Sr. Member  


Activity: 252  
Inactive

  
Ignore



### Re: butterfly labs is definitely mining with those ASICs at the moment

September 19, 2012, 08:58:44 PM

#63

Quote from:  on September 19, 2012, 08:33:56 PM



So what do you want them to do? You want them to **NOT** run thru a QC test and ship a product that has never been verified to be able to bitmine?! I'm sorry, but a 24-hour burn-in to test that my product actually works is well within their rights, and I'd prefer it that way!

I worked at a card dealership when I was younger. We would get BRAND NEW cars off the truck, straight from the manufacturer, but the odometer would read anywhere from 10-300 miles. Some of our customers wanted a car that read 0 on the odometer. We had to explain: these cars get tested and used at the manufacturing facility, and will not have zero milage. That's just the way it is. How'd you like it if you get a car from the manufacturer, with 0 miles, and it didn't start?! You'd complain that their Quality Control was poor! Same thing here.

Crazy. Respectfully. The analogy is unnecessary in this case. Also, Bitcoin has main-net and then test-net. Test-net is for testing and is protocol compatible enough to test hashers.

The more people that don't know about test-net the more this "Quality Control" issue can be passed off as a prudent, professional activity. In reality it's a QC measure and a way to skim off the top of mining profits.

Effectively, raising difficulty prematurely before the ASICS are in the hands of customers. It's slimey.

  
Sr. Member  


Activity: 252  
Inactive

  
Ignore



### Re: butterfly labs is definitely mining with those ASICs at the moment

September 19, 2012, 09:05:13 PM

#64

Quote from: BFL\_Josh on September 19, 2012, 08:53:38 PM

If we tested on testnet, it would make testnet useless, since it would spike the difficulty to unmanagable levels.

Disagree. Explain your point. Rendering Testnet useless for non BFL testing activities is what I assume you mean? Provide a supporting argument for this.

Quote from: BFL\_Josh on September 19, 2012, 08:53:38 PM

Regardless, we aren't testing any ASIC equipment on the live network either now or in the past, so it's pretty immaterial. We already have a plan, which I explained to several people at the Bitcoin conference on how we are going to handle the live testing when that time comes.

Immaterial? Maybe immaterial to the OP's point, but it's quite material to what BFL will introduce in terms of difficulty prior to customer delivery of your product. As the PR person for BFL are you really going to shrug off this very valid point?

You, BFL rather, have a plan? And it was discussed with select individuals at the conference.

How is this any sort of representation of the company to **your customers**. I could care less about the conversations you had at the conference.

This is such a condescending and weak argument. Unless you have some amazing point about why test-net would be rendered a hulking piece of junk by unleashing your ASIC's on it this sounds like misinformation.

**BFL\_Josh**

Member



Activity: 78



Ignore



**Re: butterfly labs is definitely mining with those ASICs at the moment**

September 19, 2012, 09:12:33 PM

#65

You'll have to talk to Gavin and the others than maintain test net if you want answers to that. They have repeatedly requested that people not mine on test net because it raises the difficulty, making it impossible to test with. If we unleashed 20 TH onto test net for even 24 hours, it would make it unusable for everyone else. Feel free to disagree, but this has been an issue for a couple years now, please go research it.

Yes, I am going to shrug off this **invalid** point because we are not now and have not been testing ASICs on the live network, so it's an immaterial argument.



**Re: butterfly labs is definitely mining with those ASICs at the moment**

September 19, 2012, 09:16:00 PM

#66

**[redacted]**  
Legendary



Activity: 1260



Firstbits: 18tkn



Ignore

Quote from: **BFL\_Josh** on September 19, 2012, 09:12:33 PM

You'll have to talk to Gavin and the others than maintain test net if you want answers to that. They have repeatedly requested that people not mine on test net because it raises the difficulty, making it impossible to test with. If we unleashed 20 TH onto test net for even 24 hours, it would make it unusable for everyone else. Feel free to disagree, but this has been an issue for a couple years now, please go research it.

Yes, I am going to shrug off this **invalid** point because we are not now and have not been testing ASICs on the live network, so it's an immaterial argument.

But you WILL test ASICs on the live network? Why has the information surrounding this testing only been disclosed to select persons at the Bitcoin conference? Why will you not disclose that information to everyone else?

It's not an immaterial argument just because you haven't done it in the past, when you are obviously going to do it in the future. And the fact that you refuse to give out the details of this to the community as a whole has me concerned now. What can be so bad that you cannot reveal it until it happens?

**Graded Casascius coins for sale!** | **Get paid Bitcoins to play Minecraft!** | **Domain Bitcoin.Guru for sale!**



**Re: butterfly labs is definitely mining with those ASICs at the moment**

September 19, 2012, 09:25:58 PM

#67

**n [redacted]**  
Sr. Member



Activity: 252

Inactive

Quote from: [redacted] on September 19, 2012, 09:16:00 PM

Quote from: **BFL\_Josh** on September 19, 2012, 09:12:33 PM

You'll have to talk to Gavin and the others than maintain test net if you want answers to that. They have repeatedly requested that people not mine on test net because it raises the difficulty,



Ignore

making it impossible to test with. If we unleashed 20 TH onto test net for even 24 hours, it would make it unusable for everyone else. Feel free to disagree, but this has been an issue for a couple years now, please go research it.

Yes, I am going to shrug off this **invalid** point because we are not now and have not been testing ASICs on the live network, so it's an immaterial argument.

But you WILL test ASICs on the live network? Why has the information surrounding this testing only been disclosed to select persons at the Bitcoin conference? Why will you not disclose that information to everyone else?

It's not an immaterial argument just because you haven't done it in the past, when you are obviously going to do it in the future. And the fact that you refuse to give out the details of this to the community as a whole has me concerned now. What can be so bad that you cannot reveal it until it happens?

Yes, Josh. You aren't treating your customers very well on this specific point in raising visibility to the issue of QC mining on main-net.

You know what kind of response this was likely to get. And that response might have very well affected sales volume unless BFL convinced the majority why it was unavoidable to use main-net for testing.

Shrugging it off and acting like it's a non-issue and not treating the matter with the seriousness and disclosure it deserves - while there might not be an easy answer to avoiding main-net - really reflects poorly on your skills in dealing with important PR issues.

Well, at least there's competition now.

edit:

Even if the test-net dev's request that you not mine there does not preclude BFL's ability to have an isolated testing environment with a few nodes and a pool. I do not see the justification for broadcasting blocks to the production network - for every single device - just to satisfy QC concerns.

**BFL\_Josh**

Member



Activity: 78



Ignore



**Re: butterfly labs is definitely mining with those ASICs at the moment**

September 19, 2012, 10:01:04 PM


#68

It's not bad, I just don't want to make a commitment and then have to break it due to unforeseen difficulties. As to "why" those details were told to certain individuals at the conference, it was simply because they asked. I don't even know who the various individuals were that I explained our plan to. If the community did not react so violently to changes in statements made here, we would be more open about our plans, but as it is, if we make a statement and then later have to change that, it turns into a giant mess.

Nedbert9: We have the best interests of Bitcoin as a whole at heart. Since you disagree that keeping the security of the network is of paramount importance, please let me know what your order number(s) are and I will get your refund issued immediately so that you may pre-order elsewhere.



Bitcoin Forum

 simple machines forum

September 25, 2014, 02:45:44 PM

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Bitcoin Forum > Other > Off-topic > [Announcement] Butterfly Labs

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 Author

Topic: [Announcement] Butterfly Labs (Read 48932 times)

**BFL\_Josh**  
Member  


Activity: 78

  
  
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 **[Announcement] Butterfly Labs**  
August 01, 2012, 07:18:04 PM

#1

First, let me start off by saying I apologize for the length of this post. I wanted to get all the information out there at once. Normally, I would not make a post of this nature, but given the current circumstances, I think it is warranted.

Many of you on bitcointalk.org forums know me as "Inaba," the operator of the Eclipse Mining Consortium bitcoin pool. In approximately two weeks I will also be wearing a different hat. As you may be able to guess from my new forum name, I will be working with and for BFL. Effective August 13, 2012 I have accepted the position of Chief Operating Officer of BF Labs INC. (Butterfly Labs)

BFL is the clear technical leader in the FPGA and upcoming ASIC mining space. As a direct result, the company has grown very quickly over the past year. Unfortunately, its customer service, which was initially very good, did not scale fast enough, which caused customer relations and transparency to suffer. BFL is eager to improve and one of my top responsibilities in this new position is to focus on that specific issue. I am, have always been and will always be committed to good customer service and transparency when it comes to bitcoin in general and the daily operations of related activities. This is where I will be focusing much of my initial attention, specifically to take the pressure off of everyone involved so that they can focus on the other important factors, such as getting the hardware delivered on time!

While I may not be universally liked by everyone in this community, I believe I at least have the respect of many people. I have always stood behind my integrity and commitment to what I promise and I take ownership of my mistakes. This will not change going forward and I will give my best level of effort to deliver on the promises I make to this community as a representative of BFL, as I always have. If for some reason I am unable to deliver on those promises, I will provide an explanation as to why.

While there may come a day when bitcoin does not need the Bitcointalk community, that day is still far in the future. As I have cultivated a relationship with this community through EMC, I also plan on cultivating a rewarding relationship with the community through BFL. There is some history and baggage to overcome, but I do not believe it is insurmountable. I also will not be part of or lend my credibility to an organization I do not believe in or one that I believe is working to undermine bitcoin at the expense of the community just to make a quick buck.

To forestall some of the most likely questions, I'm going to answer them here:

**Q. Have you been working for BFL all along?**  
A. No. I have had no business relations with BFL beyond being a customer and also providing some technical assistance getting their equipment to properly talk to pools.

**Q. Seriously. You've been working with BFL from the start, you can admit it, haven't you?**  
A. Seriously, no! I first discovered BFL at the same time as everyone else, back around November of 2011. It was purely coincidental that I happened to work, literally, across the street from their registered address of operations. I was just as skeptical as everyone else, especially when I discovered the registered address appeared to be a Lebanese restaurant that I frequent (but never really paid attention to the address). I learned more about BFL along with everyone else and since I was local and close by, I

reached out on behalf of the Bitcointalk community to BFL, specifically Sonny, to see if I could gather more information. I had been running the EMC pool since May/June of 2011 and had no knowledge of, or association with BFL or any of the parties involved in BFL up until it was first noticed on these forums.

**Q. Are you going to stop being such a jerk on the forums to some people?**

A. Maybe. It depends. Actually, yes. As a pool operator and an independent individual I have far more latitude and freedom to express my displeasure with some of the more intense stupidity that can be encountered on the internet. As a representative of a company, I am, unfortunately, a bit more constrained from explaining to various people exactly why they are idiots. As such, I will likely be ignoring a lot of the more of the ludicrous posts than I have before. To those of you who enjoyed reading my rants, I am sorry that they will be far fewer and between. 😊

**Q. What are your qualifications in the endeavor? What do you bring to the table?**

A. I'm glad you asked. From a customer service perspective, and more specifically, from an online community perspective, I have extensive experience on both sides of the fence. I have run online forums since the Fidonet days, and have extensive experience in the often caustic, emotionally driven environment that an online forum can produce. This allows me to effectively communicate with the population, since I am one of the populous myself. Unlike many customer facing people in many industries, I also have a strong technical background; I am able to communicate effectively with you about your problems, wishes and desires from a technical perspective. I will not make empty promises from a marketing standpoint if I know it's technically unreasonable or impossible. I am also able to effectively manage a project from end to end, which will be critical in getting our manufacturing and production lines going in the most efficient manner possible. I have also run a number of startups, and I understand the unique challenges required of a startup to function properly and successfully.

**Q. Come on, for real, you've been with BFL all along, right?**

A. No! Really! I have been working for an unrelated company that has nothing to do with bitcoin long before BFL was founded or I knew of any of the people involved, and I am still working for that company, until the day I start working for BFL.

**Q. What will happen to EMC?**

A. Right now, there are no plans to change anything with regards to EMC, other than more improvements as usual. I will continue to operate EMC as I have since the start.

**Q. You are going to have an unfair advantage when it comes to mining equipment, you'll be able to get as much as you want before anyone else!**

A. I will not be expanding my mining footprint as it would be a conflict of interest. I will continue with my current obligations and already acquired/paid for equipment but will not be purchasing or utilizing additional equipment as part of my mining operations. This is one of the hardest changes I will be making, as I firmly believe there are plenty of opportunities in this space that I am going to be missing out on, but I believe I can do more good for the bitcoin community as a whole working to provide that equipment to people as opposed to using it myself.

**Q. Why now? Why not before?**

A. The topic never really came up. BFL as a corporate entity is a startup and has been running very lean and mean. With wild success and absolutely spectacular outlook for products, it's time to move to the next stage of business. With my diverse skill set, I can replace both a technical lead and a PR/community lead, thereby eliminating the need for an additional person, which means we can move that much quicker in the market as well as have that much less overhead that can go towards development instead of human resources.

**Q. Are you going to become just another mouthpiece for the BFL party line?**

A. First of all, there is no "party line" coming out of BFL. They have been up front and honest with their dealings in the community from day one. There are a number of people on the forums that feel that BFL has been dishonest and some of those feelings are justified if viewed through the lens of "Every business should be perfect, always." However, both Sonny and the engineers, contrary to some statements you may have seen from others on the forum, have been honest in their assessments of capabilities and timelines. They have been mistaken, yes, but they have not been willfully or intentionally dishonest. Some can say they should have known better, and whether or not that is true is, at this point, academic. I am looking at the future, not the past, and I will be doing my level best to provide accurate information from day one. If there is some information that I believe to be inaccurate, a lie, or just plain wrong, I will not pass it off as fact. I will not tow any "party line." I will give you the honest facts as I know them. There may be times that there are trade secrets that I cannot reveal, but I do not believe this constitutes falsehood or anything nefarious, as there are times where revealing certain bits of information would put BFL at a competitive disadvantage. That will harm not only BFL, but also its current and future customers. If there are still people that, going forward, feel that this is somehow dishonest, then I apologize in advance and I also give advance notice that there will, in fact, be times where 100% of information cannot be disclosed, either immediately or possibly ever.

**Q. Help me! Order Status? Why is the sky blue?**

A. I will not be able to answer your questions with regards to order status, etc... via PMs. The PM system does not allow me to track or correlate information to provide accurate answers. I will, however, be able to do that via email and our new support system that I will be facilitating in the near future. PMs requesting information that should be directed to the support system will be ignored. I apologize for this, but it's just not feasible to handle the volume of requests that it would generate.

**Q. Are there cookies?**

A. Yes, there will be cookies. The cake, however, is still a lie.

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#1  
Bitcoin Binary Options?

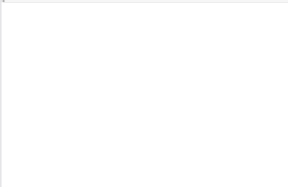
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**Re: [Announcement] Butterfly Labs**

August 01, 2012, 07:19:19 PM

#2



**Re: [Announcement] Butterfly Labs**

August 01, 2012, 07:19:46 PM

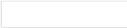
#3



**Re: [Announcement] Butterfly Labs**

August 01, 2012, 07:23:51 PM

#4



dip

# ATTACHMENT I

Complaint Date	Transaction Date	Complaint Info Comments
09/22/2014	01/05/2014	On 01/05/2014, I placed an order for, 600 GH Bitcoin Mining Card - On Sale BPU600C \$2,100.00 Ordered: 3 \$6,300.00. And a 1-year hosted management contract for \$4,536.00 for a total price of \$10,836.00 paid in equivalent BTC at that time. On 06/04/2014, I complained that I had not recieved my order yet. I officially asked for my refund at the end of August (having trouble finding an exact date.) I made a scond request tonight siting: <a href="http://business.ftc.gov/documents/bus02-business-guide-mail-and-telephone-order-merchandise-rule#WH">http://business.ftc.gov/documents/bus02-business-guide-mail-and-telephone-order-merchandise-rule#WH</a> ERE%20TO%20GO%20FOR%20HELP I strongly believe that the FTC should bring suit against this company and fine them the full \$16,000 per incident.
08/17/2014		I placed an order for electronic equipment on 9/4/13, as a preorder with the promise of delivery within a month for \$7,108. I waited, and they dropped the price saying they were days from shipping, and i placed another order 1/1/14 for \$8,576. They had not delivered by 3/18/14 and I was offered a double up on the first order of hardware with a "coupon code" that they gave me to keep me interested. It is now 6 months since I accepted that offer, and they refunded me the one order of \$8,576, but are refusing the \$7,108 order saying that if I accepted the upgrade, that I gave away the right to a refund. I believe this is incorrect, and illegal since the product has yet to be shipped, and now falls well below the promised spec.
08/12/2014	01/02/2014	Order was placed Jan 2, 2014. At the time, they were estimating shipping the very next month. Each month, they updated the estimate to be the next month, for 7 months running. It wasn't until 3 or 4 months after the order that they announced that they had sent the design off to chip fabrication. There's no way that they honestly could have believed that they would start shipping next month if they hadn't even finished the design and sent it off to fabrication. This makes their "estimate" look to me like willful and intentional deceptive marketing. They've continued to take pre-orders for this entire time, each month (save a few where they apparently forgot to) moving the shipping estimate to the next month, seldom with any explanation. Only recently did they stop accepting pre-orders. On the FAQ on their page, the "when will orders start shipping" links to a blog entry written four months ago that says "Not yet, but soon". That links to another blog entry dated March that also implies that they are nearly ready to start assembly. Every few months, they surface, say "soon", and then vanish for a few more months, all the while keeping pre ordering open. I hereby accuse these yaahoos of fraudulent marketing practices.
08/07/2014	08/23/2013	Although a pre-order, delivery of this product was expected around January 2014. Several revised dates have come and gone but almost a year after ordering nothing has been supplied. As compensation for the delay, I accepted a "free upgrade" (I had to pay postage), but this has also not arrived. I have requested a refund of my original order but have been told that I am not allowed one as I accepted the upgrade. EMAIL UPDATE 8/7/14 Forwarded from the FTC to the DNC email box. Consumer sent email stating he wanted to add his order number to his report. Since there is no place to put it, leaving it in the email the consumer sent. rcondon
07/25/2014	03/01/2014	Consumer is calling to report he purchased computer processing equipment from a company called Butterfly Labs. Consumer states he ordered them on a pre-order basis and would deliver within two months. Consumer states he paid the amount requested for six units and did not receive any of the equipment on time. Consumer states he received one unit almost a year later which was useless to the consumer after so much time it took to deliver. Consumer states he did not receive five of his machines and never received a refund although he was told he would be eligible. Update 07/25/2014, Consumer was calling to ask for contact info for the state of Kentucky consumer protection.Bmiera

07/25/2014	11/21/2012	<p>Paid \$308.00, five times each month through April 2013 to August 2013 for a total of \$1540.00 undelivered perishable -- use value depreciates radically with time -- game point technology based on company commitments to ship fast. One item ordered in March was delivered five months later. This item was purchased for \$163.00. When finally delivered, it was past its due date, functionally late. e.g. like buying melted ice cream. The company had an online community that somehow talked itself into believing that the promises of changes in production and delivery rates would improve; and more crucially that there were no legitimate claims to refunds possible because the sales order stipulated the conditions of a 'pre-order'. No one wanted to feel a fool, so almost everyone was indeed made a fool. I requested a refund after six months of waiting, and they finally relented, admitting that I 'qualified' for a refund. They demanded thirty to forty-five days to process the refund with Paypal. Originally they calculated my refund {\$1386.00} without being willing or forthright enough to include the shipping fees I had pre-paid. Paypal stated that it was reasonable to expect the refund of shipping fees on items not shipped; so I contacted them about it yesterday. They have changed the refund amount to {\$1540.00} which is five units of {\$308.00} full. These transactions really hurt me. Sometimes one can lose money on an arrangement or deal, and it is part of consumer experience. However this amount of money may look modest from a middle vantage; yet in my case it represents a fifth of my present yearly income. This product was central to my dream of leaving the hardship economy, if at least alleviating a portion of it. The advice goes that one ought not invest, gamble or spend what cannot be afforded as absolute loss. In this case, I may well be getting my money refunded; but much time was lost, and an order of nagging disenfranchisement with the very possibility of liberating oneself from extraordinary relative hardship. I think the notion of 'pre-order' is a destructive conceptual addition to the litany of consumer hazards and pitfalls that lie in wait in the market. I would like to suggest your office consider that the harm in the heuristic of my experience is widely felt across numerous consumers and citizens; and that reasonably, further government oversight is very much in order. Thank-you for your time and attention to this consumer experience.</p>
07/22/2014		<p>NOTE: To prevent interference with pending law enforcement action, prior to any investigative action, please contact the IC3 at SEARCH@IC3.GOV. Please check the "CSN Record Details page - Data Reference field" link for further details on IC3 data. --- Incident description: I have ordered BITCOIN MINER from Butterfly labs on December. I paid them by Wire Transfer the amount of \$2,138 for the Miner plus \$100 for the Wire Transfer from Canadian Account to US account. The miner I ordered is 600 GH/s and it is called MONARCH. On their website they said it was a pre-order and that they will start shipping in February. I waited till February and nothing happened. They changed on their website the date of shipping for April and since then they were constantly changing it for the next month (May, June, July). I tried to get my money back by emailing them and calling almost every second month. They said that I am not eligible for the refund. Finally they started shipping i July. But I do not want this item any more. I want my money back. And they agreed to return it but they said it will take form 30-45 days. What I am asking: is that legit? Isn't it just a money laundering? Please help me get my money back ASAP.</p>
07/20/2014		<p>I preordered on 17th of August 2013 mining equipment from butterflylabs. They said, that they were in the final stages of development and delivery should be November to December. Only in March they contacted me about the delays and offered more "power".i took the offer, not really realizing, that in taking the offer, I am waiving my right for a refund. In June I asked for a refunde, and in July again, which they denied. If I see it right, they should by ftc rules contact me every 30 days, if there is a delay and also offer a refund. Or give me a definitive date. Both they did not do. My initial payment was in bitcoins.</p>
07/15/2014	01/17/2014	<p>I ordered two separate orders through this company under the idea that they would be shipped in March. This was said both in email correspondence as well as it was posted on their website at the time. There have been extensive delays and I have not gotten the option to get a refund. I have no use for the products anymore, and I'm afraid that I will get stuck with useless product that failed to ship even close to the original estimate. I am more than happy to show transcripts of the email saying that they estimated shipping in March.</p>



07/11/2014		<p>I placed an order for two units of Butterfly Labs' Monarchs in January with the promise that they would shipped in 3 months. After four months of no word, I asked for a refund and they stipulated that I would have to wait 6 months before a refund could be requested. I then waited 6 months and placed another request for a refund and was told the refund would take 30-45 days to process. This is absolutely unacceptable and I have told the company of this and requested a faster refund time and have yet to hear back. I just want my \$4430 back in a reasonable amount of time. There is more though. I am not the only one with these exact issues with BF Labs. The web is full of forums that have hundreds of customers with this exact same experience; not getting product and not getting refunded. It is rumored that they are using the equipment we paid for without permission to make money mining bitcoins with the mining pool they acquired last year. There are also lawsuits involving BF Labs that they have lost and more on the rise. I feel that there are enough mistreated customers and legal evidence to launch an investigation against them.</p>
07/09/2014	03/18/2014	<p>I placed an order with Butterfly labs on August 18, 2013 in the amount of \$9,374.00. They promoted that my order would be shipped by December 2013. I was notified on March 18, 2014 of an auto upgrade as a thank you for waiting so long for the order to be shipped beyond it's expected date. I have never been notified by BFL directly as to how much longer to expect delays. On June 29th 2014 I notified Butterfly Labs that we wished to cancel the order that was delayed for well over 10 months. I wanted a full refund of my interstate wire transfer. We were told we do not qualify for a refund and that we must wait until the product is shipped. They disqualified me for a refund due to their announcement made on March 18, 2014 which can be found below. "Delay Benefits: 1. Free performance upgrade to the 1 TH Imperial Monarch version of the product you ordered. (400 additional GH/s) 2. Free additional 600 GH standard Monarch card at the end of the queue, up to the number of cards in your original order. Refunds: Alternatively, you can take a full refund for your order. Refunds will take 30-45 days to process and may be initiated by a method other than the way you paid. Please contact customer support."I am unsure if Butterfly labs will even ship the product and have never been notified about any delays since March 18, 2014. I have contacted office@butterflylabs.com and corresponded with Shawn in Customer Service. I have decided to file this complaint because Butterfly Labs has ceased to correspond with me on my refund request for an unknown reason. I am also in the process of contacting Johnson County District Attorney, Stephen M. Howe's office. I no longer trust that the company will ever ship this product, and want a full refund of the payment the company has held for more than 10 months.</p>
07/06/2014	06/01/2012	<p>I oreded on 8/17/13 for a item that was suppose to be delivered in 2-3 months. Me and all the other customers have yet to recieve anything from them, on the current product line. The product itself is time sensitive in value, competitors sell them off the shelf now for 1/10th of what Butterfly charged their customers. Which is why everyone including myself requested a refund some time ago. Butterfly has refused any refunds regarless of how long it takes them to deliver. They owe customers who knows how many millions worth of refunds now.</p>
07/01/2014		<p>On March 10, 2014 I requested a refund due to the delays, for my 600 GH Bitcoin Mining Card order paid in full on Dec 2nd 2013. They never contacted me about the delay and when I reached out to cancel and get my refund they told me I had to wait 6 months before being able to even request a cancellation/refund. As of today, July 1st 2014, I still haven't received my refund.</p>

06/19/2014		NOTE: To prevent interference with pending law enforcement action, prior to any investigative action, please contact the IC3 at SEARCH@IC3.GOV. Please check the "CSN Record Details page - Data Reference field" link for further details on IC3 data. --- Incident description: Starting in December of 2013, I began to purchase shares of a service known as Bitcoin cloudhashing <a href="https://products.butterflylabs.com/homepage-new-products/1-gh-cloud-hosted-bitcoin-hashing-power.html">https://products.butterflylabs.com/homepage-new-products/1-gh-cloud-hosted-bitcoin-hashing-power.ht ml</a> at which time the service had an expected launch date of January 2014 <a href="http://web.archive.org/web/20131203011519/https://products.butterflylabs.com/homepage-new-products/1-gh-cloud-hosted-bitcoin-hashing-power.ht ml">http://web.archive.org/web/20131203011519/https://products.butterflylabs.com/homepage-new-products/1-gh-cloud-hosted-bitcoin-hashing-power.ht ml</a> Well, we are at the end of June and even if they delivered now, the gear would be worthless. Also, the keep pushing the date back which is scandalous in it's self. I have sent numerous emails requesting a refund and have received nothing. No communication at all. <a href="http://i.imgur.com/WiJoAH3.png">http://i.imgur.com/WiJoAH3.png</a> What these people are doing is fraud and they are getting away with it. You do not have to go far to find other parties that Butterflylabs has swindled <a href="https://bitcointalk.org/index.php?topic=114329.0">https://bitcointalk.org/index.php?topic=114329.0</a> This company is a real nuisance and somebody from your office should really check these guys out. --- Specified Other Payment: Bitcoin
06/19/2014	10/15/2013	This company accepted payment for goods from us and then never delivered. They do not respond to email, phone etc. The paid Invoice can be found here: <a href="https://bitpay.com/bill?id=">https://bitpay.com/bill?id=</a> It list's Josh (one of my business partners) as the purchaser but these were in fact purchased for our company. The CEO of this company is a convicted fraudster: <a href="https://postalinspectors.uspis.gov/radDocs/PressRoom/nr110114.htm">https://postalinspectors.uspis.gov/radDocs/PressRoom/nr110114.htm</a> . We have requested a refund several times and have had no success. I am on the verge of driving to Kansas. We are owed 76.31 BTC.
06/03/2014		Consumer is calling to file a complaint against Butterfly Labs Inc. Consumer place an order in December of 2013 he has not received it yet Consumer ask ask for a refund and they refused him.
06/01/2014		Butterfly labs inc sells bitcoin miner. They were taking pre-order for new miners which they were advertising to ship by March. Until end of March I didn't recieve my product or any information from them so I contacted them for return, and they are denying to issue my return and claiming according to their TOS that I agreed, they don't need to refund my money or send me the product. The TOS basically says that all sales are final and product may never get shipped. I signed the TOS because I was told on their customer support forum that even though their TOS claims that, they would be gladly accept the refunds upon requests, and indeed I did get a refund another order that I placed about an year ago, which was under the same temrs of condition. It's clear to me they were trying to be kind to just lure more people into this scam and run away when they have enough of money, I believe there are a lot of other customers suffering from this and filing FTC complaints as well. Another thing to note, their phone line says refund would be acceptable if they cannot ship the product in 6 months, they would issue refund, and they say press 0 to talk to customer representative, but when you press 0 line just hang up. I don't think this is acceptable..
05/30/2014	01/04/2014	On January 4th 2014, I placed an order for Bitcoin Equipement with the promise of February 2014 batch delivery. via two order numbers: Order # BFL-017568789 for the amount of \$8,476.00 and Order # BFL-100099528 for the amount of \$2,138.00 totaling \$10,614.00 A wire transfer was completed for the same amount. I have sine then only received a payment receipt confirmation. No other communications has been initiated by Butterfly Labs. I have requested a refund for non delivered product couple of time and the last one was several days ago, please see their response bellow. ----- On Thu, May 29, 2014 at 1:26 PM, Tamika S < <a href="mailto:office@butterflylabs.com">office@butterflylabs.com</a> > wrote:Hi ,Thank you for contacting us. At this time, your orders do not qualify for a refund. Should your orders meet or exceed the six month maturity date, we will proceed accordingly. I hope this information helps. Thank you for your patience and understanding in this matter.Kindest Regards,TamikaBF Labs Customer Service Ticket DetailsTicket ID: KZW-132-79929Department: BillingType: IssueStatus: ClosedPriority: UrgentSupport Center: <a href="https://support.butterflylabs.com/index.php?">https://support.butterflylabs.com/index.php?</a>
05/22/2014	04/15/2014	I ordered a Hosted Mining Contract of 12 Month Term to total \$140.79 on the 5th December 2013 on the website butterflylabs.com. On this website it stated that they expected this mining contract to be started in January 2014. On April 15th 2014 upon still not having this I emailed to ask for a refund. Although the goods I had paid for have not been delivered, they replied stating the following as their defence: "I accept the terms of the sale outlined on the product page and understand that all sales are final. This is a pre-order. Production and delivery of my order may take 3 months or more."
05/21/2014	08/18/2013	Purchased some products from this company on August 18th, 2013. Company has not delivered anything and refuses refund. Order amount total: \$7034.00.

05/19/2014	11/22/2013	I ordered my product on 11.22.2013 Monarch 300GHs, I still to this date do not have it. I emailed them in December only to get a reply in mid January that I would recieve it in March/April. Both those timeframes passed. I requested a refund in early May. They claimed I would need to wait until the 6 month mark of my order (a new policy that I was not informed of) and then to wait an additional 30-45 days for a refund to process (in blatant violation of FTC regulation). This is apparently a standard practice. I have filed with the BBB as well in regards to this matter.
05/19/2014	01/23/2013	problem with the company including delays and poor business practice
05/17/2014	05/03/2014	Your Order #BFL-567035149 (placed on December 3, 2013 6:23:46 PM CST) Order was never recieved, paid in advance via wire transfer, item ship date keeps getting delayed. still has not shipped .Item Sku Qty Subtotal600 GH Bitcoin Mining Card BPU600C 1 \$4,680.00Subtotal \$4,680.00Shipping & Handling \$18.00Grand Total \$4,698.00Amount due \$4,698.00
05/15/2014		NOTE: To prevent interference with pending law enforcement action, prior to any investigative action, please contact the IC3 at SEARCH@IC3.GOV. Please check the "CSN Record Details page - Data Reference field" link for further details on IC3 data. --- Incident description: I ordered a service called 'cloud hashing' from Butterflylab begining as early as 11-19-13. When I bought the service, their website clearly indicated that the service would be available at the first of the year 2014 (i.e. January). They changed their website to say January, then February etc.. <a href="https://products.butterflylabs.com/homepage-new-products/1-gh-cloud-hosted-bitcoin-hashing-power.ht ml">https://products.butterflylabs.com/homepage-new-products/1-gh-cloud-hosted-bitcoin-hashing-power.ht ml</a> I finally called 'bushschitt' and demanded my money back, three weeks ago. <a href="http://web.archive.org/web/20131203011519/https://products.butterflylabs.com/homepage-new-products/1-gh-cloud-hosted-bitcoin-hashing-power.ht ml">http://web.archive.org/web/20131203011519/https://products.butterflylabs.com/homepage-new-products/1-gh-cloud-hosted-bitcoin-hashing-power.ht ml</a> I have sent numerous emails and left numerous messages. No party ever responds. This is wire fraud! --- Specified Other Payment: Bitcoin
05/14/2014	02/10/2014	Consumer asks bout Butterfly labs and applications for computer hardware. Consumer has been waiting for months for his item. Consumer is geting the round-a-round and told he would not be getting his money back.
05/13/2014	05/01/2014	I placed an order with butterfly labs for bitcoin mining hardware back in June of 2013 and paid approx \$1700. By august 2013 the mining hardware was still not delivered, and butterfly labs announced a new generation of equipment available for preorder. Customers still waiting for the old generation of equipment could sacrifice 10 percent of the existing paid ammount to transfer the preorder to an order for the new generation equipment. The total for the new order was ~\$4700 not including the fee paid to transfer from the original order, Placed on august 19th 2013. At that time the promised delivery date for the new order was no later than december 2013. After months of silence, finally on March 5th 2014 butterfly labs admitted that there were problems with the first batch of devices and they would need to be remade before shipping. Butterfly labs offered customers an ultimatum, Request a refund and wait 30-45 days for it to be processed, or recieve free order upgrades increasing the ammount of equipment with an expected delivery date of 6 weeks and loose the option of a refund. I elected for the order upgrades based on the new shipping timeline. It has now been 9 additional weeks and based on the vague, sparse, and non-commital updates given on their forum, the devices are still not expected to ship any time soon. I requested a refund from butterfly labs on May 1st 2014 and recieved an email response denying my request. According to Butterfly labs i permanently sacrificed my ability to recieve a refund by accepting the order upgrades. I believe the way Butterfly Labs conducts business is fradulent based on their inability to deliver product in a timely manner, and their refusal to fulfil a reasonable request for a refund.
05/12/2014	12/28/2013	I ordered this product back in December when the listed a shipping of February. They have then pushed back the date over and over and no there is no shipping for the device. They have offered refund to those who have been waiting 6 months or longer but they say they wont give refund to anyone else. I would like a refund as the product may never ship, also the company is just gaining bad rep for its customer service if you read the forms its a bunch of people complaining on how they do business and how they wont refund anyone their money.

04/25/2014	01/10/2014	I ordered a product called the Monarch from Butterfly Labs Inc. on January 10th of 2014. The Monarch is a piece of specialized computer equipment, made to solve an algorithm for Bitcoins. Their website claimed the product would be ready and available in mid-February. As of today, I have not received the Monarch card. I asked for my money back via email, and they replied that all sales are final. After doing research, I was able to find that I am not the only consumer that has not received the product, or received a refund. I contacted the Johnson County Consumer Protection office in Kansas, and they informed me that there have been numerous complaints. I also discovered that there has been a class action lawsuit filed as well. The link to the law firm responsible is here: <a href="http://www.woodlaw.com/cases/butterfly-labs-and-bf-labs-inc-bitcoin-miners">http://www.woodlaw.com/cases/butterfly-labs-and-bf-labs-inc-bitcoin-miners</a> . I also found that the company is incorporated in Wyoming, and doing business in Kansas. I want my money back!!
04/22/2014	04/22/2014	The manufacturer listed that the product at purchase time would arrive in January to February. It is now April 22, and have recieved an email from the manufacturer that the order maybe processed in the June timeframe. There have been several delays of months the history can be seen here. <a href="https://forums.butterflylabs.com/announcements/4414-monarch-information-2.html">https://forums.butterflylabs.com/announcements/4414-monarch-information-2.html</a> Have requested a refund, they have said my order is not applicable for a refund although they are refunding other orders that have been in the queue for more than 6 months which does not seem to comply with the law the way I have read it. <a href="http://www.law.cornell.edu/cfr/text/16/435.2">http://www.law.cornell.edu/cfr/text/16/435.2</a> Would you please call them write them a letter and advise me what to do to ensure this order is refunded.
04/22/2014	03/14/2014	<p>My contact info is: _____, AP 96349-0002 USA, _____. I placed an order for two of the following items: <a href="https://products.butterflylabs.com/homepage-new-products/600-gh-bitcoin-mining-card.html">https://products.butterflylabs.com/homepage-new-products/600-gh-bitcoin-mining-card.html</a> Since I placed the order, the company has refused any attempts to get a refund. They have changed their story OVER AND OVER when this item will ship. Ive made screen shots of my order and archived history of the website showing they just keep changing their shipment dates over and over. When trying to communicate with the company the only answers can be found on their forum site here <a href="https://forums.butterflylabs.com/forum.php#butterfly-labs">https://forums.butterflylabs.com/forum.php#butterfly-labs</a> They constantly avoid questions and give no real proof any of these cards exist. I recently found this investigation information and also filed my information with this law firm since I have no way of them agreeing to give a refund. <a href="http://www.woodlaw.com/cases/butterfly-labs-and-bf-labs-inc-bitcoin-miners">http://www.woodlaw.com/cases/butterfly-labs-and-bf-labs-inc-bitcoin-miners</a> This investigation information was also found recently <a href="http://arstechnica.com/tech-policy/2014/04/digging-for-answers-the-strong-smell-of-fraud-from-one-bitcoin-miner-maker/">http://arstechnica.com/tech-policy/2014/04/digging-for-answers-the-strong-smell-of-fraud-from-one-bitcoin-miner-maker/</a> This company stinks of fraud and I really wonder if they even have any hardware to ship or if it is just all another scam. Some people are out money and lost revenue from mining for MONTHS now and their compensation is nothing yet since they have NOTHING to ship us after 6 months. They have even posted a NEW Impereal Monarch for sale saying it would ship last month when it wasnt even in existance yet. They keep taking orders and making promises when nothing has been sold. Their FINAL SALES policy is ridiculous when when they havent even SOLD US ANYTHING yet. Here is a screen shot of my order and some of the forum posts, and old archives of their website I found. MY ORDER in case the website disapears - <a href="#">h</a></p> <p>_____, WEBSITE HISTORY showing they just change the ship date month to month when they still have ZERO inventory - _____</p> <p>_____, A forum post by their head of public lies Josh. He says ORDERS less than 3 months old WILL NOT BE DELAYED. My order is over 3 months now and still not shipped. They originally claimed 3 months or less, but now its just a daily exuse of why there are delays, they make up more lies about refunds that are ignored if you request one, and now they try to sell ANOTHER new product, supposodly shipping last month, but still doesnt exist - _____</p> <p>Please help us get refunds and put this company out of business. They are using our money to live lavish lifestyles and mine for bitcoin and get rich using hardware we paid for. You can see one LARGE example of the communitys complaints about this company and what a shady company they are. Us who placed orders trusted them before we knew all this new information and current lawsuits agaisn them, now we are out alot of money - <a href="https://bitcointalk.org/index.php?topic=150803.5200">https://bitcointalk.org/index.php?topic=150803.5200</a> , <a href="https://ia600702.us.archive.org/13/items/gov.uscourts.ksd.95395/gov.uscourts.ksd.95395.docket.html">https://ia600702.us.archive.org/13/items/gov.uscourts.ksd.95395/gov.uscourts.ksd.95395.docket.html</a></p>

04/20/2014	01/02/2014	I purchased two "Monarch Asic Miner" cards on January 2nd with a speculated shipment date at the time of purchase of end of February, beginning of March. Butterfly Labs originally had these same products projected to ship out in November of 2013 but they pushed it back again and now they have pushed it back even more. They absolutely refuse to refund their customers even though they have not pushed out their product as projected. There is also much speculation as to whether or not they have been using these cards to profit as investment tools prior to shipping them out to the consumers (as signs of use have been noted on their last line of products as well as their short lifespan). I would simply like a refund on my product that i haven't received and very likely may never see as has, reportedly, been the case for many customers.
04/15/2014	11/29/2013	I ordered a product from them and was told it would ship in 2 months. That was 4 months ago. I learned later the CEO is a convicted felon for mail fraud. The company does not respond but still takes money. I would like my money back. They claim they do not do refunds. This company is a scam and I just want my money back. UPDATE: 4-15-2014 The consumer still hasn't received the product or a refund. He was provided steps to take against company. He was explained FTC role.
04/05/2014	03/06/2014	Hello, I ordered a BitCoin Miner from Butterfly labs (Order #100107512 placed on March 6, 2014 2:57:35 AM CST). I received it on 3/13/14 and requested a return on 3/17/14 because their corresponding application kept freezing and crashing. I subsequently was able to make a formal RMA request on 3/19/14 via their web portal, which was denied on 3/20/14.Per Chapter 50: Unfair Trade And Consumer Protection I am requesting a full refund and ability to return this product that is not providing value.Item #:BF0010G Description:10 GH/s Bitcoin MinerQty: 1Chapter 50: Unfair Trade And Consumer ProtectionWire Transfer from my Bank of America: Amount: \$377.0050-675: Supplemental to Kansas consumer protection act; unconscionable acts. (a) This act shall be part of and supplemental to the Kansas consumer protection act. (b) Any attempt to collect a fee, or enforce a credit card charge or transaction or any refusal to make a refund to the consumer in violation of this act is an unconscionable act within the meaning of K.S.A. 50-627 and amendments thereto. History: L. 1991, ch. 70, 5; L. 1992, ch. 252, 3; July 1. I subsequently submitted a Better Business Bureau complaint out of the Kansas office (complaint ID ). The business response back to BBB was that Butterfly Labs would not refund my money because I stated that my issue is that their software doesnt work (vs their hardware). Since they marketed their hardware as a bundle with their software; defectoce software has rendered theor hardware useless to me and i would like a RMA to return the product for a full refund. Regards,
03/19/2014	11/27/2013	Consumer is calling to report an issue with a purchase online. He has not received his refund from Butterfly Labs. Consumer was referred to local AG.
03/18/2014	01/07/2014	I ordered a BFL "300 GH Bitcoin Mining Card" on October 30th 2013.My order number is Order #100079804.This was a preorder computer hardware which was expected to ship at the beginning of February 2014. It did not. I was notified of delays, pushing the release dates back to the end of February, then the Beginning of March, and now, seemingly, never. In an original email during the first delays I was told by Abbey from BFL, that I would have an option of either a 100% refund, or an upgrade in the part I ordered (as stated "up to a 250% performance upgrade for free) with no added fee. I received the email stating this as part of a chain mailer on March 7th. Today I received another mass email stating that neither of these options applied to me (despite no prior notice of being left out of these options) and that the only thing they could offer me was a 50% off voucher if I wanted to order another of the same product, which still has no release date.It's absolutely insane and there are a TON of customers they are doing this to. Action needs to be taken. I just today sent them an email demanding either the 100% refund, to the free upgrade that were promised as compensation, but it does not look like I will receive either of these. Please help!



03/17/2014	<p>I ordered a product from Butterfly Labs (600gh) 29th November 2013. It was mentioned on their website that it was a pre-order and delivery would be late January. I have emailed multiple times to chase the order and request a refund. Out of about seven emails I have had one response that simply said, all sales are final, we do not issue refunds. However, on their site it says; "As a Wyoming Corporation, we operate under the US Federal Trade Commission's business guide for mail or telephone ordered merchandise. The relevant guideline suggests that if no delivery terms are stated or agreed to, then 30 days should be assumed. "I looked into that law and that law states; Sec. 435.2 The Rule. In connection with mail or telephone order sales in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, it constitutes an unfair method of competition, and an unfair or deceptive act or practice for a seller: (a)(1) To solicit any order for the sale of merchandise to be ordered by the buyer through the mail or by telephone unless, at the time of the solicitation, the seller has a reasonable basis to expect that it will be able to ship any ordered merchandise to the buyer: (i) Within that time clearly and conspicuously stated in any such solicitation; or (ii) If no time is clearly and conspicuously stated, within thirty (30) days after receipt of a properly completed order from the buyer, Provided, however, where, at the time the merchandise is ordered the buyer applies to the seller for credit to pay for the merchandise in whole or in part, the seller shall have fifty (50) days, rather than thirty (30) days, to perform the actions required in § 435.2 (a)(1)(ii) of this part. (2) To provide any buyer with any revised shipping date, as provided in paragraph (b) of this section, unless, at the time any such revised shipping date is provided, the seller has a reasonable basis for making such representation regarding a definite revised shipping date. (3) To inform any buyer that it is unable to make any representation regarding the length of any delay unless: (i) the seller has a reasonable basis for so informing the buyer, and (ii) the seller informs the buyer of the reason or reasons for the delay. (4) In any action brought by the Federal Trade Commission, alleging a violation of this part, the failure of a respondent-seller to have records or other documentary proof establishing its use of systems and procedures which assure the shipment of merchandise in the ordinary course of business within any applicable time set forth in this part will create a rebuttable presumption that the seller lacked a reasonable basis for any expectation of shipment within said applicable time. (b)(1) Where a seller is unable to ship merchandise within the applicable time set forth in paragraph (a)(1) of this section, to fail to offer to the buyer, clearly and conspicuously and without prior demand, an option either to consent to a delay in shipping or to cancel the buyer's order and receive a prompt refund. Said offer shall be made within a reasonable time after the seller first becomes aware of its inability to ship within the applicable time set forth in paragraph (a)(1) of this section, but in no event later than said applicable time. This suggests to me that I am entitled to a refund but nobody is getting back to my emails, let alone contacting me first as the law suggests they should. UPDATED: 03.17.14 Consumer called back w/ additional questions.</p>
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03/12/2014	12/30/2013	<p>My history started in June 18 2013 when I wired USD 3037 to the above company for 5GH/s and 50 GH/s Bitcoin miner. When we ordered the miners the status was „order” in their homepage (<a href="http://www.butterflylabs.com/">http://www.butterflylabs.com/</a> ) and the status was not „pre-order”. We assumed that products will be delivered soon. We have not received any bitcoin miners. We sent e-mails and they answered after weeks. We discovered a „Support Forum” where we learned that their expensive products will be delivered in the end of 2013 or beginning of 2014. (be patient). We accepted it but first of all the status was order when we purchased and no policy/description appeared in their homepage that how much time will pass from the payment to delivery. (I should have right to know).I waited almost six month when I received products in 20. Dec 2013. Unfortunately I had to pay a way of money for the local Hungarian Tax Authorities HUF 164.000=USD 745. The 50GH/s miner died after 30 hours working and I had to buy a PSU for this product because the own PSU was dangorous which was further USD 110. The 5GH/s product died after few days. I sent a money refund request to the company because I found their products useless and the postage cost and further waiting will be unprofitable but they answered me the I have to send the products back and the will never give my money back. I thought all right, I try it and I give last chace. I sent two miners back to USA which was further USD 110 and one month wait. On 28 Jan 2014 I received two miners again. The 50 GH/s miner (which was net USD 2499+taxes+PSU+postage cost) died after 12 hours! I requested the company the their product is useless and I will not send back and they send me back another useless product and we will play this game further month and month and I will pay further 110 USD for postage cost please give me another solution. I suggested that secure me cloud mining for my lost money (and only for my net losses excluding month waiting when I could not mine) and they rejected my suggestion. They answered that they give me no refund.Please offer me legal support because I have the following losses:- 50GH/s miner was in Jan 2014 USD 990. I accept the market economy specific but the buyer in January 2014 if the product works received the miner sooner than me (after six month work) and pay for example third of the taxes- The company used my money for half a year without inform me how long should I wait for the product- I could not mine bitcoins which is loss 10 USD daily- I totally paid for the useless product ca: USD 3400There was no policy on delivery time, product replacement process (who pays the postage cost, timing etc) and I have not informed that there is no money back guarantee if their products are useless. The are no policy on using product (only support forums) and I did not know that their PSU's are really dangarous for my family.</p> <p><a href="http://www.youtube.com/watch?v=3iabWK8Elgc">http://www.youtube.com/watch?v=3iabWK8Elgc</a> Fortunatley we never used because we bought a safe PSU:I reminded also the company because of my concerns.I could enclose the following documents but I have no opportunity to attach on this webpage:- approved RMA for the first replacement- Invoice for the local taxes which is in HUF (exchange rate: 220 USD/HUF)- Invoice for the product- Bank statement of wire transfer- Emails I sent to the company- The replaced product worked 12 hours print screen</p>
03/11/2014	06/13/2013	<p>EMAIL Forwarded from the FTC to the DNC email box. Consumer did not provide complete contact info. Consumer reports he wire transferred \$3037 to Butterfly Labs for 5GH/s and 50 GH/s Bitcoin miner. Consumer reports he had to pay a lot of money to the Hungarian authorities to get it into the country, and then the miners died after only 30 hours of work. COnsumer wants the FTC help in getting his money back.</p>
03/03/2014	12/06/2013	<p>I have ordered and paid for product 300 GH Bitcoin Mining Card from Butterfly Labs Inc. on December 6, 2013. Delivery time was from 1 to 2 months after payment. The product I have paid for was not shipped yet. Company stop communicate with me 3 weeks ago. I do not know what to do to get my money back from company. Can You help me?.Thank You</p>
03/01/2014		<p>Butterfly Labs (BFL) sells Bitcoin mining equipment. My original order was for two "50 GH/s Bitcoin Miner" devices (their SKU# BF0050G) the units never shipped. On 9/20/13 BFL offered an upgrade to a more powerful unit "600 GH Bitcoin Mining Card" (SKU# BPU600C) at a similar price to two 50 GH/s units that upgraded order also never shipped.Finally on 2/25/2014 I decided to cancel the order and request a refund.Merchant declined. I had to resolve to contacting paypal and my credit card provider to dispute the charge and initiate charge back procedure.Below is BFL's final response to my order cancellation and refund request (I do have the whole email conversation available if needed):*****Thank your for choosing Butterfly Labs for your mining needs. All sales are final according to our terms. We do thank you for your patience, but your order is being processed. We will notify you when your order comes up in our queue. To stay abreast of our updates of when items are being shipped out from the production floor, please visit our blog: For Jody's Customer Service Blog, and more, please visit our new BFL Forums at &lt;<a href="https://forums.butterflylabs.com/blogs/bfl_jody/">https://forums.butterflylabs.com/blogs/bfl_jody/</a>&gt;. You may also sell your order to someone else using the classified section of the forum on our webpage. I hope this helps.Kindest Regards,TamikaButterfly Labs*****</p>