

# Megaupload.com's Founder, Kim Dotcom, Granted Bail

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Kim Dotcom, the founder of website Megaupload.com, has been released on bail in New Zealand as he awaits a decision on whether he will be extradited to the U.S. to face charges including copyright infringement.

Mr. Dotcom was granted bail Wednesday morning. In a written statement, District Court Judge Neil Dawson argued that with satisfactory bail conditions, concerns that Mr. Dotcom would flee could be alleviated as it no longer seemed he had access to significant resources.

Mr. Dotcom was named in a Federal Bureau of Investigation indictment in January as the

founder and, until last year, chief executive of Megaupload.

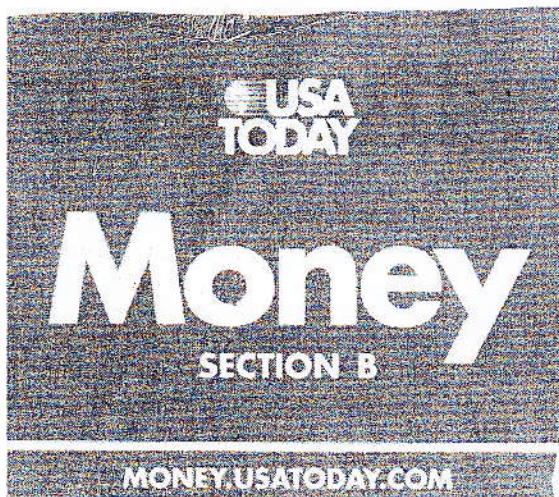
A U.S. lawyer for Megaupload, Ira P. Rothken, said his current understanding is that conditions of bail are going to include no use of Mr. Dotcom's helicopter and that his house will have no Internet access. Mr. Dotcom's release "is a very important development for the defense," said Mr. Rothken.

Judge Dawson said it was unlikely the extradition hearing would happen before the end of May. U.S. authorities claim **Megaupload** Ltd. and its collection of websites generated more than \$175 million in criminal proceeds and caused more than half a billion dollars in harm to copyright owners.



# Megaupload's Dotcom free until hearing

Judge: Not a flight risk pending  
decision on extradition to U.S.



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By Yvonne van Dongen  
Special for USA TODAY

AUCKLAND, New Zealand — Kim Dotcom, founder of the Megaupload file-sharing websites that U.S. prosecutors charge amounted to a global copyright piracy operation, left a New Zealand jail today after a court ordered his release.

A district court judge ruled at a hearing that Dotcom, a German formerly known as Kim Schmitz, was not a flight risk and could be released without posting bond to rejoin his pregnant wife and three children at a home he owns near the rented multimillion-dollar mansion that authorities seized Jan. 20.

## Tech

The judge placed restrictions on Dotcom's activities: He is not to use the Internet, he is not to travel more than 50 miles from his home without police permission, the property must be electronically monitored, and no helicopter is to land on the property at Coatesville, north of Auckland.

Dotcom, 38, has been charged in federal court in Virginia with racketeering, money laundering, copyright infringement and wire fraud in a recently updated conspiracy indictment that names him, Megaupload, and six associates.

New Zealand authorities seized millions of dollars in investments and assets, including a fleet of high-priced cars, art and other valuables, along with the estate, in a raid based on the U.S. indictments.

The U.S. Justice Department, which contends Megaupload provided millions of illegal downloads that deprived creators of movies and music hundreds of millions of dollars in revenue, is seeking to extradite Dotcom to stand trial in the United States.

The judge, Nevin Dawson, granted an exception to the restrictions on Dotcom's movements for a medical emergency. His wife is due to give birth to twins March 28.

Dotcom, who also holds Finnish citizenship and has a residence in Hong Kong, where Megaupload was based, founded Megaupload seven years ago and lived a flamboyant lifestyle, which he promoted through online pictures and videos of himself with models on yachts and jet airplanes.

Six colleagues charged with him are already out of jail on bail. All were in the courtroom when Dotcom made an appearance.

The judge dismissed concerns about Dotcom's credit cards, aliases and prior convictions in Germany on hacking and fraud charges. He agreed with defense lawyers who argued that since Dotcom's assets had been seized and finances frozen, he lacked resources to flee the country.

...and piracy fears