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FILED
CLERK, U.S. DISTRICT COURT
5/22/18
CENTRAL DISTRICT OF CALIFORNIA
BY: CS DEPUTY

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CLERK, U.S. DISTRICT COURT
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CENTRAL DISTRICT OF CALIFORNIA
BY: CS DEPUTY

13 UNITED STATES DISTRICT COURT
14 CENTRAL DISTRICT OF CALIFORNIA

15
16 SECURITIES AND EXCHANGE
COMMISSION,

17 Plaintiff,

18 vs.

19
20 TITANIUM BLOCKCHAIN
21 INFRASTRUCTURE SERVICES,
INC.; EHI INTERNETWORK AND
22 SYSTEMS MANAGEMENT, INC.
aka EHI-INSM, INC.; and MICHAEL
23 ALAN STOLLERY aka MICHAEL
STOLLAIRE,

24 Defendants.
25
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27
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Case No. CV18-4315-DSF(JPRx)

DECLARATION OF MAGNOLIA M.
IRWIN

(FILED UNDER SEAL)

1 **DECLARATION OF MAGNOLIA M. IRWIN**

2 I, Magnolia M. Irwin, declare, pursuant to 28 U.S.C. § 1746, as follows:

3 1. I am employed by the U.S. Securities and Exchange Commission (the
4 “Commission”) as a Paralegal in the Division of Enforcement in the Los Angeles
5 Regional Office in Los Angeles, California. I make this declaration in support of the
6 Commission’s *Ex Parte* Application For Temporary Restraining Order, Order To
7 Show Cause Why A Preliminary Injunction Should Not Be Granted. I have personal
8 knowledge of each of the matters set forth below based on the files and records the
9 Commission has obtained, and, if called as a witness, I could and would competently
10 testify to the facts stated herein.

11 2. In the course of my duties with the Commission, I analyze bank and
12 financial records, I make calculations and observations from those records, and I
13 prepare spreadsheets and charts summarizing those calculations and observations
14 using commercially available software such as Excel.

15 3. During the course of the Commission’s investigation entitled In the Matter
16 of Titanium Blockchain Infrastructure Services, Inc., and pursuant to my duties as a
17 Paralegal with the Commission, I reviewed the following documents that were produced
18 to the Commission in response to subpoenas for records served by the Commission:

19 a. For Titanium Blockchain Infrastructure Services, Inc. (“TBIS”),
20 bank records from JP Morgan Chase Bank including account opening documents,
21 monthly bank statements, and spreadsheets listing transactions of debits and credits
22 from November 17, 2017 through March 15, 2018 for TBIS’s account ending 2796; and

23 b. For EHI Internetwork and Systems Management, Inc. (“EHI”),
24 bank records from JP Morgan Chase Bank, including account opening documents,
25 monthly bank statements, and spreadsheets listing transactions of debits and credits
26 from December 1, 2017 through January 31, 2018 for EHI’s account ending 3531.

27 4. Based on the bank records identified above produced by JP Morgan
28 Chase Bank, I prepared the charts identified below using the following methodology:

1 I reviewed and input into the Excel spreadsheet program with respect to each of the
2 above accounts (a) credits into the account including deposits in the form of checks,
3 ACH credits, inbound wire transfers, foreign remittance credits, inbound transfers
4 such as QuickPay, and other deposits payable to the account holder, and (b) debits
5 from the account including checks written from the account, ACH debits,
6 preauthorized payments, outbound transfers such as QuickPay, withdrawals, and
7 other outgoing transfers from the account. I confirmed the credit and debit
8 information I input into the spreadsheets against the monthly bank statements for
9 each of the above accounts for the time periods indicated. Based on the spreadsheets
10 I prepared, I created charts summarizing the credits and debits into the account.

11 5. Based on my review of the records produced by JP Morgan Chase Bank
12 and utilizing the methodology described above, I prepared spreadsheets and charts
13 summarizing the debits and credits posted to the TBIS account ending 2796 and to
14 the EHI account ending 3531.

15 6. Based on my review of the records produced by JP Morgan Chase Bank
16 and utilizing the methodology described above I prepared a spreadsheet summarizing
17 the debits and credits posted to the TBIS account ending in 2796 from November 27,
18 2017 through March 15, 2018. A true and correct copy of that spreadsheet is attached
19 hereto as Exhibit 1.

20 7. Based on my review of the records produced by JP Morgan Chase Bank
21 and utilizing the methodology described above, I also prepared pie charts
22 summarizing the debits and credits posted to the TBIS account ending in 2796 from
23 November 27, 2017 through March 15, 2018. These charts convey the same
24 information that is represented in Exhibit 1, but they represent the information in
25 chart forms. Attached hereto as Exhibit 2 is a true and correct copy of the chart
26 summarizing the credits posted to the TBIS account ending in 2796 from November
27 27, 2017 through March 15, 2018. Attached hereto as Exhibit 3 is a true and correct
28

1 copy of the chart summarizing the debits posted to the TBIS account ending in 2796
2 from November 27, 2017 through March 15, 2018.

3 8. Based on my review of the records produced by JP Morgan Chase Bank
4 and utilizing the methodology described above I prepared a spreadsheet summarizing
5 the debits and credits posted to the EHI account ending in 3531 from December 1,
6 2017 through January 31, 2018. A true and correct copy of that spreadsheet is
7 attached hereto as Exhibit 4.

8 9. Based on my review of the records produced by JP Morgan Chase Bank
9 and utilizing the methodology described above I also prepared pie charts
10 summarizing the debits and credits posted to the EHI account ending in 3531 from
11 December 1, 2017 through January 31, 2018. These charts convey the same
12 information that is represented in Exhibit 4, but they represent the information in
13 chart forms. Attached hereto as Exhibit 5 is a true and correct copy of the chart
14 summarizing the credits posted to the EHI account ending in 3531 from December 1,
15 2017 through January 31, 2018. Attached hereto as Exhibit 6 is a true and correct
16 copy of the chart summarizing the debits posted to the EHI account ending in 3531
17 from December 1, 2017 through January 31, 2018.

18 10. To the best of my knowledge and ability, Exhibits 1 through 6 comprise
19 accurate summaries under Rule 1006 of the Federal Rules of Evidence of the
20 underlying bank records produced by JP Morgan Chase Bank for the accounts and
21 time periods indicated in response to the Commission's subpoenas for records.

22 I declare under penalty of perjury under the laws of the United States of
23 America that the foregoing is true and correct.

24 Executed this 11th day of May, 2018 at Los Angeles, California.


25 
26 _____
Magnolia M. Irwin

EXHIBIT 1

EXHIBIT 2

SUMMARY CREDITS CHART FOR TBIS ACCOUNT ENDING 2796

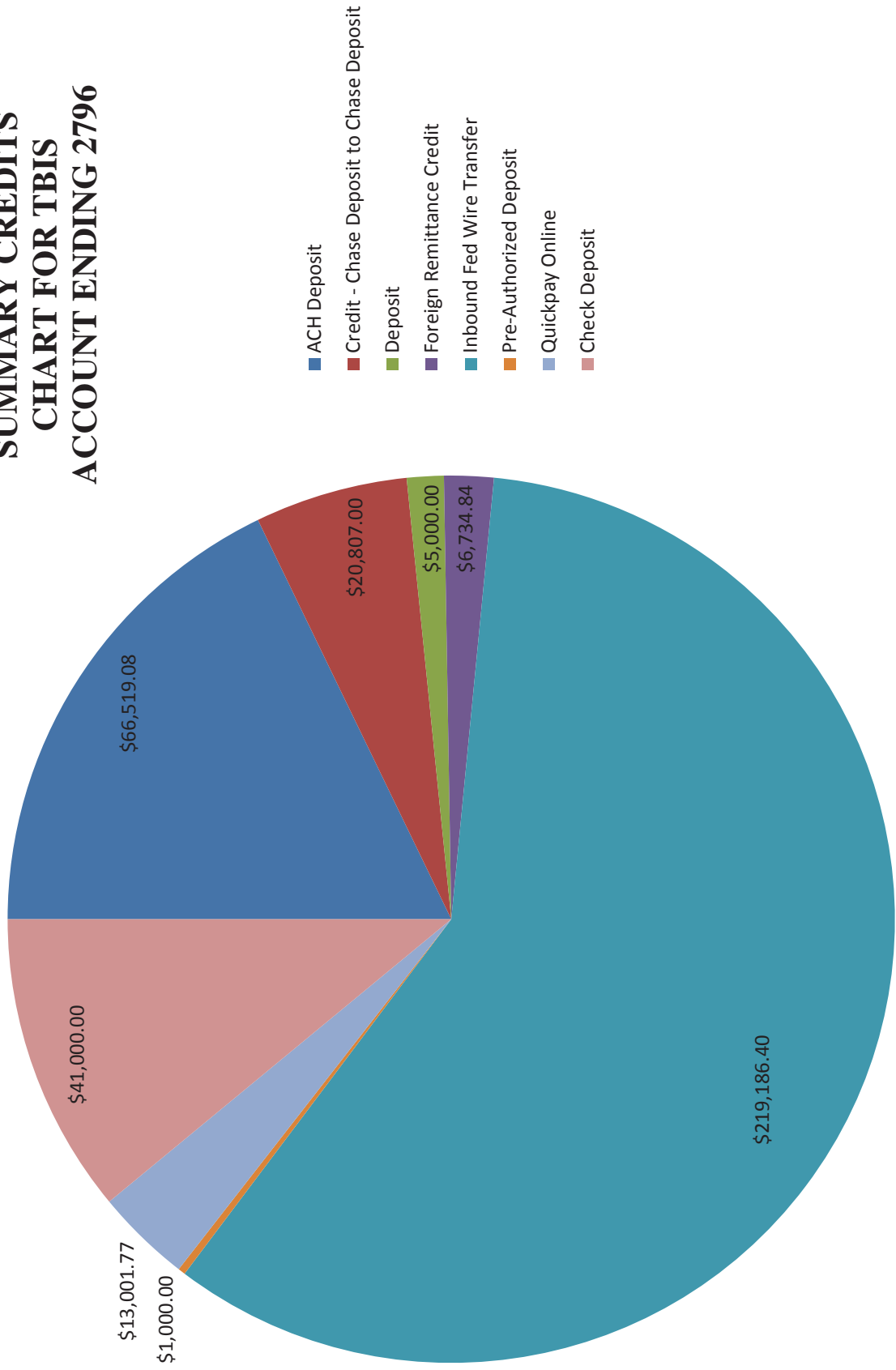


EXHIBIT 3

SUMMARY DEBITS CHART FOR TBIS ACCOUNT ENDING 2796

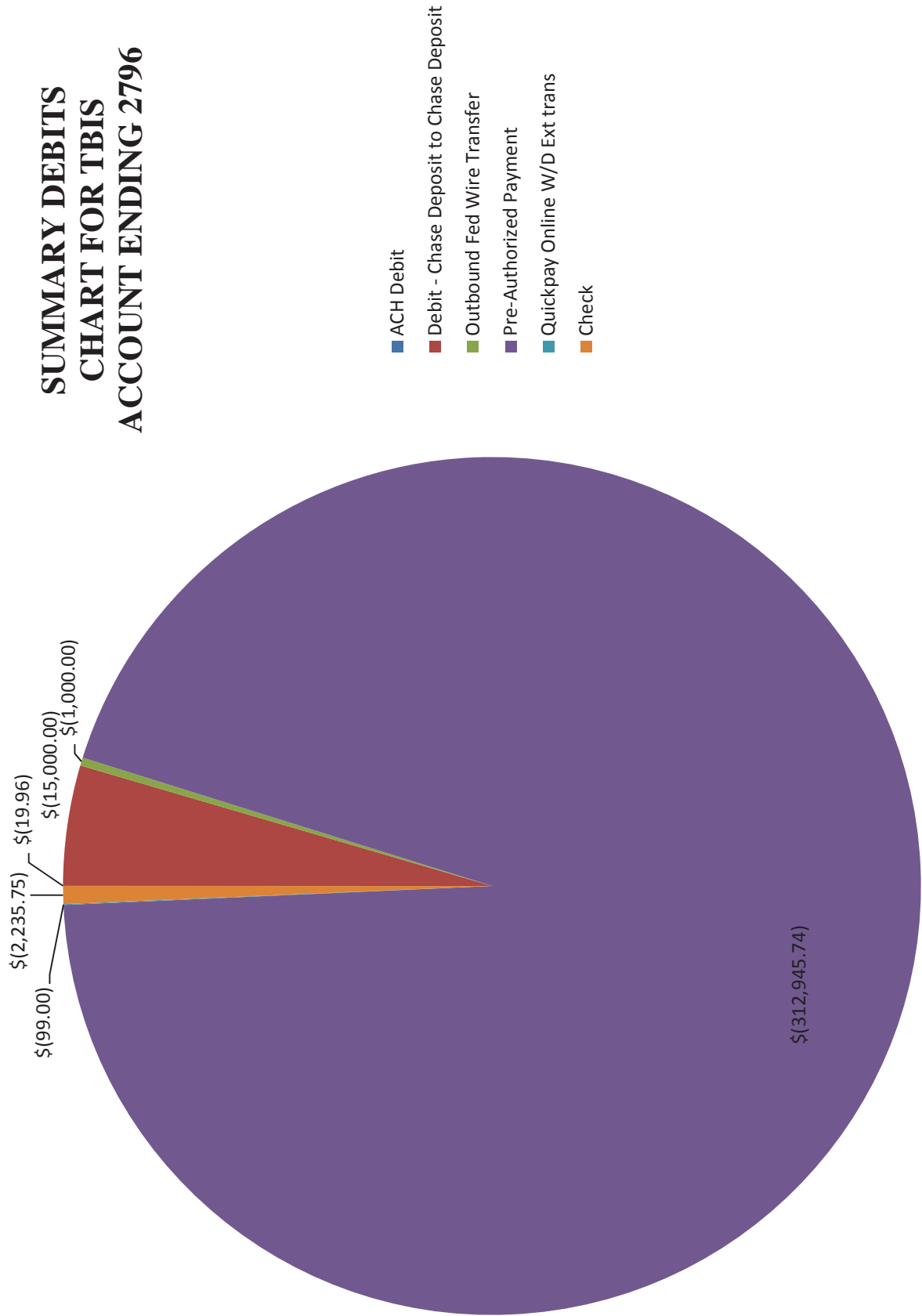


EXHIBIT 4

SUMMARY FOR EHI ACCOUNT ENDING 3531

CREDITS	
ACH Deposit	\$ 37,250.53
ATM Check Deposit	\$ 9,500.00
Pre-Authorized Deposit	\$ 58,488.15
Service Fee Reversal	\$ 190.00
TOTAL CREDITS	\$ 105,428.68
DEBITS	
ACH Debit	\$ (58,505.01)
ATM Withdrawal	\$ (6,200.00)
Check	\$ (12,529.38)
Pre-Authorized Payment	\$ (39,680.01)
Service Fee	\$ (190.00)
TOTAL DEBITS	\$ (117,104.40)

EXHIBIT 5

**SUMMARY CREDITS
CHART FOR EHI
ACCOUNT ENDING 3531**

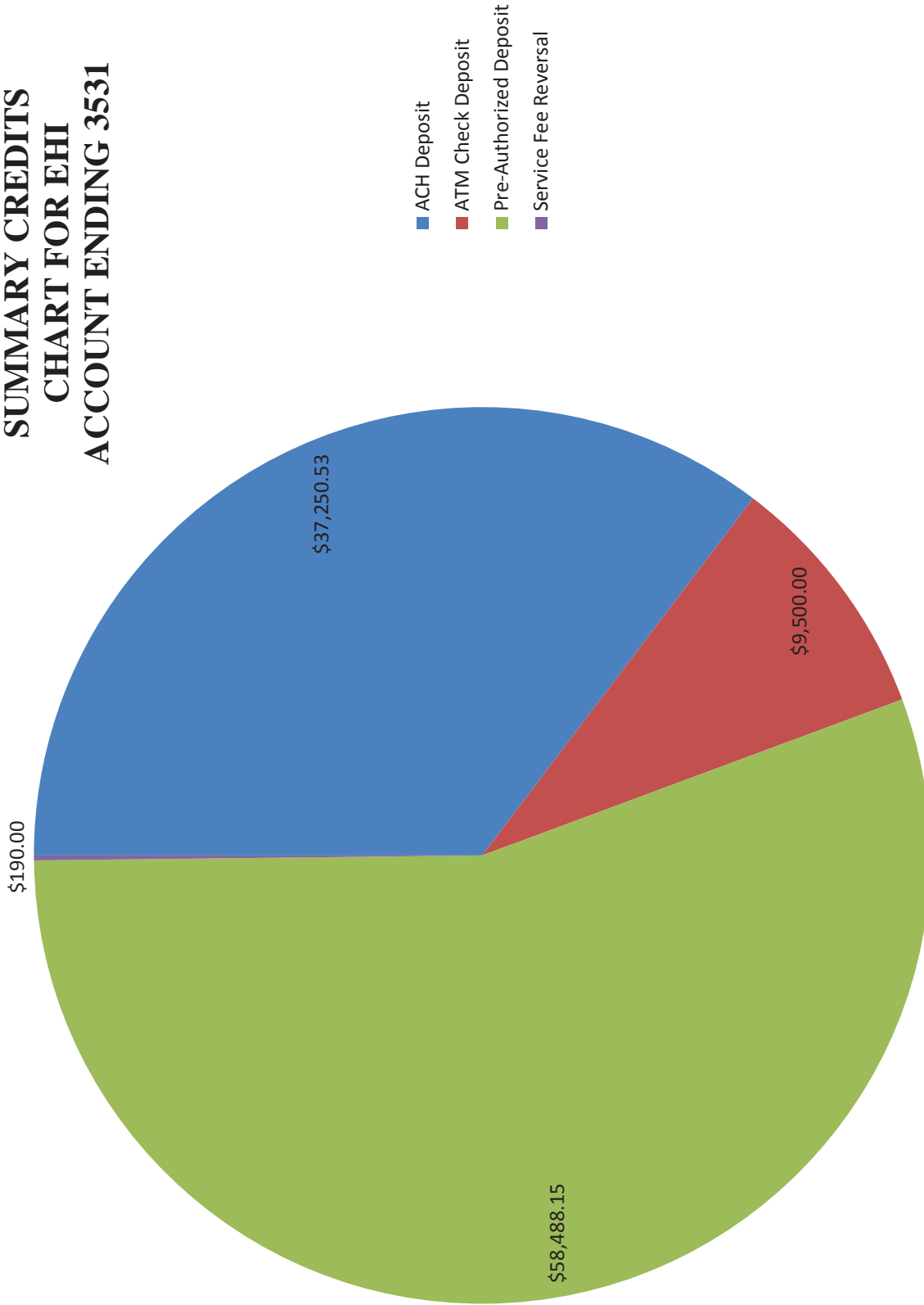


EXHIBIT 6

SUMMARY DEBITS CHART FOR EHI ACCOUNT ENDING 3531

