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

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4 Securities and Exchange Commission

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13
14 **UNITED STATES DISTRICT COURT**
15 **CENTRAL DISTRICT OF CALIFORNIA**
16 **WESTERN DIVISION**

17 **SECURITIES AND EXCHANGE**
18 **COMMISSION,**

19 **Plaintiff,**

20 **vs.**

21 **TITANIUM BLOCKCHAIN**
22 **INFRASTRUCTURE SERVICES,**
23 **INC.; EHI INTERNETWORK AND**
24 **SYSTEMS MANAGEMENT, INC.**
25 **aka EHI-INSM, INC.; and MICHAEL**
26 **ALAN STOLLERY aka MICHAEL**
27 **STOLLAIRE,**

28 **Defendants.**

Case No. **CV18-4315-DSF(JPRx)**
DECLARATION OF JEFFREY J.
SWART

1 **DECLARATION OF JEFFREY J. SWART**

2 I, Jeffrey J. Swart, declare, pursuant to 28 U.S.C. § 1746, as follows:

3 1. I am employed by TrueCar, Inc. ("TrueCar") as its Executive Vice
4 President and General Counsel. I have personal knowledge of the matters set forth
5 below and, if called as a witness, would testify to these facts under oath.

6 2. I make this declaration at the request of the United States Securities and
7 Exchange Commission ("SEC").

8 3. TrueCar is a digital automotive marketplace that provides
9 comprehensive pricing transparency about what other people paid for their cars and
10 enables consumers to engage with TrueCar Certified Dealers who are committed to
11 providing a superior purchase experience. TrueCar operates its own branded site and
12 its nationwide network of more than 14,000 Certified Dealers.

13 4. On or about February 6, 2018, the SEC requested that TrueCar provide it
14 with certain information concerning companies called Titanium Blockchain
15 Infrastructure Services, Inc. ("TBIS") and EHI Internetwork and Systems
16 Management, Inc. ("EHI"), and an individual named Michael Stollaire aka Michael
17 Stollery or Michael Stoller ("Stollaire").

18 5. In my capacity as the Executive Vice President and General Counsel of
19 TrueCar, I am required, periodically and as needed, to become familiar with the
20 entities with which TrueCar has contracts, agreements, and/or other substantive
21 business relationships including alliances and partnerships. In addition, in my
22 capacity as the Executive Vice President and General Counsel of TrueCar, I share
23 responsibility with other members of the TrueCar's legal department, intellectual
24 property counsel, and others to protect TrueCar's trade name, trademarks, and service
25 marks from infringement and other unauthorized uses by third parties. In response to
26 the SEC's request, and at my direction, TrueCar personnel reviewed the books,
27 records, files, and computer systems of the business units within TrueCar that might
28 reasonably be expected to have or to have had any type of business relationship with

1 TBIS or EHI or Stollaire including as a customer, client, vendor, employee,
2 contractor, consultant, or other type of business transaction. Certain records prior to
3 2014 for non-current vendors of TrueCar are maintained by the company's
4 Accounting Department, to whom I directed the SEC's request.

5 6. TrueCar keeps and maintains business records in the course of its
6 transactions and regularly conducted activities as a regular practice. It is TrueCar's
7 practice to prepare such records at or near the time of the occurrence of the matters
8 set forth by, or from information transmitted by, a person with knowledge of those
9 matters. TrueCar maintains books and records of entities and persons with which it
10 has contracts, agreements, and/or other substantive business relationships, such the
11 purchase and sale of a product or service, making an investment, or entering into an
12 alliance or partnership, including authorized uses by third parties of its trade name,
13 trademarks, and service marks. TrueCar also maintains books and records of entities
14 and persons with which it has engaged as an employee, vendor, contractor, or
15 consultant and, as indicated above, certain records prior to 2014 for non-current
16 vendors of TrueCar are maintained by the company's Accounting Department. For
17 the purposes of this declaration, as the Executive Vice President and General Counsel
18 of TrueCar, I am the custodian of those records or am otherwise qualified to testify
19 about them.

20 7. TrueCar's books and records are current as of the date of this
21 declaration. The search of these materials has not disclosed any current or past
22 business relationship of any kind between TrueCar and TBIS.

23 8. The search of these materials indicates that in March 2010, TrueCar,
24 then operating under the name Zag.com, entered into an hourly-based consulting
25 agreement with EHI. The agreement was signed by Michael Stollery for EHI. Based
26 on my review of the underlying agreement, the consulting services related to "Site
27 Scope" consulting, which is related to information technology ("IT") services, and
28 did not include blockchain technology or digital currency. Based on the review of the

1 underlying accounting records performed at my direction by our Accounting
2 Department personnel, it appears that the consulting arrangement with EHI expired in
3 or around November 2010, with the last payment under that arrangement being made
4 in January 2011.

5 9. The SEC provided TrueCar with a purported testimonial attributed to
6 "EHI Gibson, Operations Manager, Zag.com/TrueCar.com" that appeared on the
7 TBIS website. The search of TrueCar's books and records indicates that the company
8 has no current employee with the last name "Gibson." These materials indicate that
9 there have been three employees with the last name "Gibson" over the life of TrueCar
10 and its predecessor, Zag, but none of the individuals have been employed by TrueCar
11 since September 2015. As a matter of routine corporate practice, any proposed
12 statements of endorsement regarding any of our vendors or contractual counterparties
13 are routed through my office for prior approval, and the company's books and records
14 indicate that I have neither received nor approved any such proposed statement of
15 endorsement regarding TBIS, EHI, or Stollery/Stollaire. Moreover, given the
16 absence of any ongoing business relationship with TBIS, EHI, or Stollery/Stollaire,
17 no such approval would be forthcoming even if it were sought.

18 10. The search of these materials has not disclosed that TrueCar has
19 authorized EHI, TBIS, or Stollery/Stollaire to use TrueCar's name or logo in their
20 marketing or advertising or for any other purpose. TrueCar's name and logo are the
21 intellectual property of the company. TrueCar considers a third-party's unauthorized
22 use of the "TrueCar" name or logo in marketing or advertising as an infringement of
23 its intellectual property.

24 11. TrueCar's counsel sent TBIS a cease and desist letter dated March 14,
25 2018, which was returned to counsel with a handwritten note, a true and correct copy
26 of which is attached hereto as Exhibit 1.

27 ///

28 ///

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

3 Executed this 26th day of March, 2018 at Santa Monica, California.

4 
5 _____
6 Jeffrey J. Swart

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EXHIBIT 1

W&GR Wilson Sonsini Goodrich & Rosati
PROFESSIONAL CORPORATION

650 Page Mill Road
Palo Alto, CA 94304-1050

PHONE 650.493.9300
FAX 650.493.6811

www.wmgr.com

March 14, 2018



*THIS HAS BEEN
FIXED. SORRY!*

By Overnight Courier

Titanium Blockchain Infrastructure Services
15027 Dickens Street, Suite 4
Sherman Oaks, CA 91403

Re: Intellectual Property Matters for TrueCar

To Whom It May Concern:

We represent TrueCar in intellectual property matters.

WE ARE THE REVOLUTION.

As you may be aware, TrueCar is a digital automotive marketplace that provides comprehensive pricing transparency about what other people paid for their cars and enables consumers to engage with TrueCar Certified Dealers who are committed to providing a superior purchase experience. TrueCar operates its own branded site and its nationwide network of more than 15,000 Certified Dealers. See generally www.truecar.com.

TrueCar recently become aware of your use of the TrueCar mark in connection with a White Paper prepared by Titanium Blockchain Infrastructure Services (“Titanium”) (dated January 16, 2018), which purports to describe services offered by Titanium. The White Paper describes Titanium as a sister company to EHI, Inc., and purports to list some of EHI’s customers, including TrueCar and uses TrueCar’s mark.

For your information, TrueCar has strong rights in the trademark TrueCar and has numerous registrations for the mark, including, but not limited to U.S. Reg. Nos. 3759175 and 4419891.

As you can imagine, the TrueCar mark is crucial to TrueCar’s initiatives and, consequently, has immense value to the organization.

TrueCar has serious concerns that Titanium’s use of the TrueCar mark is likely to cause confusion, mistake and deception among the public, who may believe that Titanium or EHI are somehow associated with or approved by TrueCar. A search of TrueCar’s records shows that, in March 2010, TrueCar, then operating under the name Zag.com, entered into an hourly-based consulting agreement with EHI for consulting services for “Site Scope” consulting, which is related to information technology (“IT”) services, and did not include blockchain technology or digital currency. The consulting arrangement with EHI expired in or around November 2010.

Wilson Sonsini Goodrich & Rosati
PROFESSIONAL CORPORATION

Titanium Blockchain Infrastructure Services
March 14, 2018
Page 2

In addition, TrueCar understands that a purported testimonial attributed to “EHI Gibson, Operations Manager, Zag.com/TrueCar.com,” has appeared on the Titanium website. TrueCar has neither received nor approved any request for such a proposed statement of endorsement regarding Titanium or EHI. Moreover, given the absence of any ongoing business relationship with Titanium or EHI, no such approval would be forthcoming even if it were sought.

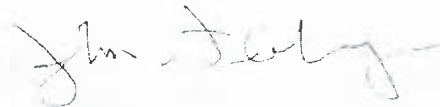
Your use of the well-known TrueCar mark, and use of a purported testimonial attributed to TrueCar, may confuse people who may not understand that TrueCar has no relationship with and does not endorse either Titanium or EHI.

Accordingly, TrueCar insists that you (i) stop all use of the TrueCar mark and any variations of the mark; and (ii) remove all references to TrueCar from your website and any promotional material.

Please respond by March 21, 2018 to confirm your intentions. Thank you for your anticipated cooperation.

Sincerely,

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation



John L. Slafsky

cc: TrueCar



Express



Handwritten signatures and markings: 'WA', '5 A', '10:30', '6967', '03.19', 'ST 16', '508', '16'.

ORIGIN ID: VNVA (618) 786-0404
UNIVERSITY CENTER.COM
LA POSTAL CENTER
15021 VENTURA BLVD.,
SHERMAN OAKS, CA 91403
UNITED STATES US

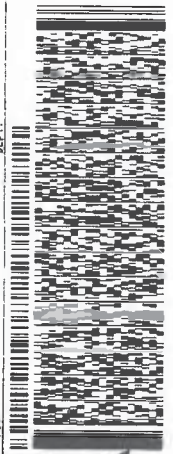
SHIP DATE: 18MAR18
14611 063519
CAD: 1120565137ASK13300
BILL SENDER

TO ATTN: JOHN L. SLAFSKY

650 PAGE MILL RD

PALO ALTO CA 94304

REF: MICHEL STOLLIGRE (7/3/17)



MON - 19 MAR 10:30A
PRIORITY OVERNIGHT

TRK# 7801 2490 6867
10201

Handwritten signature: 'RWAHGTA' and other scribbles.

9304
CA-US
SFO

