

1 DAVID J. VAN HAVERMAAT (Cal. Bar No. 175761)
Email: vanhavermaatd@sec.gov
2 DAVID S. BROWN (Cal. Bar No. 134569)
Email: browndav@sec.gov

3 Attorneys for Plaintiff
4 Securities and Exchange Commission

5 Joseph G. Sansone, Unit Chief (Market Abuse Unit)
New York Regional Office
6 200 Vesey Street, Suite 400
New York, New York 10281

7 Robert A. Cohen, Unit Chief (Cyber Unit)
8 Headquarters
100 F Street, N.E.
9 Washington, District of Columbia 20549

10 Michele Wein Layne, Regional Director
Amy Jane Longo, Regional Trial Counsel
11 444 S. Flower Street, Suite 900
Los Angeles, California 90071
12 Telephone: (323) 965-3998
13 Facsimile: (213) 443-1904

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

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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 KAY L. LACKEY

1 DECLARATION OF KAY L. LACKEY

2 I, Kay L. Lackey, pursuant to 28 U.S.C. § 1746, as follows:

3 1. I am employed by RBS Securities Inc. (“RBSSI”) as a Managing
4 Director and Senior Counsel, Head of Litigation and Regulatory Investigations.
5 RBSSI is an indirect wholly owned United States subsidiary of The Royal Bank of
6 Scotland Group plc (“RBS”). NatWest Markets is the marketing name of RBS
7 Securities Inc. and The Royal Bank of Scotland plc. NatWest Markets conducts its
8 U.S. securities business through RBSSI, a U.S. registered broker-dealer.

9 2. I have personal knowledge of the matters set forth below and, if called as
10 a witness, would testify to these facts under oath.

11 3. I make this declaration at the request of the United States Securities and
12 Exchange Commission (“SEC”).

13 4. RBS is a banking holding company that operates a wide variety of
14 banking brands offering personal and business banking, private banking, and
15 corporate finance in Europe, North America, and Asia. In the United States, RBS
16 owned Citizens Financial Group from approximately 1988 to 2014. Citizens
17 Financial Group became a fully independent publicly traded company in November
18 2015.

19 5. On or about February 12, 2018, the SEC requested that RBSSI provide it
20 with certain information concerning companies called Titanium Blockchain
21 Infrastructure Services, Inc. (“TBIS”) and EHI Internetwork and Systems
22 Management, Inc. (“EHI”), and an individual named Michael Stollaire a/k/a Michael
23 Stollery (“Stollaire”).

24 6. In my capacity as Head of Litigation and Regulatory Investigations, I, or
25 people at my direction, periodically and as needed, conduct searches to become
26 familiar with entities and individuals with which RBS entities have a record of
27 maintaining customer relationships, employment relationships, vendor relationships,
28

1 and other business relationships, such as entities or individuals that have been
2 authorized to use the “Royal Bank of Scotland” name or logo. In response to the
3 SEC’s request, and at my direction, personnel at RBSSI and RBSSI’s parents and
4 affiliates reviewed books, records, and computer systems of the business units within
5 RBS that might reasonably be expected to have or to have had a business relationship
6 with TBIS or EHI or Stollaire including as a customer, vendor, employee (or
7 contractor or consultant), or as an authorized user of the “Royal Bank of Scotland”
8 name or logo.

9 7. RBSSI keeps and maintains business records in the course of its
10 transactions and regularly conducted activities, as do other RBS entities. For
11 example:

- 12 • RBS entities, such as RBSSI, maintain business records reflecting
13 entities and persons that have or had customer accounts.
- 14 • RBS entities, such as RBSSI, maintain business records of
15 individuals with whom they had an employment, contractor or
16 consultant relationship.
- 17 • RBS entities, such as RBSSI, maintain business records reflecting
18 individuals and entities that have or had vendor relationships.
- 19 • RBS maintains business records of certain individuals and entities
20 with whom it enters into a licensing relationship including
21 mainstream authorized uses by third parties of its trade name,
22 trademarks and service marks.

23 8. The books and records that we searched, and believed would have any
24 relevant record, did not disclose any current or past business relationship with TBIS
25 or EHI.

26 9. The books and records that we searched indicated that an individual
27 named “Michael Stollery” was a contractor or consultant for an RBS entity from
28 December 29, 2005 through January 6, 2009.

1 10. The SEC also provided RBSSI with a purported testimonial attributed to
 2 “Philip Rogers, VP, Enterprise Monitoring and Reporting, Royal Bank of
 3 Scotland/Citizens Bank” that reportedly appeared on the TBIS website. Our search
 4 of books and records has disclosed that Mr. Rogers was employed by Citizens prior
 5 to Citizens’s spin-off from RBS, but we have not located records authorizing the
 6 publication of this purported testimonial on the TBIS website.

7 11. The search we conducted of RBS entities’ books and records and
 8 computer systems has not disclosed that RBS entities authorized TBIS or EHI or
 9 Stollaire to use the RBS name or logo in their marketing or advertising and to the best
 10 of my knowledge and belief, no such authorization has been given. Royal Bank of
 11 Scotland’s name and logo are the intellectual property of RBS. RBS considers a
 12 third-party’s unauthorized use of the “Royal Bank of Scotland” name or logo in
 13 marketing or advertising as an infringement of its intellectual property.

14 12. RBS sent Stollaire a cease and desist communication on March 14, 2018,
 15 a true and correct copy of which is attached hereto as Exhibit 1. On March 15, 2018,
 16 Stollaire, as CEO of TBIS, responded that he was not aware that TBIS was infringing
 17 on RBS’s trademark and indicated TBIS would remove the Royal Bank of Scotland
 18 name and logo from its website. A true and correct copy of this communication is
 19 attached hereto as Exhibit 2.

20 I declare under penalty of perjury under the laws of the United States of
 21 America that the foregoing is true and correct, to the best of my knowledge.
 22

23 Executed this 16th day of March, 2018 at Stamford, Connecticut.

24 
 25 Kay L. Lackey 

EXHIBIT 1

Lackey, Kay (Legal, NatWest Markets)

From: Sharples, Jonathan (RBS Legal)
Sent: Wednesday, March 14, 2018 6:08 PM
To: 'support@tbis.io'; 'michael.stollaire@tbis.io'; 'richard.silver@tbis.io'
Cc: Cruickshank, Mark (RBS Legal)
Subject: FAO of Legal: Your unauthorised use of The Royal Bank of Scotland Group plc's trade marks

WITHOUT PREJUDICE SAVE AS TO COSTS

Dear Sirs

We are writing to you to set out our concerns regarding your unauthorised use of trade marks owned by The Royal Bank of Scotland Group plc ("RBS"). RBS is referred to in this email as "us" and "we".

Trade mark infringement

We have recently become aware that you are using the following combination of RBS's ROYAL BANK OF SCOTLAND word mark and the RBS daisy wheel device (together the "RBS Marks") on both your website at tbis.io and your White Paper. We attach a screenshot of the website and a copy of the White Paper.



The RBS Marks have a substantial reputation and have accrued a significant amount of goodwill around the world and as such are protected by unregistered rights in several jurisdictions, including in the US. In addition to this, we benefit from a range of registered trade marks consisting of the RBS Marks either in combination or separately, registered for a wide variety of goods and services, in jurisdictions including but not limited to the UK, the European Union and the US.

You have deliberately used the RBS Marks to create a misleading impression that you are endorsed or connected to RBS when that is not the case.

Accordingly, we are entitled to bring proceedings against you in the courts in member states of the European Union and/or in the US. A successful action by us for infringement of our trade mark rights and similar unregistered rights would result in your being liable to an injunction prohibiting your continued use of the RBS Marks. You are also likely to have to pay damages or an account of profits resulting from your conduct and to reimburse our legal costs, which may be significant.

Proposed resolution

Notwithstanding everything that we say above, on a fully without prejudice (save as to costs) basis, we hope that this matter can be resolved swiftly with your cooperation. We are prepared to draw a line under this matter if you agree to and adhere to the following undertakings:

1. You will remove all references to the RBS Marks from your website at tbis.io and the white paper published on the same by 28 March 2018.
2. You will cease all other use of the RBS Marks by 28 March 2018.

3. You will procure that any companies in the Titanium Blockchain Infrastructure Services group, including EHI-INSM Inc., cease all use of the RBS Marks by 28 March 2018.
4. You shall refrain from any future infringement of any of our trade marks or passing off any of our rights in them.

Way forward

We hope that you are prepared to resolve this matter by providing these undertakings and we look forward to hearing from you by Wednesday 21 March 2018.

If you wish to discuss this matter directly, please contact me either by e-mail or telephone using the contact details below.

Yours faithfully

Jon Sharples

Jon Sharples
Legal Seconded
RBS Legal, Intellectual Property
The Royal Bank of Scotland Group
1st floor, House G, Gogarburn, PO Box 1000, Edinburgh EH12 1HQ

Telephone +44 (0)207 825 4048

Mobile +44 (0)7711 187979

Jonathan.Sharples@rbs.co.uk

This e-mail is classified as Confidential

EXHIBIT 2

Lackey, Kay (Legal, NatWest Markets)

From: michael.stollaire <michael.stollaire@tbis.io>
Sent: Thursday, March 15, 2018 8:14 AM
To: Sharples, Jonathan (RBS Legal); 'support@tbis.io'; 'richard.silver@tbis.io'
Cc: Cruickshank, Mark (RBS Legal)
Subject: Re: FAO of Legal: Your unauthorised use of The Royal Bank of Scotland Group plc's trade marks

" This message originates from outside our organisation. Consider carefully whether you should click on any links, open any attachments or reply. If in doubt, forward to ~ Phishing"

Our sincere apologies as we were not aware that this constituted infringement, and they will be removed today.

Best Regards,

Michael Stollaire, CEO

Titanium

Michael.Stollaire@tbis.io

www.tbis.io

1.833.DIAL.TITANIUM

----- Original message -----

From: "Sharples, Jonathan (RBS Legal)" <Jonathan.Sharples@rbs.co.uk>
Date: 3/14/18 15:08 (GMT-08:00)
To: "support@tbis.io" <support@tbis.io>, "michael.stollaire@tbis.io" <michael.stollaire@tbis.io>, "richard.silver@tbis.io" <richard.silver@tbis.io>
Cc: "Cruickshank, Mark (RBS Legal)" <Mark.Cruickshank@rbs.co.uk>
Subject: FAO of Legal: Your unauthorised use of The Royal Bank of Scotland Group plc's trade marks

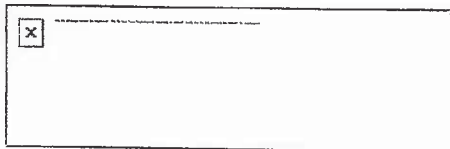
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