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13  
14 **UNITED STATES DISTRICT COURT**  
15 **CENTRAL DISTRICT OF CALIFORNIA**  
16 **WESTERN DIVISION**  
17

18 SECURITIES AND EXCHANGE  
19 COMMISSION,

20 Plaintiff,

21 vs.

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

27 Defendants.  
28

Case No. CV18-4315-DSF (JPRx)

**STIPULATION FOR  
MODIFICATION OF ASSET  
FREEZE: (1) TO ALLOW PAYMENT  
OF NECESSARY AND  
REASONABLE LIVING EXPENSES  
OF DEFENDANT MICHAEL ALAN  
STOLLERY aka MICHAEL  
STOLLAIRE; AND (2) TO LIFT THE  
ASSET FREEZE OVER  
DEFENDANT'S RETIREMENT  
ACCOUNTS**

1 Plaintiff Securities and Exchange Commission (“SEC”) and defendants  
2 Michael Alan Stollery aka Michael Stollaire (“Stollaire”), Titanium Blockchain  
3 Infrastructure Services, Inc. (“TBIS”) and EHI Internetwork and Systems  
4 Management, Inc. aka EHI-INSM, Inc. (“EHI”), by and through their undersigned  
5 counsel (in the case of TBIS, by and through counsel for its Court-appointed  
6 permanent receiver), stipulate and agree as follows:

7 WHEREAS, on May 22, 2018, the SEC filed this securities fraud action  
8 against defendants Stollaire, TBIS, and EHI (collectively, “Defendants”);

9 WHEREAS, on May 23, 2018, the Court entered the Temporary Restraining  
10 Order and Orders (1) Freezing Assets; (2) Prohibiting the Destruction or Alteration of  
11 Documents; (3) Granting Expedited Discovery; (4) Requiring Accountings; and (5)  
12 Appointing a Temporary Receiver; and Order to Show Cause Re Preliminary  
13 Injunction and Appointment of a Permanent Receiver (“TRO”) (Dkt. No. 2) that,  
14 among other things, temporarily restrained and enjoined Defendants from transferring  
15 ... any funds, securities, claims or other real or personal property, including any  
16 digital assets, digital currencies, virtual currencies, digital tokens, cryptocurrencies,  
17 digital wallets, or other tangible, intangible, or digital assets, wherever located, of any  
18 of the Defendants, or their subsidiaries or affiliates, owned by, controlled by,  
19 managed by, or in the possession or custody of any of them ....”;

20 WHEREAS, the TRO ordered an immediate freeze on all monies and assets,  
21 including “all digital assets, digital currencies, virtual currencies, digital tokens,  
22 cryptocurrencies, digital wallets, or other tangible, intangible, and digital funds or  
23 assets, wherever located (with an allowance for necessary and reasonable living  
24 expenses to be granted only upon good cause shown by application to the Court with  
25 notice to and an opportunity for the SEC to be heard) in all accounts at any bank,  
26 financial institution, brokerage firm, third-payment payment processor, coin  
27 exchange, or any other holder or custodian of any digital assets, digital currencies,  
28 virtual currencies, digital tokens, cryptocurrencies, digital wallets, or other tangible,

1 intangible, or digital funds or assets held in the name of, for the benefit of, or over  
2 which account authority is held by defendants TBIS, EHI, and/or Stollaire....”;

3 WHEREAS, the TRO appointed Josias N. Dewey as temporary receiver of  
4 defendant TBIS and its subsidiaries and affiliates;

5 WHEREAS, on May 30, 2018, the Court, pursuant to the Defendants’ consent,  
6 entered a Preliminary Injunction and Orders (1) Freezing Assets; (2) Prohibiting the  
7 Destruction or Alteration of Documents; (3) Granting Expedited Discovery; (4)  
8 Requiring Accountings; and (5) Appointing a Permanent Receiver (“Preliminary  
9 Injunction”) (Dkt. No. 48), which continued the same prohibitions against the  
10 transfers of funds and assets and the same asset freeze provisions that had been  
11 ordered by the TRO, and appointed Josias N. Dewey as permanent receiver of  
12 defendant TBIS and its subsidiaries and affiliates;

13 WHEREAS, Paragraph VI of the Preliminary Injunction provides for “an  
14 allowance for necessary and reasonable living expenses to be granted only upon good  
15 cause shown by application to the Court with notice to and an opportunity for the  
16 SEC to be heard” in all accounts at any bank, financial institution, brokerage firm,  
17 third-payment payment processor, coin exchange, or any other holder or custodian of  
18 any digital assets, digital currencies, virtual currencies, digital tokens,  
19 cryptocurrencies, digital wallets, or other tangible, intangible, or digital funds or  
20 assets held in the name of, for the benefit of, or over which account authority is held  
21 by defendants TBIS, EHI, and/or Stollaire;

22 WHEREAS, defendant Stollaire has requested modification of the asset freeze  
23 provisions of the Preliminary Injunction to permit the release of certain funds  
24 presently frozen pursuant to this Court’s orders to pay his living expenses, and Mr.  
25 Stollaire has provided the SEC with documentation substantiating his claimed living  
26 expenses, which the parties hereto believe are necessary and reasonable at this time;

27 WHEREAS, the SEC does not object to the Court’s issuance of an order  
28 modifying the asset freeze provisions of the Preliminary Injunction to permit the

1 immediate release of funds from an account held in the name of Mr. Stollaire and his  
2 spouse containing \$11,131.75 at Wells Fargo Bank (account ending in 5399) for the  
3 sole purpose of payment of Mr. Stollaire's necessary and reasonable living expenses;

4 WHEREAS, Mr. Stollaire holds three Individual Retirement Accounts in his  
5 name at J.P. Morgan Securities LLC (accounts ending in 7947, 7949, and 7950)  
6 (collectively, the "Retirement Accounts"), which contain funds deposited into the  
7 Retirement Accounts prior to the dates of the fraud alleged in the SEC's complaint  
8 and which were frozen when the TRO and Preliminary Injunction were served on J.P.  
9 Morgan Chase Bank;

10 WHEREAS, the SEC does not object to the Court's issuance of an order lifting  
11 the asset freeze provisions of the Preliminary Injunction over the Retirement  
12 Accounts;

13 WHEREAS, the undersigned parties agree that this Stipulation for  
14 Modification of Asset Freeze is made without prejudice to Stollaire and/or EHI later  
15 seeking further modification to the asset freeze for necessary and reasonable living  
16 expenses or to otherwise release assets, subject to the requirements of paragraph VI  
17 of the Preliminary Injunction, which provides that such requests may be granted  
18 "only upon good cause shown by application to the Court with notice to and an  
19 opportunity for the SEC to be heard";

20 NOW, THEREFORE, the parties hereby stipulate that good cause exists for:

21 1. The Court to issue an order modifying the asset freeze provisions of the  
22 Preliminary Injunction to permit Mr. Stollaire's receipt of \$11,131.75 from the Wells  
23 Fargo Bank account ending in 5399 to pay his necessary and reasonable living  
24 expenses; and

25 2. The Court to issue an order lifting the asset freeze over the Retirement  
26 Accounts held at JP Morgan Securities LLC ending in 7947, 7949, and 7950.  
27  
28

1 IT IS SO STIPULATED.  
2

3 Dated: June 28, 2018

/s/David Van Havermaat

David J. Van Havermaat

David S. Brown

Counsel for Plaintiff Securities and Exchange  
Commission

7 Dated: June 28, 2018

/s/Andrew B. Holmes

Andrew B. Holmes

Holmes, Taylor, Scott & Jones LLP

Counsel for Defendants Michael Alan Stollery  
aka Michael Stollaire and EHI Internetwork  
and Systems Management, Inc., aka EHI-  
INSM, Inc.

12 Dated: June 28, 2018

/s/ Kristina Azlin

Vince Farhat

Kristina S. Azlin

Holland & Knight LLP

Counsel for Josias N. Dewey, Court-appointed  
permanent receiver for Defendant Titanium  
Blockchain Infrastructure Services, Inc.

28

**PROOF OF SERVICE**

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION,  
444 S. Flower Street, Suite 900, Los Angeles, California 90071  
Telephone No. (323) 965-3998; Facsimile No. (213) 443-1904.

On June 28, 2018 I caused to be served the document entitled **STIPULATION FOR MODIFICATION OF ASSET FREEZE: (1) TO ALLOW PAYMENT OF NECESSARY AND REASONABLE LIVING EXPENSES OF DEFENDANT MICHAEL ALAN STOLLERY aka MICHAEL STOLLAIRE; AND (2) TO LIFT THE ASSET FREEZE OVER DEFENDANT’S RETIREMENT ACCOUNTS** on all the parties to this action addressed as stated on the attached service list:

**OFFICE MAIL:** By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency’s practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

**PERSONAL DEPOSIT IN MAIL:** By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

**EXPRESS U.S. MAIL:** Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

**HAND DELIVERY:** I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

**UNITED PARCEL SERVICE:** By placing in sealed envelope(s) designated by United Parcel Service (“UPS”) with delivery fees paid or provided for, which I deposited in a facility regularly maintained by UPS or delivered to a UPS courier, at Los Angeles, California.

**ELECTRONIC MAIL:** By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

**E-FILING:** By causing the document to be electronically filed via the Court’s CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

**FAX:** By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare under penalty of perjury that the foregoing is true and correct.

Date: June 28, 2018

/s/ David J. Van Havermaat

1                   **SEC v. Titanium Blockchain Infrastructure Services, Inc., et al**  
2                   **United States District Court – Central District of California**  
3                                   **Western Division**  
4                                   **Case No. CV 18-04315 DSF (JPRx)**

5                                   **SERVICE LIST**

6                   Michael Alan Stollery aka Michael Stollaire  
7                   *Pro se*  
8                   15027 Dickens St., Apt. 4  
9                   Sherman Oaks, CA 91403  
10                   **(Served via Email)**

11                   Titanium Blockchain Infrastructure Services, Inc.  
12                   15027 Dickens St., Apt. 4  
13                   Sherman Oaks, CA 91403  
14                   c/o Michael Stollaire  
15                   **(Served via Email)**

16                   EHI Internetwork and Systems Management, Inc. aka EHI-INSM, Inc.  
17                   15027 Dickens St., Apt. 4  
18                   Sherman Oaks, CA 91403  
19                   c/o Michael Stollaire  
20                   **(Served via Email)**