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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

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

Defendants.

Case No. 18-cv-4315 DSF (JPRx)

***[PROPOSED]* ORDER APPROVING
DISTRIBUTION PLAN**

1 3. The Receiver’s methodology for calculating Non-Investor Claims as the
2 actual amount spent on goods or services provided to the Receivership Entity, minus any
3 collections or payments on that debt, is approved.

4 4. The Court approves the Receiver’s methodology for calculating Investor
5 Claims as the principal amount invested in BAR or TBAR minus any subsequent sales
6 of BAR or TBAR, evaluated on a first-in/first-out basis (“Allowed Amount”). It further
7 approves a *pro rata* distribution for such Allowed Amount—given it is fair and
8 reasonable for this group of similarly situated claimants. The proposed method for
9 distributing Net Remaining Funds and holding funds in one or more Reserve Funds for
10 (i) Disputed Claims, (ii) the Receivership Entity’s projected expenses, (iii)
11 Administrative Expenses as defined in the Distribution Plan, and (iv) and any other
12 matters for which, in the Receiver’s reasonable judgment, is prudent to reserve is
13 similarly authorized.

14 5. The Court approves the distribution of the Receivership Entity’s assets in
15 the form of Ether or United States Dollars (“USD”) and grants the Receiver discretion in
16 approving a claimant’s Distribution Election, as defined by the Distribution Plan.

17 6. The Court grants the Receiver discretion in setting the Benchmark Date and
18 Conversion Price for the Initial and Second Distributions pursuant to the Distribution
19 Plan. Similarly, the Court grants the Receiver discretion in setting the Initial Distribution
20 Date and Second Distribution Date, subject to the Receiver noticing the Court of its
21 decision.

22 7. The Court authorizes the Receiver to make the Initial and Second
23 Distributions pursuant to the Distribution Plan.

24 8. The Court approves the Distribution Objection Deadline and the Forfeiture
25 Date as it relates to Unclaimed Property pursuant to the Distribution Plan.

26 9. The Receiver is authorized to take all steps necessary or appropriate to
27 complete the administration of the Receivership and its assets in accordance with the
28 relief requested in the Motion.

1 10. The Receiver is authorized to destroy, or otherwise dispose of, all books,
2 records, computer equipment, other computer related-devices, and other items related to
3 the Receivership in the Receiver's discretion and at such time as he deems proper if
4 within thirty (30) days after written notice to the Securities and Exchange Commission,
5 it does not take custody of such records and other items.

6 11. Effective upon the Receiver filing a Closing Declaration in which he attests
7 that he has completed the Final Distribution as specified in the Distribution Plan, filed
8 the final necessary tax returns, and paid the final fees and costs of the Receivership with
9 the exception of ongoing record storage costs, the Receiver and his agents, employees,
10 members, officers, independent contractors, attorneys, representatives, predecessors,
11 successors and assignees are: (i) discharged; (ii) released from all claim and liabilities
12 arising out of and/or pertaining to the Receivership herein; and (iii) relieved of all duties
13 and responsibilities pertaining to the Receivership previously established in this action.

14 12. All persons are enjoined from commencing or prosecuting, without leave of
15 this Court, any action against the Receiver or his agents in connection with or arising out
16 of the Receiver's or his agents' services to this Court in this Receivership. Neither the
17 Receiver nor any agent, employee, member, officer, independent contractor, attorney or
18 representative of the Receiver shall have any liability to any person or entity for any
19 action taken in good faith in connection with carrying out the Receiver's administration
20 of this Receivership Entity.

21 13. The Court shall retain jurisdiction over any and all matters relating to the
22 Receiver and the Receivership Entity, including any matters relating to the distribution
23 of funds received by the Receiver in connection with his obligations as Receiver or
24 otherwise received after the Receivership is closed, and to the extent any dispute arises
25 concerning the Receiver's administration of the Receivership Entity or to the extent any
26 person or entity seeks to pursue or assert any claim or action against the Receiver or any
27 agent, employee, member, officer, independent contractor, attorney, or representative of
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1 the Receiver, arising out of or related to this Receivership, the Court shall retain
2 exclusive jurisdiction to hear and resolve any such dispute or claim.

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_____, 2022 _____

HONORABLE DALE S. FISCHER
UNITED STATES DISTRICT JUDGE

1 **PROOF OF SERVICE**

2 I am employed in the County of Los Angeles, State of California. I am over the age
3 of 18 and not a party to the within action. My business address is 400 S. Hope Street, 8th
4 Floor, Los Angeles, CA 90071.

5 On **April 5, 2022**, I served the document described as Receiver’s **[PROPOSED]**
6 **ORDER APPROVING DISTRIBUTION PLAN** on the interested parties in this
7 action as follows:

8
9 **[X] (BY Electronic Transfer to the CM/ECF System)** In accordance
10 with Federal Rules of Civil Procedure 5(d)(3) and Local Rule 5-4, I
11 uploaded via electronic transfer a true and correct copy scanned into an
12 electronic file in Adobe “pdf” format of the above-listed document(s)
13 to the U.S. District Court Central District of California’s Electronic
14 Case Filing (CM/ECF) system on this date.

14 I declare under penalty of perjury under the laws of the United States of America
15 that the above is true and correct.

16
17 Executed on **April 5, 2022**, Los Angeles, California.

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19 */s/Kristina S. Azlin*
20 Kristina S. Azlin (SBN 235238)
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