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18 **UNITED STATES DISTRICT COURT**
19 **CENTRAL DISTRICT OF CALIFORNIA**

20 SECURITIES AND EXCHANGE
21 COMMISSION,

22 Plaintiff,

23 vs.

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

Defendants.

Case No. 18-4315 DSF (JPRx)

**JOINT STIPULATION TO EXTEND
CLAIMS BAR DATE**

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JOINT STIPULATION TO EXTEND CLAIMS BAR DATE

Pursuant to paragraphs VI of this Court’s Order Approving Claims Process and Bar Date, entered August 21, 2020 (the “Claims Process Order”) (Dkt. 96), and Rule 66 of the Federal Rules of Civil Procedure, Holland & Knight LLP (“Counsel” or “H&K”), counsel to Josias N. Dewey, as Court-appointed Receiver (the “Receiver”) for the estate of Defendant Titanium Blockchain Infrastructure Services, Inc. (“TBIS”), and the Securities and Exchange Commission (“SEC”) hereby stipulates as follows (the “Stipulation”) (the Receiver and the SEC are collectively referred to herein as the “Parties”):

1. On May 22, 2018, the SEC brought an emergency action for both securities fraud and the sale of unregistered securities against TBIS and its subsidiaries and affiliates. (Dkt. 1.) As part of that action, and with the Defendants’ consent, the United States District Court for the Central District of California appointed Josias N. Dewey receiver for TBIS. (Dkt. 48; *see also* Dkt. 47.)

2. As set forth extensively in the papers before the Court, Defendants engaged in a virtual and online fraud involving unregistered securities represented by virtual ERC-20 tokens that exist on the public Ethereum blockchain network (the “Ethereum Network”). (Dkt. 1; *see also* Dkt. 94.) The Ethereum Network is the decentralized transaction ledger on which Ether, one of the world’s most popular cryptocurrencies, exists. Anyone acquiring an ERC-20 token must have control over an Ethereum public address, which is somewhat analogous to a bank account inasmuch as it is the transferee reference for transfers of Ether and ERC-20 tokens. ERC-20 tokens are in this context known as a “Control Token”. (*See* Dkt. 94 at 12:9-15.)

3. On July 28, 2020, the Receiver moved the Court for an Order Approving Claims Process and Proposed Bar Date (Dkt. 94) (“Claims Process Motion”). As set forth therein, most victims of Defendants’ scheme used virtual currencies to purchase unregistered securities and therefore tracing transactions through blockchain transactional information could be used to expedite the claims validation process. (*See*

1 *id.* at 2:7-18.) Accordingly, the Claims Process Motion set forth a comprehensive plan
2 for notifying potential claimants, receiving claims, determining validity of claims,
3 objecting to claims determinations, and a claims window. (*See id.* at 8-14.)

4 4. On October 21, 2020, the Court granted the Claims Process Motion,
5 including approving the proposed method of preventing fraudulent or duplicative claims
6 through use of the Control Token to verify claimants. (“Claims Process Order”, Dkt. 96.)
7 The Claims Process Order states that all claimants are required to file claims on or
8 before 90 days from the date the Claims Process Notice is posted.

9 5. Between filing the Claims Process Motion and filing the instant Stipulation,
10 the Receiver has determined that additional time is needed to perfect certain technical
11 aspects of the Control Token verification methodology. This is particularly crucial
12 given the estimated 21,000 potential claimants.

13 6. Moreover, certain delays have arisen in selecting an appropriate
14 administrator with sufficient expertise in handling a claims process of such magnitude.
15 The Receiver has now located a suitable administrator and is concurrently moving the
16 Court for an Order appointing such administrator.

17 7. Given the foregoing, the Parties respectfully submit that it would be in the
18 interests of justice to extend the Bar Date set in Dkt. No. 96 by a period of 90 days. This
19 would permit claimants to functionally avail themselves of the full 90 day time-period
20 originally contemplated by the Court and Parties, as set forth in Dkt. No. 96.

21 **THEREFORE, IT IS HEREBY STIPULATED AND AGREED**
22 **BETWEEN THE PARTIES, THAT:**

23 1. Subject to approval of the Court:

- 24 a. All claimants of the Receivership Entities must file claims on or
25 before 11:59 p.m. (Pacific Time) 180 calendar days following
26 publishing of the Claims Process Notice (the Claims “Bar Date”).
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- b. Claimants must submit Claim Determination objections to tbis@hkllaw.com on or before 11:59 pm (Pacific Time) 190 calendar days following publishing of the Claims Process Notice.
- c. All other aspects of the Court’s August 21, 2020 Order shall remain in place unless otherwise modified by the Court.

IT IS SO STIPULATED.

Dated: November 16, 2020.

Respectfully submitted,

/s/ Kristina S. Azlin

Kristina S. Azlin
Holland & Knight LLP

Attorneys for Josias Dewey, Court-appointed Receiver for TBIS

Dated: November 16, 2020.

Respectfully submitted,

/s/ Douglas M. Miller

Douglas M. Miller

*Attorneys for Plaintiff,
Securities and Exchange Commission*

1 **PROOF OF SERVICE**

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

5 On November 16, 2020, I served the document described as **JOINT**
6 **STIPULATION TO EXTEND CLAIMS BAR DATE** on the interested parties in
7 this action as follows:

8
9 **(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
Case Filing (CM/ECF) system on this date.

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

16
17 Executed on November 16, 2020, Los Angeles, California.

18 /s/ Kristina S. Azlin
19 Kristina S. Azlin (SBN 235238)

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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 GRANTING
STIPULATION TO EXTEND
CLAIMS BAR DATE**

**[PROPOSED] ORDER GRANTING JOINT STIPULATION TO EXTEND
CLAIMS BAR DATE**

Before the Court is the Joint Stipulation of Josias N. Dewey, as Court-appointed Receiver for the estate of Defendant Titanium Blockchain Infrastructure Services, Inc. (“Receiver”) and the Securities and Exchange Commission (“SEC”, and collectively with Receiver, the “Parties”) regarding extending the Claims Bar Date previously set by this Court (Dkt. No. 96) (the “Joint Stipulation”).

The Court having received and read the Parties’ Joint Stipulation, being so advised in the matter and finding good cause, hereby orders that the Joint Stipulation is in all respects **GRANTED**. Therefore:

1. All claimants of the Receivership Entities must file claims on or before 11:59 p.m. (Pacific Time) 180 calendar days following publishing of the Claims Process Notice (the Claims “Bar Date”).

2. Claimants must submit Claim Determination objections to tbis@hklaw.com on or before 11:59 pm (Pacific Time) 190 calendar days following publishing of the Claims Process Notice.

3. All other aspects of the Court’s August 21, 2020 Order (Dkt. No. 96) shall remain in place.

SO ORDERED.

_____, 2020 _____

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 **November 16, 2020**, I served the document described as **[PROPOSED]**
6 **ORDER GRANTING STIPULATION TO EXTEND CLAIMS BAR DATE** on the
7 interested parties in this 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)
to the U.S. District Court Central District of California’s Electronic
Case Filing (CM/ECF) system on this date.

13
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 **November 16, 2020**, Los Angeles, California.

18
19 */s/Kristina S. Azlin*
20 Kristina S. Azlin

