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14 *Receiver for Receivership Entities*

15 **UNITED STATES DISTRICT COURT**  
16 **CENTRAL DISTRICT OF CALIFORNIA – 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. 18-cv-4315 DSF (JPRx)

*Hon. Dale S. Fischer*

**STIPULATION AND REQUEST FOR  
MODIFICATION OF ASSET FREEZE  
TO ALLOW RELEASE OF  
STOLLAIRE’S FROZEN ASSETS TO  
THE COURT-APPOINTED  
RECEIVER; AND [PROPOSED  
ORDER]**

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**STIPULATION AND REQUEST FOR  
ORDER TO MODIFY ASSET FREEZE**

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3 Plaintiff Securities and Exchange Commission (“SEC”), defendants Michael  
4 Alan Stollery aka Michael Stollaire (“Stollaire”), EHI Internetwork and Systems  
5 Management, Inc., aka EHI-INSM, Inc. (“EHI”), and Josias N. Dewey (“Dewey”), as  
6 court-appointed receiver for Titanium Blockchain Infrastructure Services, Inc.  
7 (“TBIS”), by and through their undersigned counsel stipulate and agree as follows:

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

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

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

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

4 WHEREAS, the TRO appointed Dewey as temporary receiver of defendant  
5 TBIS and its subsidiaries and affiliates;

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

14 WHEREAS, Paragraph XI of the Preliminary Injunction provides that “Josias  
15 N. Dewey . . . is immediately authorized, empowered and directed: [] to have access to  
16 and to collect and take custody, control, and possession, and charge of all funds, assets  
17 (including any digital assets, digital currencies, virtual currencies, digital tokens of any  
18 kind, cryptocurrencies, digital wallets, or private keys associated with any of the  
19 foregoing, whether encrypted or not, or other tangible, intangible, or digital assets,  
20 (wherever located), collateral, premises (where owned, leased, pledged as collateral,  
21 occupied, or otherwise controlled), choses in action, books, records, papers, and other  
22 real or personal property, wherever located, of or managed by defendants TBIS and its  
23 subsidiaries and affiliated (collectively, the “Assets”), with full power to sue, foreclose,  
24 marshal, collect, receive, and take into possession all such Assets (including access to  
25 and taking custody, control, and possession of all such Assets) . . . to have control of,  
26 and to be added as the sole authorized signatory for all accounts of the entities in the  
27 receivership, including all accounts at any bank, title company, escrow agent, financial  
28 institution, brokerage firm (including any features commission merchant), or coin

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1 exchange, which has possession, custody or control of any Assets, or which maintains  
2 accounts over which defendants TBIS, and its subsidiaries and affiliates, and/or any of  
3 their employees or agents have signatory authority”;

4 WHEREAS, Dewey, as receiver, has determined that non-party Coinbase, Inc.  
5 (“Coinbase”), a licensed and regulated coin exchange, is in possession of the  
6 cryptocurrency ether, which is currently being held in a Coinbase account in the name  
7 of Stollaire, with the following User ID: \*\*\*\*\*70001f0 (the “Coinbase  
8 Assets”);

9 WHEREAS, Dewey, as receiver, previously took possession of additional  
10 cryptocurrency, namely bitcoin and zcash, which were then being stored on a Trezor  
11 hardware wallet (the “Trezor Assets”);

12 WHEREAS, Dewey, as receiver, transferred the Trezor Assets to a segregated  
13 account with Gemini, which is under the receiver’s control;

14 WHEREAS, Dewey, as receiver, previously took possession of 21,035,514 units  
15 of a cryptocurrency known as Electroneum, which were located on a wallet recovered  
16 from Stollaire (the “ETN”).

17 WHEREAS, Dewey, as receiver, previously demanded that Coinbase freeze the  
18 Coinbase Assets until such time as Dewey was able to ascertain the division of  
19 ownership, if any, of the Coinbase Assets vis-à-vis TBIS and Stollaire, and the funds  
20 were thereafter frozen pursuant to the Court’s Order;

21 WHEREAS, Dewey, as receiver, has requested that Coinbase release, to a  
22 Coinbase account established by Dewey (the “Coinbase Receivership Account”), all  
23 Coinbase Assets in its possession and presently frozen, pursuant to the Court’s orders;

24 WHEREAS, Coinbase has requested that Dewey seek an order from this Court  
25 authorizing the release of the Coinbase Assets in the manner requested by Dewey;

26 WHEREAS, Dewey, as receiver, has requested that Stollaire release any right,  
27 title, or claims in and to all Trezor Assets and ETN;

28 WHEREAS, neither the SEC nor Stollaire object to the Court’s issuance of an

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1 order modifying the asset freeze provisions of the Preliminary Injunction to permit the  
2 immediate release of the Coinbase Assets to the Coinbase Receivership Account;

3 WHEREAS, the undersigned parties agree that this Stipulation for Modification  
4 of the Court’s Asset Freeze Order is made without prejudice to Dewey, as receiver,  
5 later seeking further modification to the asset freeze or exercising his powers to take  
6 custody of TBIS’s assets under the May 30, 2018, Preliminary Injunction, and without  
7 prejudice to the SEC, as plaintiff, later seeking disgorgement, prejudgment interest,  
8 thereon, and a penalty from Stollaire, in accordance with the consent and judgment  
9 entered in this matter (Dkt. Nos. 83 and 87);

10 WHEREAS, Stollaire attests that the Trezor Assets and ETN are in no way  
11 linked or derived from Titanium Blockchain Infrastructure Services, Inc. (“TBIS”),  
12 and/or EHI Internetwork and Systems Management, Inc. (“EHI”), nor were these  
13 cryptocurrency assets transacted, exchanged, swapped, and/or otherwise acquired from  
14 the digital asset “BAR,” or its successor “TBAR;”

15 WHEREAS, the undersigned parties agree that Dewey, as receiver, may use a  
16 portion of the Trezor and ETN assets, to reimburse Stollaire’s attorney, Andrew  
17 Holmes, up to \$50,000 for his documented legal fees directly related to his  
18 representation of Stollaire in the Department of Justice’s (“DOJ”) criminal  
19 investigation.

20 NOW, THEREFORE, the parties hereby stipulate that good cause exists for the  
21 Court’s issuance of the attached [*Proposed*] Order (attached hereto as Exhibit 1):

- 22 • Modifying the asset freeze provisions of the Preliminary Injunction to
- 23 authorize and direct Coinbase to release the Coinbase Assets to Dewey and
- 24 transfer them to the Coinbase Receivership Account;
- 25 • Evidencing Stollaire’s agreement to release and waive any right, title or
- 26 interest in and to the Trezor Assets and ETN; and
- 27 • Authorizing the Receiver to reimburse Andrew Holmes up to \$50,000 in
- 28 documented legal fees directly associated with his representation of

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Stollaire in the DOJ’s criminal investigation.

IT IS SO STIPULATED.

Dated: November 14, 2022

/s/ Jose Casal

Jose A. Casal (*pro hac vice*)  
Counsel for Josias, N. Dewey, Court-  
Appointed permanent receiver for  
Defendant Titanium Blockchain  
Infrastructure Services, Inc.

/s/ Kristina S. Azlin

Kristina S. Azlin  
Counsel for Josias, N. Dewey, Court-  
Appointed permanent receiver for  
Defendant Titanium Blockchain  
Infrastructure Services, Inc.

Dated: November 14, 2022

/s/ Douglas Miller

Douglas M. Miller  
Counsel for Plaintiff Securities and  
Exchange Commission

Dated: November 14, 2022

/s/ Andrew Holmes

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

**Signature Certification / Authorization to File**

Pursuant to Local Rule 5-4.3.4, I hereby certify that the content of this document is acceptable to Douglas M. Miller, Counsel for Plaintiffs Securities and Exchange Commission, Mr. Jose Casal, Counsel for Josias N. Dewey, Court-appointed receiver for Defendant Titanium Blockchain Infrastructure Services, Inc., and Andrew B. Holmes, Counsel for Defendants Michael Alan Stollery aka Michael Stollaire and EHI Internetwork and Systems Management, Inc., aka EHI-INSM, Inc., and that I have obtained each of their authorization to affix their electronic signature to this document (authorization received on the dates noted).

Respectfully submitted,

By: /s/ Kristina Azlin  
Kristina S. Azlin (SBN 235238)

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