

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Securities and Exchange Commission,

Plaintiff,

vs.

Case No. 23-20719-Civ-SCOLA

BK Coin Management, LLC
and other Defendants.

**RECEIVER’S EXPEDITED EX PARTE MOTION SEEKING
ENTRY OF AN ORDER AUTHORIZING LIQUIDATION**

Michael I. Goldberg, Court-appointed receiver (“Receiver”) of Defendant BKCoin Management, LLC and Relief Defendants BKCoin Capital, LP, BK Offshore Fund, Ltd., BKCoin Multi-Strategy Master Fund, Ltd., BKCoin Multi-Strategy Fund, LP, BKCoin Multi-Strategy Fund Ltd., and Bison Digital LLC (collectively “Receivership Entities”), files this *Expedited Ex Parte Motion Seeking Entry of an Order Authorizing Liquidation* (“Motion”). In support of the Motion, the Receiver states as follows:

1. This action was commenced on February 23, 2023 by the filing of a *Complaint for Injunctive and Other Relief* (“Complaint”) (ECF No. 1) by the United States Securities and Exchange Commission (“SEC”).

2. On February 24, 2023, the Court entered an *Order Appointing Receiver* (“Order of Appointment”) (ECF No. 1).

3. The Order of Appointment provides the Receiver with “all powers and authority of a receiver at equity, and all powers conferred upon a receiver by the provisions of 28 U.S.C. §§ 754, 959 and 1692, and Fed. R. Civ. P. 66.” *See Order of Appointment*, ¶ 3.

4. The Order of Appointment charges the Receiver with using reasonable efforts to:

determine the nature, location and value of all property interests of the Receivership Defendants and Relief Defendants, including, but not limited to, monies, funds, securities, cryptocurrencies, crypto assets, credits, effects, goods, chattels, lands, premises, leases, claims, rights and other assets, together with all rents, profits, dividends, interest or other income attributable thereto, of whatever kind, which the Receivership Defendants and Relief Defendants own, possess, have a beneficial interest in, or control directly or indirectly (“Receivership Property” or, collectively, the “Receivership Estates”).

Order of Appointment, ¶ 6 (A).

5. The Order of Appointment likewise provides that the Receiver “take such action as necessary and appropriate for the preservation of Receivership Property or to prevent the dissipation or concealment of Receivership Property.” Order of Appointment, ¶ 6 (G).

6. The Receiver’s efforts have resulted in the identification of the below Receivership Property, currently held in the form of cryptocurrency (the “Cryptocurrency”). The Receiver is currently housing the Cryptocurrency at Standard Custody & Trust Company, LLC (“Standard Custody”), a limited liability company organized as a trust company under New York banking laws, which operates as a digital asset depository institution not affiliated with any cryptocurrency exchanges.

Total Tokens Held at Standard Custody	
BTC	62.2675
ETH	490.6361
USDC	686,193.7519
SOL	1,999.9980

7. The Receiver, in an exercise of his business judgment and in accordance with this Court’s directive to preserve Receivership Property, has since determined that the most prudent action in light of the extreme volatility in the cryptocurrency markets would be to withdraw the Cryptocurrency from Standard Trust and liquidate it, and any other cryptocurrency identified in

the future, on an exchange to be selected by the Receiver and his professionals (likely Coinbase¹) thereby converting such cryptocurrency into United States dollars.

8. Accordingly, the Receiver requests that the Court enter an order confirming the Receiver's authority to liquidate any and all cryptocurrency.

9. The Receiver further requests that the Court order any third party in possession of Receivership Entities cryptocurrency assets to liquidate or transfer any such assets on an immediate basis upon written request to do so by the Receiver.

10. This Motion is filed on an expedited basis given the current extreme volatility in the cryptocurrency market.

11. A proposed order granting this Motion is attached hereto and incorporated herein as **Exhibit A**.

WHEREFORE, the Receiver respectfully requests this Court grant its *Expedited Ex Parte Motion Seeking Entry of an Order Authorizing Liquidation* and any such other relief as this Court deems just and proper.

¹ The Receiver has selected Coinbase as it is considered to be one of the top cryptocurrency exchanges in the United States, and is also purportedly one of the more "regulated" cryptocurrency spot exchanges. The Receiver may, in an exercise of his business judgment, look to other exchanges to liquidate the Cryptocurrency in the event Coinbase is unable to facilitate the liquidation on a timely basis.

LOCAL RULE 7.1 CERTIFICATION OF COUNSEL

Pursuant to Local Rule 7.1, undersigned counsel hereby certifies that the Receiver has conferred with counsel for the SEC, which consents to the relief requested herein.

Dated March 10, 2023

Respectfully submitted,

By: /s/ Catherine Kretzschmar
Catherine Kretzschmar, Esq.
Florida Bar Number: 85843
catherine.kretzschmar@akerman.com
Katie Johnson, Esq.
Florida Bar Number: 1040357
katie.johnson@akerman.com
AKERMAN LLP
Las Olas Centre II, Suite 1800
201 East Las Olas Boulevard
Fort Lauderdale, FL 33301-2999
Phone: (954) 463-2700
Fax: (954) 463-2224

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was served on this Friday, March 10, 2023 via the Court's notice of electronic filing on all CM/ECF registered users entitled to notice in this case.

By: /s/ Catherine Kretzschmar
Catherine D. Kretzschmar, Esq.

EXHIBIT “A”

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Securities and Exchange Commission,

Plaintiff,

vs.

Case No. 23-20719-Civ-SCOLA

BK Coin Management, LLC
and other Defendants.

_____ /

ORDER AUTHORIZING LIQUIDATION OF CRYPTOCURRENCY

This matter came before the Court upon the filing of Michael I. Goldberg’s (the “Receiver”) *Expedited Ex Parte Motion Seeking Entry of an Order Authorizing Liquidation* [ECF No. --] (the “Motion”). The Court, having found that the Receiver has made a sufficient and proper showing in support of the relief requested, and noting the agreement of Plaintiff, Securities and Exchange Commission, to the relief requested herein, it is therefore

ORDERED and DECREED:

1. The Motion is **GRANTED**.
2. The Receiver may, in his business judgment and in accordance with this Court’s directive to preserve Receivership Property, determine that the most prudent action would be to liquidate cryptocurrency within the Receivership Estates and convert such assets into United States dollars.
3. Any third party in possession of Receivership Property in the form of cryptocurrency assets is hereby ordered to liquidate or transfer any such assets on an immediate basis upon written request to do so by the Receiver.
4. This Court shall retain jurisdiction of this matter for all purposes.

DONE AND ORDERED in Chambers at Miami, Florida this ___ day of March, 2023.

ROBERT N. SCOLA, JR.
UNITED STATES DISTRICT COURT JUDGE

Copies to:
Counsel of Record