

no THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS

SHERMAN DIVISION

DATE: 7/14/14

MAGISTRATE JUDGE

COURT REPORTER: Digital

Amos L. Mazzant

COURTROOM DEPUTY: Debbie McCord

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| SEC VS TRENDON SHAVERS | CAUSE NO: 4:13CV416 |
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| ATTORNEY FOR PLAINTIFF | ATTORNEY FOR DEFENDANTS |
|-----------------------------------|-------------------------|
| JESSICA MAGEE PHILIP MOUSTAKIS | FRANKLIN SEIBERT |
| | |

On this day, came the parties by their attorneys and the following proceedings were held in Sherman, TX:

| TIME: | MINUTES: Motions hearing (Dkt. #33, 46) |
|---------|---|
| 1:56 pm | Court called case, noting appearance of counsel. |
| | Consent to proceed before Judge Mazzant was discussed. |
| 2:03 pm | Motion to reconsider (jurisdiction) (Dkt. #46) will be taken up first and taken under advisement. |
| 2:07 pm | Court first heard from Mr. Seibert regarding the motion. |
| 2:10 pm | Renewed 12(b)(1) motion. |
| 2:22 pm | Bitcoin definition by Mr. Seibert. |
| 2:45 pm | Whose job to regulate Bitcoin? Mr. Seibert continues. |
| 3:03 pm | Mr. Moustakis responded for SEC. |
| 3:16 pm | How various agencies are handling Bitcoin. FinCEN first addressed. |
| 3:22 pm | Moving on to the note. |
| 3:24 pm | Rebuttal by Mr. Seibert, conclusion of subject matter jurisdiction argument. |
| 3:40 pm | Court breaks for short recess. |

| TIME: | MINUTES: Motions hearing (Dkt. #33, 46) |
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| 4:00 pm | Court back in session, to proceed with Motion to Show Cause. |
| 4:01 pm | Court heard from Jessica Magee for SEC. |
| 4:04 pm | Court will set aside default of clerk and give Defendant 10 days to file answer (Dkt. #44). |
| 4:06 pm | Sanctions issue addressed by Ms. Magee. |
| | Verified sworn accounting is lacking - sworn accounting under oath will be done within 45 days. |
| 4:37 pm | List of all assets in verification - outside of United States question. |
| 4:40 pm | 20 days for Defendant to file disclosures, and 20 days to file discovery responses. |
| 4:43 pm | Deadlines are from today. |
| 4:45 pm | As to summary judgment, Court questions Defendant on how long is needed to respond? A list of people harmed has not yet been obtained according to Defendant's counsel. Counsel is requesting |
| | Court inquires as to whether there will be a supplement to motion by SEC? |
| 4:50 pm | Response to MFSJ due in 60 days. |
| 4:52 pm | Telephone conference will be had on the remaining motion - asset freeze. |
| 4:53 pm | Jurisdiction matter will be handled first, but if too much time goes without ruling, asset freeze motion can be set by phone. |
| 4:54 pm | Court adjourned. |

DAVID J. MALAND, CLERK

BY: Debbie McCord
 Courtroom Deputy Clerk