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1350 Avenue of the Americas
22nd Floor
New York, New York 10019
Main: 917.790.7100

www.raineslaw.com

November 21, 2022

MEMO ENDORSED

VIA ECF

Hon. Valerie E. Caproni
United States District Judge
Southern District of New York
40 Foley Square
New York, NY 10007

**Re: CFTC v. Alexandre and EminiFX, Inc., No. 22 Civ. 3822 (VEC)
Interim Status Report re Turnover of the CoinPayments Asset; and
Request for Digital Asset Management Protocol Briefing Schedule**

Dear Judge Caproni:

David Castleman, the court-appointed receiver (the “Receiver”) over Defendant EminiFX, Inc. (“EminiFX”) and certain assets of Defendant Eddy Alexandre (“Alexandre”) pursuant to this Court’s Consent Order for Preliminary Injunction (“Consent Order”) [Dkt. 56] respectfully submits this interim status report to advise the Court, and all relevant stakeholders and interested parties, of the resolution of the CoinPayments turnover approved by this Court on November 15, 2022 [Dkt. 172]. The Receiver further proposes a schedule for the submission of a Digital Asset Management Protocol, to which the CFTC and Mr. Alexandre do not object.

On November 20, 2022, in accordance with the court-approved agreement entered into between the Receiver and UAB Star Ventures, consented to by Mr. Alexandre, the estate received BTC 3658.33264986, valued at approximately \$60 million based on the recent trading price of Bitcoin, from CoinPayments in an on-chain transaction.¹ A copy of the transaction confirmation, as shown on the public blockchain, is attached to this letter.

The estate’s Bitcoin has been transferred to a fully segregated cold storage custody wallet maintained by a trust company that is a fiduciary under N.Y. Banking Law § 100 and licensed by the New York Department of Financial Services to custody digital assets on behalf of its clients [see Dkts. 77, 91]. The Receiver will maintain the Bitcoin in cold storage pending submission of a Digital Asset Management Protocol under 28 U.S.C. § 2004 for approval by this Court, as set forth below.

¹ An additional BTC 0.005 was received as a test transaction on November 16, 2022, and there was a customary BTC 0.0004 (around \$7) fee charged by CoinPayments for the transfer.

The Receiver will include the receipt of this asset in the next regularly filed status report with the Court. Due to the significant interest by investors and other parties in the recovery of this asset, the Receiver believed that it would be prudent to provide the Court with an immediate update, and the Receiver will also post this update on the main page of the receivership's website at www.eminifxreceivership.com.

The Receiver has conferred with the CFTC and Mr. Alexandre, and proposes the following schedule for the submission of a Digital Asset Management Protocol:

December 9, 2022: The Receiver will file on the docket a Proposed Digital Asset Management Protocol (the "Proposed Protocol"). The Receiver will post the Proposed Protocol on the receivership website with instructions to EminiFX investors and potential claimants to send all feedback to a specified email box on or before December 19, 2022 at 5:00pm EST. If the Court so instructs, the Receiver will also email the Proposed Protocol to the investor and claimant service list, with instructions on how to provide feedback and by when.

December 21, 2022: Any opposition or response to the Proposed Protocol from any party who has properly appeared in this Action must be submitted. In addition, the Receiver will aggregate all feedback received from investors and potential claimants as set forth above, redact any personally identifying information (including email addresses), and file the aggregate feedback on the docket.

December 23, 2022: The Receiver may submit a reply to any response and the aggregate feedback from investors.

The Receiver respectfully submits that this proposed schedule will give the Receiver sufficient time to present a protocol to the Court, to allow any response to be submitted, and to allow EminiFX investors to provide feedback in an organized fashion. The Receiver therefore respectfully requests that the Court approve the proposed schedule.

Application GRANTED. The Receiver is directed to email the Proposed Protocol to the investor and claimant service list, as described above. The Receiver must also instruct members of the service list **not** to direct any comments to the Court, including by copying the Court on comments sent to the Receiver, unless the member has made a motion to intervene that has been granted.

SO ORDERED.

 11/21/2022

HON. VALERIE CAPRONI
UNITED STATES DISTRICT JUDGE

Respectfully Submitted,

/s/ David Castleman

David Castleman
RAINES FELDMAN LLP
1350 Avenue of the Americas
22nd Floor
New York, NY 10019
(917) 790-7100
dcastleman@raineslaw.com
Receiver

Attachment





TRANSACTION RECEIPT

BITCOIN

TRANSACTION IDENTIFIER:

9d222c7f686ede3fd983ae6ae2636d56e25f904c5bd3d0c828f5629ff3bc9cc9

TRANSACTION TIMESTAMP:

2022-11-20 05:07 (UTC)

CONFIRMED TRANSACTION:

Included in block: #763957 on the Bitcoin blockchain

SENDERS (INPUTS):

154

RECIPIENTS (OUTPUTS):

#	RECIPIENT	VALUE (BTC)	VALUE (USD)
0	3HNP2s6EE3GRe6bU7wwVhCAUyMucKh8Yzp	2,571.30662989	43,010,632.00
1	3NGuxPwEkGFDMDTdsKcoCh2M2QfLqxqhGW	3,658.33264986	61,193,480.00
/	*** MINER FEE ***	0.01781575	298.01



TOTAL: 6,229.65709550 BTC | 104,204,110.00 USD

NOTE

BTC-USD RATE AT THE TIME OF TRANSACTION.

OMNI LAYER BALANCES ARE NOT INCLUDED IN THIS REPORT.

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