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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH**

In re:

POWER BLOCK COIN, L.L.C.

Debtor.

Bankruptcy Case No. 24-23041

Chapter 11

Honorable Cathleen D. Parker

**OBJECTION OF NON-DEBTOR BLUE CASTLE HOLDINGS, INC. TO MOTION OF
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO COMPEL
ACCOUNTING**

Blue Castle Holdings, Inc. (“**Blue Castle**”), through counsel, hereby objects (this “**Objection**”) to the *Motion to Compel Accounting* [Dkt. No. 353] (the “**Motion**”) filed by the Official Committee of Unsecured Creditors (the “**Committee**”) of the debtor Power Block Coin, L.L.C. (the “**Debtor**”) in the above-captioned chapter 11 case (the “**Chapter 11 Case**”) and asks that the Court deny the Motion. In support of this Objection, Blue Castle respectfully states

as follows:

1. The Committee’s Motion is a prelude. Though ostensibly styled as an effort to procure bank statements and ensure compliance with this Court’s Cash Management Order [Dkt. No. 234], the Motion is not really about resolving a discovery dispute. No—what the Committee is actually trying to do is justify “re-trading” on deals it made with Blue Castle, the non-debtor affiliates, and the Debtor at a lengthy mediation held before the Honorable Judge Peggy Hunt in June 2025 with respect to a proposed Joint Plan (as defined below).

2. Blue Castle is not hiding any information that the Committee is entitled to see. Though its account at Wells Fargo Bank is not now and has never been part of the Debtor’s estate nor subject to this Court’s jurisdiction, it has provided the Committee with abundant information in response to this and prior Committee requests for production, both those formal and informal. As the Committee notes, on February 14, 2025, it “served a subpoena on Blue Castle...asking for Blue Castle’s ‘monthly bank statements from January 2022 to the date of production[.]’”¹ It goes on to state that “[i]n the period of almost six months since the issuance of [a revised request for bank statements from only two of Blue Castle’s bank accounts, including...the Wells Fargo bank account[,]]” Blue Castle “has not produced the requested bank statements.”²

3. What the Committee fails to note is that after the Committee served its initial, overbroad subpoenas, Blue Castle objected. The parties met and conferred in good faith, the Committee narrowed its requests, and Blue Castle and the other affiliates produced over 1,550

¹ Objection at 7.

² Objection at 7.

pages of responsive documents. Furthermore, contemporaneously with the filing of this Objection, Blue Castle has provided the Committee with redacted bank statements for the Wells Fargo account and an Excel accounting with transaction-level detail going back to December 2024 which provides the Committee with the “accounting” it claims it needs to see. Again, Blue Castle is not hiding.³

4. Having provided the Committee with the accounting it demands, the Committee should withdraw its Motion. But the Committee doesn’t just want an accounting—it wants Blue Castle to make hundreds of thousands of dollars in payments it never agreed to make. It paints a sordid picture of “malfeasance and diversion of property of the estate”⁴ and accuses the Debtor and, by extension, Blue Castle of spiriting away funds which “are now unavailable for payment of administrative expenses or, most critically, funding for the plan administrator to be appointed under a Joint Plan.”⁵

5. The Committee’s allegations are unwelcome, offensive, and, most importantly, patently inaccurate. The Motion should be denied—ultimately, for reasons it provides itself.

³ Though Blue Castle has worked to respond in good faith to prior Committee requests and this Motion, it notes that the proper procedure for this kind of discovery (and in spite of the “accounting” label, this is a discovery request) is under Rule 45 of the Federal Rules of Civil Procedure with its attendant protections for third parties.

⁴ Objection at 3.

⁵ Objection at 3.

A. The Committee Wants Blue Castle to Make Material Payments on a Promissory Note When Payments Are Not Due Under that Note, and When the Note Will Be Discharged and Replaced with a New Obligation Under the Agreement Blue Castle Reached with the Committee in Mediation.

6. As the Court is aware, the Debtor, like many other companies in the cryptocurrency industry, is unbanked, and satisfies certain payment obligations and receives management services, utilities, office space, and other benefits pursuant to the terms of a services agreement (the “**Services Agreement**”),⁶ dated as of December 1, 2023, between the Debtor and its non-debtor parent company, Blue Castle. Blue Castle deducts expenses paid on the Debtor’s behalf from the balance of a loan payable it owes to the Debtor (the “**Blue Castle Note**”). The Blue Castle Note arises from a loan made by the Debtor to Blue Castle on August 8, 2023, in the principal amount of \$1,400,000 with a maturity date of August 6, 2028. As of the petition date of June 20, 2024, approximately \$1,161,248.94 remained outstanding on the Blue Castle Note; that amount has since decreased slightly from expenses that Blue Castle has paid pursuant to the Court’s Cash Management Order. There are currently *no payments* due under the Blue Castle Note, though the unpaid principal balance continues to accrue interest.

7. The Committee correctly recognizes that “the Committee and its professionals[,]” along with the Debtor and its professionals and Blue Castle and its professionals, “have sought diligently to negotiate the terms of a joint Chapter 11 plan (the ‘**Joint Plan**’)...including through a formal mediation conducted before the Honorable Judge Peggy Hunt on June 27, 2025.”⁷ Though not all issues were resolved during the mediation, many were, and the Debtor, non-debtor

⁶ A true and correct copy of the Services Agreement is attached hereto as **Exhibit A**.

⁷ Objection at 2.

Blue Castle and its other non-debtor affiliates, and the Committee executed two agreements memorializing those resolutions (the “**Mediation Agreements**”).

8. The Committee further correctly notes that “[o]ne term the parties discussed was that the Debtor’s various outstanding loans to its affiliates, including the Blue Castle Note, would be *wrapped up into and settled* [emphasis added] through a new revised note (the ‘**Revised Solara Note**’).”⁸ In other words, upon consummation of a Joint Plan that accords with the Mediation Agreements duly executed by representatives of the Committee, *there will no longer be a Blue Castle Note*.

9. The Committee states that there “were no explicit terms in the [Mediation Agreements] about the Blue Castle Wells Fargo account.”⁹ That’s true. But why would there be? Whether Blue Castle banks at Wells Fargo or any of a dozen other banks is its own business—its obligations to the Debtor arise not from any particular bank account, but from the Blue Castle Note, and, per the Committee’s own admissions, the fate of the Blue Castle Note was discussed and resolved through the Mediation Agreements.

10. The Committee apparently is concerned that Blue Castle cannot or will not provide for “payment of administrative expenses or, most critically, funding for the plan administrator to be appointed under a Joint Plan[.]”¹⁰ but its concern ignores the obvious: were Blue Castle to use its own funds from the Wells Fargo bank account—which, incidentally, is not the account Blue Castle uses to pay Debtor obligations pursuant to the Services Agreement and under the Cash

⁸ Objection at 7.

⁹ Objection at 7.

¹⁰ Objection at 3.

Management Order—to fund a retainer for a plan administrator or pay any other Joint Plan expenses, it would be doing so out of generosity, not legal obligation. The Committee apparently wants Blue Castle—a *non-debtor*—to fund the Joint Plan *both* (i) pursuant to a financial instrument erased upon its effectuation and under which *no payments are currently due* and (ii) through the heavily negotiated Revised Solara Note, with respect to which monthly payments will begin in April 2026. That is not the deal Blue Castle made at the mediation and, indeed, requiring Blue Castle to now fund added expenses it never agreed to fund would place the ability of Blue Castle and the other affiliates to satisfy the Revised Solara Note at risk, thereby placing in jeopardy the very settlement the Committee negotiated at the mediation.

11. Simply put, that the Committee is now trying to “re-trade” the bargain it struck with Blue Castle and the other non-debtor affiliates at the mediation is offensive. Blue Castle and the other affiliates agreed at the mediation to enter into the Revised Solara Note and provide additional consideration to the Debtor’s creditors, including by securing the Revised Solara Note with a pledge of Blue Castle’s equity interest in Solara Communities, LLC. If a default under the Revised Solara Note occurs and is not cured, the Debtor’s creditors will gain control of the Washington County real estate development upon which the Debtor’s entire reorganization depends. Now, months after the mediation’s successful conclusion, the Committee demands that Blue Castle also provide seed money for the plan administrator. While having a plan administrator was discussed and ultimately agreed upon at the mediation, having Blue Castle fund that plan administrator certainly was not.

B. Blue Castle's Account at Wells Fargo Bank Is Not Part of the Debtor's Bankruptcy Estate.

12. As noted above, Blue Castle (and its affiliates) has already provided the Committee with over 1,550 pages of responsive documents, many of them related to its finances (including records of every single transaction it engaged in with the Debtor), and has further provided redacted bank statements and transaction-level detail for its Wells Fargo account contemporaneously with the filing of this Objection. However, Blue Castle did so as a gesture of good faith, not in response to any legal requirement.

13. Without any support or evidence whatsoever, the Committee makes the bald assertion that Blue Castle's Wells Fargo account and the funds it holds there are property of the Debtor's estate, stating that the Court permitted the Debtor to "hold and access [the Debtor's] cash under the terms of the [Blue Castle Note][,]" and that Blue Castle saying its funds are now unavailable to pay administrative expenses or a plan administrator constitutes "diversion of property of the estate[.]" The Committee goes so far as to ask the Court to compel Blue Castle "to account for the entirety of the \$1,400,000.00 of Debtor assets that [it] was holding...to satisfy the obligations of the Debtor."¹¹

14. The Committee's allegation is both offensive and false: neither Blue Castle's account at Wells Fargo, nor any funds that account contains, nor any funds Blue Castle holds in any other account at any other bank, is property of the Debtor's bankruptcy estate. Blue Castle has not been holding cash "to satisfy the obligations of the Debtor[,]" but to perform under the

¹¹ Objection at 10.

terms of the Services Agreement—an agreement which, incidentally, allows either party to terminate for “any reason or no reason” immediately upon delivery of written notice.¹² And Judge Marker certainly never made any findings that the funds held by Blue Castle in its Wells Fargo account (or any other account) belong to the Debtor. The receivable the Debtor holds with respect to the Blue Castle Note *is* property of the estate, but (i) the Blue Castle Note does not mature until 2028 or require any payments until that date, and (ii) the Blue Castle Note is contemplated to be released as part of the Joint Plan.

15. Furthermore, Blue Castle’s Wells Fargo account isn’t even the account under which Debtor expenses are paid in accordance with the Cash Management Order. Rather, that account is the account in Blue Castle’s name at Hillcrest Bank (the “**Hillcrest Bank Account**”). Bank statements and monthly reconciliations for the Hillcrest Bank Account are part of the public record in this Chapter 11 Case—the Debtor includes both as exhibits to each of its monthly operating reports.

16. It’s true that Brad Jones, the Debtor’s chief financial officer, previously declared that Blue Castle had “the wherewithal to pay the allowed fees and expenses of the Debtor’s counsel” and would “be able to pay other allowed administrative claims of the Debtor’s chapter 11 case as and when they are allowed and come due[,]” and included a bank statement of the Wells Fargo account showing funds to that effect, but that declaration was filed at a very different juncture in this Chapter 11 Case. Mr. Jones’ statements occurred at a time when there was no Joint Plan, and the Debtor was seeking confirmation of its own plan. Furthermore, a mediation had not

¹² Services Agreement § 11.

occurred, and no agreement had been reached to combine all affiliate obligations owed to the Debtor (including obligations under the Blue Castle Note) into the Revised Solara Note.¹³ Most importantly, Mr. Jones *did not say* that the funds in the Blue Castle Wells Fargo account were the Debtor's funds, or that they would be held by Blue Castle to pay whatever administrative expenses might be allowed in this case. Rather, he simply stated that, as of the date of his declaration (December of 2024), there were sufficient funds in Blue Castle's bank account to pay the allowed fees of the Debtor's professionals.

17. Much has changed since last December. Today, the Chapter 11 Case has a clear path forward—the Joint Plan—and significant agreement as to how the Joint Plan will be effectuated, including with respect to payment of administrative expenses. As the Committee admits, “all the professionals at the mediation agreed to defer the payment of their fees if a consensual plan [is] successfully confirmed[.]”¹⁴ The deferral was not agreed in order to free up funds for a plan administrator to pay retainers, as the Committee now claims—it was agreed because the Joint Plan, and all expenses attendant thereto, will be funded by the Revised Solara Note, payments on which do not begin until April 2026, and requiring any additional payments beyond those required by the Revised Solara Note could place the entire reorganization at risk.

¹³ It is at least curious that a member of the Committee, Jason Brown, is suing Aaron Tilton, an officer of Blue Castle and the Debtor, in Pennsylvania federal court for securities fraud connected to his alleged purchase of tokens from the Debtor (the Debtor was originally a co-defendant in the case pre-petition). Mr. Tilton's ability to pay defense costs and answer in damages will be a subject of interest to Mr. Brown (but not a proper back-door inquiry here).

¹⁴ Objection at 12.

18. For the foregoing reasons, the Motion is not well-taken and should be denied. The Court should not buy into a false narrative of corporate malfeasance and self-dealing that simply does not square with the facts of the Chapter 11 Case—even those the Committee openly cites in its own Motion. The Debtor does not have and has never had an interest in Blue Castle’s Wells Fargo account nor any funds it contains, and the Committee’s claim to the contrary is both disappointing and unproductive. The Debtor, Blue Castle and the other affiliates, and the Committee have agreed to the material terms of a Joint Plan after a lengthy mediation overseen by Judge Hunt, and having Blue Castle turn over any funds it has (or had in December 2024) in the Wells Fargo account to provide seed money for the plan administrator was never part of the deal. The path to confirmation is open; the Court should not let the Committee block it now.

DATED this 19th day of September.

RAY QUINNEY & NEBEKER P.C.

/s/ Michael R. Johnson

Jeffrey W. Shields

Michael R. Johnson

David H. Leigh

*Attorneys for Blue Castle Holdings, Inc., RE
Developers, LLC, Smartfi Lending, LLC and
Solara Communities, LLC*

CERTIFICATE OF SERVICE

I hereby certify that on September 19, 2024, the foregoing document was filed with the Clerk of the Court using the CM/ECF system, which sent notice of electronic filing to the following electronic filing users in this case:

- **James W. Anderson** jwa@clydesnow.com, gmortensen@clydesnow.com
- **Laura Elizabeth Baccash** laura.baccash@whitecase.com, mco@whitecase.com
- **Simeon J Brown** sbrown@parsonsbehle.com
- **Matthew James Burne** matthew.burne@usdoj.gov, James.Gee@usdoj.gov; Lindsey.Huston@usdoj.gov; Rinehart.Peshell@usdoj.gov; Rachell e.D.Hughes@usdoj.gov; Brittany.Dewitt@usdoj.gov
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- **Melinda Willden tr** melinda.willden@usdoj.gov, James.Gee@usdoj.gov; Lindsey.Huston@usdoj.gov; Rinehart.Peshell@usdoj.gov; Rachell e.D.Hughes@usdoj.gov; Brittany.Dewitt@usdoj.gov

/s/ Annette Sanchez

Exhibit A

Services Agreement

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (this “*Agreement*”) is made and effective as of the 1st day of December, 2023 (the “*Effective Date*”), by and between **BLUE CASTLE HOLDINGS, INC.**, a Delaware corporation (“*Manager*”), and **POWER BLOCK COIN, LLC**, dba **SMARTFI** a Utah limited liability company (“*Company*”).

RECITALS

WHEREAS, the Company is engaged in business of providing a cryptocurrency monetary system (the “*Business*”);

WHEREAS, Manager has extensive knowledge and experience in providing oversight, management and support of certain administrative services, and Company is desirous of retaining Manager to provide such services, as hereinafter defined, to Company in support of the Business.

NOW, THEREFORE, in consideration of the mutual provisions set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Appointment and Grant of Rights.

(a) Subject to the terms and conditions set forth herein (the “*Terms*”), Company hereby appoints and grants Manager the exclusive right to provide and perform, for and on behalf of Company, and Manager agrees to provide and perform, on behalf of Company, the oversight and management services generally provided by executive management. Consistent with the provisions of this Agreement, Manager shall have the responsibility and commensurate authority to provide the business services Manager reasonably determines appropriate to meet the day-to-day business functions of the foregoing personnel all as more specifically described in Exhibit A hereof (the “*Services*”).

(b) A service or task not included in Exhibit A shall not be deemed part of the services to be performed by Manager hereunder, unless such service or task is reasonably necessary to accomplish the Services.

2. Manager’ Obligations. Manager shall:

(a) before the date on which the Services are to start, obtain, and at all times during the term of this Agreement, maintain, all necessary licenses and consents and comply with all relevant laws applicable to the provision of the Services;

(b) maintain complete and accurate records relating to the provision of the Services under this Agreement, including records of the time spent and materials used by Manager in providing the Services. During the term of this Agreement, and for a period of two (2) years thereafter, upon Company’s reasonable request, Manager shall allow Company to inspect and make copies of such records and interview Manager personnel in connection with the provision of the Services;

(c) obtain Company’s written consent, which consent shall not be unreasonably withheld, prior to entering into agreements with or otherwise engaging any person or entity, including all subcontractors, other than Manager’ employees or affiliates, to provide any Services to Company (each such approved subcontractor or other third party, a “*Permitted Subcontractor*”). Company’s approval shall not relieve Manager of its obligations under the Agreement, and Manager shall remain fully responsible for

the performance of each such Permitted Subcontractor and its employees and affiliates and for their compliance with all of the terms and conditions of this Agreement as if they were Manager's own employees. Nothing contained in this Agreement shall create any contractual relationship between Company and any Manager subcontractor or supplier;

(d) ensure that all persons, whether employees, agents, subcontractors, or anyone acting for or on behalf of Manager, are properly licensed, certified, or accredited as required by applicable law and are suitably skilled, experienced, and qualified to perform the Services;

(e) devote and cause its employees and other representatives to devote, such time, attention and effort to the provisions of this Agreement as is necessary to perform the Services in a manner reasonably acceptable to Company;

(f) faithfully comply with all the terms and conditions of this Agreement.

3. Company's Obligations. Company shall:

(a) pay Manager the Service Fees specified in and in accordance with the manner and schedule set forth herein and in **Exhibit B** hereof;

(b) provide Manager access to Company's staff and relevant information to enable it to perform the Services;

(c) provide Manager with and allow it to use Company's specialized software and/or hardware system, if any;

(d) cooperate with and support Manager in its efforts to comply with and perform its obligations hereunder; and

(e) faithfully comply with all the terms and conditions of this Agreement.

4. Fees and Expenses; Payment Terms.

(a) In consideration for the satisfactory provision of the Services by Manager, Company agrees to pay the fees set forth on **Exhibit B** (the "***Service Fees***").

(b) Company shall pay the Service Fees to Manager within thirty (30) days of June 30 and December 31 of each fiscal year.

(c) The Service Fees and Services are subject to review by both parties annually from the Effective Date of this Agreement.

5. Intellectual Property.

(a) All intellectual property rights, including copyrights, patents, patent disclosures, and inventions (whether patentable or not), trademarks service marks, trade secrets, know-how and other confidential information, trade dress, trade names, logos, corporate names and domain names, together with all of the goodwill associated therewith, derivative works and all other rights (collectively, "***Intellectual Property Rights***") in and to all documents, work product, and other materials that are delivered to a party under this Agreement or prepared by or on behalf of the other party in the course of performing the Services shall be owned exclusively by the party who first owned or created the Intellectual Property Rights.

(b) The party providing the Services and its licensors are, and shall remain, the sole and exclusive owners of all right, title and interest in and to all documents, data, know-how, methodologies, software and other materials, including computer programs, reports and specifications, provided by or used by it in connection with performing the Services.

6. Confidential Information.

(a) All non-public, confidential or proprietary information of Company, including, but not limited to, trade secrets, technology, information pertaining to business operations and strategies, and information pertaining to customers, pricing, and marketing (collectively, “**Confidential Information**”), disclosed by Company to Manager, whether disclosed orally or disclosed or accessed in written, electronic, or other form or media, and whether or not marked, designated, or otherwise identified as “confidential,” in connection with the provision of the Services and this Agreement is confidential, and shall not be disclosed or copied by Manager without the prior written consent of Company. Confidential Information does not include information that is:

- (i) in the public domain;
- (ii) known to Manager at the time of disclosure; or
- (iii) rightfully obtained by Manager on a non-confidential basis from a third party.

(b) Manager shall use the Confidential Information only for the purpose of providing Services under this Agreement.

(c) Without limiting any remedies at law or equity to which it may otherwise be entitled, Company shall be entitled to injunctive relief for any violation of this Section.

(d) The parties hereby acknowledge that in the event a party breaches the provisions of this Section 6, the burden of proof shall lie with the breaching party to show that the breaching party did not use any Confidential Information to the detriment of the party to which such Confidential Information belongs.

7. Representations and Warranties.

(a) Manager represents and warrants to Company that:

(i) It is duly authorized to enter into this Agreement and that this Agreement represents obligations of the Manager and are enforceable hereunder.

(ii) It shall perform the Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with customary industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement.

(iii) It is in compliance with, and shall perform the Services in compliance with, all applicable laws.

(iv) The Services will be in conformity in all respects with all requirements or specifications stated in this Agreement.

(b) Company represents and warrants to Manager that:

(i) It is duly authorized to enter into this Agreement and that this Agreement represents obligations of the Company and are enforceable hereunder.

(ii) It has all rights, authorizations and capacity to enter into this Agreement and to carry out any and all duties, responsibilities and activities hereunder and that it owns or holds any and all applicable licenses, permits and other authorizations and consents (including but not limited to any government authorizations and consents) in respect of the Business.

8. Warranties Cumulative. The warranties set forth in Section 7 above are cumulative and in addition to any other warranty provided by law or equity. These warranties survive any acceptance of or payment for the Services by Company. Any applicable statute of limitations runs from the date of Company's discovery of the noncompliance of the Services with the foregoing warranties.

9. General Indemnification.

(a) Manager shall defend, indemnify, and hold harmless Company and its subsidiaries, affiliates, successors, or assigns and its respective directors, officers, shareholders, and employees (collectively, "**Company Indemnitees**") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "**Losses**") arising out of or related to (i) any gross negligence or willful misconduct of Manager or its employees, agents and representatives; (ii) any uncured material breach of this Agreement by Manager or (iii) any violation of any law, rule, ordinance or regulation by Manager.

(b) Company shall defend, indemnify, and hold harmless Manager and its subsidiaries, affiliates, successors, or assigns and its respective directors, officers, shareholders, and employees (collectively, "**Manager Indemnitees**") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "**Losses**") arising out of or related to (i) any gross negligence or willful misconduct of Company or its employees, agents and representatives; (ii) any uncured material breach of this Agreement by Company or (iii) any violation of any law, rule, ordinance or regulation by Company.

10. Intentionally left blank

11. Termination.

(a) Either party may terminate this Agreement by written notice to the other party for any reason or no reason. Such termination shall be effective upon delivery of such written notice to the non-terminating party.

(b) After the issuance of the termination notice by any party, the parties shall begin making their respective plans for the termination, and, prior to the effective date of the termination, the parties shall meet to discuss their respective plans and reasonably cooperate with each other to minimize the adverse impact of the termination on the businesses of the parties.

12. Waiver. No waiver by any party of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by the other party. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

13. Force Majeure. Neither party shall be liable or responsible to the other party, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of the impacted party, including, without limitation, acts of God, flood, fire, earthquake, war, embargo, invasion or hostilities, terrorist acts, riot, national emergency, revolution, insurrection, epidemic, or strike (each a “**Force Majeure Event**”). Manager’s economic hardship or changes in market conditions are not considered Force Majeure Events. Manager shall use all diligent efforts to end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized, and resume performance under this Agreement. If a Force Majeure Event prevents Manager from carrying out its obligations under this Agreement for a continuous period of more than thirty (30) business days, Company may terminate this Agreement immediately by giving written notice to Manager. During any Force Majeure Event when Manager cannot supply the Services, Company shall be permitted to secure third party services on an interim basis.

14. Assignment. Manager shall not assign any of its rights or delegate any of its obligations under this Agreement except to an affiliate without the prior written consent of Company, which consent shall not be unreasonably withheld, or as contemplated by Section 2(c) above. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation relieves Manager of any of its obligations under this Agreement.

15. Relationship of the Parties. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. By virtue hereof, neither party assumes, directly or by implication, the debts, obligations, taxes or liabilities of the other party.

16. No Third-party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of these Terms.

17. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah without regard to any otherwise applicable choice of laws principles and rules.

18. Entire Agreement. This Agreement sets forth the entire agreement between the parties and fully supersedes any and all prior agreements or understandings, written or oral, between the parties pertaining to the subject matter of this Agreement.

19. Severability. Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be illegal, invalid, or unenforceable, the legality, validity and enforceability of the remaining parts, terms, or provisions shall not be affected, and the illegal, unenforceable, or invalid part, term or provision shall be deemed not to be a part of this Agreement.

20. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, successors, and assigns.

21. Counterparts. This Agreement may be executed by signatures delivered electronically and in one or more counterparts, each of which shall be considered an original, and all of which together shall be deemed one and the same instrument.

[Signatures on the Following Page]

IN WITNESS WHEREOF, the undersigned has caused its authorized representative to set his hand to this Agreement as of the date hereof.

MANAGER:

BLUE CASTLE HOLDINGS, INC., a
Delaware corporation

By: *Aaron Tilton*
Name: Aaron Tilton
Title: President and CEO

COMPANY:

POWER BLOCK COIN, LLC, dba
SMARTFI, a Utah limited liability company

By: *Brad L. Jones*
Name: Brad L. Jones
Title: Manager

EXHIBIT A

Services

Unless otherwise agreed by the parties, the services generally performed by a company's executive management, including but not limited to the following: administration, accounting, actuarial, legal, compliance, information systems, and human resources.

EXHIBIT B

Service Fees

Services fees will be equal to Power Block Coin, LLC expenses incurred plus a 10% administrative fee.