

**GREENBERG TRAURIG, LLP**

Annette W. Jarvis (Utah #1649)  
Carson Heninger (Utah #17410)  
Abigail J. Stone (Utah # 19083)  
222 South Main Street, Suite 1730  
Salt Lake City, UT 84101  
Telephone: (801) 478-6900  
Email: [jarvisa@gtlaw.com](mailto:jarvisa@gtlaw.com)  
[carson.heninger@gtlaw.com](mailto:carson.heninger@gtlaw.com)  
[abigail.stone@gtlaw.com](mailto:abigail.stone@gtlaw.com)

*Counsel for the Official Committee of Unsecured Creditors*

---

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

---

In re:	Case No. 24-bk-23041
POWER BLOCK COIN, LLC.,	Chapter 11
Debtor.	Judge Cathleen D. Parker

---

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS' RESERVATION OF  
RIGHTS TO OBJECT TO BLUE CASTLE HOLDINGS' RELIEF FROM STAY  
MOTION**

---

The Official Committee of Unsecured Creditors (the “Committee”) of the debtor and debtor-in-possession, Power Block Coin, LLC (the “Debtor”), respectfully submits this *Reservation of Rights* (“Reservation”) to reserve all rights to object at the hearing on the *Motion to Terminate the Automatic Stay with Respect to the Management Services Agreement* (the “Motion”) [Doc. No. [428](#)] filed by Blue Castle Holdings, Inc. (“Blue Castle”) to the extent that the Motion impacts the Committee’s arguments, set forth in various pleadings, that (1) Blue Castle committed and then failed to provide funding to pay the Debtor’s administrative expenses in this case; and (2) transactions that should have been handled within the scope of the Management

Services Agreement were not properly accounted for under the MSA, and thus, not properly documented and reviewed by the Court. Finally, the Committee respectfully requests that any decision on this matter be postponed until a trustee (whether under Chapter 11 or Chapter 7) is appointed in this case and has had time to review and weigh in on this matter. In support thereof, the Committee respectfully states as follows:

### **RELEVANT FACTUAL BACKGROUND**

1. On June 20, 2024 (the “Petition Date”), the Debtor commenced this proceeding by filing for bankruptcy under Chapter 11 of the Bankruptcy Code.
2. On June 20, 2024, as part of its first day motions, the Debtor filed a motion (the “Cash Management Motion”) in which it asked the Court to allow the Debtor (which had allegedly become unbanked in late 2023) to pay its operating expenses through a Management Services Agreement (“MSA”) with Blue Castle. [Doc. No. [7](#)]. Under the MSA, Blue Castle uses money from its bank accounts to pay for the Debtor’s obligations. In exchange, the Debtor either transfers cryptocurrency to Blue Castle or “applies a credit against the balances of the Blue Castle Loan, a loan it has made to Blue Castle.” *Id.* at 3.
3. On September 16, 2024, the Court issued the Cash Management Order approving the Debtor’s Cash Management Motion, with certain strict conditions regarding recordkeeping and accounting. [Doc. No. [181](#)].
4. On or around December 2024, the Debtor closed its cryptocurrency platform and, upon information and belief, has had no ongoing business since then. [Doc. No. [229](#)].
5. On October 21, 2025, the Committee filed a motion for the appointment of a Chapter 11 trustee (the “Trustee Motion”). [Doc. No. [413](#)].

6. On November 7, 2025, the Debtor filed a motion to convert this case to Chapter 7 (the “Conversion Motion”). [Doc. No. [422](#)].

7. On November 10, 2025, Blue Castle filed the Motion seeking relief from the automatic stay so it can terminate the MSA with the Debtor. The Motion is set for hearing on January 20, 2026. [Doc. No. [444](#)].

8. On November 18, 2025, the Court held a hearing on the Trustee Motion and the Conversion Motion and took both under advisement.

#### **RESERVATION OF RIGHTS**

Based on a review of the MSA, the Debtor’s monthly operating reports (MORs), and the Motion, it appears that the MSA has provided little, if any, material benefit to the Debtor’s creditors and the estate. As Blue Castle notes in its Motion, the MSA has been used to pay the Debtor’s expenses. *See Motion, ¶ 8, 26.* Further, as Blue Castle states in the Motion, the Blue Castle Note underlying the MSA will fully remain an asset of the Debtor’s estate even if the MSA is terminated, and the Debtor’s rights therein will be unaffected. *Id. ¶ 26.* Finally, the Debtor has no ongoing business and has closed its cryptocurrency platform. Thus, as the Committee currently understands it, the termination of the MSA will likely not materially impact the return to creditors.

However, the Committee has made certain arguments and claims in its pleadings, including in the Trustee Motion, based on Blue Castle’s failure to provide funding for the Debtor’s administrative expenses under the MSA that it had previously committed to provide. *See Trustee Motion, Doc. No. [413](#), at 11, 17; see also Declaration of Brad Jones in Support of Blue Castle Holdings, Inc.’s Wherewithal to Pay Fees Under the Management Services Agreement and This Court’s Order on Cash Management [Doc. No. [234](#)].* The Committee has also made certain

arguments and believes that certain transactions that should have fallen under the scope of the MSA and its disclosure obligations were not properly accounted for under the MSA, and thus, not properly documented and reviewed by the Court. *See* Trustee Motion, Doc. No. [413](#), at 9–11. While the Committee does not believe that the Motion and the termination of the MSA will invalidate or make these arguments moot, the Committee does not want to waive any of its rights in this matter.

Therefore, the Committee is not filing a formal objection to Motion. However, out of an abundance of caution, and to preserve the Committee’s position and arguments as set forth in the Trustee Motion and other pleadings in this case, the Committee files this reservation of rights to object to the termination of the MSA at a hearing on this matter to the extent that it undermines those and similar arguments.

Finally, as Blue Castle also notes in its Motion, control of the Debtor’s affairs will soon “transfer to new, independent leadership in the form of either a Chapter 7 or a Chapter 11 trustee.” Motion, ¶ 21. The hearing on the Motion is set for January 20, 2026. Thus, the Committee also respectfully requests that the Court allow time for the newly appointed trustee, regardless of which chapter he or she is appointed under, to respond to the Motion and weigh in before the Court makes a decision on the Motion, including continuing the hearing if necessary.

[Signature Page Follows]

DATED this 18th day of December, 2025.

**GREENBERG TRAURIG LLP**

*/s/ Abigail Stone*

Annette W. Jarvis  
Carson Heninger  
Abigail J. Stone

*Counsel for the Official Committee of  
Unsecured Creditors*

**CERTIFICATE OF SERVICE – BY NOTICE OF ELECTRONIC FILING (CM/ECF)**

I hereby certify that I electronically filed or will file on the 18th of December, 2025, the foregoing **OFFICIAL COMMITTEE OF UNSECURED CREDITORS' RESERVATION OF RIGHTS TO OBJECT TO BLUE CASTLE HOLDINGS' RELIEF FROM STAY MOTION** with the United States Bankruptcy Court for the District of Utah by using the CM/ECF system. I further certify that the list below of CM/ECF users in this case was generated by the CM/ECF system on the same day as the foregoing document was filed:

- **James W. Anderson** jwa@clydesnow.com, gmortensen@clydesnow.com
- **Laura Elizabeth Baccash** laura.baccash@whitecase.com, mco@whitecase.com
- **Mark D. Bloom** mark.bloom@bakermckenzie.com
- **Simeon J Brown** sbrown@parsonsbehle.com
- **Deborah Rae Chandler** dchandler@aklawfirm.com
- **Alexander Sun Chang** achang@parsonsbehle.com
- **Austin Egan** austin@stavroslaw.com
- **Carson Heninger** heningerc@gtlaw.com, carson-heninger-5642@ecf.pacerpro.com, Candy.Long@gtlaw.com
- **Samuel P. Hershey** sam.hershey@whitecase.com, mco@whitecase.com
- **Annette W. Jarvis** jarvisa@gtlaw.com, longca@gtlaw.com
- **Michael R. Johnson** mjohnson@rqn.com, docket@rqn.com; ASanchez@rqn.com; RQN@ecfalerts.com
- **Peter J. Kuhn** Peter.J.Kuhn@usdoj.gov, Lindsey.Huston@usdoj.gov; Rinehart.Peshell@usdoj.gov; Rachelle.D.Hughes@usdoj.gov; Brittan y.Dewitt@usdoj.gov
- **Joli A. Lofstedt** joli@jaltrustee.com, ecf.alert+LofstedtUTB@titlexi.com, brenda@jaltrustee.com
- **Artur Machalski** artur.machalski@gmail.com
- **Elliott D. McGill** emcgill@parsonsbehle.com, proney@parsonsbehle.com; ecf@parsonsbehle.com
- **Darren B. Neilson** dneilson@parsonsbehle.com
- **Christopher L. Perkins** cperkins@eckertseamans.com
- **Gregory F. Pesce** gregory.pesce@whitecase.com, mco@whitecase.com
- **Walter A Romney** war@clydesnow.com, gmortensen@clydesnow.com
- **Brian M. Rothschild** brothschild@parsonsbehle.com, ecf@parsonsbehle.com; docket@parsonsbehle.com
- **Jeffrey Weston Shields** jshields@rqn.com, 5962725420@filings.docketbird.com; docket@rqn.com; ecasaday@rqn.com
- **Abigail Jennifer Stone** abigail.stone@gtlaw.com
- **Landon S. Troester** lst@clydesnow.com, rcondos@clydesnow.com
- **United States Trustee** USTPRegion19.SK.ECF@usdoj.gov
- **Melinda Willden tr** melinda.willden@usdoj.gov, Lindsey.Huston@usdoj.gov; Rinehart.Peshell@usdoj.gov; Rachelle.D.Hughes@usdoj.gov; Brittan y.Dewitt@usdoj.gov

*/s / Patricia Brown* \_\_\_\_\_

**CERTIFICATE OF SERVICE BY MAIL OR OTHER MEANS**

I hereby certify that I caused to be served or will cause to be served a true and correct copy of the foregoing as follows:

- **Mail Service:** First-class U.S. mail, postage pre-paid, addressed to:

**Nikita Ash**  
1221 Avenue of the Americas  
New York, NY 10020-1095

**Colonel Michael D. Brewer**  
8901 Beauchamp Dr  
Alexandria, VA 22309

**CFO Solutions, LLC dba Ampleo**  
13601 W McMillan Rd  
#102 PMB 320  
Boise, ID 83713

**Kathleen Conger**  
111 East Broadway 11th Floor  
Salt Lake City, UT 84111

**Kyle Ferrier**  
300 South Biscayne Blvd.  
Suite 4900  
Miami, FL 33131

**Nissa Beth Gay**  
35 Live Oak Drive  
Ventura, CA 93001

**Nicholas Kennedy**  
1900 N. Pearl Street  
Suite 1500  
Dallas, TX 75201

**Mark Nelson**  
14175 Golf Parkway  
Brookfield, WI 53005

**Douglas Scribner**  
1717 North Bayshore Drive #2847  
Miami, FL 33132

/s / Patricia Brown