

IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

-- against --

TRENDON T. SHAVERS AND BITCOIN
SAVINGS AND TRUST,

Defendants.

CIVIL ACTION NO.
4:13-CV-416 (RC) (ALM)

**DECLARATION OF PHILIP MOUSTAKIS IN SUPPORT OF PLAINTIFF'S
RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION TO SET ASIDE
ENTRY OF DEFAULT**

I, Philip Moustakis, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am over eighteen years of age and am employed by the Securities and Exchange Commission ("Commission") as an attorney in the Division of Enforcement in the Commission's New York Regional Office. I submit this declaration in support of the Commission's Response In Opposition to Defendants' Motion to Set Aside Entry of Default.

2. On August 6, 2013, I informed Defendants of their August 13, 2013 answer deadline. *See* Letter of August 6, 2013, a true and correct copy of which is attached hereto as Exhibit 1 and incorporated herein.

3. Attached hereto as Exhibit 2 and incorporated herein is a true and correct copy of the September 5, 2013 Transcript of Deposition of Trendon T. Shavers, wherein he admits, among other things:

- Shavers founded and operated Bitcoin Savings and Trust ("BTCST") [pp. 106-07];

EXHIBIT A

- Shavers alone created and operated BTCST. [pp. 225, 248];
- From at least February 2011 through August 2012, Shavers offered for sale, and sold over the internet, investments in BTCST [pp. 30, 83-88, 95-97, 106-07, 118, 226];
- Shavers operated under the internet name “pirateat40” and, in so doing, solicited BTCST investors in online chat rooms dedicated to Bitcoin and on the Bitcoin Forum [pp. 16-20, 31-33, 37, 42, 57-58, 75-78, 117-18, 130-32]; and
- Shavers posted solicitations for, and discussed the purported business of BTCST, on the Bitcoin Forum [including, but not limited to, pp. 42, 58, 75-78, 80-81, 92, 94-95, 97-100, 118, 130, 132-133, 283, 286].

4. On October 9, 2013, the Commission propounded Plaintiff’s First Request to Defendants for Production of Documents. *See* Plaintiff’s First Request to Defendants for Production of Documents, a true and correct copy of which is attached hereto as Exhibit 3 and incorporated herein. To date, Defendants have not responded to these discovery requests.

5. Also on October 9, 2013, the Commission served Defendants with its Initial Disclosures, a true and correct copy of which is attached hereto as Exhibit 4 and incorporated herein. To date, Defendants have not provided their own Initial Disclosures to the Commission.

6. On November 7, 2013, I informed Defendants that their answers were past-due. *See* Letter of November 7, 2013, a true and correct copy of which is attached hereto as Exhibit 5 and incorporated herein.

7. On February 26, 2014, I informed Defendants that their answers were past-due. *See* Letter of February 26, 2014, a true and correct copy of which is attached hereto as Exhibit 6 and incorporated herein.

8. Also on February 26, 2014, the Commission produced documents to Defendants on DVD. *Id.*

9. To date, Defendants have provided the Commission no information concerning whether they are in possession of assets located outside of the United States.

Pursuant to 28 U.S.C. § 1746, I, Philip Moustakis, declare under penalty of perjury that the foregoing is true and correct.

Executed on: June 16, 2014
New York, New York

Philip Moustakis
Philip Moustakis