

<b>UNITED STATES BANKRUPTCY COURT</b> <b>DISTRICT OF NEW JERSEY</b> <b>Caption in Compliance with D.N.J. LBR 9004-1(b)</b>	
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<p>In re:                   BLOCKFI INC., <i>et al.</i>,                   Debtors.<sup>1</sup></p>	<p>Chapter 11                  Case No. 22-19361 (MBK)                  (Jointly Administered under a Confirmed Plan<sup>2</sup>)</p>

**NOTICE OF STIPULATION BETWEEN THE WIND-DOWN DEBTORS AND  
 THE NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES  
 TO FOREGO RECEIVING DISTRIBUTIONS  
FROM THE WIND-DOWN DEBTORS’ BANKRUPTCY ESTATES**

<sup>1</sup> The Wind-Down Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Wind-Down Debtors’ service address is c/o M3 Partners, 1700 Broadway, 19th Floor, New York, NY 10019.

<sup>2</sup> On October 3, 2023, the Court entered an order confirming the *Third Amended Joint Chapter 11 Plan of BlockFi Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code (Additional Technical Modifications)* (the “Plan”) [Docket No. 1609].

**PLEASE TAKE NOTICE** that pursuant to their authority under the terms of the confirmed and effective Plan, the Wind-Down Debtors have resolved Claim Nos. 31748, 31752, 31755, 31757, 31759, 31760, 31761, 31762, and 31763 filed by the New York State Department of Financial Services pursuant to the terms of the *Stipulation Between the Wind-Down Debtors and the New York State Department of Financial Services to Forego Receiving Distributions from the Wind-Down Debtors' Bankruptcy Estates* attached hereto.

*[Remainder of page intentionally left blank]*

Dated: April 5, 2024

/s/ Daniel M. Stolz

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**STIPULATION BETWEEN THE WIND-DOWN DEBTORS AND THE NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES TO FOREGO RECEIVING DISTRIBUTIONS FROM THE WIND-DOWN DEBTORS' BANKRUPTCY ESTATES**

This stipulation (the “Stipulation”) is entered into by BlockFi Inc. and its debtor affiliates (collectively, “BlockFi” or the “Wind-Down Debtors,” or referred to in the past tense as the “Debtors”),<sup>3</sup> as managed by the Plan Administrator,<sup>3</sup> in the above-referenced Chapter 11 cases (the “Chapter 11 Cases”) and the New York State Department of Financial Services (“NYDFS”). BlockFi and NYDFS are each a “Party” and collectively, the “Parties.”

**RECITALS**

**WHEREAS**, BlockFi are debtors in the Chapter 11 cases jointly administered under the case styled *In re BlockFi, Inc., et al.*, Case No. 22-19361 (MBK), pending in the United States Bankruptcy Court for the District of New Jersey (the “Bankruptcy Court”);

**WHEREAS**, NYDFS timely filed proofs of claim numbered 31748, 31752, 31755, 31757, 31759, 31760, 31761, 31762, and 31763 (the “NYDFS Proofs of Claim”) against each of the BlockFi debtor entities;

**WHEREAS**, the NYDFS Proofs of Claim assert unliquidated penalties for violations of NYS FSL 408 & 23 CRR-NY Part 200;

**WHEREAS**, on October 3, 2023, the Court entered its *Revised Findings of Fact, Conclusions of Law, and Order (I) Approving the Disclosure Statement Relating to the Third Amended Joint Chapter 11 Plan of BlockFi Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code on a Final Basis and (II) Confirming the Third Amended Joint Chapter 11*

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<sup>3</sup> The Wind-Down Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Wind-Down Debtors’ service address is c/o M3 Partners, 1700 Broadway, 19th Floor, New York, NY 10019

*Plan of BlockFi Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code (Additional Technical Modifications)* [Docket No. 1660] (the “Confirmation Order”) confirming the Plan, which went effective on October 24, 2023 [Docket No. 1788];

**WHEREAS**, the Plan provides that the Wind-Down Debtors, as managed by the Plan Administrator, have the sole authority to settle or compromise any Disputed Claim<sup>4</sup> without any further notice to or action, order, or approval by the Bankruptcy Court. Plan, Art. VII § B;

**WHEREAS**, the Parties’ respective professionals have engaged in discussions regarding the Claims;

**WHEREAS**, in order to maximize the amount that may be distributed to BlockFi consumer clients, including those who are residents of New York state, the Parties have determined that it is in their best interests to enter into this Stipulation whereby the NYDFS agrees to forego participating in any distributions under the Plan or requiring any cash reserve in connection with such distributions, on account of the NYDFS Claims (defined below) until all other Allowed Claims in Classes 1, 2, 3, 4, 11, and 16 (as defined in the Plan) are paid in full.

**NOW, THEREFORE**, in consideration of the mutual covenants, promises and obligations set forth herein, and other good and valuable consideration, the sufficiency of which is acknowledged, the Parties hereby agree as follows:

**STIPULATION:**

1. Recitals Incorporated. The recitals and paragraphs set forth above are hereby incorporated in full and made part of this Stipulation.
2. Claims. Claim Nos. 31752, 31755, 31759, 31760, 31761, 31762, and 31763 will be

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<sup>4</sup> Disputed Claim has the meaning ascribed to it in the Plan.

expunged from the claims register as duplicative. Claim No. 31748 against BlockFi Inc. and Claim No. 31757 against BlockFi Lending (the “NYDFS Claims”) shall be classified as general unsecured claims in Class 17.

3. Distributions. The NYDFS consents to the Plan Administrator making distributions to Holders of Allowed Claims in the Chapter 11 Cases without making such a distribution to the NYDFS on account of the NYDFS Claims or reserving cash available for such distribution on account of the State Allowed NYDFS Claims, until payment in full of all other Allowed Claims in Classes 1, 2, 3, 4, 11, and 16.

4. Other Entities. For the avoidance of doubt, this Stipulation does not impact, alter or in any way affect claims, consent orders, or judgments against one or more of the Debtors by other divisions, departments and/or governmental units of New York state.

5. Jurisdiction. The Bankruptcy Court shall retain jurisdiction to hear and determine matters arising from or relating to the implementation, interpretation, and enforcement of this Stipulation. Each Party expressly waives any right to commence any action regarding such matters in another forum.

6. Entire Agreement. This Stipulation constitutes the entire agreement among the Parties, and may not be changed, modified, or altered in any manner, except in writing, signed by each Party.

7. Authorization. Each person who executes this Stipulation on behalf of a Party hereto represents that he or she is duly authorized to execute this Stipulation on behalf of such Party.

8. Execution in Counterparts. This Stipulation may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Any signature delivered by a Party electronically shall be deemed

an original signature hereto.

9. Effectiveness. This Stipulation shall become immediately effective upon execution by each and every Party hereto.

*[Signature page follows]*

**STIPULATED AND AGREED TO BY:**

**Dated: April 5, 2024**

<p><u>/s/ Linda Donahue</u></p> <p><b>NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES</b> Linda Donahue 1 State Street New York, NY 10004 (212)709-1641 linda.donahue.dfs.ny.gov</p> <p><i>Deputy General Counsel to NYDFS</i></p>	<p><u>/s/ Lauren M. Sisson</u></p> <p><b>GENOVA BURNS LLC</b> Daniel M. Stolz, Esq. Donald W. Clarke, Esq. 110 Allen Rd., Suite 304 Basking Ridge, NJ 07920 (973) 230-2095 DStolz@genovaburns.com DClarke@genovaburns.com</p> <p><i>Local Counsel to the Plan Administrator</i></p> <p><b>HAYNES AND BOONE, LLP</b> Richard S. Kanowitz, Esq. (NJ Bar No. 047911992) Lauren M. Sisson, Esq. (NJ Bar No. 394182022) 30 Rockefeller Plaza, 26th Floor New York, New York 10112 (212) 659-7300 richard.kanowitz@haynesboone.com lauren.sisson@haynesboone.com</p> <p><i>Attorneys for the Plan Administrator</i></p> <p><b>BROWN RUDNICK LLP</b> Kenneth J. Aulet, Esq. (admitted pro hac vice) Seven Times Square New York, New York 10036 (212) 209-4800 kaulet@brownrudnick.com</p> <p><b>BROWN RUDNICK LLP</b> Tristan Axelrod, Esq. (admitted pro hac vice) One Financial Center Boston, MA 02111 (617)856-8300 taxelrod@brownrudnick.com</p> <p><i>General Counsel to the Plan Administrator</i></p>
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