UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA, Plaintiff, v. APPROXIMATELY 225,364,961 USDT, Defendant *in rem*.	Civil Action No. 25-cv-01907-AHA

FIFTH JOINT STATUS REPORT

Pursuant to the Court's May 14, 2026 Order, Plaintiff United States of America, Claimant Infiniweb, Claimants 1-118, and Claimants 119-266 (the "2025 Parties") submit this Fifth Joint Status Report. As detailed herein, the parties have made some progress in settlement discussions, but ultimately not all parties wish to maintain the stay at this time. Accordingly, the parties present their position on the present stay of deadlines and the pending motions.

Background

On February 20, 2026, the 2025 Parties filed an Agreed Motion to Adjourn Response Deadlines, explaining that "the parties are actively engaged in settlement negotiations with the goal of a common resolution" and seeking adjournment of all response deadlines for a period of three weeks, from Friday, February 20, 2026 to Friday, March 13, 2026, to facilitate those settlement negotiations. ECF No. 48 at 1.

In a February 21, 2026 minute order, the Court granted the motion, staying all deadlines until March 13, 2026, and ordering the 2025 Parties to file, on that same day, a joint status report updating the Court on the status of settlement negotiations.

On March 13, 2026, the 2025 Parties filed their first Joint Status Report, stating that settlement discussions were ongoing, and requesting an extension of the stay of deadlines to April 13, 2026, which the Court granted on March 16, 2026. ECF No. 51.

On April 14, 2026, the 2025 Parties filed their second Joint Status Report, stating that settlement discussions were ongoing, and requesting an extension of the stay of deadlines to April 24, 2026, which the Court granted the same day. ECF No. 55.

On April 25, 2026, the 2025 Parties filed their third Joint Status Report, stating that settlement discussions were ongoing, and requesting that the Court "enter an additional 14-day stay of deadlines relating to Infiniweb's Motion to Dismiss, Motion to Strike, and Motion to Suppress (ECF No. 28), as well as the pending motion to transfer filed by the Claimants 1-118 and the Motion to Strike filed by the United States, through and including Friday, May 8, 2026." ECF No. 57. In an April 30, 2026 minute order, the Court stayed all deadlines in the case until May 8, 2026, and ordered the parties to "file a joint status report by May 8, 2026, updating the court on the status of settlement negotiations."

On May 14, 2026, the 2025 Parties filed their fourth Joint Status Report, stating that settlement discussions were ongoing, and requesting a final additional 31-day stay of deadlines relating to the pending motions. ECF No. 59. In a minute order on the same date, the Court stayed all deadlines in the case until June 8, 2026, and ordered the parties to file a joint status report by June 8, 2026, updating the Court on the status of settlement negotiations.

Position of Claimants 1-118

Claimants 1-118 have participated in settlement discussions in good faith and their objective has remained the same as all negotiating parties: to help victims recover, including victims who have not filed claims in this action.

While the parties have made some progress, negotiations are not currently in a place where Claimants 1-118 will agree to continue the stay. Claimants 1-118 remain open to settlement, but believe the legal questions presented by the pending motions should now be addressed through briefing.

Accordingly, Claimants 1-118 request that the Court lift the current stay as to all deadlines, and Claimants 1-118 will continue briefing on those motions in the ordinary course and pursuant to the Local Rules. Claimants 1-118 also continue to believe that the most efficient next step for the Court and the parties is to decide Claimants 1-118's motion to transfer venue (ECF No. 29), so the case can proceed with that threshold issue answered. Claimants 1-118 also do not oppose lifting the stay as to deadlines related to Claimant Infiniweb's motion to dismiss, motion to strike, and motion to suppress (ECF No. 28).

Claimants 1-118 do not agree that continued delay of these proceedings, with open questions as to the appropriate forum pending, would facilitate further settlement discussions. Claimants 1-118 do not wish to or intend to get into the details of the parties' settlement discussions in this filing. Suffice to say that Claimants 1-118's view is that the settlement discussions, while at times fruitful, have slid backwards largely in part due to the unresolved legal issues before the Court. Several other parties previously had suggested a 90-day stay in prior discussions, prior to the April 25, 2026 stay request, and Claimants 1-118 insisted on a shorter 14-day stay, which other parties agreed to. Claimants 1-118 then agreed to the latest stay due to an anticipation that there would be meaningful progress, but that has not occurred. Claimants 1-118 are victims of significant financial crimes and are eager to have their rights vindicated in this proceeding. They would be prejudiced by continued delay. Claimants 1-118 are amenable to a status conference in parallel, but request that briefing proceed in parallel.

Finally, while Claimants 1-118 are prepared to continue settlement discussion while briefing the pending motions, and have no objection to the remaining parties doing so as well, they do not believe that any settlement can dispose of or impair their claims without their agreement and would oppose any effort to do so while threshold questions such as the pending motions remain unresolved.

Claimants 1-118 apologize for filing this status report after the Court's deadline, the delay was because parties were making vigorous efforts to reach an agreement in principle, but have been unable to do so. Counsel for Claimants 1-118 is available for an in-person status conference at the Court's convenience.

Position of Claimants 119-266

Claimants 119–266 respectfully submit that, following months of sustained and productive negotiations, the parties had reached a stage at which a mutually agreeable settlement appeared imminent. Through extensive discussions and compromise, the parties made substantial and meaningful progress toward resolving the claims at issue. The significant advancements already achieved demonstrate that a final resolution remains well within reach. Under these circumstances, continuation of the stay is warranted and will likely facilitate the parties' ability to bridge any remaining gaps and finalize a fair and comprehensive settlement agreement. Counsel for Claimants 119–266 believes that an in-person settlement conference may further assist the parties in resolving outstanding issues and bringing this matter to a conclusion.

Position of Claimant Infiniweb

Claimant Infiniweb, like Claimants 119-266, believes that the parties have made substantial progress toward a resolution of this matter and, indeed, that the parties are nearing an agreement in principle. Infiniweb believes that the fixed time for abeyance of the Court's consideration of the

pending motions has served to motivate and progress those negotiations. Given that Claimants 1-118 consider settlement negotiations to remain viable, and given the substantial progress over the past months, Infiniweb would also request that the Court continue to hold all pending motion and briefing deadlines in abeyance for an additional 30 days. Infiniweb further joins Claimants 119-266 in recommending a settlement conference involving the United States and the current claimants involved in the pending motions. In any settlement conference, Infiniweb would ask that officials with authority to approve settlement terms for the United States be present or available throughout. In the event that the Court grants Claimants 1-118's request to resume motion practice, Infiniweb would agree to a continued abeyance on Infiniweb's motion to dismiss in order to allow for continued negotiations.

Position of the United States

The United States agrees with Claimants 119-266 and Infiniweb. The United States requests that if briefing continues on the transfer motion, that briefing continue on the motion to strike as well.

CERTIFICATE OF CONFERENCE

Counsel for Plaintiff United States of America, Claimant Infiniweb, Claimants 1-118, and Claimants 119-266 have conferred concerning this Fifth Joint Status Report. This report sets forth each party's position as that party's own statement, and all parties consent to its filing.[1]

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[1] The parties understand that the government has reached out to claimant Kaul and have not heard her position. The parties consequently submit this report as to the remaining parties.

Dated: June 12, 2026

Respectfully submitted,

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