

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 18-80086-CV-MIDDLEBROOKS ✓  
CASE NO. 18-81549-CV-MIDDLEBROOKS

IN RE BITCONNECT  
SECURITIES LITIGATION,

\_\_\_\_\_/

BRIAN PAIGE and  
BITCONNECT INVESTOR GROUP,

Plaintiff,

v.

BITCONNECT INTERNATIONAL PLC,  
BITCONNECT LTD, BITCONNECT  
TRADING LTD, RYAN MAASEN,

Defendants.  
\_\_\_\_\_/

**ORDER CONSOLIDATING CASES**

THIS CAUSE comes before the Court sua sponte. Currently before this Court is a consolidated action composed of several related member cases: *Wildes et al. v. Bitconnect International PLC et al*, 9:18-cv-80086-DMM, *Avalos et al. v. Bitconnect Int'l, PLC et al*, 9:18-cv-21118-DMM, *Long et al v. Bitconnect International, PLC et al.*, 9:18-80319-DMM, and *Klein et al. v. Bitconnect et al.*, 9:18-80512-DMM. Plaintiffs in these four actions sought the entry of an agreed order appointing a lead plaintiff (the "Bitconnect Investor Group"), approving co-lead counsel (Levi & Korsinsky, LLP and Silver Miller), and the creation of an executive committee pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"), 15 U.S.C § 77z-1(a) and Rule 42 of the Federal Rules of Civil Procedure. The Court entered the agreed order on June 19, 2018, consolidating the four actions, naming the docket number for the Lead Case as Lead

Case No. 9:18-cv-80086-DMM (the “Consolidated Action”), and establishing a Master File for the Consolidated Action. (Consolidated Action DE 46).

Brian Paige filed a class action complaint before the United States District Court for the Western District of Kentucky on January 29, 2018 (the “Paige Action”). (Paige Action DE 1). That action, initially numbered as 3:18-58-JHM, alleged violations of state and federal securities laws, breach of contract, and fraud against Bitconnect International PLC, Bitconnect LTD, Bitconnect Trading LTD, and Ryan Maasen. (*Id.*). Brian Paige sought to transfer the Paige Action to this Court in order to for the case to be consolidated (Paige Action DE 37), and the District Court for the Western District of Kentucky granted Paige’s Unopposed Motion for Transfer on November 9, 2018 (Paige Action DE 39). The Paige Action was assigned to this Court on November 14, 2018 and renumbered as 9:18-81549-DMM. (Paige Action DE 47).

Rule 42 of the Federal Rules of Civil Procedure states that “[i]f actions before the court involve a common question of law or fact, the court may: (1) join for hearing or trial any or all matters at issue in the actions; (2) consolidate the actions; or (3) issue any other orders to avoid unnecessary cost or delay.” Fed. R. Civ. P. 42(a). Furthermore, “district courts enjoy broad discretion in deciding how best to manage the cases before them.” *Chudasma v. Mazda Motor Corp.*, 123 F.3d 1353, 1366 (11th Cir. 1997). A decision to consolidate cases under Rule 42(a) is discretionary and the court must determine:

[W]hether the specific risks of prejudice and possible confusion [are] overborne by the risk of inconsistent adjudications of common factual and legal issues, the burden on parties, witnesses and available judicial resources posed by multiple lawsuits, the length of time required to conclude multiple suits as against a single one, and the relative expense to all concerned of the single-trial, multiple-trial alternatives.

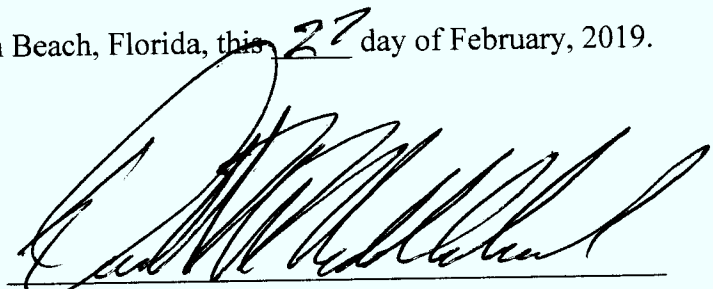
*Hendrix v. Raybestos-Manhattan, Inc.*, 776 F.2d 1492, 1495 (11th Cir. 1985) (internal quotation marks and citations omitted) (alteration in original).

Not only would failure to consolidate these cases pose risk of inconsistent adjudications in light of the common factual and legal issues raised in both cases, but Paige has already stipulated to the appointment of Bitconnect Investor Group as the Lead Plaintiff and approved its selection of counsel. (Paige Action DE 35). Any prejudice to the Parties caused by consolidation is outweighed by the risk of inconsistent adjudications, as well as the burden on the Parties and judicial resources.

Accordingly, it is **ORDERED AND ADJUDGED** that the above-styled cases should be consolidated as follows:

- (1) Pursuant to this Court's Appointment of Lead Plaintiff and Co-Lead Counsel (Consolidated Action DE 46 at 4), Levi & Korsinsky, LLP and Silver Miller **SHALL BE CO-LEAD COUNSEL FOR PLAINTIFF BRIAN PAIGE.**
- (2) The Clerk of Court shall **ADMINISTRATIVELY CLOSE** Case No. 18-81549-cv-DMM and **DENY AS MOOT** all pending motions in that matter.
- (3) All future filings shall be made under **Case No. 18-80086-cv-DMM only.**
- (4) The Parties are not bound by any scheduling orders from Case Nos. 18-81549-cv-DMM.

**SIGNED** in Chambers, at West Palm Beach, Florida, this 27 day of February, 2019.



DONALD M. MIDDLEBROOKS  
UNITED STATES DISTRICT JUDGE

Cc: All Counsel of Record