

**UNITED STATES DISTRICT COURT  
DISTRICT OF CONNECTICUT  
AUDET, et al. v. GARZA, et al.  
No. 3:16-cv-00940 (MPS)**

**NOTICE OF PENDENCY OF CLASS ACTION**

**To: All persons or entities who, between August 1, 2014, and January 19, 2015, (1) purchased Hashlets, Hashpoints, HashStakers, or Paycoin from GAW Miners, LLC and/or ZenMiner, LLC; or (2) acquired Hashlets, Hashpoints, HashStakers, or Paycoin from GAW Miners, LLC and/or ZenMiner, LLC, by converting, upgrading, or exchanging other products sold by GAW Miners, LLC and/or ZenMiner, LLC**

A federal court has authorized this notice. This is not a solicitation from a lawyer. This Notice is to inform you of a class action lawsuit that is now pending in the United States District Court for the District of Connecticut (the "Court") under the above caption (the "Action") alleging that GAW Miners, LLC and ZenMiner, LLC committed violations of Section 10(b) of the Securities Exchange Act of 1934 and Securities and Exchange Commission Rule 10b-5 promulgated thereunder; violations of Sections 36b-29(a)(1) and (2) of the Connecticut Uniform Securities Act; and common law fraud. The Action separately alleges that Stuart A. Fraser committed violations of Section 20(a) of the Securities Exchange Act of 1934 and Sections 36b-29(a)(2) and 36b-29(c) of the Connecticut Uniform Securities Act.

The defendants include GAW Miners, LLC and ZenMiner, LLC (the "Companies") and Stuart A. Fraser, (together with the Companies, "Defendants"). Plaintiffs named Homero Joshua Garza as a defendant in the initial complaint but dismissed him from the Action as part of an agreement to cooperate with Plaintiffs. Defendants GAW Miners, LLC and ZenMiner, LLC have defaulted. The sole remaining defendant, Mr. Fraser, has denied the claims and maintains that he is not liable for the claims alleged against him. Excluded from the Class certified by the Court are any defendants, any parent, subsidiary, affiliate, or employee of any defendant, any co-conspirator, and any governmental agency.

Plaintiffs allege, among other things, that the Companies made false and misleading statements to potential investors about defendants' virtual currency mining operations. Plaintiffs allege that the Companies sold a progressive array of products and investment contracts to investors that they claimed would yield profits from mining or otherwise investing in virtual currency. Plaintiffs allege that, because the Companies sold far more computing power than they owned and dedicated to virtual currency mining, the Companies owed investors a return larger than any actual return the Companies were making on their limited mining operations.

Plaintiffs allege that Mr. Fraser materially assisted the Companies and exercised control over them such that he is liable for any injuries caused by the misconduct allegedly perpetrated by the Companies described above. Mr. Fraser denies all allegations against him.

**AT THIS TIME THERE HAS BEEN NO DETERMINATION THAT MR. FRASER IS LIABLE FOR ANY OF THE CONDUCT ALLEGED.**

**YOU ARE HEREBY NOTIFIED** of the pendency of the Action as a class action. This Notice is directed to you because you may be a member of the Class whose rights might be affected by this Action. If you are uncertain whether you are a member of the Class, contact Class Counsel, the Notice Administrator or consult your own attorney.

A class action is a type of lawsuit in which one or several individuals or entities prosecute claims on behalf of all members of a group of similarly situated persons and entities to obtain monetary or other relief for the benefit of the entire group, known as a class. Class actions are used to decide legal and factual issues that are common to all members of a class.

By Order dated July 8, 2019, the Court certified the Class as defined in bold above. The Court also appointed Plaintiffs Denis Marc Audet, Michael Pfeiffer and Dean Allen Shinnars as class representatives and Susman Godfrey L.L.P. and Izard, Kindall & Raabe, LLP as Class Counsel. The Court has not yet set a trial date.

**YOUR RIGHTS AS A CLASS MEMBER:** If, between August 1, 2014, and January 19, 2015, you (1) purchased Hashlets, Hashpoints, HashStakers, or Paycoin from GAW Miners, LLC and/or ZenMiner, LLC; or (2) acquired Hashlets, Hashpoints, HashStakers, or Paycoin from GAW Miners, LLC and/or ZenMiner, LLC, by converting, upgrading, or exchanging other products sold by the GAW Miners, LLC and/or ZenMiner, LLC, you may be a member of the Class. If you choose to remain a member of the Class, you do not need to do anything at this time. You will automatically be included in the Class unless you request exclusion in accordance with the procedure set forth below. If you choose to exclude yourself from the Class, you must notify the Notice Administrator as described below. Your decision is important for the following reasons:

**If you choose to remain in the Class**, you will be bound by all orders and judgments in this Action, whether favorable or unfavorable to you. If the Class prevails on the common issues, or if a settlement is reached, you may be able to recover an award. However, if Mr. Fraser prevails, you may not pursue a lawsuit against him on your own behalf with regard to any of the issues decided in this Action. Your interests are being represented by the representatives of the Class and Class Counsel. You will not be personally responsible for attorneys' fees or costs unless you hire your own individual attorney. Class Counsel has agreed to represent the Class on a contingent fee basis, which means that it will be awarded fees and costs only if it succeeds in obtaining a recovery from defendants. Any attorneys' fees will be awarded by this Court from the settlement or judgment, if any, obtained on behalf of the Class. You may remain a member of the Class and elect to be represented by counsel of your own choosing. If you retain separate counsel, you will be responsible for that counsel's fees and expenses and such counsel must enter an appearance on your behalf by filing a Notice of Appearance with the Court and mailing it to Class Counsel at the address set forth below on or before **October 28, 2019**. If you choose to remain in the Class, there is a slight possibility that you will be required to offer testimony under oath at a deposition regarding your transactions involving the Companies.

If the lawsuit is eventually resolved (either through judgment or settlement), and if you wish to share in any Class recovery, you will be required to prove your membership in the Class with evidence, among other things, that, between August 1, 2014 and January 19, 2015, you (1) purchased Hashlets, Hashpoints, HashStakers, or Paycoin from GAW Miners, LLC and/or ZenMiner, LLC; or (2) acquired Hashlets, Hashpoints, HashStakers, or Paycoin from GAW Miners, LLC and/or ZenMiner, LLC, by converting, upgrading, or exchanging other products sold by GAW Miners, LLC and/or ZenMiner, LLC. You may also be required to submit information substantiating any losses you suffered. In addition, Mr. Fraser may seek to prove that you had knowledge of the defendants' alleged misrepresentations or omissions.

**If you choose to be excluded from the Class**, you will not be bound by any judgment in this Action, nor will you be eligible to share in any recovery that might be obtained in this Action. Should you choose to be excluded, or in other words, opt out of the Action, you may individually pursue any legal rights that you may have against any of the defendants.

**HOW TO BE EXCLUDED FROM THE CLASS:** If you fall within the Class definition and are not otherwise excluded, you will automatically be considered a member of the Class unless you request exclusion. Anyone may request not to be bound by these proceedings. To exclude yourself from the Class, you must send a signed letter by email or mail stating that you "request exclusion" from the Class in "*Audet, et al. v. Garza, et al.* No. 3:16-cv-00940." Be sure to include your name, address, email address, telephone number and the signature of the person or entity requesting exclusion or an authorized representative. If possible, please also provide the transactional details of (1) the Hashlets, Hashpoints, HashStakers, or Paycoin you purchased from GAW Miners, LLC and/or ZenMiner, LLC; and/or (2) the Hashlets, Hashpoints, HashStakers, or Paycoin you acquired from GAW Miners, LLC and/or ZenMiner, LLC, by converting, upgrading, or exchanging other products sold by the GAW Miners, LLC and/or ZenMiner, LLC.

You must email your exclusion request to [Info@GAWMinersClassAction.com](mailto:Info@GAWMinersClassAction.com) by **October 28, 2019**, or mail your exclusion request, **postmarked no later than October 28, 2019**, to: *Audet, et al. v. Garza, et al.*, Notice Administrator, c/o Epiq, P.O. Box 3578, Portland, OR 97208-3578.

**CLASS COUNSEL:** Class Counsel are Susman Godfrey L.L.P and Izard, Kindall & Raabe, LLP.

**IF YOU WISH TO REMAIN IN THE CLASS, PLEASE KEEP YOUR CONTACT INFORMATION CURRENT:** To assist the Court and the parties in maintaining an accurate list of Class Members, please update your name and contact information. To update this information, please email the Notice Administrator at [Info@GAWMinersClassAction.com](mailto:Info@GAWMinersClassAction.com). If you prefer that future communications be sent to you at a different email address, you should immediately contact the Notice Administrator and provide them with your preferred email address. If the Notice Administrator does not have your best and current email address, you may not receive notice of important developments in this Action, or information about any settlements obtained for the benefit of the Class.

**WHERE YOU CAN FIND ADDITIONAL INFORMATION:** This Notice provides only a summary of the lawsuit and the claims asserted by Plaintiffs. For more detailed information, you may contact the Notice Administrator at 1-855-964-0522 or by email to [Info@GAWMinersClassAction.com](mailto:Info@GAWMinersClassAction.com), or visit the class action website, [www.GAWMinersClassAction.com](http://www.GAWMinersClassAction.com), where you may view and download additional documents including the First Amended Complaint (ECF No. 57) and Order Ruling on Class Certification (ECF No. 141). **PLEASE DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION OR ADVICE.**

Dated: August 16, 2019

BY ORDER OF THE COURT  
United States District Court  
for the District of Connecticut