

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF FLORIDA
PENSACOLA DIVISION**

JOHN J. BLUM,

Plaintiff,

v.

CASE NO. 3:23-cv-24734-MCR-HTC

**DEFENDANT 1 a/k/a
MIA TARA, et al.,**

Defendants.

ORDER

Plaintiff John J. Blum has filed an Emergency Motion for Temporary Restraining Order Without Notice against Defendant 1 a/k/a MIA TARA and her accomplices JOHN DOES 1-20.¹ ECF No. 5. On consideration, the motion is granted.

I. Background

According to the Verified Complaint, Defendants deceived Blum into transferring approximately \$1,160,615.58 worth of cryptocurrency into Defendants' private cryptocurrency wallet addresses (collectively "Destination Addresses") after

¹ Blum does not know the true identities of the Defendants but believes they are foreign nationals. ECF No. 5 at 6 (stating that the only available identifiable information are Defendants' cryptocurrency wallet addresses). As a result, Defendants have not been served with the Verified Complaint or the pending Emergency Motion for TRO. *See similarly Ohlin et al. v. Defendant 1 a/k/a Selina, et al.*, No. 3:23-cv-08856, at *2 (N.D. Fla. May 26, 2023) (granting a TRO where plaintiffs did not know the true identity of defendant).

Defendant 1 fraudulently represented that she was a cryptocurrency investor who would assist Blum in investing his cryptocurrency. ECF No. 1 at 1. Relying on Defendants’ misrepresentations, Blum believed he had downloaded a legitimate and regulated cryptocurrency exchange smartphone application but instead downloaded and ultimately transferred his cryptocurrency assets to a smartphone application that facilitated the transfer of Blum’s cryptocurrency assets into Defendants’ Destination Addresses. Blum alleges that blockchain analytics traced the path of Blum’s cryptocurrency assets to various unauthorized transfers to Destination Addresses under Defendants’ sole control. *See* ECF No. 1 at 8, 11. Blum alleges that, through a company he hired to investigate, he was able to trace his stolen assets to Destination Addresses owned or controlled by Defendants.² More specifically, Blum identifies the following Destination Addresses located within the MEXC, OKX, and HTX cryptocurrency exchanges, *see* ECF Nos. 1-1 and 5:

Destination Addresses
MEXC 32CEytgVfa8qSLRKj6SJKSkEA24KJaewkH
MEXC 3Kg3fotNUVXAWKDn7NyKgjbDEJxy1v4GCE
MEXC 3NadyvuQjcCm41CqHfUVakjVRkq2jRSXDd
MEXC 32vy55gghsFgEppwjWLaff3bzv6udZM4wY
MEXC 3KxwJnLDhxhamuRkVznrpm2zCP3B6mot4

² According to the Verified Complaint, Blum retained CipherBlade, a forensic cryptocurrency tracing expert, to trace the stolen assets. ECF No. 1 at 9. While the Destination Addresses are not listed in the Verified Complaint, Blum attached CipherBlade’s tracing report containing the Destination Addresses to the Verified Complaint and incorporated it by reference. ECF No. 1-1.

MEXC 38Zdq6Tc4n8qK6mxPEa76CU3LamYFWLMvN
MEXC 13uZyaPbt4rTwYQ8xWFySVUzWH3pk2P5c7
MEXC 33ze68qZoBE9R4uMtRQGNnvgFTYN4sPBUq
OKX 3DCFNFRVBdyzGjHsJzn1tid2rJhu5S19Ta
OKX bc1quhruqrghgcca950rvhtrg7cpd7u8k6svpzgzmry8xyukacl5lkq0r8l2d
38r6qe12gLJJy2N1UTjUVrkn7rneQKjwAN
HTX 1PSPQhnNrCqMR9eWSh8csrE929Yo7sQeLB
HTX 1AQLXAB6aXSVbRMjbhSBudLf1kcsbWSEjg
323DZ6xJK7KSescPmW2MPNkWU1JXCD9uUx

On December 1, 2023, Blum filed a four-count Complaint in this Court for (1) conversion; (2) unjust enrichment; (3) imposition of constructive trust and disgorgement of funds; and (4) conspiracy. ECF No. 1. Ten days later, Blum filed this *ex parte* Emergency Motion for Temporary Restraining Order seeking to freeze Defendants' assets at the specified Destination Addresses. ECF No. 5.

II. Legal Standard

A court may grant a temporary restraining order ("TRO") *ex parte* when certain conditions are met. Fed. R. Civ. P. 65(b)(1); *see Granny Goose Foods, Inc. v. Bhd. of Teamsters & Auto Truck Drivers Local No. 70 of Alameda Cnty.*, 415 U.S. 423, 439 (1974) (noting that a TRO "should be restricted to serving their underlying purpose of preserving the status quo and preventing irreparable harm just so long as is necessary to hold a hearing, and no longer"). Before a TRO may be issued, specific facts in the form of an affidavit or verified complaint must demonstrate that an "immediate and irreparable injury, loss, or damage will result to the movant

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before the adverse party can be heard in opposition,” and the attorney for the movant must certify in writing any efforts made to provide notice to the adverse party. Fed. R. Civ. P. 65(b)(1). When a TRO is “issued without notice to the adverse party,” the order must state “the date and hour it was issued; describe the injury and state why it is irreparable; state why the Order was issued without notice[;] and be promptly filed in the Clerk’s Office and entered in the record.” *Astrove v. John Doe*, No. 9:22-cv-80614, 2022 WL 2805315, at *2 (S.D. Fla. Apr. 22, 2022) (quoting Fed. R. Civ. P. 65(b)(1)).

The party seeking a TRO must demonstrate that “(a) there is a substantial likelihood of success on the merits; (b) the TRO . . . is necessary to prevent irreparable injury; (c) the threatened injury outweighs the harm that the TRO . . . would cause to the non-movant; and (d) the TRO . . . would not be averse to the public interest.” *Parker v. State Bd. of Pardons & Paroles*, 275 F.3d 1032, 1034-35 (11th Cir. 2001) (quoting *Zardui-Quintana v. Richard*, 768 F.2d 1213, 1216 (11th Cir. 1985)); *Schiavo ex rel. Schindler v. Schiavo*, 403 F.3d 1223, 1232 (11th Cir. 2005) (finding that “[t]he first of the four prerequisites to temporary injunctive relief is generally the most important”).

III. Discussion

Blum is entitled to a TRO preventing removal or transfer of Defendants' assets contained in the Destination Addresses to preserve the *status quo ante* pending the outcome of this litigation. *See, e.g., Hikmatullaev v. Villa*, No. 23-cv-22338-ALTMAN/REID, 2023 WL 4373225, at *3 (S.D. Fla. June 28, 2023) (finding that “[p]laintiffs request to have [cryptocurrency] accounts frozen to prevent dissipation of the assets . . . is logical, appropriate, and is a common remedy employed in similar cases”).

Blum has shown a strong likelihood of success on the merits of his claims against Defendants. It appears from the record that Defendants have no right to claim either possession or ownership of the stolen assets. Blum's cryptocurrency assets are specific, identifiable property that can be traced to Defendants' Destination Addresses. Blum has shown that irreparable harm will ensue absent a TRO, considering the speed with which cryptocurrency transactions are made, as well as the anonymous nature of those transactions. *See, e.g., Hikmatullaev*, 2023 WL 4373225, at *3 (noting that “[c]ourts have found that such a showing satisfies the irreparable harm prong because of ‘the speed with which cryptocurrency transactions are made as well as the anonymous nature of those transactions’” (quoting *Astrove*, 2022 WL 2805315, at *3)).

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The balance of hardships also favors Blum because a TRO preserves the *status quo ante* and prevents irreparable harm until such time as the Court may hold a hearing. Entry of a TRO also does not harm the public interest, which is properly served by promoting the objectives of the U.S. Department of the Treasury and providing assurance that courts will protect and aid investors in their recovery of stolen assets. *See id.*, at *3 (“entering a TRO favors the public interest because . . . [f]reezing [] cryptocurrency accounts reassures the public that even with transactions conducted in the cryptocurrency space, there is an adequate remedy at law to prevent fraud or theft”).

Lastly, the Court enters the TRO without notice to the Defendants because Blum provided specific facts in his Verified Complaint showing that immediate and irreparable loss will result absent the TRO and Blum does not currently know the Defendants’ true identities. *See, e.g., Ohlin et al. v. Defendant 1 a/k/a Selina, et al.*, No. 3:23-cv-08856, at *4 (N.D. Fla. May 26, 2023) (entering a TRO without notice for similar reasons). Additionally, because of the apparent strength of the case, Blum need only provide a modest amount of security pursuant to Fed. R. Civ. P. 65(c). *Id.* at *7 (finding that plaintiffs only needed to provide \$100 in security because of the “apparent strength” of their case).

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Accordingly, Blum's Emergency Motion for Temporary Restraining Order, ECF No. 5, is **GRANTED**. A TRO is entered as follows:

1. Defendants and their agents, servants, employees, attorneys, partners, successors, assigns, and all other persons or entities through which she/they act or who act in active concert or participation with any of them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division or other device, or any of them, are hereby temporarily restrained from withdrawing, transferring, or encumbering any assets currently held by, for, or on behalf of Defendants or any business entity through which she/they act or which act in active concert or participation with them; including but not limited to those assets currently held in: (1) the Destination Addresses; (2) any account at any other financial institution, bank, trading exchange, or investment firm; and (3) any cryptocurrency wallet or cryptocurrency trading account they maintain or control anywhere other than in the Destination Addresses.
2. Notice was not provided to Defendant 1 or JOHN DOES 1-20 prior to entry of this Order because her/their identities are presently unknown to Plaintiff.

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3. Pursuant to Fed. R. Civ. P. 65(c), which requires that security must typically be posted by Plaintiff, the Court has determined that One Hundred Dollars (\$100.00) is adequate to pay the costs and damages, if any, sustained by any party found to have been wrongfully enjoined or restrained by this Order. Therefore, pursuant to Fed. R. Civ. P. 65, Plaintiff shall — within ten (10) calendar days of this Order — post a bond in the amount of One Hundred Dollars (\$100.00) to secure this Order. In lieu of a bond, Plaintiff may post cash or its equivalent with the Clerk of Court.
4. On a showing of good cause by any party-of-interest, the Court may enter a further order amending the amount of Plaintiff's bond requirement as a means of providing a source of funds to which Defendants may be entitled for a wrongful injunction or restraint.
5. This TRO will expire fourteen (14) days from its entry in accordance with Fed. R. Civ. P. 65(b)(2) unless the Court extends this Order upon a showing of good cause or Defendants consent that it should be extended for a longer period of time. However, the Court may, upon demonstration of good cause by any party-of-interest, modify or lift the Order.

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An evidentiary hearing to determine whether to convert this TRO into a preliminary injunction is scheduled for December 19, 2023 at 9:00 a.m. (CT), in Courtroom 5, United States Courthouse, One North Palafox Street, Pensacola, FL 32502. Plaintiff is directed to serve the Defendants with this Order and to file a notice of compliance on the Court's docket. Three hours are reserved.

DONE AND ORDERED this 13th day of December 2023 at 5:20 p.m. (CT).

M. Casey Rodgers

M. CASEY RODGERS
UNITED STATES DISTRICT JUDGE