IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF PUERTO RICO

WIGBERTO LUGO-MENDER, as Trustee for Euro Pacific International Bank, Inc.,

Plaintiff,

v.

QENTA, INC.; PETER D. SCHIFF; BRENT DE JONG; ABC INSURANCE COMPANY; XYZ INSURANCE COMPANY; AND DEFENDANTS A and B,

Defendants,

EURO PACIFIC FUNDS SCC LTD.; EURO PACIFIC SECURITIES, INC.; EURO PACIFIC CARD SERVICES LTD. and GLOBAL CORPORATE STAFFING LTD.

Parties In Interest.

Civil No.: 25-cv-1501 (PAD) (GLS)

MOTION TO DISMISS OF QENTA, INC. AND BRENT DE JONG

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Upon the accompanying Declaration and the following memorandum, Defendants Qenta, Inc. ("Qenta") and Brent de Jong ("de Jong") hereby move to dismiss the complaint against them pursuant to Federal Rules of Civil Procedure ("Rules") 12(b)(1), 12(b)(2), 12(b)(6), and 9(b).[1]

PRELIMINARY STATEMENT

The Complaint (ECF #1, "Compl." or "Complaint") is as heavy on salacious—but conclusory and unsupported—accusations of crime and fraud as it is light on the particularized allegations of fact the law requires to state claims for relief. The Trustee[2] comes nowhere close to alleging violations of the Racketeer Influenced and Corrupt Organizations Act ("RICO") or the Commodities Exchange Act – the two federal statutes on which the Complaint relies – under any pleading standard. At most, the Complaint sets forth the Trustee's view that Qenta is guilty of breaching a contract with EPB, whose liquidation he is overseeing. This is not our surmise; it is the Trustee's words: "The failure to execute the APA's terms is central to EPB's claims." *See* ECF #1-1 ("Trustee Decl.") ¶ 16.[3] But garden-variety breach of contract claims tend not to grab headlines or do reputational harm, which appears to be the Trustee's aim here.

As further detailed below, this patently insufficient Complaint should be dismissed outright. Without specifying under which section of the statute the Trustee purports to seek relief,

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[1] Unless otherwise specified, in this memorandum all emphasis is added, and all internal quotation marks and citations are omitted.

[2] "Trustee" refers to plaintiff Wigberto Lugo-Mender, as the duly appointed Trustee in the liquidation of Euro Pacific International Bank, Inc. (referred to as "EPIB" or "EPB").

[3] When he filed this suit, the Trustee posted a bulletin to the website he administers in connection with the liquidation of EPIB, https://EPIBprliquidation.com/, in which he summarized the case as follows: "In summary, the complaint filed seeks judicial redress of Defendants' reiterated *breach of their obligations* arising from the Liquidation Order *and the Purchase and Assumption Agreement executed in 2022*." *See* Trustee's Notice on Filed Legal Action, dated September 19, 2025, *available at* https://EPIBprliquidation.com/wp-content/uploads/09-19-2025-TRUSTEES-NOTICE-ON-FILED-LEGAL-ACTION.pdf (last viewed October 13, 2025).

the Complaint's first count alleges violations of the Commodity Exchange Act ("CEA"), 7 U.S.C. § 1 *et seq*. But in enacting the CEA, Congress only provided for private rights of action in very limited *and exclusive* circumstances that do not apply here. On top of that, the CEA has no extraterritorial reach, and yet all of the conduct that even arguably relates to "commodities" occurred overseas. Nor can the Trustee satisfy the CEA's standing and injury requirements. (Point I).

In the Complaint's second count, the Truste attempts to plead violations of the RICO statute, 18 U.S.C. §§ 1961, *et seq.*, but fails as a matter of law to adequately allege the elements of such a claim: (i) a RICO "enterprise" distinct from the defendants; (ii) predicate criminal acts; and (iii) a pattern of racketeering activity. A failure as to *any* of these elements requires dismissal of the RICO count. The Trustee alleges that de Jong (Qenta's principal) and Qenta constituted an "association in fact" comprising a RICO enterprise. But it is settled law that a defendant corporate entity and its executive cannot form a distinct "enterprise" under the civil RICO statute. (Point II.A).

The Trustee further alleges that de Jong and Qenta committed predicate acts of criminal wire and financial institution fraud, both of which must be pleaded with particularity under Fed. R. Civ. P. 9(b). As to financial institution fraud, the Trustee simply asserts *ipse dixit*, without referencing any statute, that defendants committed this crime. But a review of the *actual* financial institution fraud statute reveals that this cannot possibly be true, as EPIB is not a defined "financial institution" for purposes of the statute. The paltry allegations of wire fraud suffer from a lack of particularity in all respects, and do not begin to establish a scheme to defraud, as opposed to failure to live up to a *contract*. (Point II.B).

Even if the Complaint had adequately pleaded predicate acts of racketeering, the Complaint is crystal clear that those alleged acts of wrongdoing were related to a single transaction under a single contract, in pursuit of a single goal. Moreover, nothing in the Complaint suggests that the supposed wrongs will continue into the future once that sole objective is achieved. In other words, the Trustee has failed to satisfy the *continuity* requirement that under governing law is needed to make out a "pattern of racketeering activity." (Point II.C). And the Complaint's third count, for conspiracy to violate RICO, should be dismissed both because the Trustee has not pleaded a cognizable underlying RICO claim and for want of particularity. (Point II.D).

In the fourth claim for relief, the Trustee seeks a declaratory judgment pursuant to 28 U.S.C. § 2201 concerning the parties' rights under contract and with respect to the assets of EPIB customers. Assuming this Court dismisses the CEA and RICO claims, there will be no basis for jurisdiction over the declaratory judgment claim (which in any event is fundamentally a *contract* claim on which de Jong is not a proper defendant). (Point III). Though styled as a claim for substantive relief, the Complaint's fifth and final count seeks only provisional remedies—remedies the Trustee has already sought by motion. Regardless of whether the Court awards the Trustee such relief (and given the extensive defects in this pleading, we do not see how that is possible), injunctive and other provisional relief are not substantive causes of action. (Point IV).

Beyond all this, all of the Trustee's claims are covered by the broad arbitration clause in the operative agreement, which is yet another basis for dismissal. (Point V). And the Court cannot assert personal jurisdiction over de Jong, who is not alleged to have done anything to avail himself of Puerto Rico's laws in an individual capacity. (Point VI).

FACTS[4]

A. EPIB is Placed in Trusteeship for Liquidation

EPIB is a Puerto Rican International Financial Entity founded by defendant Peter Schiff ("Schiff"), its current sole shareholder. On June 30, 2022, due to ongoing mismanagement of EPIB, Puerto Rico's Office of the Commissioner of Financial Institutions ("OCIF") placed EPIB in liquidation proceedings and appointed Wigberto Lugo-Mender as Trustee in Liquidation. Compl. ¶¶ 12-14; Trustee Decl. ¶¶ 5-7; ECF #1-2 at Ex. 2 (the "Liquidation Order").[5]

The Liquidation Order provides that "the Trustee, on behalf of Euro Pacific, shall have the authority to either dispose or sell and liquidate its assets and engage in such other transactions as maybe [sic] appropriate to its dissolution and liquidation." Liquidation Order at 7. The Liquidation Order further provided that "[t]he Trustee shall be in charge of completing the liquidation [of] [EPIB] to the best of his ability . . . in the event that [EPIB] is unable to complete the Voluntary Liquidation Plan during the Liquidation Period" (*id.*), which is not to exceed 90 days from the August 9, 2022 effective date (*id*. at 4). The Liquidation Order was issued on consent and EPIB expressly admitted the facts in it. *Id*. at 12.

On September 6, 2022, the Trustee and Schiff signed a Liquidation and Dissolution Plan ("Liquidation Plan"). ECF #1-2 at Ex. 7. The Plan stated: "EPIB ceased operations on June 30th, 2022, and the Trustee took possession of [EPIB]." *Id.* at 5.

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[4] The facts herein are taken from (i) the well-pleaded allegations of the Complaint, (ii) documents appended to the Complaint, and (iii) judicial and arbitral filings of which this court may take judicial notice. *See, e.g.*, *United States ex rel. Zotos v. Town of Hingham*, 98 F.4th 339, 345 (1st Cir. 2003).

[5] In violation of Local Rule 5(c), the Trustee submitted the underlying June 30, 2022 order solely in the Spanish original, with no translation. *See* ECF 1-2, Ex. 1. This document is therefore not properly before the Court.

B. Qenta Agrees to Acquire Some of EPIB's Assets, But the Process Is Not Completed

Under the oversight of the Trustee, a process was designed whereby EPIB customers were given a choice between receiving cash from the official liquidation process being run by the Trustee ("opt-out" customers) or transferring their claims to Qenta and becoming invested in Qenta's products ("opt-in" customers). Compl. ¶¶ 16-19; Trustee Decl. ¶¶ 33-41.

On September 30, 2022, Qenta, EPIB, and Schiff entered into a Purchase and Assumption Agreement. ECF #1-2 at Ex. 6 (the "PAA" or "Agreement"[6]). The PAA was entered into with the knowledge of and approved by the Trustee and OCIF. Trustee Decl. ¶¶ 35-47. Under the PAA, Qenta agreed to purchase, free and clear, EPIB assets (mainly cash, metals, and some securities) in an amount equal to the liabilities to opt-in customers. PAA § 1.1 (definitions of Assets, Eligible Customers, and Liabilities). EPIB was responsible for transferring title to the assets and liabilities. *Id*. § 2.1(a). Under the Agreement, Qenta also acquired certain subsidiaries of EPIB. *Id*. § 2.2(b).

The PAA chose New York law and contained a clause broadly referring "[a]ll disputes arising out of or in connection with this Agreement" to arbitration seated in New York under the auspices of the International Chamber of Commerce. PAA § 8.7.

The migration process contemplated by the PAA to this day has not been completed. The PAA contemplated more than one "Closing," with the final closing, wherein all opt-in claims and the corresponding assets were to be transferred (*see id*. §§ 1.1 (definition of "Closing"), 2.2(d), 2.3), yet to occur. Trustee Decl. ¶ 17. Over a nearly three-year process, Qenta and the Trustee had difficulty reconciling the different asset classes and liabilities of opt-in versus opt-out customers; this process has been arduous and at times contentious. *See* ECF #1-2, Ex. 4 ("Termination Letter")

[6] The Trustee sometimes refers to the PAA as the "APA."

at 1; Trustee Decl. ¶¶ 54-61; 63-72, 81. Furthermore, third-party custodians of EPIB's assets delayed their release for years. Trustee Decl. ¶¶ 48-49; Termination Letter at 1.

On July 11, 2025, Qenta sent the Termination Letter to the Trustee seeking to terminate the Agreement and return to the Trustee all EPIB assets less certain amounts intended to make Respondents whole for amounts expended, work done, and costs incurred. *See* Termination Letter. The Trustee rejected Qenta's Termination Letter, stating that he did not want the assets, nor to deal with the opt-in customers. Compl. ¶¶ 36-37; *see also* ECF 15-3.

C. Schiff Commences Arbitration and Seeks Injunctive Relief

On July 30, 2025, Schiff invoked the arbitration clause in the PAA and sought to commence an arbitration with the International Chamber of Commerce against Qenta. *See* Declaration of Daniel Walfish, submitted herewith ("Walfish Decl.") ¶ 2 & Ex. 1. Schiff's submission requested that the arbitration be seated in New York, New York and flagged that Schiff sought, as underlying relief in the arbitration, "immediate return of all retained assets," an accounting, and "damages for unjust enrichment, breach of contract, and related harms." *Id*.

At or about the same time, Schiff commenced a proceeding in aid of arbitration in state court in New York (the "Schiff Action"). *See* Walfish Decl. ¶ 3 & Ex. 2. Qenta and the other defending parties removed the Schiff Action to the U.S. District Court for the Southern District of New York. Walfish Decl. ¶ 4. *See id*. The District Court (Castel, J.) directed dismissal of the Schiff Action on the ground that the Trustee, not Schiff, was the only party who could bring claims seeking to vindicate EPIB's rights. *See Schiff v. Qenta Inc*., 2025 WL 2371113, at *1 (S.D.N.Y. Aug. 13, 2025).

Schiff subsequently discontinued the arbitration and the Schiff Action. Walfish Decl. ¶¶ 5-6 & Exs. 3, 4.

D. The Trustee Commences This Action

The Trustee commenced this action by filing the Complaint on September 16, 2025. ECF #1. On the same day, he sought provisional relief, including an attachment of assets. ECF #2. The Court referred the Trustee's motion for provisional relief to Magistrate Judge López-Soler for a report and recommendation. ECF #4. The defendants submitted responsive briefing on the motion for provisional relief; one of their themes was that the Trustee's defective claims prevent him from showing a likelihood of success on the merits. *See* ECF #14, 15. On October 8, 2025, the Magistrate held an argumentative hearing on the motion for provisional relief. ECF #16, #19. At the conclusion of the hearing, the Magistrate directed the filing of substantive responses to the Complaint on or before October 15, 2025. This motion timely follows.

ARGUMENT

On this motion to dismiss, while the Court must "accept as true the complaint's well-pleaded factual allegations," it must "not credit conclusory legal allegations or factual allegations that are too meager, vague, or conclusory to remove the possibility of relief from the realm of mere conjecture." *Douglas v. Hirshon*, 63 F.4th 49, 55 (1st Cir. 2023); *accord Analog Techs., Inc. v. Analog Devices, Inc.*, 105 F.4th 13, 14 (1st Cir. 2024) ("When reviewing a motion to dismiss, we recount the underlying facts as alleged in the complaint but disregard any conclusory allegations."). "A plaintiff's obligation to provide the grounds of his entitle[ment] to relief requires more than labels and conclusions, and a formulaic recitation of the elements of a cause of action will not do." *Morales Tañon v. P.R. Elec. Power Auth.*, 524 F.3d 15, 18 (1st Cir. 2008).

Where, as here, claims in a complaint sound in fraud, a plaintiff is required to "state with particularity the circumstances constituting fraud or mistake." Fed. R. Civ. P. 9(b). This means that for each alleged instance of fraud, plaintiff is required to "specify what the underlying misrepresentation was, who made it, and when and where it was made." *Katz v. Belveron Real*

Estate Partners, LLC, 28 F.4th 300, 308 (1st Cir. 2022). In the RICO context, "it is insufficient to simply make conclusory allegations of fraud and to fail to describe the time, place, and content of the communications." *Humana Inc. v. Biogen, Inc.*, 126 F.4th 94, 104 (1st Cir. 2025). A failure to plead the "contents" of alleged misrepresentations, "who made them to whom, where and when they were made, and even why they were fraudulent" requires dismissal for failure to satisfy Rule 9(b). *Id.*

I. THE COMMODITY EXCHANGE ACT CLAIM SHOULD BE DISMISSED

In Count I, the Trustee attempts to assert a cause of action under the CEA. The Trustee generally refers to "fraud, manipulation, and deceptive devices," but without specifying any particular section of the CEA under which the Trustee purports to be proceeding. *See* Compl. ¶¶ 50-60. The Trustee badly misses the mark. The CEA is not a general-purpose statute that a civil litigant can invoke whenever there is alleged misconduct that happens to involve a putative commodity like gold or silver. On the contrary, the CEA is primarily designed to regulate organized trading on designated exchanges of commodity *futures* (formally known in the CEA as "contracts for future delivery") and other specified derivative contracts (notably swaps and options) with the chief goal of preventing *price manipulation* in the trading of such contracts. Enforcement is generally committed to the Commodity Futures Trading Commission (CFTC).[7]

[7] *See, e.g.*, CFTC informational web page, *at* https://www.cftc.gov/LawRegulation/CommodityExchangeAct/index.htm (the CEA "regulates the trading of commodity futures"). In fact, it is not even clear that gold and silver bullion (*i.e.*, metal owned outright in the form of bars) are "commodities" for purposes of the CEA. *See CFTC v. TMTE, Inc.*, 2025 WL 2043718, at *4-*5 (N.D. Tex. July 21, 2025) (expressing significant doubt on this point).

To be sure, the CEA creates certain private rights of action in 7 U.S.C. § 25(a),[8] but these are very specific, and the CEA makes clear that, with exceptions not relevant here,[9] these rights of action are "***the exclusive remedies under [the CEA]*** available to any person who sustains loss as a result of any alleged violation of [the CEA]." 7 U.S.C. § 25(a)(2). *See In re MF Global Holdings Ltd. Inv. Litig.*, 998 F. Supp. 2d 157, 175-76 (S.D.N.Y. 2014) (7 U.SC. § 25 "expresses Congress's intent ***to limit the circumstances*** under which a civil litigant could assert a private right of action for a violation of the CEA"). In other words, if the claim asserted here does not fit within 7 U.S.C. § 25(a), then the Trustee has no claim under the CEA.

Section 25(a)(1)[10] by its plain terms *first* requires an underlying violation of the CEA and *then* applies solely if a plaintiff engaged in one of several specified relationships with the defendant identified in sub-paragraphs (A) through (D) of Section 25(a)(1). The Trustee does not identify any underlying violation of the CEA, instead stating generically (and without the particularity required by Rule 9(b)) that "Defendants . . . engaged in the fraudulent solicitation, misappropriation, and conversion of commodities and commodity-related assets belonging to

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[8] Also referred to as Section 22 of the CEA, because the Act's sections do not directly map numerically onto the codification in Title 7. The provision reads: "Any person . . . **who violates [the CEA]** . . . shall be liable for actual damages **resulting from one or more of the transactions referred to in subparagraphs (A) through (D) of this paragraph** and caused by such violation to" a plaintiff who engaged in a specified relationship with the defendant.

[9] One exception is in 7 U.S.C. § 25(b), which authorizes remedies specifically against a "registered entity," a "registered futures association," or their associated individuals. The definition of "registered entity" is contained in 7 U.S.C. § 1a(40) and corresponds to CFTC-registered trading venues. "Registered futures association" is a category of industry self-regulatory organization governed by 7 U.S.C. § 21. Qenta and de Jong do not come within either of these categories. Under 7 U.S.C. § 25(a)(2), the only other private remedies potentially available under the CEA come from a trio of provisions that relate to internal discipline imposed in industry member organizations. *See* 7 U.S.C. §§ 7(d)(13), 7a-1(c)(2)(H), 21(b)(10). Qenta and de Jong are not subject to these provisions, either.

[10] Sections 25(a)(3), (a)(4), (a)(5), and (a)(6) are highly technical provisions that are not relevant here. If the Trustee has a claim based on fraud, it would have to fit within Section 25(a)(1).

EPIB's opt-in customers." Compl. ¶ 52. The Trustee does not explain how this allegation makes out an underlying violation of the CEA.

Next, even if an underlying violation had been identified, a cause of action is available under Section 25(a)(1) only if the plaintiff comes within sub-paragraphs (A) through (D). Sub-paragraph (A) requires that the plaintiff have received "trading advice" dispensed by the defendant "for a fee." 7 U.S.C. §§ 25(a)(1)(A). Sub-paragraphs (B) and (C) require that the plaintiff have transacted in various kinds of specified assets, including a "contract of sale . . . for future delivery" (*i.e.*, a futures contract) or option on a futures contract or on commodities, or a swap, or an "interest or participation in a commodity pool," or "a contract subject to section 23 of this title" (which covers leverage contracts / margin accounts). 7 U.S.C. §§ 25(a)(1)(B)-(C).[11]

None of these provisions applies here. Neither Qenta or de Jong gave or is alleged to have given anyone paid "trading advice." The allegations in the Complaint, to the extent they may relate to any arguable commodities, are geared entirely at the accusation that Qenta somehow mishandled physical "gold and silver," not that EPIB transacted with or through Qenta in a futures or other derivative contract. Compl. ¶ 53; *see also id. passim* (referring to "precious metals"). The Complaint says nothing at all about the Trustee or EPIB being party to futures, swaps, or options

[11] Sub-paragraph (D) allows a *plaintiff* who has entered into a futures contract, swap, or option to sue a *defendant* who committed *manipulation* involving "*a contract of sale of a commodity*" even if not for future delivery. In other words, sub-paragraph (D) contemplates misconduct by the defendant involving an outright commodity transaction (as opposed to just a futures, swap, or option contract). Even under sub-paragraph (D), however, the *plaintiff* has to have transacted in futures, swaps, or options, *and* the alleged underlying violation has to involve manipulation (the theory being that one can cause harm to the plaintiff holder of a futures, etc. contract if one manipulates its underlying commodity in the spot, *i.e.*, physical, markets). Neither of these requirements is satisfied here. Again, EPIB / the Trustee did not hold futures and there is and can be no allegation of price manipulation.

contracts, or about any "commodity pool"[12] or margin account or leverage contract covered by 7 U.S.C. § 23.[13]

To survive a motion to dismiss, the Trustee was required to "plead facts to show ***both*** that [Qenta and de Jong] violated the CEA ***and*** that [Qenta and de Jong] stand[] in an appropriate [*i.e.*, statutorily specified] relationship to the [Trustee] with respect to the alleged CEA violation." *MF Global*, 998 F. Supp. 2d at 176. The Trustee could not satisfy this pleading burden even if he tried, which he did not.

A further problem: The CEA does not apply extraterritorially. "Suits funneled through [the CEA's] private right of action must be based on ***transactions occurring in the territory of the United States***." *Laydon v. Coöperatieve Rabobank U.A.*, 55 F.4th 86, 96 (2d Cir. 2022). Additionally and as a separate requirement, there must be "sufficiently ***domestic conduct*** by the defendant." *Id*. Here, the alleged *transactions* and the alleged *conduct* relating to gold and silver all occurred, if at all, overseas. The Trustee alleges that Qenta mishandled or misappropriated silver and gold physically located in Singapore. Compl. ¶ 56. There is and can be no allegation that any transactions in gold or silver owned by EPIB or its customers occurred in the territorial United States, or that any of Qenta's alleged misconduct occurred in the United States. Therefore, even if the Trustee had otherwise satisfied his pleading burden under the CEA (he has not), the CEA claim

[12] A "commodity pool" is a type of "enterprise operated for the purpose of trading in" futures and other types of specified contracts. *See* 7 U.S.C. § 1a(10)(A).

[13] Such contracts among other things must involve a duration of at least ten years, and the posting of margin. Straightforward arrangements to hold physical metal do not qualify. *See CFTC v. 20/20 Trading Co.*, 2011 WL 2221177, at *7 (C.D. Cal. June 7, 2011) (business that sold physical metals was not offering leverage contracts within the meaning of 7 U.S.C. § 23). *See also* 17 C.F.R. § 31.4(w) (definition of leverage contract for purposes of 7 U.S.C. § 23); *First Nat'l Monetary Corp. v. CFTC*, 860 F.2d 654, 658 (6th Cir. 1988) ("a section 19 [*i.e.*, 7 U.S.C. § 23] leverage contract looks strikingly like a futures contract traded off [exchange]").

would fail for the separate reason that the Trustee cannot come forward with allegations that meet the CEA's territorial requirements.

Additionally, the only proper plaintiff in a private action under the CEA, *i.e.* the only party with standing, is the party directly harmed by the alleged conduct. *See, e.g.*, *Gamma Traders – I LLC v. Merrill Lynch Commodities, Inc.*, 41 F.4th 71, 77-78 (2d Cir. 2022) ("CEA plaintiffs must establish that they were personally harmed by the defendant's fraudulent trading activity"); *see also Harry v. Total Gas & Power N. Am., Inc.*, 889 F.3d 104, 111-12 (2d Cir. 2018). On the Trustee's allegations, however, the parties supposedly harmed by Qenta's conduct are not the Trustee himself or even EPIB, but rather the "opt-in" customers. Compl. ¶¶ 30, 43, 52. The Trustee does not have, and does not claim that he has, the authority to appear in court as the representative of specific customers, only for EPIB as a whole. Count I falls short in every respect and should be dismissed.

II. THE RICO AND RICO CONSPIRACY CLAIMS SHOULD BE DISMISSED

Count II of the Complaint (Compl. ¶¶ 61-74, the "RICO Claim") alleges that the conduct of Qenta and de Jong in executing and performing the PAA violated the RICO statute. Count III (Compl. ¶¶ 75-83, the "RICO Conspiracy Claim") alleges perfunctorily that Schiff conspired with Qenta and de Jong to violate RICO. These claims "fall[] short because their allegations rely too heavily on conclusory statements, and the conduct they allege does not establish a colorable RICO claim." *Naicom Corp. v. DISH Network Corp.*, 2024 WL 1363755, at *21 (D.P.R. Mar. 29, 2024).

The RICO statute makes it "unlawful for any person employed by or associated with any enterprise . . . to conduct or participate, directly or indirectly, in the conduct of such enterprise's affairs through a pattern of racketeering activity." 18 U.S.C. § 1962(c). Section 1964(c) creates a private right of action for violation of this provision.

To state a claim under 18 U.S.C. § 1962(c), the Trustee "must allege each of the four elements required by the statute: (1) conduct (2) of an enterprise (3) through a pattern (4) of racketeering activity." *Efron v. Embassy Suites (Puerto Rico), Inc.*, 223 F.3d 12, 14-15 (1st Cir. 2000); *accord Home Orthopedics Corp. v. Rodriguez,* 781 F.3d 521, 528 (1st Cir. 2015). Because the predicate acts alleged in the Complaint (to the extent described at all) are forms of fraud (Compl. ¶¶ 68-71), the Complaint is subject to Rule 9(b). *Humana*, 126 F.4th at 103; *see also Embassy Suites*, 223 F.3d at 20 ("RICO claims premised on mail or wire fraud must be particularly scrutinized because of the relative ease with which a plaintiff may mold a RICO pattern from allegations that, upon closer scrutiny, do not support it."); *Naicom*, 2024 WL 1363755, at *21 ("courts should strive to flush out frivolous RICO allegations at an early stage").

As discussed below, the RICO Claim fails to allege a RICO enterprise, *or* predicate acts, *or* a cognizable pattern of racketeering activity, far less with the particularity required by Fed. R. Civ. P. 9(b). Each of these flaws independently requires dismissal. Because the RICO Claim "do[es] not state a substantive RICO claim upon which relief may be granted," the "[RICO C]onspiracy claim also fails." *Embassy Suites*, 223 F.3d at 21.

A. The Trustee Fails to Allege the Existence of an Enterprise

The RICO Claim's first fatal deficiency is that it does not allege the existence of any distinct "enterprise" through which the defendants operated their supposed scheme.

It is long settled that the "'person' identified under § 1962(c)" – *i.e.*, the RICO defendant – "must be distinct from the 'enterprise.'" *Bessette v. Avco Fin. Servs., Inc.*, 230 F.3d 439, 448 (1st Cir. 2000). The Complaint does not meet this requirement, alleging only that "Defendant Qenta and Brent de Jong formed an association-in-fact enterprise that had a common purpose, relationships among those associated with the enterprise, and longevity sufficient to permit the associates to pursue the enterprise's purpose." Compl. ¶ 63. This allegation does not make out a

RICO enterprise as a matter of law. The First Circuit has emphasized that "employees acting solely in the interest of their employer, carrying on the regular affairs of the corporate enterprise, are not distinct from that enterprise" for purposes of a RICO pleading. *Bessette*, 230 F.3d at 449. Qenta and de Jong "cannot be the entity that conducts its own affairs through a pattern of racketeering activity." *Odishelidze v. Aetna Life & Cas Co.*, 853 F.2d 21, 23 (1st Cir. 1988); *OK Resorts of P.R., Inc. v. Charles Taylor Consulting Mexico, S.A. de C.V.*, 2021 WL 312702, at *6 (D.P.R. Jan. 29, 2021) ("because the racketeer [*i.e.*, the defendant "person" under 18 U.S.C. § 1962(c)] and the enterprise must be distinct, the enterprise must be an entity separate from the named defendants who are allegedly engaging in unlawful activity.").[14]

The Trustee does not allege in any manner how the Qenta/de Jong "enterprise" is anything other than Qenta carrying on its own business. The Trustee therefore fails to allege the existence of an "enterprise" distinct from the named defendants under 18 U.S.C. §1962(c). *See, e.g.*, *Silva-Melendez v. Crescioni Badillo*, 2024 WL 6080260, at *4 (D.P.R. Jan. 26, 2024) (dismissing RICO claim where "plaintiffs fail to identify the criminal enterprise, which cannot be the same entity as the RICO defendant"). The RICO Claim should be dismissed for this reason alone.

B. The Trustee Fails To Allege Predicate Acts

The RICO Claim should separately be dismissed because it fails to sufficiently allege any predicate acts of "racketeering activity" as defined in 18 U.S.C. § 1961(1). *See Embassy Suites,* 223 F.3d at 15 (to state a civil RICO claim, a plaintiff must "show at least two predicate acts of 'racketeering activity,' which is defined to include violations of specified federal laws, such as the

[14] *See also Riverwoods Chappaqua Corp. v. Marine Midland Bank, N.A.*, 30 F.3d 339, 344 (2d Cir. 1994) ("by alleging a RICO enterprise that consists merely of a corporate defendant associated with its own employees or agents carrying on the regular affairs of the defendant, the distinctness requirement may not be circumvented") (gathering authorities).

mail and wire fraud statutes."). The Trustee attempts (and fails) to allege two types of predicate acts of racketeering by defendants: (i) financial institution fraud or (ii) wire fraud. Compl. ¶¶ 68, 70, 80.

1. The Trustee Fails To Allege Financial Institution Fraud

The Complaint's "financial institution fraud" allegations are clearly insufficient. While it is true that 18 U.S.C. § 1961(1) identifies "financial institution fraud" under 18 U.S.C. § 1344 as a potential RICO predicate, the Complaint does not identify any "financial institution" within the scope of the statute. The definition of a "financial institution" for purposes of 18 U.S.C. § 1344 is contained in 18 U.S.C. § 20, and EPIB does not come within any of the defined categories, nearly all of which are limited to various forms of federally regulated banks.[15] "Financial institution fraud" cannot, therefore, serve as a RICO predicate here.

2. The Trustee Fails To Allege Wire Fraud

The Complaint's only substantive allegation as to wire fraud is:

> Defendants used interstate wire communications to issue false and misleading statements to EPIB customers about migration timelines and access to their assets. Specifically, between September 28 and November 9, 2022, defendants issued a series of regular written updates to EPIB customers, informing them of continued operational delays, migration timelines, and shifting opt-out deadlines, while knowing that these commitments would not be fulfilled.

Compl. ¶ 68; *accord id.* ¶ 28. That is it. Neither the Complaint nor the Trustee's declaration specify, as First Circuit precedent requires, which defendant made which allegedly false representation, the

[15] The provision of 18 U.S.C. § 20 that ostensibly comes closest is "a branch or agency of a foreign bank (as such terms are defined in [12 U.S.C. § 3101])." This provision is not satisfied, however, because regardless of whether EPIB is a "foreign bank" (which is far from clear), the "agency" or "branch" in question must be in one of the fifty U.S. States or the District of Columbia. 12 U.S.C. § 3101(1), (3), (7), (10). EPIB is not alleged to have had and did not have any branch or office in any U.S. state or in the District of Columbia, eliminating any jurisdictional predicate for the application of 18 U.S.C. § 1344. *See* Trustee Decl. ¶ 25 (referring to the "EPIB offices in Puerto Rico" and noting that "most of the banking operations were being conducted . . . at Saint Vincent").

specific content of the representation or, critically, what about that representation was fraudulent. *See Katz*, *supra*; *Humana*, *supra*. All that is said is that defendants issued informational updates to EPIB customers "while knowing that these commitments would not be fulfilled." Compl. ¶ 68; *accord id.* ¶ 28.

Moreover, while the Complaint promises that the Trustee's Declaration "describes the[] effect on customer decision-making" (*id.* ¶ 28) of defendants' unspecified alleged false statements, that Declaration does no such thing. Neither document particularizes any statements or explains in any way *what* decisions the allegedly false statements were supposed to influence, or how they were in fact influenced.

The lack of particularity is fatal on its own, but we emphasize that even the Trustee's minimal characterization of them shows that the statements at most constitute an assurance to EPIB's customers by Qenta that Qenta was in the process of fulfilling its obligations under the PAA, and that (according to the Trustee's conclusory allegations), Qenta knew that it did not intend to fulfill those obligations. Stripped of its (conclusory, factually unsupported) assertion that Qenta knew it did not intend to fulfill its PAA obligations, the Complaint alleges that Qenta breached the PAA. But "breach of contract is not fraud, and a series of broken promises therefore is not a pattern of fraud. It is correspondingly difficult to recast a dispute about broken promises into a claim of racketeering under RICO." *Trinidad v. IDI Holdings PR, Inc.*, 708 F. Supp. 2d 137, 146 (D.P.R. 2005). The Complaint's paltry allegations of fraud, such as they are, sound in contract. The Trustee "cannot successfully transmute them into RICO claims by simply appending the terms 'false' and 'fraudulent.'" *Kolar v. Preferred Real Est. Invs., Inc.*, 361 F. App'x 354, 363–64 (3d Cir. 2010).

The Complaint fails to allege predicate acts *either* under Fed. R. Civ. P. 8(a)'s notice pleading standard or under the particularity requirements of Fed. R. Civ. P. 9(b), which govern here. For this additional reason, the RICO Claim should be dismissed.

C. The Trustee Fails to Allege a "Pattern of Racketeering Activity"

To plead RICO claims, the Trustee is required to allege that defendants committed two or more predicate acts of racketeering that are "related, *and*…amount to or pose a threat of continued criminal activity." *Home Orthopedics*, 781 F.3d at 528. In RICO parlance, this means the Complaint must allege "continuity," *i.e.*, the "kind of broad or ongoing criminal behavior at which the RICO statute was aimed." *Id.* at 529. This can be done by alleging "closed" continuity, *i.e.*, a "closed period of repeated conduct that amounted to…continued criminal activity," *id*. at 528 (*quoting H.J. Inc. v. Nw. Bell Tel. Co.,* 492 U.S. 229, 237 (1989)), or "open-ended" continuity, by alleging "past conduct that by its nature projects into the future with a threat of repetition." *Id.*

The Complaint fails utterly in this respect. In a flimsy effort to comply with RICO pleading requirements, the Trustee takes a stab at closed continuity, alleging that "from September 2022 to July 2025, Defendants engaged in multiple related acts of racketeering activity that ***were continuous over this closed period*** of nearly three years." Compl. ¶ 67. But the supposed wrongdoing alleged in the Complaint[16] is focused *entirely* on a single transaction: Qenta's acquisition of certain assets of EPIB via the PAA. Specifically, the Trustee alleges that by entering into the PAA and attempting to consummate that agreement, Qenta and Schiff pursued an "overall objective of acquiring control over [EPIB] customer assets" (*id.* ¶ 78; *accord id.* ¶ 29) in service of a "conspiracy to defraud customers." *Id.* ¶ 39.

[16] For the avoidance of doubt, Qenta and de Jong categorically deny all alleged wrongdoing. As they have explained (in the Schiff Action and in response to the request for provisional remedies), Qenta has been seeking to resolve disagreements with the Trustee, not to abscond with assets.

The Trustee Declaration (which was appended to the Complaint, *see* Fed. R. Civ. P. 10(c)) is to the same effect. *Every* allegation of wrongdoing in that document is tied to Schiff's and Qenta's obligations under and performance of the PAA. The Trustee makes this explicit:

- "The failure to [effectuate] the [PAA] terms is central to EPB's claims." Trustee Decl. ¶ 16.
- "On July 11, 2025, Qenta remitted a termination notice requesting to set aside on its specific terms, the [PAA] entered almost three years before." *Id.* ¶ 17.
- "Qenta retained custody of unreconciled assets and *failed to onboard or liquidate them per [PAA] terms*." *Id.* ¶ 69.
- "The [PAA] does not authorize retention of appreciation, imposition of fees, or unilateral liquidation of customer assets. *Such actions violate the express terms of the [PAA].*" *Id.* ¶ 76.

Because the "scheme" alleged in the Complaint, such as it is, relates entirely to Qenta's performance of its PAA obligations and the migration of EPIB customers to Qenta's platform *and nothing else*, the Trustee cannot satisfy the "continuity" requirement even on a theory of "closed continuity." Courts in this Circuit and elsewhere have held over and over again that where the predicate RICO acts have their genesis in a single episode, transaction, contract, or even a single criminal scheme that involves the commission of multiple crimes, RICO's "continuity" requirement is not met.[17]

[17] *See, e.g.*, *Embassy Suites*, 223 F.3d at 21 (holding that alleged acts "compris[ing] a single effort, over a finite period of time, to wrest control of a particular [business venture] from a limited number of [victims] .... cannot be a RICO violation"); *Gonzalez-Morales v. Hernandez-Arencibia,* 221 F.3d 45, 52 (1st Cir. 2000) (dismissing RICO claims where complaint alleged that all predicate acts "have their origin in the…Contract for Purchase of Assets."); *Kenda Corp. v. Pot O'Gold Money Leagues, Inc.*, 329 F.3d 216, 233 (1st Cir. 2003) (dismissing RICO claims for failing to plead closed continuity where plaintiff "adduced evidence of only a single scheme by the defendants"); *Sys. Mgmt., Inc. v. Loiselle,* 303 F.3d 100 (1st Cir. 2002) ("RICO is not aimed at a single narrow criminal episode, even if that single episode involves behavior that amounts to several crimes."); *Apparel Art Int'l, Inc. v. Jacobson*, 967 F.2d 720, 723 (1st Cir. 1992) (Breyer, J.) ("however courts express the point, they have consistently held that a single episode does not constitute a "pattern," even if that single episode involves behavior that amounts to several crimes (for example, several unlawful mailings"); *accord D&T Partners, L.L.C. v. Baymark Partners*

Furthermore, the Complaint makes no attempt whatsoever to satisfy the requirement that the alleged scheme (*i.e.*, Qenta's supposed attempt to gain control over the assets of EPIB customers) has the potential to last indefinitely or pose a threat of continued criminal activity. *See Embassy Suites*, 223 F.3d at 19 ("Our own precedent firmly rejects RICO liability where the alleged racketeering acts, taken together, comprise *a single effort to facilitate a single financial endeavor*." (gathering cases)); *accord Home Orthopedics*, 781 F.3d at 530 ("That the defendants in this case sought to accomplish a specific, narrow mission—which stemmed from a single, discernible event—clearly cuts against a conclusion that Home Orthopedics has sufficiently alleged a closed pattern."; no continuity where "the nature of the defendants' conduct is finite"); *Puerto Rico Clean Energy Corp. v. Hatton-Gotay*, 115 F. Supp. 3d 288, 295 (D.P.R. 2015) (dismissing RICO claims for lack of continuity where "the nature of the scheme is not one that has the potential to last indefinitely.").[18]

Though it only purports to allege closed continuity, the Complaint cannot plausibly be read to allege an open-ended pattern of racketeering activity either. The Trustee does "not allege a specific threat of repetition extending indefinitely into the future, nor did [he] allege that the racketeering acts were a part of the defendants' regular way of doing business." *Giuliano v. Fulton*, 399 F.3d 381, 390-91 (1st Cir. 2005) (affirming dismissal of RICO claims for failure to allege closed or open-ended continuity). Indeed, all the Complaint's allegations of wrongdoing related to

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Mgmt., L.L.C., 98 F.4th 198, 208 (5th Cir. 2024) ("Simply put, what began as an ordinary business transaction ended with stolen assets, a defunct company, and many unhappy creditors. Even if Defendants engaged in fraudulent acts in the interim, the complaint alleges that the acts arose in pursuit of a single end: transferring Global's assets to Windspeed. While the plan ultimately took several years to realize, the number of victims and the nature and objective of the alleged scheme do not support an inference of a closed-ended pattern of racketeering activity.").

[18] *Accord Johnson v. Heath*, 56 F.4th 851, 862 (10th Cir. 2022) ("Without a threat of continued illegal activity, a single scheme rarely supports finding continuity. And a single scheme even less likely supports a continuity finding when the scheme targets only one discrete goal.").

the single alleged objective of obtaining EPIB "opt-in" customer assets. See *id.* (no open-ended continuity where complaint "acknowledged that all of the racketeering activity was focused on the singular objective").

D. The RICO Conspiracy Claim Should Be Dismissed

If the RICO Claim is dismissed for any of the reasons stated above, the RICO Conspiracy Claim must also be dismissed. *See Embassy Suites*, 223 F.3d at 21; *accord Efron v. UBS Fin. Servs. Inc. of Puerto Rico*, 96 F.4th 430, 440 (1st Cir. 2024) ("without a viable underlying RICO claim, accepting the proposed second-amended complaint's RICO conspiracy claim would also have been futile"); *Lu v. Canton Corp.*, 2015 WL 13697141, at *9 (D. Mass. May 13, 2015) ("if the pleadings are insufficient to make out an underlying RICO claim, the RICO conspiracy claim necessarily fails as well"). This should be the end of the analysis. But like the underlying RICO Claim itself, "the conspiracy allegation is perfunctory. It fails to provide any specifics as to the details of the alleged conspiracy or the predicate acts committed in the pursuit thereof. Like RICO claims generally…a RICO conspiracy claim that is alleged in wholly conclusory terms will not withstand a motion to dismiss." *Miranda v. Ponce Fed. Bank*, 948 F.2d 41, 48 (1st Cir. 1991).

III. THE DECLARATORY JUDGMENT COUNT SHOULD BE DISMISSED

The Complaint's Count IV seeks a declaration under 28 U.S.C. § 2201—the Declaratory Judgment Act ("DJA")—regarding the parties' rights respecting assets of EPIB customers and the "Opt-in Customers" under the PAA. Compl. ¶¶ 84-94. The DJA allows federal courts to "declare the rights and other legal relations" of parties. In other words, there must be a *source* of "rights and other legal relations."

The Trustee seeks a declaration concerning the rights of EPIB and Qenta respecting the assets of "Opt-in" EPIB customers, and *specifically*, as to whether and to what extent Qenta has "fulfill[ed its] obligations under the [PAA]." Compl. at p.22 ¶ 5. Fundamentally, the Trustee seeks

relief under that agreement. *See, e.g.*, Trustee Decl. ¶ 16 ("The failure to [effectuate] the [PAA] terms is central to EPB's claims.").

However, there is no federal jurisdiction over an action to enforce the PAA – it's a quintessential state-law claim. (On top of that, any disputes relating to the PAA must proceed in arbitration. *See* Section V, *infra*.) Notably, the DJA does not itself furnish subject matter jurisdiction. Rather, it "merely makes available an added anodyne for disputes that come within the federal courts' jurisdiction on some other basis. Thus [t]here must be an independent basis of jurisdiction . . . before a federal court may entertain a declaratory-judgment action." *Alberto San, Inc. v. Consejo De Titulares Del Condominio San Alberto*, 522 F.3d 1, 5 (1st Cir. 2008). Put differently, "Section 2201 is the cart; plaintiff still needs a horse." *Id*. The Trustee's only jurisdictional "horse" is the insufficient RICO claim. *See* Compl. ¶ 92. Assuming that claim is dismissed, there is no basis for federal jurisdiction. *See, e.g.*, *Tyler v. Michaels Stores, Inc.*, 840 F. Supp. 2d 438, 452 (D. Mass. 2012) ("The Declaratory Judgment Act is not an independent grant of federal jurisdiction, so dismissal of the underlying claims requires dismissal of the claim for declaratory relief as well." (gathering authorities)).

A further problem for the Trustee: de Jong (unlike Schiff) is not personally party to the PAA in an individual capacity, having signed the PAA solely on behalf of Qenta and its affiliates. PAA at 14 (ECF #1-2 at 81). There is, therefore, no basis for any PAA-based claim to the extent asserted against de Jong. *See Salzman Sign. Co. v. Beck*, 10 N.Y.2d 63, 67 (1961) ("In modern times most commercial business is done between corporations, everyone in business knows that an individual . . . officer is not liable for his corporation's engagements unless he signs individually, and where individual responsibility is demanded the nearly universal practice is that the officer signs twice once as an officer and again as an individual.").

IV. THE DEMAND FOR PROVISIONAL RELIEF DOES NOT STATE A CLAIM

Count V of the Complaint seeks provisional relief in the form of attachment, garnishment, and a temporary restraining order. Compl. ¶¶ 96-100. The Trustee has already sought that relief by way of motion (ECF #2). The Court will in due course determine whether the Trustee has made a showing sufficient to warrant this relief, but the Complaint's Count V does not state a claim for which relief can be granted; it simply sets forth relief to which the Trustee could theoretically be entitled if he was able to demonstrate a likelihood of success on the merits (among other factors) of any of the Complaint's substantive claims. *See, e.g., Benavides v. Gartland*, 2020 WL 1914916, at *4 (S.D. Ga. Apr. 18, 2020) ("It is well-settled that for Petitioners to be entitled to relief under Rule 65, they must tether their request for relief to a cause of action set forth in their pleading." (gathering cases)); *Adelman v. Rheem Mfg. Co.*, 2015 WL 4874412, at *8 (D. Ariz. Aug. 14, 2015) ("But it is well-settled that a claim for 'injunctive relief,' standing alone, is not a cause of action. Although injunctive relief may be available if Plaintiffs are entitled to such a remedy on an independent cause of action, plaintiffs' stand-alone cause of action for injunctive relief does not state an independent claim, and will be dismissed." (gathering cases)).

V. THE TRUSTEE'S CLAIMS ARE SUBJECT TO MANDATORY ARBITRATION

The PAA, governed by New York law, contains a broad, mandatory arbitration clause providing that "all disputes arising out of or in connection with this Agreement shall be finally settled" by arbitration seated in New York under the auspices of the International Chamber of Commerce. PAA § 8.7. *See, e.g.*, *Rodriguez -Rivera v. Allscripts Healthcare Solutions, Inc.*, 2025 WL 71692, at *10 (D.P.R. Jan. 10, 2025) (noting that the language used here is a "broad arbitration clause" under First Circuit precedent and American Arbitration Association guidance).

This arbitration clause easily captures all of the Trustee's claims, each of which "arise[s] out of" or is otherwise "connected to" the PAA. The only reason Qenta ever came into possession

of any of EPIB's assets—the only reason there are "opt-in" customers to begin with—is because Qenta is a party to the PAA. *Everything* that the Trustee claims Qenta has done was "in connection with" the PAA, pursuant to which Qenta agreed to assume assets and liabilities associated with opt-in customers. That RICO and other statutory claims are asserted does not change the analysis. RICO is not a "get out of arbitration free" card. *E.g.*, *Shearson/Am. Exp., Inc. v. McMahon*, 482 U.S. 220, 239-42 (1987) (civil RICO claims were arbitrable); *Álvarez-Maurás v. Banco Popular of Puerto Rico*, 919 F.3d 617, 624 (1st Cir. 2019) (dismissing RICO claims without prejudice to pursuing them in arbitration).

Because the Trustee is standing in EPIB's shoes and EPIB is party to an agreement with a broad arbitration clause, the Trustee is bound by that agreement to arbitrate. *See, e.g.*, *Javitch v. First Union Sec., Inc.*, 315 F.3d 619, 627 (6th Cir. 2003) ("we find that Javitch, who is bringing claims on behalf of VES and CFL, is bound to the arbitration agreements to the same extent that the receivership entities would have been absent the appointment of the receiver"); *Wiand v. Schneiderman*, 778 F.3d 917, 924 (11th Cir. 2015); *U.S. Small Bus. Admin. v. Coqui Cap. Mgmt., LLC*, 2008 WL 4735234, at *2 (S.D.N.Y. Oct. 27, 2008) ("The question thus turns to whether Plaintiff, as receiver, is bound to arbitrate its . . . claims. The Court concludes that it is.").[19]

However, the Trustee has not commenced an arbitration. On the contrary, he has sought to *avoid* arbitration, declining to join in the ICC arbitration commenced (and subsequently abandoned) by Schiff. This is yet another basis for dismissal.

[19] It is no answer to say that the Trustee did not sign the PAA. The Trustee's own assertions show that the PAA was entered into on the Trustee's watch and with the Trustee's and OCIF's knowledge and approval. Trustee Decl. ¶¶ 35-47. The Trustee plainly delegated authority to Schiff to enter into the PAA for EPIB; and even if he had not done so (though he did), he plainly ratified the PAA by working with Qenta to effectuate the PAA.

VI. DE JONG IS NOT SUBJECT TO PERSONAL JURISDICTION IN THIS COURT

Although the Complaint should be dismissed as against de Jong for failure to state a claim for all the reasons discussed above, we note separately that there is no basis for the exercise of personal jurisdiction over de Jong individually. The Trustee does not allege—and cannot allege—that de Jong "purposefully availed [him]self of the privilege of conduct[ing] business"[20] in Puerto Rico and "has sufficient minimum contacts with the forum such that he should anticipate being haled into court []here"[21] under Puerto Rico's long-arm statute, 32 P.R. Laws Ann. tit. 32, Ap. V, R. 3.1.[22]

For starters, de Jong is not a party to the PAA – the contract that governs all of Qenta's obligations respecting EPIB and its customers. He signed that agreement on Qenta's behalf. The Complaint does not allege that de Jong did anything other than in his capacity as an executive of Qenta. Indeed, the Complaint and Declaration barely mention de Jong at all, and the Trustee's allegations are simply not susceptible to an interpretation that *any* actions de Jong may have taken relating to EPIB were in a personal capacity. "Acts performed by a defendant in a corporate capacity do not as a rule provide a basis for personal jurisdiction over a defendant in his individual capacity." *Perotta ex rel. Tory Pines Enter. Realty Tr. v. Summit Home Loans, Inc.*, 2005 WL

[20] *Ortiz-Ildefonso v. SNC Tech. Servs., LLC*, 2018 WL 8898617, at *4 (D.P.R. Mar. 14, 2018).

[21] *Goya Foods Inc. v. Oy*, 959 F. Supp. 2d 206, 212 (D.P.R. 2013).

[22] *Carreras v. PMG Collins, LLC*, 660 F.3d 549, 552 (1st Cir. 2011) ("A federal court may assert specific jurisdiction over a defendant only if doing so comports with both the forum's long-arm statute and the Due Process Clause of the United States Constitution. Here, the two modes of analysis merge into one because the reach of Puerto Rico's long-arm statute is coextensive with the reach of the Due Process Clause.").

352859, at *1 (D. Mass. Feb. 11, 2005) (quoting *McCarthy v. Azure*, 22 F.3d 351, 360 (1st Cir. 1994)).[23]

Finally, even if the Trustee had shown "purposeful availment" (he has not), he could not show, as he must do under the framework for analyzing personal jurisdiction, that the exercise of personal jurisdiction over de Jong would be *reasonable. See United Elec, Radio & Mach. Workers v. 163 Pleasant St. Corp.*, 960 F.2d 1080, 1088 (1st Cir. 1992). The reasonableness inquiry is geared at assessing overall fairness. *Id*. Here, the operative document contained a mandatory arbitration clause, chose New York as the situs of an arbitration law, and chose New York law for substantive and procedural matters. Under these circumstances, it is not fair to subject de Jong to the personal burden of defending a court action in Puerto Rico.

Inasmuch as the Complaint fails to allege any basis for the exercise of personal jurisdiction over de Jong, it should be dismissed as against him under Rule 12(b)(2) in addition to all the other bases advanced herein.

CONCLUSION

For the foregoing reasons, Qenta and de Jong's motion should be granted and the Complaint should be dismissed in its entirety as against them.

[23] *Accord Mojtabai v. Mojtabai*, 4 F.4th 77, 90 (1st Cir. 2021) ("Fatemeh has failed to identify any authority to support her contention that the existence of personal jurisdiction over Zary and Shaparak in their representative capacities as to her Count Two claims could authorize an assertion of pendent personal jurisdiction as to her Count One claims…even if we assume…that the claims in both counts arise from a common nucleus of operative fact."); *Swartz v. Bahr*, 2017 WL 2695290, at *3 (D. Mass. June 22, 2017) ("Swartz's failure to allege as to any individual defendant…the type of connection or conduct that would support a finding of personal jurisdiction over any defendant in the District of Massachusetts subjects his individual-capacity claims to dismissal under Rule 12(b)(2)").

WHEREFORE, Defendants respectfully request that this Honorable Court dismiss Plaintiff's Complaint in its entirety, together with such other and further relief as the Court deems just and proper.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 15th day of October 2025.

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Attorneys for Qenta, Inc., and Brent De Jong

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I electronically filed this document with the Clerk of Court using CM/ECF/PACER, which will send notice of such filing to all attorneys of record in this case.

/s/Jose E. Nassar-Veglio
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IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF PUERTO RICO

WIGBERTO LUGO-MENDER, as Trustee for Euro Pacific International Bank, Inc., *Plaintiff*, v. QENTA, INC.; PETER D. SCHIFF; BRENT DE JONG; ABC INSURANCE COMPANY; XYZ INSURANCE COMPANY; AND DEFENDANTS A and B, *Defendants*, EURO PACIFIC FUNDS SCC LTD.; EURO PACIFIC SECURITIES, INC.; EURO PACIFIC CARD SERVICES LTD. and GLOBAL CORPORATE STAFFING LTD. *Parties In Interest*.	**Civil No.:** 25-cv-1501 (PAD) (GLS)

DECLARATION OF DANIEL WALFISH

Pursuant to 28 U.S.C. § 1746, I, Daniel Walfish, hereby declare as follows:

1. I am a partner in the law firm Katsky Korins LLP, attorneys for Defendants Qenta Inc. ("Qenta") and Brent de Jong ("de Jong"). I was admitted *pro hac vice* in this action by Order dated October 9, 2025. ECF #29. I make this declaration in support of Qenta and de Jong's motion to dismiss the Complaint herein as against them. The limited purpose of this declaration is to place before the Court certain documents and matters of public record of which it may take judicial notice in connection with this motion to dismiss.

2. On July 30, 2025, defendant Peter Schiff commenced an arbitration against Qenta and certain of its affiliates with the International Chamber of Commerce. A copy of the papers initiating that arbitration are attached as Exhibit 1.

3. At or about the same time, Schiff commenced a proceeding in state court in New York against Qenta and its affiliates captioned *Schiff v. Qenta, Inc. et al.*, Index No. 67774/2025 (N.Y. Sup. Ct. Westchester Cnty.) (the "Schiff Action") to obtain relief in aid of arbitration. Our firm represented the respondents in that proceeding. A copy of the state court's docket in the Schiff Action is attached as Exhibit 2.

4. On or about August 5, 2025, Qenta and the other respondents removed the Schiff Action from state court to the U.S. District Court for the Southern District of New York.

5. After an adverse ruling by the District Court (discussed in the accompanying memorandum of law), Schiff discontinued the arbitration on August 18, 2025. A copy of that discontinuance is attached as Exhibit 3.

6. Schiff discontinued the Schiff Action on August 19, 2025. A copy of that discontinuance is attached as Exhibit 4.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: October 15, 2025

/s/ Daniel Walfish
Daniel Walfish

Exhibit 1

From: Peter Chema
To: arbitration@iccwbo.org
Cc: legalnotices@qenta.com; Walfish, Daniel
Subject: Submission of Notice and Request of Arbitration under ICC – Schiff v. Qenta Inc. et al.
Date: Wednesday, July 30, 2025 7:20:52 PM
Attachments: Arbitration Notice and Request to ICC (Schiff v. Qenta).pdf

Dear ICC Arbitration Administration,

Please find attached the Request for Arbitration submitted on behalf of Claimant Peter Schiff (as sole shareholder of Euro Pacific International Bank) in the matter against Respondents Qenta Inc., Responsible Gold Trading DMCC, and G-Commerce DMCC.

This Request is filed pursuant to the ICC Arbitration Rules and the arbitration clause in Section 8.7 of the parties' Purchase and Assumption Agreement dated September 30, 2022. For your convenience, the attachments include the PAA (Exhibit A), Termination Notice (Exhibit B), and Demand Letter (Exhibit C).

Kindly confirm receipt of the filing and provide instructions for submitting the required filing fee so that we may complete the registration process promptly and commence proceedings.

Should you require any additional information or documentation, please do not hesitate to contact me.

Thank you for your assistance.

Best regards,

Peter M. Chema, Esq.
Attorney for Claimant Peter Schiff
55 Park View Road South
Pound Ridge, NY 10576
Tel: (914) 393-8492
Email: pchema.law@gmail.com

CC:
Dan Walfish, Esq.
Katsky Korins LLP
605 Third Avenue
New York, NY 10158
Email: dwalfish@katskykorins.com

Qenta Inc., Responsible Gold Trading DMCC, and G-Commerce DMCC
Email: legalnotices@qenta.com

Attachment: Request for Arbitration - Schiff v. Qenta Inc. et al.pdf (including Exhibits A-C)

PETER M. CHEMA, ESQ.
ATTORNEY AT LAW
CHEMA LAW
55 Park View Rd S, Pound Ridge NY 10576
(914) 393-8492 · pchema.law@gmail.com

July 30, 2025

REQUEST FOR ARBITRATION

International Chamber of Commerce (ICC)
International Court of Arbitration
One Liberty Plaza
New York, NY 10006
Email: arbitration@iccwbo.org

Qenta Inc., Responsible Gold Trading DMCC, and G-Commerce DMCC
Email: legalnotices@qenta.com

and to:

Dan Walfish, Esq. (counsel for Qenta)
Katsky Korins LLP
605 Third Avenue
New York, NY 10158
Email: dwalfish@katskykorins.com

Re: Request for Arbitration
Between: Peter Schiff (as Sole Shareholder of Euro Pacific International Bank) and Qenta Inc., Responsible Gold Trading DMCC, G-Commerce DMCC

Dear Sir/Madam:

Pursuant to Article 4 of the ICC Arbitration Rules and the arbitration clause set forth in Section 8.7 of the Purchase and Assumption Agreement ("PAA" or "Agreement") dated September 30, 2022, entered into among Euro Pacific International Bank ("EPB"), Peter Schiff (as sole shareholder of EPB), and Qenta Inc. and its affiliates Responsible Gold Trading DMCC and G-Commerce DMCC (collectively "Qenta" or "Respondents"), Peter Schiff, as sole shareholder and indemnifier of EPB, hereby submits this Request for Arbitration against Respondents Qenta Inc., Responsible Gold Trading DMCC, and G-Commerce DMCC.

Parties and Contacts:

- Claimant: Peter Schiff, sole shareholder of EPB, c/o Peter M. Chema, Esq., 55 Park View Road South, Pound Ridge, NY 10576, Email: pchema.law@gmail.com, Tel: (914) 393-8492.
- Respondents: Qenta Inc. (Delaware corporation), Responsible Gold Trading DMCC (UAE entity), G-Commerce DMCC (UAE entity), all c/o legalnotices@qenta.com and Dan Walfish, Esq., Katsky Korins LLP, 605 Third Avenue, New York, NY 10158, Email: dwalfish@katskykorins.com.

Arbitration Agreement:

Section 8.7 of the PAA provides: [Insert exact quote of the clause, e.g., "Any dispute arising out of or in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The seat of arbitration shall be New York, New York, and the language shall be English."]. A copy of the PAA is attached as Exhibit A.

Nature of the Dispute:

The dispute arises from Respondents' failure to obtain necessary regulatory approvals (a condition precedent under Section 2.2 of the PAA), leading to the Agreement's termination on July 11, 2025. Despite this, Respondents have unlawfully retained approximately $80 million in

EPB assets, including precious metals (appreciated by $25 million), cash, mutual funds, and subsidiaries, without legal title. This retention causes irreparable harm to EPB's customers, the receivership estate, and Claimant as indemnifier. Parallel interim relief has been sought in New York Supreme Court (Westchester County) under CPLR § 7502(c) to preserve the status quo pending arbitration.

Relief Sought:

Claimant demands:

- Immediate return of all retained assets;
- A full accounting of assets, liabilities, customer communications, and any appreciation or use;
- Damages for unjust enrichment, breach of contract, and related harms;
- Costs, fees, and any other relief the Tribunal deems just and proper.

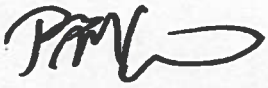
Proposals on Arbitration:

Claimant proposes three arbitrators, appointed per ICC Rules, with the seat in New York, NY, and English as the language.

Kindly confirm receipt of the filing and provide instructions for submitting the required filing fee so that we may complete the registration process promptly and commence proceedings.

Copies of this Request are served simultaneously upon Respondents and their counsel. Should you require further information, contact the undersigned.

Respectfully submitted,



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Attorney for Claimant Peter Schiff

Copy: Dan Walfish of Katsky Korins LLP at dwalfish@katskykorins.com
Qenta Inc., Responsible Gold Trading DMCC, and G-Commerce DMCC at legalnotices@qenta.com

Attachments:

- Exhibit A: Copy of the Purchase and Assumption Agreement
- Exhibit B: Copy of the Termination Notice
- Exhibit C: Copy of Demand Letter

EXHIBIT A

PURCHASE AND ASSUMPTION AGREEMENT

THIS PURCHASE AND ASSUMPTION AGREEMENT (this "Agreement"), dated September 30, 2022 (the "Effective Date"), is entered into by and between **EURO PACIFIC INTL. BANK, INC.**, an International Financial Entity licensed under the laws of the Commonwealth of Puerto Rico, as seller ("Seller"), **PETER D. SCHIFF**, Seller's sole shareholder (the "Sole Shareholder"), **QENTA INC.**, a Delaware company ("Qenta"), **G-COMMERCE DMCC** and **RESPONSIBLE GOLD TRADING DMCC**, two free zone companies incorporated under the laws of the United Arab Emirates and licensed by the Dubai Multi Commodities Centre (respectively "G-Commerce" and "RGTD"; together with Qenta, the "Purchasers" and, together with Qenta, Seller and the Sole Shareholder, the "Parties").

WHEREAS, Seller is in the process of surrendering its International Financial Entity license and liquidating its assets, and for such purposes has presented and obtained approval from its receiver and the Office of the Commissioner of Financial Institutions of Puerto Rico ("OCFI") to a liquidation and dissolution plan on September 6, 2022; and

WHEREAS, in light of Seller's anticipated liquidation, Purchasers desire to acquire the Assets (as defined below) and undertake the Liabilities (as defined below).

NOW, THEREFORE, in consideration of their mutual promises and obligations and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE 1
CERTAIN DEFINITIONS

1.1. Certain Definitions. As used in this Agreement, the terms below shall have the meanings set forth.

"Affiliate" of a person means any person directly or indirectly controlling, controlled by or under direct or indirect common control with such first person.

"Assets" means (i) all of Seller's current cash (whether denominated in USD or in any foreign currency and whatever the account where they may be deposited), cash equivalents, receivables, cash and receivables from depository institutions, including cash items in the process of collection, plus any accrued interest thereon computed to and including Closing, and precious metals deposits (including but not limited to all metals held through Silver Bullion Pte. Ltd.), a list of which as of the Effective Date is attached hereto as Exhibit 1; (ii) the Subsidiary Shares; (iii) the Assumed Contracts (including all of Seller's rights and obligations thereunder); (iv) the Records; (v) securities (other than the Subsidiary Shares), plus any accrued interest thereon computed to and including Closing, held by or in the Seller or the Subsidiaries; and (vi) the IT Equipment (also listed in Exhibit 1) and the Seller's website (domain europacbank.com, hereinafter the "Domain"); *provided, however,* that the Assets do not include: (a) the assets or the portion of the assets described in item (i) above that exceed the Liabilities at Closing (as such terms are defined below); (b) any deferred Tax assets, refunds for Taxes relating to the period prior to the Effective Date and prepaid Taxes; or (c) all or any portion of Assets backing Liabilities which, in the discretion of the OCFI, either may be required to satisfy it for any liquidated or contingent liability of any Eligible Customer arising from an unauthorized or unlawful transaction.

"Assumed Contracts" means the contracts listed on Exhibit 1 that, having originally been entered into by Seller, Purchaser will assume with all their rights and obligations as of the Effective Date and in the terms hereof and thereof.

"Bank Closing Date" has the meaning ascribed thereto in Section 5.3.

"Business Day" means a day on which banking institutions are required to be open for business in the State of New York which is not a Saturday, Sunday or another legal holiday.

"Closing" shall mean the moment in which all Assets and Liabilities have been transferred to the Purchasers pursuant to the terms hereof; *provided* that there may be one or more partial transfers hereunder until final Closing is achieved, as contemplated in Section 2.3.

"Confidential Information" has the meaning set forth in Section 5.1.

"Eligible Customers" means all of Seller's customers (i) whose names are not included in the Office of Foreign Assets Control (OFAC) Specially Designated Nationals and Blocked Persons List or in any other list published or utilized by the Financial Crimes Enforcement Network (FinCEN); (ii) who are not residents of Puerto Rico; (iii) who have not expressly "opted-out" from the transfer of the corresponding Liabilities to Purchasers hereunder in accordance with the processes established for such purposes by Seller and/or Purchasers; and (iv) whose accounts with Seller are not, as of the Effective Date, categorized as closed, blocked or "under liquidation" (unless with the express consent of either Purchaser) and which are compliant with Purchasers' KYC and general compliance policies.

"Encumbrances" means all mortgages, claims, charges, liens, encumbrances, easements, limitations, restrictions, commitments, security interests, pledges or other similar charges or liabilities, whether accrued, absolute, contingent or otherwise, except for statutory liens for ad valorem tax payments securing payments not yet due.

"IT Equipment" means the computer hardware, software and related equipment identified in Exhibit 1 and until the corresponding Closing owned by Seller which is needed by Seller's staff for managing or servicing the Assets in the ordinary course.

"Liabilities" means all of Seller's liabilities and obligations towards Eligible Customers as of the corresponding Closing.

"Losses" means losses, liabilities, damages (including forgiveness or cancellation of obligations), expenses, costs, legal fees and disbursements, collectively.

"Material Adverse Effect" means a material adverse effect, individually or in the aggregate, on the condition, financial or otherwise, or results of operations of Seller, or on its ability or that of either Purchaser to consummate timely the transactions contemplated hereby. Notwithstanding the foregoing, a Material Adverse Effect shall not be deemed to exist as a result of general economic conditions.

"Purchase Price" has the meaning set forth in Section 2.1(b).

"Records" means all information and documents in Seller's possession (including records maintained electronically and through third party applications) which pertain to and are utilized by Seller to administer, reflect, monitor, evidence or record information respecting the business or conduct of Eligible Customers, as well as any information on the Assets and/or the Liabilities.

"Regulatory Approvals" means all approvals, permits, authorizations, waivers or consents of governmental or regulatory agencies or authorities necessary or appropriate to permit consummation of the transactions contemplated herein, including without limitation those from the Seller's receiver, the Office

of the Commissioner of Financial Institutions of Puerto Rico ("OCFI") and each of the Subsidiaries' regulators, to the extent applicable and as such approvals must be given under applicable law.

"Subsidiaries" means Seller's subsidiaries Euro Pacific Funds SCC Ltd., Euro Pacific Securities, Inc., Euro Pacific Card Services Ltd. and Global Corporate Staffing Ltd.

"Subsidiary Shares" means all shares of stock issued by the Subsidiaries.

"Tax" refers to all federal, state, local, or foreign income, gross receipts, windfall profits, severance, property, production, sales, use, excise, transfer, license, franchise, employment, withholding or similar taxes or amounts required to be withheld and paid over to any government in respect of any tax or governmental fee or charge, including any interest, penalties, or additions to tax on the foregoing.

"Uncleared Cash" means all cash Assets held with, and not yet cleared for wiring by, Seller's correspondent banks, including but not limited to Novo Banco, S.A. as of the initial Closing date.

1.2. Use and Application of Terms. In using and applying the various terms, provisions and conditions in this Agreement, the following shall apply: (1) the terms "hereby", "hereof", "herein", "hereunder", and any similar words, refer to this Agreement; (2) words in the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular numbered meaning include the plural number, and vice versa; (3) words importing persons include corporations, associations, general partnerships, limited partnerships, limited liability partnerships, limited liability limited partnerships, limited liability companies, trusts, business trusts, corporations and other legal organizations, including public and quasi-public bodies, as well as individuals; (4) the use of the terms "including" or "included in", or the use of examples generally, are not intended to be limiting; and (5) this Agreement shall not be applied, interpreted and construed more strictly against a person because that person or that person's attorney drafted this Agreement.

ARTICLE 2
THE TRANSACTIONS

2.1. Transfer and Consideration.

(a) Subject to the terms and conditions set forth in this Agreement, at the Closing, Purchasers shall purchase the Assets and assume the Liabilities object thereof, and Seller shall sell, assign, transfer, convey and deliver to Purchaser, free and clear of all Encumbrances, all of Seller's right, title and interest in and to such Assets and Liabilities.

(b) The purchase price for the Assets and Liabilities (the "Purchase Price") is US$1,250,000 (One Million Two Hundred Fifty Thousand Dollars), payable as follows:

(i) US$500,000 (Five Hundred Thousand Dollars), which were paid by Purchasers immediately after the execution of G-Commerce's Letter of Intention for the acquisition of the Assets and Liabilities by the Seller's receiver and OCFI, and which payment Seller and the Sole Shareholder hereby irrevocably acknowledge; and

(ii) US$750,000 (Seven Hundred Fifty Thousand Dollars), within 15 (fifteen) Business Days after the final Closing hereunder subject to Sections 2.2 and 2.3.

2.2. Initial Closing. Subject to all Regulatory Approvals having been obtained and remaining in full force and effect, an initial Closing shall take place between the execution date hereof and 23:59 CT

on September 30th, 2022, by virtue of Seller perfecting (at its own expense) the assignment, transfer, conveyance and delivery to Purchasers (and to their satisfaction) of the following Assets, and the assumption by Purchasers of all the Liabilities corresponding to such Assets, in each case free and clear of all Encumbrances, pursuant to the following:

(a) All of Seller's Assets listed in Exhibit 1 hereof (except for Uncleared Cash, if any) shall be transferred to Purchasers or a designated Affiliate by virtue of (A) the transfer, via wire of immediately available funds, of all cash to the account(s) designated by G-Commerce for such purposes; and (B) the transfer of all of Seller's right, title and interest in and to any precious metals held with third party depositors;

(b) All Subsidiary Shares shall be transferred, assigned or endorsed in favor of Qenta or a designated Affiliate, all share ledgers and other corporate records shall be delivered and shall duly reflect such transfer, and Seller or Sole Shareholder shall have resigned to any managerial positions in such entities and appointed representatives of Purchasers to replace them in such positions, as well as sole controlling parties over each Subsidiary's bank accounts indicated by Purchasers as necessary for the ongoing operation of such entities;

(c) The Assumed Contracts and all of Seller's rights and obligations thereunder shall be duly transferred or assigned to Purchasers or a designated Affiliate with the acknowledgement or consent of the relevant counterparty, if applicable, or in compliance with their respective terms, unless either Purchaser consents in writing to the transfer of all or part of such Assumed Contracts on a subsequent Closing as per Section 2.3;

(d) All Liabilities shall be assumed by Purchasers or a designated Affiliate, except for those related to Uncleared Cash, if any, or unless either Purchaser consents to the transfer of any such Liabilities on a subsequent Closing as per Section 2.3; and

(e) Custody over the Records shall be transferred by Sellers to Purchasers or a designated Affiliate in compliance with all applicable laws, through physical delivery to, and at the address indicated by, Purchasers or designated Affiliates, or through the granting to them of sufficient credentials for permanent access to such information (including through Assumed Contracts or otherwise), except for Records related to Liabilities for Uncleared Cash, if any, or unless either Purchaser consents to the transfer of any such Records on a subsequent Closing as per Section 2.3. Once Records have been transferred, the corresponding transferee Purchaser or Affiliate shall assume the sole responsibility of retention thereof, except for Records that the Sole Shareholder is required by OCFI to retain pursuant to Seller's Liquidation and Dissolution Plan.

(f) Ownership of the Domain shall be transferred by Seller and Sole Shareholder to Purchasers or a designated Affiliate; *provided* that ownership of the Domain shall be subsequently transferred by the relevant Purchaser or Affiliate to the Sole Shareholder on or before December 31st, 2022.

2.3. Additional Closing. An additional Closing shall take place on the earliest to occur between (a) the date of clearing of all Uncleared Cash, if any, by Seller's correspondent bank, or (b) the second Business Day following a request by either Purchaser to the Sole Shareholder. On such additional Closing, Seller and the Sole Shareholder shall be liable for the effective transfer to Purchasers or their designated Affiliates of any Uncleared Cash and the corresponding Liabilities, or any other Assets and/or Liabilities which transfer after the initial Closing was consented in writing by either Purchaser pursuant to Section 2.2, if any. Seller and the Sole Shareholder undertake the obligation to update Exhibit 1 hereof to include any Assets or Liabilities transferred on an additional Closing.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller and the Sole Shareholder represent and warrant as follows:

3.1. Organization and Authority. Seller is an International Financial Entity (*Entidad Financiera Internacional*) duly organized and validly existing under the laws of the Commonwealth of Puerto Rico, and has the requisite corporate power and authority and has taken all corporate action necessary in order to execute and deliver this Agreement and to consummate the transactions contemplated hereby. This Agreement is a valid and binding agreement of Seller enforceable against Seller in accordance with its terms.

3.2. No Conflict; Licenses and Permits. The execution, delivery and performance of this Agreement by Seller does not, and will not, violate any provision of its charter or bylaws or violate or constitute a breach or contravention of, or default under, any law, rule, regulation, order, judgment, decree or filing of any government, governmental authority or court to which Seller is subject or under any agreement or instrument of Seller, or by which Seller is otherwise bound, or to which any of the Assets, Liabilities or Assumed Contracts are subject. Seller has all material licenses, permits or other authorizations of all foreign, federal, state and local governments and governmental authorities necessary for the lawful conduct of its business as currently conducted.

3.3. Approvals and Consents. Except as it relates to the Regulatory Approvals, no notices, reports or other filings are required to be made by Seller with, nor are any consents, registrations, approvals, permits or authorizations required to be obtained by Seller from, any governmental or regulatory authorities in connection with the execution and delivery of this Agreement by Seller and the consummation by Seller of the transactions contemplated hereby.

3.4. Title. Seller has good title to the Assets and Assumed Contracts, free and clear of all Encumbrances, and the value of cash and cash equivalents constituting the Assets is equal to or greater than the Liabilities.

3.5. Contracts. Each Assumed Contract constitutes a valid, binding and assignable obligation of Seller and there does not exist, with respect to Seller's obligations thereunder, any default, or event or condition which constitutes, or after notice or passage of time or both would constitute, a material default on the part of Seller under any Assumed Contract.

3.6. Fiduciary Obligations. Seller has no trust or fiduciary relationship or obligations in respect of any of the Assets or the Liabilities.

3.7. Employees. Seller has complied, and is currently in compliance, in all material respects, with applicable law (including, without limitation, the Employee Retirement Income Security Act of 1974, as amended ("ERISA")), rules and regulations relating to the employment of labor or the provision of compensation or benefits thereto, including without limitation those relating to wages, hours, unfair labor practices, employment discrimination and payment of social security and similar taxes with respect to its employees.

3.8. Proceedings. There is no action, suit, proceeding or investigation pending or, to Seller's knowledge, threatened against Seller, in, before, or by any court or governmental agency or authority related to the Assets, the Assumed Contracts or the Liabilities or that could reasonably be expected to have a Material Adverse Effect.

3.9. Regulatory Matters. There are no pending, or, to the knowledge of Seller or the Sole Shareholder, threatened, disputes or controversies between Seller and any federal, state or local governmental authority with respect to the Assets or the Liabilities, or that could reasonably be expected to have a Material Adverse Effect. Seller is unaware of any reason why the Regulatory Approvals and, to the extent necessary to consummate the transaction described herein, any other approvals, authorizations or filings, registrations and notices could be revoked or nullified.

3.10. Brokers' Fees. Seller has not employed any broker or finder or incurred any liability for any brokerage fees, commissions or finders' fees in connection with the transactions contemplated by this Agreement.

3.11. Compliance with Laws. To Seller's and the Sole Shareholder's knowledge, Seller's and the Subsidiaries' business has been conducted in compliance with all federal, state and local laws, regulations and ordinances applicable thereto.

3.12. Taxes.

(a) With respect to the Liabilities, Seller is in material compliance with the law (including the Foreign Account Tax Compliance Act and the Bank Secrecy Act) and IRS regulations relative to obtaining from the beneficiaries thereof executed IRS Forms W-8 and W-9.

(b) There are no liens for Taxes allocated to or imposed on Seller on any of the Assets and to the knowledge of Sellers or the Sole Shareholder there is no basis for the assertion of any such liens, other than normal and recurring ad valorem tax liens and sales and use taxes on assets being sold.

(c) Seller has paid when due Taxes in respect of the Assets.

(d) No tax is required to be withheld by Purchaser from the Purchase Price as a result of the transfers contemplated by this Agreement pursuant to the Code or any other provision of federal, state or local Tax law.

3.13. Off-Balance Sheet Liabilities. Seller has no liabilities except for (i) those which are adequately reflected or reserved against in its financial statements delivered to Purchasers and OCFI, and (ii) those which have been incurred in the ordinary course of business since the date of such financial statements and which do not, individually or in the aggregate, and together with all other liabilities of Seller and the Subsidiaries, exceed the total value of the assets of the Seller or Subsidiaries immediately before giving effect to Closing.

3.14. Subsidiaries and Subsidiary Shares.

(a) Each Subsidiary is duly organized and validly existing under the laws of its jurisdiction of incorporation.

(b) All Subsidiary Shares: (i) have been duly authorized, validly issued, fully paid, and non-assessable, (ii) have been issued in compliance with all applicable federal and state securities laws, (iii) have not been issued in violation of any agreement, arrangement, or commitment to which the relevant Subsidiary is a party or is subject to or in violation of any preemptive or similar rights of any person or entity, (iv) have the rights, preferences, powers, restrictions, and limitations set forth in the corporate documents of each Subsidiary, and (v) are free and clear of Encumbrances and the Sole Shareholder is the only holder thereof until the execution of this Agreement.

(c) No subscription, warrant, option, convertible or exchangeable security, or other right (contingent or otherwise) to purchase or otherwise acquire equity securities of any Subsidiary is authorized or outstanding, and there is no commitment by a Subsidiary to issue shares, subscriptions, warrants, options, convertible or exchangeable securities, or other such rights or to distribute to holders of any of its equity securities any evidence of indebtedness or asset, to repurchase or redeem any securities of such Subsidiary or to grant, extend, accelerate the vesting of, change the price of, or otherwise amend any warrant, option, convertible or exchangeable security or other such right. There are no declared or accrued unpaid dividends with respect to any shares of capital stock of any Subsidiary.

(d) The Subsidiaries have no liabilities except for (i) those which are adequately reflected or reserved against in their respective financial statements delivered to Purchasers, and (ii) those which have been incurred in the ordinary course of business since the date of such financial statements and which are not, individually or in the aggregate, material in amount.

(e) There are no Actions pending or, to Sole Shareholder's knowledge, threatened against or by any Subsidiary affecting any of its properties or assets, nor any event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(f) There are no outstanding governmental orders and no unsatisfied judgments, penalties or awards against or affecting any Subsidiary or any of their properties or assets.

(g) All Subsidiaries have complied, and are now complying, with all laws applicable to them or their business, properties or assets.

(h) All Permits required for any Subsidiary to conduct its business have been obtained by it and are valid and in full force and effect, and all fees and charges with respect to such Permits as of the date hereof have been paid in full.

(i) Each Subsidiary has been in compliance in all material respects with the terms of any collective bargaining agreements and other employee-related contracts and all applicable laws pertaining to employment and employment practices, including all laws relating to labor relations, equal employment opportunities, fair employment practices, employment discrimination, harassment, retaliation, reasonable accommodation, disability rights or benefits, immigration, wages, hours, overtime compensation, child labor, hiring, promotion and termination of employees, working conditions, meal and break periods, privacy, health and safety, workers' compensation, leaves of absence, and unemployment insurance. There are no actions against any Subsidiary pending, or to Seller's or Sole Shareholder's knowledge, threatened to be brought or filed, by or with any governmental authority or arbitrator in connection with the employment of any current or former applicant, employee, consultant, volunteer, intern, or independent contractor of any Subsidiary, including, without limitation, any claim relating to unfair labor practices, employment discrimination, harassment, retaliation, equal pay, wage and hours, or any other employment related matter arising under applicable laws.

(j) Neither Seller nor any Subsidiary or other person associated with or acting on behalf of either, including any director, officer, agent, employee or Affiliate has (i) used any corporate funds for any unlawful contribution, gift, entertainment, or other unlawful expense relating to political activity or to influence official action; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) made any bribe, rebate, payoff, influence payment, kickback, or other unlawful payment; or (iv) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder.

3.15. Records. All Records and personally identifiable information have been obtained, maintained and processed in accordance with applicable law.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF PURCHASERS

Purchasers represent and warrant as follows:

4.1. Corporate Organization and Authority. Purchasers are duly organized and validly existing under the laws of their respective jurisdiction of incorporation, have the requisite corporate power and authority and have taken all corporate action necessary in order to execute and deliver this Agreement, to consummate the transactions contemplated hereby and to own the Assets and undertake the Liabilities. This Agreement is a valid and binding agreement of Purchaser enforceable against Purchaser in accordance with its terms subject, as to enforcement, to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

4.2. No Conflict; Licenses and Permits. The execution, delivery and performance of this Agreement by the Purchasers does not, and will not, violate any provision of its charter or bylaws or, subject to the receipt of the Regulatory Approvals, violate or constitute a breach or contravention of, or default under, any law, rule, regulation, order, judgment, decree or filing of any government, governmental authority or court to which Purchasers are subject or under any agreement or instrument or Purchaser, or by which Purchaser is otherwise bound, which violation, breach, contravention or default could reasonably be expected to have a Material Adverse Effect.

ARTICLE 5
COVENANTS OF THE PARTIES

5.1. Confidentiality.

(a) Each party to this Agreement shall hold, and shall cause its respective directors, officers, employees, agents, consultants, advisors, investors or financing sources to hold, in strict confidence (unless disclosure to a regulatory authority is necessary in connection with any Regulatory Approval or unless compelled to disclose by judicial or administrative process or, in the written opinion of its counsel, by other requirements of law or the applicable requirements of any regulatory agency or relevant stock exchange) and, with respect to Purchasers, all non-public personal information of any consumer or customer of Seller, records, books, contracts, instruments, computer data, system requirements and other data and information (collectively, "Confidential Information") furnished to it by the other party or its representatives pursuant to this Agreement, except to the extent that such Confidential Information can be shown to have been (i) previously known by the receiving party on a non-confidential basis, (ii) in the public domain through no fault of the disclosing party, or (iii) later lawfully acquired from other sources by the receiving party and such other source is not subject to a confidentiality restriction with regard to such Confidential Information), and neither party shall release or disclose such Confidential Information to any other person or use it except for the performance of its obligations hereunder.

(b) This Section shall not prohibit disclosure of Confidential Information required by applicable law order from competent authority to be disclosed by either party, but such additional disclosure shall be limited to that actually required by law, and the party making disclosure shall give the other party as much notice as is practicable of such obligation (except where prohibited by applicable law) so that the other party may seek a protective order or other similar or appropriate relief, and also shall undertake in

good faith to have the Confidential Information disclosed treated confidentially by the party to whom the disclosure is made.

5.2. Further Assurances. From and after the date hereof, upon request from the Purchasers, Seller and/or the Sole Shareholder shall execute and deliver such instruments, documents and other writings as may be reasonably necessary or desirable to confirm and carry out and to effectuate fully the intent and purposes of this Agreement, including without limitation the execution of any document, granting of any consent, giving of any notice or requesting of information, actions or consents from third parties as may be necessary or appropriate to vest in Purchasers (or their designees under the terms hereof) the full legal and equitable title to the Assets and Liabilities, free and clear of all Encumbrances. Seller and Sole Shareholder acknowledge and accept that, upon their transfer, Purchasers and/or their Affiliates will convert cash or cash equivalent components of the Assets into precious metals and specifically into Responsible Gold™ and/or G-Coin®.

5.3. Notices of Default and Seller Liquidation. Seller and Sole Shareholder shall promptly give written notice to the Purchasers upon (a) becoming aware of the impending or threatened occurrence of any event which could reasonably be expected to cause or constitute a breach of any of their respective representations, warranties, covenants or agreements hereunder; and (b) upon Seller having been definitely liquidated and dissolved (the "Bank Closing Date").

5.4. Transaction Settlement and Customer Service. Seller and Sole Shareholder agree that, until such time as the assignment or transfer of all Assets and Liabilities to Purchasers has been perfected in the terms hereof and Seller has been effectively liquidated, they shall:

(a) comply with their obligations under section 5.2 and reasonably cooperate with Purchasers in their interactions with Seller's receiver, OCFI and/or any other relevant party (including vendors, correspondent banks, etc.) so as to achieve the purpose of this Agreement;

(b) redirect to Purchasers any Eligible Customers that reach out to them for customer service; and

(c) exclusively address any requests for assistance from non-Eligible Customers and be liable to them with respect to the corresponding liabilities.

ARTICLE 6
TERMINATION

6.1. Termination. This Agreement may be terminated at any time prior to the Closing Date:

(a) By the mutual written consent of Purchasers and Sole Shareholder;

(b) By either Purchaser in case of breach of any of Seller's and Sole Shareholder's representations, warranties or covenants herein which is not cured or cannot be cured within 10 (ten) Business Days; *provided, however*, that for the purpose of determining the truthfulness of a particular representation or warranty under this Section, the materiality qualifiers contained in such particular representation or warranty shall be disregarded, and, *provided further*, that termination pursuant to this Section shall not relieve the breaching party of liability for such breach or otherwise; and

(c) By either Purchaser in case of denial or revocation of any Regulatory Approval.

6.2. Effect of Termination. In the event of termination of this Agreement and abandonment of the transactions contemplated hereby, no party hereto (or any of its directors, officers, employees, agents or Affiliates) shall have any liability or further obligation to any other party, except (i) Seller and the Sole Shareholder for the portion of the Purchase Price paid as of the relevant date, which shall be returned in its entirety by Seller to Purchasers within 10 (ten) Business Days via wire transfer of immediately available funds; (ii) as provided in Article 7 hereof, and (iii) that nothing herein will relieve any party from liability for any breach of this Agreement.

ARTICLE 7
INDEMNIFICATION

7.1. Indemnification.

(a) Seller and Sole Shareholder shall jointly and severally indemnify and hold harmless Purchasers and their Affiliates, shareholders, directors, officers and agents from and against any and all Losses which such person may suffer, incur or sustain arising out of or attributable to (i) any breach of any representation or warranty made by Seller or Sole Shareholder pursuant to this Agreement, (ii) any breach of any covenant or agreement to be performed by Seller or Sole Shareholder pursuant to this Agreement, (iii) any third party claim, penalty asserted, legal action or administrative proceeding based upon any action taken or omitted to be taken by Seller or Sole Shareholder prior to the Closing or resulting from any transaction or event occurring prior to the Closing, relating in any such case to the Assets or the Liabilities, or (iv) any liabilities, obligations or duties of Seller or Sole Shareholder that are not Liabilities but are related to the Assets; *provided* that the Sole Shareholder's liability hereunder, including attorney fees and costs, shall be limited to the lesser of the Purchase Price or the cash amount that Sole Shareholder is able to withdraw from Seller after the final Closing and Seller's liquidation.

(b) Purchasers shall indemnify and hold harmless Seller and Sole Shareholder from and against any and all Losses which such person may suffer, incur or sustain arising out of or attributable to (i) any breach of any representation or warranty made by Purchasers pursuant to this Agreement, (ii) any breach of any covenant or agreement to be performed by Purchasers pursuant to this Agreement, (iii) any third party claim, penalty asserted, legal action or administrative proceeding based upon any action taken or omitted to be taken by Purchasers or resulting from any transaction or event occurring after the Closing, relating in any such case to the Assets or the Liabilities assumed by Purchasers at Closing up to the amount of the Purchase Price.

(c) To exercise its indemnification rights under this Section as the result of an assertion against it of any claim or potential liability for which indemnification is provided, the indemnified party shall promptly notify the indemnifying party of the assertion of such claim, discovery of any such potential liability or the commencement of any action or proceeding in respect of which indemnity may be sought hereunder. Notwithstanding the foregoing, notice of any claim for indemnification arising out of a third party lawsuit or other similar legal action shall be made within 10 (ten) calendar days after the indemnified party receives the summons and complaint or similar documents in connection therewith; *provided, however,* that an indemnified party's failure to timely give such notice shall not affect its right to indemnification in connection therewith except to the extent the indemnifying party is materially prejudiced as a result of such failure to timely give such notice. The indemnified party shall advise the indemnifying party of all facts relating to such assertion within the knowledge of the indemnified party, and shall afford the indemnifying party the opportunity, at the indemnifying party's sole cost and expense, to defend against such claims for liability. In any such action or proceeding, the indemnified party shall have the right to retain its own counsel, but shall bear such counsel's fees and expenses unless the indemnifying party and the indemnified party mutually agree to the retention of such counsel.

ARTICLE 8
MISCELLANEOUS

8.1. Survival. The Parties' respective representations and warranties contained in this Agreement shall survive for a period of 12 (twelve) months following the Closing, and thereafter neither party may claim any damage for breach thereof. The covenants contained in this Agreement shall survive the Closing and not expire unless otherwise specifically provided in this Agreement.

8.2. Assignment. Neither this Agreement nor any of the rights, interests or obligations of either party hereunder may be assigned by either of the Parties without the prior written consent of the other party.

8.3. Binding Effect. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Except as expressly provided herein, the Parties intend that nothing in this Agreement, express or implied, is intended to or shall confer upon any other person, including, without limitation, any employee or former employee of Seller or any of the Subsidiaries, any legal or equitable right, benefit or remedy of any nature whatsoever, including without limitation, any rights of employment or benefits for any specified period, under or by reason of this Agreement.

8.4. Post-Closing Support. Upon request from Seller or the Sole Shareholder, the Parties agree to negotiate in good faith and reasonable commercial terms towards executing a contract for Purchasers or their Affiliates to provide services to Seller or the Sole Shareholder, on an actual cost basis, for the management of Assets or Liabilities not transferred to Purchasers hereunder.

8.5. Public Notices. Neither party shall directly or indirectly make, or cause to be made, any press release for general circulation, public announcement or disclosure or issue any notice or communication generally (except to the Parties' employees) with respect to any of the transactions contemplated hereby without the prior consent of the other party, which consent shall not be unreasonably withheld or delayed. Consent shall be deemed granted by the party from which it is sought unless such party objects within 2 (two) Business Days after receipt of the proposed press release or other announcement from the party requesting consent. The Parties shall cooperate reasonably to produce public announcements to be released simultaneously within 3 (two) Business Days after the date of this Agreement; *provided* that nothing herein shall limit the right of Purchasers or any Affiliate to refer to this transaction in any document required to be filed with the Securities and Exchange Commission or with any other competent regulatory body. Nothing in this Agreement shall limit the right of either party to make any disclosure required by law, subject to the provisions of Section 5.1.

8.6. Notices. All notices or other communications required or permitted to be given or made hereunder shall be in writing and delivered personally or sent by pre-paid, first class certified or registered mail, return receipt requested, or by facsimile transmission, to the intended recipient thereof at its address or facsimile number set out below. Any such notice or communication shall be deemed to have been duly given immediately (if given or made in person or by facsimile confirmed by mailing a copy thereof to the recipient in accordance with this Section on the date of such facsimile), or 5 (five) calendar days after mailing (if given or made by mail), and in proving same it shall be sufficient to show that the envelope containing the same was delivered to the delivery service and duly addressed, or that receipt of a facsimile was confirmed by the recipient.

If to Seller or Sole Shareholder:

22 Dorado Beach Estates
Dorado, Puerto Rico 00646

If to Purchaser:

777 Post Oak Blvd. #430
Houston, TX 77056

Attention: Peter D. Schiff
Email: bahdebing@yahoo.com

Attention: Legal & Compliance Department
Email: legalnotices@genta.com

Either party may change the address to which notices or other communications to such party shall be delivered or mailed by giving notice thereof to the other party hereto in the manner provided herein.

8.7. Dispute Resolution and Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflict of law principles thereof. All disputes arising out of or in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. Any award granted shall be final, binding and enforceable against the parties thereto, but no award or procedural order made in the arbitration shall be published. The arbitration shall be held in the English language and in the City of New York, N.Y., and discovery shall only be admissible to the extent permitted under or not prohibited under Art. 20 of the ICC-Rules and agreed upon by the Parties, who shall cooperate with one another at the outset of the proceeding to define the extent of discovery reasonably needed to complete the proceeding. The procedural law of the State of New York shall otherwise be applied to any proceedings held in connection with said arbitration. Judgment upon an award rendered by the Arbitrator shall be binding and may be entered in any court with appropriate jurisdiction, and the Parties consent to jurisdiction therein for the purpose of such enforcement. Notwithstanding anything to the contrary contained in this Agreement or elsewhere, each of the Parties hereby acknowledges and expressly agrees that any breach by it of this Agreement, which does or may result in loss of confidentiality or improper use of Confidential Information, would cause irreparable harm to the other party for which money damages would not be an adequate remedy. Therefore, each of the Parties hereby agree, that in the event of any breach of this Agreement by it, the non-breaching party will have the right to seek injunctive relief in a court of competent jurisdiction against continuing or further breach by the breaching party, without the necessity of proof of actual damages, in addition to any other right which either party may have under this Agreement, or otherwise in law or in equity.

8.8. Entire Agreement. This Agreement contains the entire understanding of and all agreements between the Parties with respect to the subject matter hereof and supersedes any prior or contemporaneous agreement or understanding, oral or written, pertaining to any such matters which agreements or understandings shall be of no force or effect for any purpose.

8.9. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8.10. Waiver and Amendment. The waiver of any breach of any provision under this Agreement by any party shall not be deemed to be a waiver of any preceding or subsequent breach under this Agreement. No such waiver shall be effective unless in writing. This Agreement may not be amended or supplemented in any manner except by mutual agreement of the Parties and as set forth in a writing signed by the Parties or their respective successors in interest.

8.11. Expenses. Except as specifically provided otherwise in this Agreement, each party shall bear and pay all costs and expenses, including without limitation brokerage and legal fees, which it incurs, or which may be incurred on its behalf in connection with the preparation of this Agreement and consummation of the transactions described herein, and the expenses, fees, and costs necessary for any approvals of the appropriate regulatory authorities.

8.12. Severability. If any provision of this Agreement or the application of any such provision to any person or circumstance shall be held invalid, illegal or unenforceable in any respect by a court of

competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

8.13. Third Party Beneficiaries. Except as specifically provided herein with respect to indemnification, no provision of this Agreement shall be deemed to create any third party beneficiary right in anyone not a party to this Agreement. Nothing contained in this Agreement shall be construed to affect or limit any right Purchasers or their Affiliates over or with respect to any of the Assets or Liabilities.

[Rest of page intentionally left blank. Signature page(s) follow(s).]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

SELLER
Euro Pacific Intl. Bank, Inc.

By: Peter schiff (Sep 30, 2022 14:17 EDT)
Name: Peter D. Schiff
Title: Chairman

SOLE SHAREHOLDER
Peter D. Schiff

Peter schiff (Sep 30, 2022 14:17 EDT)

PURCHASERS
Qenta Inc.

By:
Name: Brent de Jong
Title: Chairman and CEO

G-Commerce DMCC

By:
Name: Brent de Jong
Title: Director

Responsible Gold Trading DMCC

By:
Name: Brent de Jong
Title: Director

Exhibit 1

ASSETS

Closing date: September 30, 2022.

Cash and Cash Equivalents:

To be transferred to Purchasers or their designated Affiliate upon their release by Seller's correspondent banks including but not limited to Novo Banco, S.A.

Precious Metals:

All gold and silver reserves held in the name of Seller as of the Closing date by Silver Bullion Pte. Ltd.

Subsidiary Shares:

All outstanding shares of stock or membership interests issued by each of the Subsidiaries, along with its complete corporate records and the Seller and/or Sole Shareholder's resignation to any managerial position therein and designation of representatives of the Purchasers as the only controlling parties of any bank accounts indicated by Purchasers as necessary for the ongoing operation of the Subsidiaries.

Assumed Contracts:

Cloud Service Subscription Agreement number SAAS-CCA-WV-2015-138697, including addendums and supplemental terms, originally entered into by and between Seller and Temenos Headquarters SA on March 30, 2015.

Records

All Records related to Assets or Liabilities transferred on the relevant Closing.

IT Equipment

[List follows.]

Type	Brand	Model	SN	Specs
MICRO DESKTOP	DELL	OPTIPLEX 7060 MICRO	9F576Q2	RAM: 8GB / SSD: 256 / PROC: I7
MICRO DESKTOP	DELL	OPTIPLEX 7060 MICRO	9FC66Q2	RAM: 8GB / SSD: 256 / PROC: I7
DESKTOP	APPLE	IMAC 21.5 A1418	C02RF4PTGF1J	RAM: 8GB / HDD: 1TB / PROC: I5
MONITOR	DELL	P2419H	QDC00-86P-2L5B-A00	24.1
MONITOR	DELL	P2419H	TV200-9B7-726B	24.1
MONITOR	DELL	P2419H	TV200-987-80KB	24.1
MONITOR	DELL	P2419H	TV200-9B7-80MB	24.1
MONITOR	SAMSUNG	U28E850R	065EHCHM803871J	27
HEADSET	PLANTRONICS	A8	20307901	
HEADSET	PLANTRONICS	H8	2036TF042318	
HEADSET	PLANTRONICS	H8	1919TF028728	
KEYBOARD	APPLE	MAGIC KEYBOARD	FOT9485012SJKNCAQ	
KEYBOARD	Dell	KB216P	ONGR8G	
KEYBOARD	Dell	KB216P	0F9D93	
MOUSE	APPLE	MAGIC MOUSE	CC2945312UDJ2XEAD	
MOUSE	Dell	M116T	CN-ODVORH-LO300-855-0BK9	
MOUSE	Dell	M116T	CN-ODVORH-LO300-7BE-1ZEW	
BATTERY BACKUP	Cyber Power	550VA	CQYEN2002468	4 BATTERY + SURGE AND 2 SURGE
BATTERY BACKUP	APC	UPS-650	4B1930P08308	4 BATTERY + SURGE AND 2 SURGE
BATTERY BACKUP	APC	UPS-650	AB1803P32198	4 BATTERY + SURGE AND 2 SURGE
MICRO DESKTOP MOUNT CASE				
MICRO DESKTOP MOUNT CASE				
MONITOR DUAL MOUNT				
MONITOR DUAL MOUNT				
MONITOR DUAL MOUNT				

SELLER
Euro Pacific Intl. Bank, Inc.

By: Peter schiff (Sep 30, 2022 14:17 EDT)
Name: Peter D. Schiff
Title: Chairman

SOLE SHAREHOLDER
Peter D. Schiff

Peter schiff (Sep 30, 2022 14:17 EDT)

PURCHASERS
Qenta Inc.

By:
Name: Brent de Jong
Title: Chairman and CEO

G-Commerce DMCC

By:
Name: Brent de Jong
Title: Director

Responsible Gold Trading DMCC

By:
Name: Brent de Jong
Title: Director

EXHIBIT B

July 11, 2025

Wigberto Lugo Mender, Esq. CPA
Trustee in the Liquidation of
Euro Pacific Intl. Bank, Inc.
Centro Internacional de Mercadeo
Carr. 165, Torre 1, Suite 501
Guaynabo, PR 00968

Re: Notice of Termination of Purchase and Assumption Agreement

Dear Mr. Lugo Mender:

Reference is made to the Purchase and Assumption Agreement (the "Agreement") dated September 30, 2022 between Qenta Inc. and Responsible Gold Trading DMCC (together "Purchasers"), Euro Pacific Intl. Bank, Inc. ("EPB"), and Mr. Schiff as EPB's sole shareholder. Capitalized terms not defined herein have the meanings ascribed thereto in the Agreement.

1. Introduction

This letter constitutes formal notice of the Purchasers' termination of the Agreement concerning the acquisition of assets and customer relationships from EPB. After nearly three years of exhaustive efforts to reach a final closing, continued performance has become legally impossible due to:

- Irreconcilable disagreements on asset and customer splits between those who had initially opted to migrate to the Purchasers ("opt-ins") and those who had opted to participate in the liquidation of EPB ("opt-outs") led by you as its OCFI-appointed Receiver pursuant to the Cease-and-Desist Order dated June 30, 2022;
- Third-party interventions (correspondent banks, custodians) preventing final Closing;
- Lack of final regulatory approval to support the migration plan; and
- Frustration of the Agreement's core purpose.

2. Grounds for Termination

2.1. Impossibility of Performance

Despite good-faith efforts since the execution of the Agreement, the following unforeseen and unresolvable issues prevent final Closing:

- Third-party complications: EPB's correspondent banks refusing or delaying the release of assets for reasons outside of the Purchasers' control.
- Asset-split deadlock: The partial transfer by the Receiver or third parties of insufficient assets vis-à-vis the opt-in customer now being considered final by the Receiver; the inability of the parties to finalize the distribution of assets and customers, and your threatened legal actions, which have frustrated communication, fallen short of EPB's obligations under the Agreement, and created an indefinite impasse in the migration, rendering contractual obligations unfulfillable.
- Regulatory Approvals. The lack of final approval by the OCFI of your final liquidation plan including all necessary aspects of the migration to Purchasers to provide certainty to them and to the customers pursuant to section 6.1(c) of the Agreement.

2.2. Frustration of Purpose

The fundamental objective of the Agreement —seamless transfer of unencumbered assets and customers to ensure continuity of services and facilitating the liquidation of EPB— has been irreversibly undermined by a fundamental misalignment between your liquidation mandate, and the Purchasers' expectation to acquire and serve customers.

Without viable options, the Purchasers have been forced to take the role of a de-facto manager of a portion of the assets without having the possibility of migrating any customers. The assets were preserved and readied for distribution upon what was thought to be an imminent receipt of customers at Qenta affiliates and the need to fulfill possible liquidity demands. Almost three years have passed. All the while Qenta has tried to help the Receiver resolve the transfer of customers and has incurred significant expense, time of personnel and reputational harm. First, in preservation of the spirit of the original transaction, the Purchasers paid a portion of the purchase price ($500,000) and assumed control of a number of EPB's liquidated assets — including precious metals, mutual funds, and FX positions. The Purchasers hired several of EPB's former employees and committed internal resources to manage the assets, assist in consolidating customer accounts and even help respond to requests for information sent to EPB by certain tax and other regulators.

At this point the original intent of the transaction has been irreparably frustrated as there is no chance of preserving customers. So, after nearly three years of continued but unsuccessful efforts to achieve final closing of the original deal, and receiving no recognition or reimbursement for the substantial costs incurred, the Purchasers are left with no option but to terminate the Agreement and return the assets for the ultimate benefit of the customers.

2.3. Breach of Covenant of Good Faith and Fair Dealing

By failing to act reasonably and with fidelity to the agreed-upon common purpose and justified expectations of the Purchasers, the Receiver has, on behalf of EPB, effectively deprived the Purchasers of the benefits of the Agreement.

As the agent for the seller under the Agreement, the Receiver is obligated not only to fulfill its express contractual duties (i.e. delivering assets, providing disclosures) but also to act in good faith throughout the transaction process, particularly during the period between signing and closing. Contrary to this principle, the Receiver, acting for EPB, has failed to, among other things: cooperate reasonably with the Purchasers to facilitate the closing conditions, take reasonable steps to preserve the value of the assets being sold, refrain from taking actions that intentionally or negligently undermine the Purchasers' ability to realize the benefits of the acquisition and, generally, proceed with a genuine intent to close the transaction on the agreed terms.

3. Resolution

To resolve this fairly and amicably we are returning to you all assets received on or around September 30, 2022 at their receipt values as of their receipt date, with a portion to be returned within 10 business days from your countersignature hereof, and the balance 60 days thereafter, net of a reasonable termination amount to compensate for the Purchasers' time, effort, and expenses. This is subject to the execution of customary releases.

With the same goal of facilitating the termination of the transaction and the liquidation of EPB, the Purchasers are prepared to keep the EPB subsidiaries, control of which they acquired pursuant to the Agreement (i.e. Euro Pacific Securities Inc., Euro Pacific Funds SCC Ltd., Euro Pacific Cards Services Ltd. and Global Corporate Staffing Ltd.), but the Purchasers will not be settling the unpaid portion of the purchase price since the condition for its payment (i.e. final Closing) has not occurred.

Attached is a document summarizing the liquidated assets, their value and the net amounts being returned.

4. Conclusion

We have exhausted all avenues to salvage the Agreement. Termination is the only viable path forward, as regulatory approvals have not occurred, performance is legally impossible, the purpose has been frustrated, and the Receiver –acting for EPB– has breached the implied covenant of good faith and fair dealing. We request written acknowledgment of this termination by July 21, 2025 and propose a meeting to coordinate asset returns.

We are convinced that this course of action will facilitate the liquidation of EPB and prioritize customer interests by ending this unsustainable limbo.

The grounds recited above are not meant as a complete statement of Purchasers' legal position or of their rights and remedies, all of which are hereby expressly preserved.

Brent de Jong, on behalf of
Qenta Inc. and Responsible Gold Trading DMCC

Acknowledged and agreed in the terms hereof:

Wigberto Lugo Mender, Esq. CPA,
as Trustee in the Liquidation of Euro Pacific Intl. Bank, Inc.

C.c. *Eyck O. Lugo, Esq. – EDGE Legal*

Appendix

Liquidated Assets

Asset	Received/Liquidated Value (USD)[1]
Silver Bullion Account[2]	24,749,109
Saxo - EPS	71,608
Interactive Brokers - EPS	17,558,862
Interactive Brokers - EPIB	520,116
Sensus, GBE Trading - EPS	870,659
Sensus, GBE Wallet - EPS	30,699
Mutual Fund positions	5,872,665
Initial EPIB investment in Mutual Funds[3]	385,008
Total:	**50,058,725**

Netted Values

Asset	Liquidated Value (USD)
Subsidiaries[4]	(367,241)
Partial Reimbursement of Purchase Price[5]	(500,000)
Mutual Fund positions[3]	(5,872,665)
Termination Costs[6]	(4,946,030)
Total:	**(11,685,936)**

Return of Funds:

$38,372,789.00

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[1] Values as of September 30, 2022 or as of date noted.

[2] Considers partial sales and wires to bank account under control of the Receiver for the purpose of settling storage fees.

[3] Represents the balance of EPIB's seed investment in the mutual funds, but is not the value of the mutual fund portfolios (shown in the preceding line). Given the acquisition and preservation of the corresponding entity (Euro Pacific Funds SCC Ltd.), the relevant customers and portfolios will remain with Purchasers and will be satisfied, thus appearing in the netted values section.

[4] Reflects negative book value of the subsidiaries that Purchasers propose to keep to facilitate EPB's liquidation, considering that Purchasers will incur additional costs to manage their wind-up.

[5] Represents the initial payment for entering into the Agreement that was never completed.

[6] On account of the extraordinary costs incurred due to the protracted nature of the transaction.

EXHIBIT C

Brent De Jong

Qenta Inc.
777 Post Oak Blvd. #430
Houston, TX 77056
Email: Brent.dejong@qenta.com

CC: Eyck O. Lugo, Esq.
Edge Legal Strategies, PSC
252 Ponce de León Ave.
12 Ramirez Silva St., Esq. Las Acacias
Manatí, PR 00680
Email: elugo@edgelegal.com

Re: Demand for Return of Customer Assets Held by Qenta Inc.

Dear Mr. De Jong,

I am writing as the sole shareholder of Euro Pacific Intl. Bank, Inc. ("EPB") in response to your letter dated July 11, 2025, notifying the termination of the Purchase and Assumption Agreement ("P&A Agreement") dated September 30, 2022, between Qenta Inc., G-Commerce DMCC, Responsible Gold Trading DMCC, EPB, and myself, and the subsequent response from the Receiver's counsel, Eyck O. Lugo, dated July 21, 2025.

While pursuant to (Section 6.1a) I acknowledged and accepted your termination of the P&A Agreement by email on July 20, 2025 and agree with the Receiver that Qenta cannot on its own accord sell or liquidate the customer-owned assets held in its custody, I respectfully disagree with the Receiver's position that Qenta should retain custody of those assets and independently manage the associated liabilities to EPB's customers. Instead, I demand the immediate return of all customer assets to EPB for safekeeping as part of the ongoing liquidation process, particularly in light of the reported financial difficulties of Qenta and its subsidiary, G-Commerce DMCC.

The P&A Agreement (Section 2.1(a)) contemplated the transfer of EPB's assets, including cash, precious metals, securities, and subsidiary shares, to Qenta and its affiliates, along with the assumption of liabilities to Eligible

Customers, upon final Closing. Your termination notice confirms that final Closing never occurred due to alleged third-party complications, asset-split deadlocks, and lack of final regulatory approval from the Office of the Commissioner of Financial Institutions (OCFI) (Termination Notice, Page 1, Section 1). As a result, Qenta never acquired ownership of the assets, valued at approximately $50 million when initially transferred, but approximately $80 million at the current appreciated market values.

I concur with the Receiver's assertion that Qenta, as a custodian, is prohibited from selling or disposing of these customer-owned assets without individual customer instructions (Receiver's Letter, Page 2) and remitting 100% of the proceeds to customers. However, I respectfully disagree with the Receiver's directive that Qenta retain custody and independently manage these assets and liabilities. This position is untenable for several reasons:

- **Termination of the P&A Agreement**: The termination of the P&A Agreement (Section 6.1(b) and (c)) voids Qenta's obligation to assume customer liabilities and manage accounts (Section 2.1(a)). Retaining custody without a binding agreement places an improper burden on Qenta and risks mismanagement, particularly given reports that G-Commerce DMCC's is in the process of dissolution and Qenta's inability to handle customer accounts.
- **Financial Instability**: The dissolution of G-Commerce DMCC, the designated assuming institution, and Qenta's reported financial difficulties raise significant concerns about your ability to safeguard customer assets. The Liquidation Plan (Page 2, Section II) mandates that the Receiver ensure the proper disposition of customer assets, which I believe cannot be achieved by delegating custody to a financially distressed entity.
- **Lack of infrastructure**: Based on reliable information and belief, Qenta currently lacks the capacity to manage the customer's assets and liabilities due to its lack of infrastructure, resources, and personal. This makes the return of those assets to the bank imperative, so that the receiver can management them as well as the corresponding customer liabilities.
- **Appreciation of Assets:** Your attempt to retain for Qenta all of the appreciated value of customer's assets since Sept. 30th 2022 raises concerns as to your intention to honor your fiduciary duty to

customers and that you might attempt to unjustly enrich Qenta at their expense.

- **EPB's Responsibility**: As the Receiver's letter acknowledges, the assets are customer-owned, and EPB retains legal title pending proper distribution (Liquidation Plan, Page 3, Section III(2)(a)). The Receiver's decision not to demand the immediate return of these assets undermines EPB's ability to fulfill its obligations under the Liquidation Plan and Consent Order to discharge customer liabilities (Page 2, Section II).

Given these circumstances, I demand that Qenta immediately return all customer assets in its custody, including but not limited to cash, precious metals, securities, and related records, to EPB or a designated account under the Receiver's control. This return is necessary to ensure that EPB, through the Receiver, can safeguard these assets and manage customer liabilities as part of the liquidation process, as mandated by the Liquidation Plan and OCIF. The reported dissolution of G-Commerce DMCC and Qenta's financial challenges heighten the urgency of this demand to protect customer interests. I respectfully urge the Receiver to reconsider the current approach and support this demand to ensure alignment with the Liquidation Plan.

Furthermore, I want to reiterate my objection to Qenta's termination notice proposing to liquidate the assets and return to the bank only what it would have been received had the positions been liquidated at their receipt values on Sept 30, 2022, rather than their highly appreciated current values, net of a termination amount (Termination Notice, Page 3, Section 3). I urge Qenta to comply with this proposal by promptly coordinating with the Receiver to effectuate the return of all assets, without deductions, to EPB. Any attempt to retain any portion of these assets, or otherwise dispose of them, would violate Qenta's custodial duties and expose Qenta to liability for conversion or breach of fiduciary duty under the P&A Agreement (Section 7.1(b)) and applicable laws.

I respectfully request that Qenta confirm in writing, within five (5) business days of this letter, its commitment to the immediate and unconditional return of all transferred assets to EPB. I am copying the Receiver's counsel, Eyck O. Lugo, to ensure transparency and again urge the Receiver to join in this effort to protect EPB's customers, especially since his letter of July 21st specifically reserves "all legal and equitable rights

regarding the return and disposition of assets held by Qenta." Should Qenta fail to comply, I reserve all my rights to pursue all legal and regulatory remedies to protect customer assets, including coordination with OCIF and other relevant authorities.

Thank you for your prompt attention to this matter. I am available to discuss the logistics of asset return personally to ensure a swift and orderly process.

Sincerely,

Peter D. Schiff
Sole Shareholder, Euro Pacific Intl. Bank, Inc.

CC:
Eyck O. Lugo, Esq. (elugo@edgelegal.com)
Carlos Garduno (Carlos.garduno@genta.com)
Javier Micheo, Esq. (j.micheo@dmprp.com)
Ismael Torres, Esq. (ismaeltorres2002@yahoo.com)
Wigberto Lugo-Mender, Esq. (wigberto@lugomender.com)
Daniel Walfish (dwalfish@katskykorins.com)

Exhibit 2

NYSCEF

Westchester County Supreme Court

Document List

Index # 67774/2025

Created on:10/13/2025 10:17 AM

Case Caption: **Peter Schiff v. QENTA, INC. et al**

Judge Name: **Linda S. Jamieson**

Doc#	Document Type/Information	Status	Date Received	Filed By
1	PETITION *Corrected*	Processed	07/31/2025	Chema, P.
2	RJI -RE: ORDER TO SHOW CAUSE *Corrected*	Processed	07/31/2025	Chema, P.
3	ADDENDUM - COMMERCIAL DIVISION (840C)	Processed	07/29/2025	Chema, P.
4	ORDER TO SHOW CAUSE (PROPOSED) (Motion #1)	Processed	07/31/2025	Chema, P.
5	AFFIDAVIT OR AFFIRMATION IN SUPPORT OF PROPOSED OSC/EXPARTE APP (Motion #1) petitioner affirmation in support of TRO and Proposed OSC	Processed	07/31/2025	Chema, P.
6	MEMORANDUM OF LAW IN SUPPORT (Motion #1)	Processed	07/31/2025	Chema, P.
7	EXHIBIT(S) - 1 (Motion #1) Consent Order for Receivership	Processed	07/31/2025	Chema, P.
8	EXHIBIT(S) - 2 (Motion #1) Purchase and Assumption Agreement	Processed	07/31/2025	Chema, P.
9	EXHIBIT(S) - 3 (Motion #1) Termination Notice dated July 11, 2025	Processed	07/31/2025	Chema, P.
10	EXHIBIT(S) - 4 (Motion #1) Demand Letter to Respondents	Processed	07/31/2025	Chema, P.
11	EXHIBIT(S) - 5 (Motion #1) (i) Notice from Receiver to Opt-in customers dated July 21, 2025; (ii) Letter from Receivers counsel	Processed	07/31/2025	Chema, P.
12	EXHIBIT(S) - 6 (Motion #1) Email communications between Respondents (via Bank domain) and Customers	Processed	07/31/2025	Chema, P.
13	EXHIBIT(S) - 7 (Motion #1) Screenshots from Internet Archive and later snapshot showing management information removed.	Processed	07/31/2025	Chema, P.
14	EXHIBIT(S) - 8 (Motion #1) Screenshot of EPBs website outage on July 9, 2025	Processed	07/31/2025	Chema, P.
15	EXHIBIT(S) - 9 (Motion #1) Respondent's online notice/update	Processed	07/31/2025	Chema, P.
16	EXHIBIT(S) - 10 (Motion #1) G-Commerce DMCC license expiration in October 2023 suggesting a winding down	Processed	07/31/2025	Chema, P.
17	EXHIBIT(S) - 11 (Motion #1) Public records confirming subsidiary G Mint Srl liquidation (Swiss commercial registry)	Processed	07/31/2025	Chema, P.
18	EXHIBIT(S) - 12 (Motion #1) Supreme Court of New York complaint in Offshore Exploration & Production LLC v. De Jong Capital LP (	Processed	07/31/2025	Chema, P.

NYSCEF

Westchester County Supreme Court

Document List

Index # 67774/2025

Created on:10/13/2025 10:17 AM

Doc#	Document Type/Information	Status	Date Received	Filed By
19	EXHIBIT(S) - 13 (Motion #1) Forum posts reflecting customers concerns over Qenta retaining appreciation	Processed	07/31/2025	Chema, P.
20	EXHIBIT(S) - 14 (Motion #1) Contact page for Schiff Gold showing White Plains connection	Processed	07/31/2025	Chema, P.
21	EXHIBIT(S) - 15 (Motion #1) Liquidation and Dissolution Plan with Indemnity Provision(s)	Processed	07/31/2025	Chema, P.
22	EXHIBIT(S) - 16 (Motion #1) U.S. District Court of Puerto Rico (July 18, 2025), ORDER denying TRO due to jurisdiction	Processed	07/31/2025	Chema, P.
23	AFFIRMATION (Motion #1) Supplemental Affirmation of Notice, confirming notice to Respondents counsel of TRO	Processed	07/31/2025	Chema, P.
24	LETTER / CORRESPONDENCE TO JUDGE (Motion #1) Request for expedited hearing on OSC and notice of arbitration request submitted to ICC	Processed	07/31/2025	Chema, P.
25	AFFIRMATION (Motion #1) Supplemental to Pending TRO Providing Respondent Background and Addresses	Processed	08/01/2025	Chema, P.
26	AFFIRMATION (Motion #1) Supplemental Affirmation providing Petitioners residential and business address	Processed	08/01/2025	Chema, P.
27	ORDER TO SHOW CAUSE (Motion #1) Appearances Required - 8/6/25 at 10am - IN PERSON	Processed	08/01/2025	Court User
28	NOTICE OF REMOVAL / REMAND (POST RJI)	Processed	08/05/2025	Dobbs, E.
29	AFFIRMATION/AFFIDAVIT OF SERVICE (Motion #1)	Processed	08/05/2025	Chema, P.
30	EXHIBIT(S) - A (Motion #1) Delivery Receipts and Tracked message opened by Qenta	Processed	08/05/2025	Chema, P.

Exhibit 3

From: Peter Chema
To: legalnotices@qenta.com; Walfish, Daniel
Subject: Re: Service of Signed Order to Show Cause with Temporary Restraining Order – Schiff v. Qenta Inc. et al. (Index No. 67774/2025)
Date: Monday, August 18, 2025 7:46:15 PM

Dear Mr. Walfish and Qenta Legal Notices Team,

I write on behalf of claimant Peter Schiff in connection with ICC Case No. 29707/ICA9. Please be advised that claimant will not be proceeding with the present arbitration.

This decision is made without prejudice to claimant's rights, and claimant reserves the ability to initiate a subsequent arbitration against your Qenta and other respondents in the future, should he so elect.

Best regards,

Peter M. Chema
Counsel for Claimant

--
Peter M. Chema, Esq.
Attorney at Law
(914) 393–8492
pchema.law@gmail.com

Exhibit 4

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

PETER SCHIFF,

Petitioner,

v.

QENTA INC., RESPONSIBLE GOLD TRADING DMCC, and G-COMMERCE DMCC

Respondents.

No. 1:25-cv-06426-PKC

NOTICE OF VOLUNTARY DISMISSAL

Pursuant to Rule 41(a)(1)(A)(i) of the Federal Rules of Civil Procedure, Petitioner Peter Schiff, by his counsel, Holland & Knight LLP, hereby gives notice that the above-captioned action is voluntarily dismissed, without prejudice, against all Respondents.

Date: New York, New York
August 19, 2025

Respectfully submitted,

HOLLAND & KNIGHT LLP

By:/s Elliot A. Magruder

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Attorneys for Petitioner Peter Schiff