

MULTIPLE U.S. AND CANADIAN REGULATORS AGREE TO DROP FRAUD CHARGES AGAINST JOSIP HEIT AND GSB GERMANY AS PART OF EXPANDED SETTLEMENT

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Law firm Quinn Emanuel announces cross-border resolution with regulators in twenty-two U.S. and Canadian jurisdictions, with no fine imposed

NEW YORK, Oct. 10, 2024 /PRNewswire/ -- Josip Heit, the Chairman of GSB Gold Standard Corporation AG (GSB Germany), GSB Germany and certain affiliated companies, brands, and platforms have reached a settlement to resolve the civil claims of securities regulators in twenty-one U.S. states and the Canadian province of British Columbia, Mr. Heit's lawyers announced today.

The multijurisdictional settlement first announced on September 9, 2024, now includes Alabama, Arizona, Arkansas, California, Colorado, Georgia, Idaho, Illinois, Indiana, Kentucky, Mississippi, Nebraska, Oregon, New Hampshire, South Carolina, South Dakota, Texas, Vermont, Washington State, Washington, D.C., Wisconsin, and British Columbia.

Under the terms of the settlement Mr. Heit and the GSB entities will consent – without admitting or denying any violations of law or that any product offered by the GSB entities is a security – to cease-and-desist from offering or selling unregistered securities in the settling jurisdictions. The settlements do not require Mr. Heit or the GSB entities to make any admissions of fact or law.

As part of the settlement, the settling jurisdictions have agreed not to allege fraud or dishonest practices by Mr. Heit or the GSB entities. Any settling jurisdiction that previously alleged fraud or dishonest practices will withdraw, redact, or amend their prior filings to remove those allegations, said Avi Perry and Alex Spiro, partners at Quinn Emanuel Urquhart & Sullivan, LLP who served as counsel for Mr. Heit and GSB Germany.

No monetary penalties will be imposed. Instead, Mr. Heit and the GSB companies have agreed to refund all eligible customers in the settling jurisdictions.

An independent claims administrator, AlixPartners, LLP, will accept claims from customers to determine eligibility for compensation. More information about the claims process will be publicized soon, and the settlement will become final upon conclusion of the claims process.

"We are pleased that so many jurisdictions have signed on to this settlement," said Josip Heit, Chairman of GSB Germany. "We will settle on these terms with any U.S. or Canadian regulator who wishes to join this historic resolution. And we will aggressively defend ourselves against any regulator who insists on unfair terms we cannot agree to."

"Any experienced securities lawyer knows how rare it is for regulators to withdraw all fraud allegations and to settle claims without imposing a fine," said Perry and Spiro of Quinn Emanuel. "Twenty-two U.S. and Canadian regulators have agreed to those terms here. We are pleased to have handled this successful resolution for Mr. Heit and his companies."

In a related matter, Mr. Heit and GSB Germany also served a cease-and-desist notice on BehindMLM.com, a website that has published false and defamatory statements about Mr. Heit and his companies. Many of BehindMLM's posts about GSB Germany and Mr. Heit have been subject to injunctions and take-down orders in courts throughout the world.

"We will not hesitate to enforce our rights against anyone who publishes or disseminates misinformation to mislead our customers or defame and extort our companies, brands, or management," said Mr. Heit.

Quinn Emanuel Urquhart & Sullivan, LLP is a 1000+ lawyer business litigation firm—the largest in the world devoted solely to business litigation and arbitration with 35 global office locations. Surveys of major companies around the world have named it the "most feared" law firm in the world three times. Firm lawyers have tried over 2,500 cases, winning 86% of them. When representing defendants, Quinn Emanuel's trial experience gets better settlements or defense verdicts. When representing plaintiffs,

Quinn Emanuel lawyers have won nearly \$80 billion in judgments and settlements. Quinn Emanuel has also obtained seven nine-figure jury verdicts, four 10-figure jury verdicts, 51 nine-figure settlements, and 20 10-figure settlements.

Quinn Emanuel has been named the No. 1 "most feared" law firm by *The BTI Consulting Group* three years in a row and a total of five times in its annual "Most Feared Law Firms in Litigation" guide, in which in-house counsel named 46 firms they "want to steer clear of" when it comes to litigation. We were named "Commercial Litigation Law Firm of the Year" at the *Chambers USA Awards 2024*. *The American Lawyer* named Quinn Emanuel the top IP litigation firm in the U.S. and the firm as one of the top six commercial litigation firms in the country. The UK legal periodical, *The Lawyer* named us "International Firm of the Year." *Law360* has most recently selected us as having Banking, Class Action, International Arbitration, and Trials "Practice Groups of the Year." *Managing IP* twice recognized us as having the "Best ITC Litigation Practice" and honored us with the "Patent Contentious West" award. *Legal Business* has named us "US Law Firm of the Year" three times, and our German offices have twice been named both "IP Litigation Firm of the Year" and "Patent Litigation Firm of the Year" by *JUVE*, Germany's most prestigious legal publication. *Global Investigations Review*, a leading legal periodical covering global white-collar investigations, named us the "Most Impressive Investigations Practice of the Year." *Global Arbitration Review* named us the 3rd best arbitration practice in the world. *Global Competition Review* named our antitrust and competition practice among the "25 Global Elite," and has included us in their list of the world's top 10 competition litigation practices.

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