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FOCUS AREAS

Securities Fraud

EDUCATION

Hamilton College

B.A. Government, 2012

Temple University Beasley School of Law
J.D., 2023 *cum laude*

Dylan focuses his practice in securities litigation.

Dylan graduated cum laude from Temple University's James E. Beasley School of Law and received his undergraduate degree in Government from Hamilton College.

While in Law School, Dylan served as a judicial intern to the Hon. Noel L. Hillman of the U.S. District Court for the District of New Jersey and to the Hon. Ashley M. Chan of the U.S. Bankruptcy Court for the Eastern District of Pennsylvania. Prior to law school, Dylan lobbied on behalf of national trade associations and worked for a member of the U.S. Senate.

Current Cases

- Coinbase Global, Inc.

This securities fraud class action arises out of Defendants' representations and omissions made in connection with Coinbase going public in April 2021 (the "Direct Listing"). The Direct Listing generated tremendous excitement because Coinbase was the first cryptocurrency exchange to become publicly-traded in the United States. As alleged, Coinbase's financial success hinged almost entirely on its ability to increase and maintain its customers base, particularly its retail users, which in turn drove transaction fee revenue. Transaction fee revenue accounted for nearly all of the Company's revenues.

Unbeknownst to investors, however, during the run up to the Direct Listing and all relevant times thereafter, Defendants failed to

disclose at all relevant times numerous material facts and risks to investors, all of which imperiled Coinbase's financial success. First, Defendants failed to disclose the material risks arising from Coinbase's inability to safeguard custodial assets in the event of bankruptcy. That is, that in the event Coinbase went bankrupt, Coinbase customers could lose some or all of their assets stored with the Company. Indeed, Coinbase would later admit on May 10, 2022, that the Company's inability to protect its customers' crypto assets from loss in the event of bankruptcy made it likely that customers would find the Company's custodial services more risky and less attractive, which could result in a discontinuation or reduction in use of the Coinbase platform.

As Plaintiff also alleges, Defendants made repeated representations throughout the Class Period that Coinbase did not engage in proprietary trading. Then on September 22, 2022, the Wall Street Journal reported that Coinbase had formed a unit specifically to engage in proprietary trading and, despite its public statements, had invested \$100 million in proprietary trades. As alleged, after both the May 10 and September 22, 2022 revelations, Coinbase's stock price dropped in response, causing significant losses and damages to Coinbase's investors.

On July 20, 2023, after the Company received a Wells Notice for potential violations of the federal securities laws, and the SEC subsequently filed a complaint alleging such violations, Plaintiffs filed a second amended complaint on behalf of a putative class of investors alleging that Defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, and Sections 11, 12 and 15 of the Securities Act. On September 21, 2023, Defendants filed a motion to dismiss the second amended complaint. On September 5, 2024, the Court denied Coinbase's motion to dismiss in a 49-page opinion. The case is now in fact discovery.

[Read Amended Consolidated Class Action Complaint Here](#)

[Read Second Amended Consolidated Class Action Complaint Here](#)

[Read Opinion Here](#)

- Paysafe Limited

This securities fraud class action arises out of Defendants' dissemination of materially false or misleading statements regarding the effect of new online gambling regulations in Germany on Paysafe's revenues during the lead up to Paysafe's De-SPAC merger agreement with SPAC Foley Trasimene Acquisition Corp. II ("FTAC"), and beyond.

On May 16, 2024, Lead Plaintiffs filed a 72-page complaint ("Complaint") on behalf of a putative class of investors who purchased Paysafe and/or FTAC common stock between December 7, 2020 and November 11, 2021 (the "Class Period"), alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act

of 1934.

Paysafe is a Bermuda-based company that operates a payment processing network for both individuals and businesses. Unlike some of their main competitors, Paysafe's payment processing network is also available for use with online gambling. One of the world's largest online payment processors, Paysafe boasts "1,000 operators" in regions outside of the U.S. and Canada, including the Company's largest European market, Germany. Paysafe's revenues in the region were particularly fueled by "high roller" users spending large, per month amounts on online gambling services.

In March 2020, German lawmakers had finalized updates to the country's online gambling laws that would take force in July 2021. Of crucial importance to Paysafe, German legislators limited gamblers' spending to €1,000 per month across all gambling websites.

On December 7, 2020, Paysafe and FTAC announced a merger agreement that would allow Paysafe to go public without undertaking a formal IPO process. Rather than alert prospective investors to the fact the €1,000 per month limit would hurt the Company's revenues in its all-important German market, the Defendants proclaimed the forthcoming regulations as a positive development, that showed that Germany was not seeking an outright prohibition on online gambling practices. Based on the Defendants' misleading statements and omissions about Paysafe's expected revenue as a result of Germany's new regulations, FTAC's shareholders voted in favor of the merger on March 25, 2021. The Defendants continued to disseminate false and misleading statements about Paysafe's revenues in the months after the merger was closed on March 30, 2021.

As alleged in the Complaint, as a result of the new German regulations, on August 16, 2021, Paysafe reported to investors that it was lowering its revenue guidance for the third quarter, which began on July 1, 2021—the same day the new German regulations took effect. The new guidance lowered expected revenue for the third quarter between \$14 and \$29 million below market consensus. Still, the Defendants claimed this was due to "softness" in the European market, rather than the effect of the new German regulations. It was not until the Company announced the results for the third quarter on November 11, 2021 that the Defendants admitted to investors what it knew all along, which was that the new gambling regulations were going to have a materially negative impact on the Company's revenues. In a twitter post that day, Defendant Dawood admitted that Paysafe had in fact been anticipating the negative effect that the amended German regulations would have on the Paysafe. In spite of this knowledge, throughout the Class Period, Defendants continued to make and disseminate false and misleading statements, downplaying and ignoring the effects of the new regulations, to ensure that the

merger of the two companies was consummated and the stock of the Company remained inflated thereafter. Through the Complaint, Lead Plaintiffs seek to recover damages suffered by investors in FTAC and Paysafe during the Class Period.

Defendants are scheduled to respond to the Complaint on or before July 15, 2024.

News

- September 9, 2024 - Kessler Topaz Defeats Dismissal Motion in Coinbase Securities Litigation, Investor Claims to Proceed