



## DYLAN J. ISENBERG

### ASSOCIATE

D 267.948.2619

F 610.667.7056

[disenberg@ktmc.com](mailto:disenberg@ktmc.com)

#### FOCUS AREAS

Securities Fraud

#### EDUCATION

Hamilton College

B.A. Government, 2012

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

#### ADMISSIONS

New Jersey

USDC, District of New Jersey

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. Defendants' motion for judgment on the pleadings is fully briefed and pending before the Court.

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

### News

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