

USDC SDNY DOCUMENT ELECTRONICALLY FILED DOC #: _____ DATE FILED: 4/23/2024
--

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
:
JEFFREY THOMPSON, *derivatively on behalf of Hut 8*:
Corp., :
:
Plaintiff, :
:
-v- :
:
JAMIE LEVERTON, *et al.*, :
:
Defendants. :
:
----- X
GREGORY H. WOODS, United States District Judge:

1:24-cv-02542-GHW

ORDER

Plaintiff commenced this shareholder derivative action on April 3, 2024, alleging that Defendants made or participated in making materially false and misleading statements regarding the assets, profitability, and risks of Hut 8 Corp. (“Hut 8”). Dkt. No. 9 ¶¶ 4–8, 10 (“Amended Complaint”). Plaintiff also alleges that Defendants “caused [Hut 8] to fail to maintain adequate internal controls while [certain of the] Defendants engaged in improper insider sales” *Id.* ¶ 9. Plaintiff asserts state law claims against Defendants and a claim of contribution under Section 21D of the federal Exchange Act against two of the Defendants. *Id.* at 50–54. Hut 8 is the Nominal Defendant in this matter. *Id.* ¶ 19. The remaining Defendants are corporate directors and officers of Hut 8 or its predecessor (the “Individual Defendants”). *Id.* ¶¶ 20–47.

The Amended Complaint alleges that venue is proper in this District “because the alleged misstatements and wrongs complained of herein entered this District, the Defendants have conducted business in this District, and Defendants’ actions have had an effect in this District.” *Id.* ¶ 17. Plaintiff does not identify his state of residence. *Id.* ¶ 18. Hut 8 is a Delaware corporation, with its principal executive offices in Miami, Florida. *Id.* ¶ 19. The Individual Defendants are not alleged to reside in or have any relation to this District. There are no allegations in the Amended

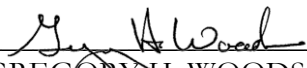
Complaint describing the occurrence of events or the residence of any defendant in the Southern District of New York. *See* 28 U.S.C. § 112(b) (“The Southern District comprises the counties of Bronx, Dutchess, New York, Orange, Putnam, Rockland, Sullivan, and Westchester . . .”).¹ Miami is located in Dade County, which is in the Southern District of Florida. 28 U.S.C. § 89 (“The Southern District comprises the counties of Broward, Dade, Highlands, Indian River, Martin, Monroe, Okeechobee, Palm Beach, and Saint Lucie. Court for the Southern District shall be held at Fort Lauderdale, Fort Pierce, Key West, Miami, and West Palm Beach.”).

Accordingly, the Court is inclined to transfer this case to the Southern District of Florida pursuant to 28 U.S.C. § 1406(a). *See* 28 U.S.C. § 1406(a) (“The district court of a district in which is filed a case laying venue in the wrong division or district shall dismiss, or if it be in the interest of justice, transfer such case to any district or division in which it could have been brought.”).

Plaintiff is ORDERED TO SHOW CAUSE no later than April 30, 2024 as to why this action should not be transferred to the Southern District of Florida. In the alternative, if Plaintiff is willing to transfer this action to the Southern District of Florida, the Court requests that Plaintiff submit a letter stating that it consents to the transfer of this action to the Southern District of Florida no later than April 30, 2024. Plaintiff is also directed to serve a copy of this order on all Defendants in this action and to retain proof of service.

SO ORDERED.

Dated: April 23, 2024
New York, New York



GREGORY H. WOODS
United States District Judge

¹ The only reference to this District is the existence of a separate federal securities fraud class action against Hut 8 and two of the Individual Defendants that was filed in this District, *Mayiras v. Hut 8 Corp.*, No. 24-cv-904-VM (S.D.N.Y.). On April 5, 2024, Judge Victor Marrero, who presides over the separate securities fraud action, declined to accept this case as related to the securities fraud action and this case was reassigned to this Court. The Amended Complaint also references a Bitcoin mining facility that Hut 8 allegedly owns and operates located in Niagara Falls, New York. *See, e.g.*, Amended Complaint ¶ 80. Niagara Falls is located in the Western District of New York. *See* 28 U.S.C. § 112(d) (“The Western District comprises the counties of Allegany, Cattaraugus, Chautauqua, Chemung, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Schuyler, Seneca, Steuben, Wayne, Wyoming, and Yates.”).