



Honorable Mike K. Nakagawa  
United States Bankruptcy Judge



Entered on Docket  
October 17, 2025

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

\* \* \* \* \*

In re:	)	Case No. 23-10423-mkn
	)	
CASH CLOUD, INC.,	)	Chapter 11
dba COIN CLOUD,	)	
	)	
Debtor.	)	
	)	
CASH CLOUD, INC., dba COIN CLOUD,	)	Adv. Proc. No. 23-01015-mkn
	)	
Plaintiff,	)	
	)	Date: July 16, 2025
vs.	)	Time: 9:30 a.m.
	)	
LUX VENDING, LLC, d/b/a/ BITCOIN	)	
DEPOT,	)	
	)	
Defendant.	)	

**ORDER REGARDING DEFENDANT LUX VENDING, LLC D/B/A BITCOIN DEPOT'S  
MOTION TO OVERRULE PLAINTIFF'S PRIVILEGE OBJECTIONS AND COMPEL  
THE PRODUCTION OF DOCUMENTS<sup>1</sup>**

<sup>1</sup> All references to "AECF No." are to the documents filed in the above-captioned Adversary Proceeding. All references to "Civil Rule" are to the Federal Rules of Civil Procedure that are applicable in this adversary proceeding under Part VII of the Federal Rules of Bankruptcy Procedure.

On July 16, 2025, the court heard one of a series of discovery disputes between plaintiff Cash Cloud, Inc., dba Coin Cloud (“Cash Cloud”) and defendant Lux Vending, LLC dba Bitcoin Depot (“Lux”). The appearances of counsel were noted on the record. These disputes arise out of the above-captioned adversary proceeding that was commenced on March 10, 2023. After arguments were presented, the matter was taken under submission.

### BACKGROUND

On January 31, 2025, Lux filed its Motion to Compel Production of Documents Responsive to Bitcoin Depot’s Amended First Set of Requests for Production (“Lux Motion to Compel”)<sup>2</sup> and noticed it to be heard on March 5, 2025. (AECF Nos. 137 and 139).

On May 9, 2025, an order was entered on the Lux Motion to Compel (“Lux Discovery Order”). (AECF No. 171).<sup>3</sup> That order required Cash Cloud to produce documents no later than June 6, 2025, and for any objections based on assertions of privilege to be accompanied by a privilege log.<sup>4</sup>

On June 18, 2025, Lux filed the instant Motion to Overrule Plaintiff’s Privilege Objections and Compel the Production of Documents (“Lux Motion to Overrule Privilege Objections”). (AECF No. 185). Lux seeks an order overruling Cash Cloud’s privilege

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<sup>2</sup> On the same date, Cash Cloud filed a Renewed Motion to Compel Lux to produce documents (“Cash Cloud Renewed Motion to Compel”). (AECF No. 140). That motion was heard on March 5, 2025. Attached as Exhibit “6” to the Cash Cloud Renewed Motion to Compel is a copy of “Bitcoin Depot’s Privilege Log to January 27, 2025 Production” (“Lux Privilege Log”). The Lux Privilege Log consists of a table providing 14 columns of information, the last two of which are entitled “Privilege Reason” and “Privilege Description.” The Privilege Reason column specifies whether the asserted privilege is based on “Attorney Client Communication,” or on “Attorney Client Communication; Attorney Work Product.” The Privilege Description column specifies whether the communication encompasses legal advice and whether the communication was prepared in anticipation of litigation. In other words, the Lux Privilege Log provides information addressing whether the claimed privilege is based on an Attorney-Client Communication, Attorney Work Product, or both.

<sup>3</sup> On May 12, 2025, the Lux Discovery Order was amended to identify the name of the correct party. (AECF No. 177).

<sup>4</sup> The court addressed, *inter alia*, the minimum requirements for an adequate privilege log required to assess the parties’ assertions of privilege in this litigation. See Lux Discovery Order at 5:18 to 7:3 & nn. 16 and 17.

1 objections and to compel Cash Cloud to produce certain requested documents. The instant  
 2 motion is supported by the declaration of Adam Schwartz (“Schwartz Declaration”) to which is  
 3 attached a privilege log that was provided by Cash Cloud (“Cash Cloud Privilege Log”).<sup>5</sup>  
 4 (AECF No. 186). The Lux Motion to Overrule Privilege Objections was noticed to be heard on  
 5 July 16, 2025. (AECF No. 187).<sup>6</sup>

6 On July 3, 2025, Cash Cloud filed its opposition to the instant motion (“Cash Cloud  
 7 Response”) to which is attached the declaration of its counsel in this adversary proceeding,  
 8 James M. Jimmerson (“Jimmerson Declaration”). (AECF No. 192).

9 On July 9, 2025, Lux filed its reply in support of the instant motion (“Lux Reply”).  
 10 (AECF No. 197).

11 On July 16, 2025, the court heard the Lux Motion to Overrule Privilege Objections.  
 12 Cash Cloud was directed to provide a ledger-sized copy of its privilege log. That document was  
 13 provided to the court later the same day. After arguments were presented by counsel, the matter  
 14 was taken under submission.

### 15 DISCUSSION

16 The court has considered the written and oral arguments of counsel as well as the record  
 17 presented. For the reasons discussed below, the court will grant the Lux Motion to Overrule  
 18 Privilege Objections without prejudice as provided in this order.

19 Civil litigants are required to respond to discovery, but may object to discovery requests  
 20 by asserting that the requested information is protected by an applicable privilege. See generally  
 21 FED.R.CIV.P. 26(b)(1). In this instance, Cash Cloud has objected to Lux’s requests by asserting  
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23 <sup>5</sup> The Cash Cloud Privilege Log is attached in two versions as Exhibits 1 and 2 to the  
 24 Schwartz Declaration. The second version that is the subject of dispute consists of a table  
 25 appearing on letter-sized paper.

26 <sup>6</sup> As of the hearing on the instant motion, Cash Cloud has not objected to the privileges, if  
 27 any, asserted by Lux in connection with its production of discovery. As a result, the court has  
 28 not addressed the sufficiency of any privilege log submitted by Lux or the validity of any  
 privilege asserted. Likewise, Lux has not sought to file under seal for in camera review any  
 documents for which it has asserted a privilege.

1 that the information sought is shielded as “Attorney-Client Privilege/Attorney Work-Product.”

2 Although related, however, those two concepts are not the same.

3 “The attorney-client privilege protects confidential communications between attorneys  
4 and clients, which are made for the purpose of giving legal advice.” See United States v. Richey,  
5 632 F.3d 559, 566 (9th Cir. 2011), citing Upjohn Co. v. United States, 449 U.S. 383, 389 (1981).  
6 “The party asserting the attorney-client privilege has the burden of establishing the relationship  
7 and privileged nature of the communication...The attorney-client privilege exists where (1) legal  
8 advice of any kind is sought (2) from a professional legal adviser in his capacity as such, (3) the  
9 communications relating to that purpose, (4) made in confidence (5) by the client, (6) are at his  
10 instance permanently protected (7) from disclosure by himself or by the legal adviser, (8) unless  
11 the protection be waived.” Richey, 632 F.3d at 566.

12 By contrast, “The work-product doctrine is a qualified privilege that protects from  
13 discovery documents and tangible things prepared by a party or his representative in anticipation  
14 of litigation.” Richey, 632 F.3d at 566. “At its core, work-product doctrine shelters the mental  
15 processes of the attorney, providing a privileged area within which he can analyze and prepare  
16 his client’s case, and protects both material prepared by agents for attorney as well as those  
17 prepared by the attorney himself.” Estate of Serna v. County of San Diego, 689 F.Supp.3d 848,  
18 863 (S.D.Cal. 2023) (Leshner, M.J.), quoting United States v. Sanmina Corp., 968 F.3d 1107,  
19 1119 (9th Cir. 2020). “To qualify for work-product protection, the documents must: (1) be  
20 ‘prepared in anticipation of litigation or for trial’ and (2) be prepared ‘by or for another party or  
21 by or for that other party’s representative.’” Richey, 632 F.3d at 567, citing In re Grand Jury  
22 Subpoena, etc., 357 F.3d 900, 907 (9th Cir. 2004). “The party asserting work-product protection  
23 has the burden to demonstrate it applies to the information in question.” Serna, 689 F.Supp.3d at  
24 864, quoting Greer v. County of San Diego, 634 F.Supp.3d 911, 918 (S.D.Cal. 2022).

26 There is no dispute that a litigant asserting a privilege in response to a discovery request  
27 is required to provide a privilege log. In this instance, the Cash Cloud Privilege Log consists of  
28 122 pages, each of which includes a table setting forth from 8 to 31 separate privilege assertions

identified simply as “Attorney-Client Privilege/Attorney Work- Product.”<sup>7</sup> The Cash Cloud Privilege Log includes approximately 2,697 separate privilege assertions<sup>8</sup> without specifying whether the assertion is based on attorney-client privilege, attorney work-product, or both.<sup>9</sup> The privilege assertions are not separately numbered, nor have copies of the underlying communications been submitted under seal.<sup>10</sup> Lux generally argues that the privilege objections should be overruled in their entirety because the Cash Cloud Privilege Log is substantively insufficient on its face. See Lux Reply at 4:21 to 5:14. In many instances the attorney-client privilege appears to be asserted simply because an attorney was listed as a “CC” for the communication. Id.<sup>11</sup> In other instances, the Cash Cloud Privilege Log identifies individuals

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<sup>7</sup> The 122-page log apparently was intended to reference various email communications in descending order by date, e.g., the most recent email dated or sent on 2023-03-10 appearing at the top of Page 1, with the oldest email dated 2022-08-30 appearing at the bottom of Page 122. Unfortunately, that descending order is not followed throughout the intervening entries.

<sup>8</sup> Where unresolved privilege assertions are substantial, the litigants may agree on a representative selection of documents for in camera review by the court. See, e.g., Phillips v. C.R. Bard, Inc., 290 F.R.D. 615, 623-24 (D.Nev. 2013) (Cobb, M.J.) (50 documents presented for in camera review out of 6800 documents encompassing claims of attorney-client privilege or work product doctrine).

<sup>9</sup> Nor does the Cash Cloud Privilege Log address whether the asserted communication may be for a “dual purpose,” i.e., to facilitate legal advice or to communicate information in anticipation of litigation, or instead, to communicate non-privileged matter. See generally Serna, 689 F.Supp.3d at 863. By withholding the documents completely from both Lux and the court, Cash Cloud offers no basis to assess whether a dual purpose applies or to evaluate the asserted ground for refusing to disclose the communication.

<sup>10</sup> Unfortunately, it also appears that the communications identified in the Cash Cloud Privilege Log also may not be in the correct chronological sequence. See note 7, supra.

<sup>11</sup> Sharing a copy of a document with counsel would not alone establish that the communication encompassed a privileged matter. If that action was sufficient to create a valid privilege, then every communication could be “carbon copied” to counsel irrespective of the purpose of the communication. See C.R. Bard, Inc., 290 F.R.D. at 629-30 (“merely copying or “cc-ing” legal counsel, in and of itself, is not enough to trigger the attorney-client privilege. Instead, each element of the privilege must be met when the privilege is being asserted, and the court will review each communication at issue with this in mind.”). See also OOIDA Risk Retention Group, Inc. v. Bordeaux, 2016 WL 427066, at \*7 (D.Nev. Feb. 3, 2016) (Cooke, M.J.)

only by their email addresses without specifying whether the individual is an attorney, a client representative, or a non-client attorney or non-client third party.<sup>12</sup> Most important, Lux observes and maintains that the Cash Cloud Privilege Log does not describe the communication in sufficient detail to enable Lux or the court to determine the reasons for preserving the confidentiality of the communication. See Lux Reply at 5:15 to 8:21 (citing examples).<sup>13</sup>

In its response, Cash Cloud asserts that its privilege log “provided and identified all of the data that this Court’s 5/9 Order (sic).” Cash Cloud Response at 2:2-3. In support of this assertion, Cash Cloud asserts these arguments:

First, **the client** for whom the privilege is claimed on all of the documents contained within the privilege log is Cash Cloud. This was explained to Bitcoin Depot on July 16, 2025...Second, **the nature** of every document contained within Cash Cloud’s privilege log is an email. This was explained to Bitcoin Depot on July 16, 2025... Moreover, the sender or the recipient of the emails was an employee of Cash Cloud. Third, **the attorney(s)** (and staff) contained on each email are easily identifiable, as their email addresses show the names of the law firms. (footnote omitted). Fourth, **the sender and all of the recipients/those known to have been furnished the information** of each email (i.e., the identity the person(s) in the “From”, “To”, “CC”, and “BCC” columns) have been provided. Fifth, **the date** on which the email

<sup>12</sup> Remarkably, Cash Cloud suggests that the role or capacity of individuals identified only by their email addresses can be ascertained or confirmed by Lux through use of “Google” or some other search engine. See Cash Cloud Response at 2 n.1. Because the burden of proof and persuasion rests on the party seeking to establish the necessary elements of a particular privilege, it is not clear why the party would even think to expect the opponent, much less the court, to research the names of the individuals listed in its own privilege log. Compare United States v. Dunkel, 927 F.2d 955, 956 (7th Cir.1991) (Posner, J.) (“Judges are not like pigs, hunting for truffles buried in [the record].”).

<sup>13</sup> As the Lux Discovery Order previously noted: “A proper claim of privilege requires a specific designation and description of the documents within its scope as well as precise and certain reasons for preserving their confidentiality. Unless the affidavit is precise to bring the document within the rule, the Court has no basis on which to weigh the applicability of the claim of privilege...” Lux Discovery Order at 6:17-22, quoting In re Hotels Nevada, LLC, 458 B.R. 560, 574 (Bankr. D. Nev. 2011) (emphasis added). Instead of providing any reasons for preserving the confidentiality of the documents, the Cash Cloud Privilege Log offers little or no information addressing the reason for assertion of the privilege. Cash Cloud argues that its log identifies “the nature of every document,” see Cash Cloud Response at 2:5-6, but that apparently consisted only of explaining that the communication withheld was an email. See Jimmerson Declaration at ¶ 8. Identifying a communication as an email, without more, hardly constitutes a precise and certain reason for preserving its confidentiality.

1 was sent was provided for each entry. Finally, each entry contains **the**  
 2 **subject matter of the communication** and **the legal basis** on which the  
 privilege was claimed.

3 Cash Cloud Response at 2:3-23 (emphasis in original).<sup>14</sup>

4 Having reviewed the Cash Cloud Privilege Log, as well as the declarations of counsel,  
 5 the court agrees with Lux that the log fails to provide sufficient information.

6 There is no apparent dispute that on the day before the Cash Cloud Privilege Log was  
 7 reformatted and transmitted to Lux, counsel for both litigants held a meet-and-confer conference  
 8 on June 16, 2025. See Jimmerson Declaration at ¶¶ 3,4, and 5. At the meet-and-confer  
 9 conference, there is no apparent dispute that all of the disputed communications consisted of  
 10 emails and that Cash Cloud had withheld from Lux every one of the allegedly privileged emails  
 11 without ever producing even redacted versions of the communications. Id. at ¶ 4, lines 17-19.<sup>15</sup>

12 At the meet-and-confer conference, Cash Cloud apparently identified to Lux the client for whom  
 13 a privilege was being asserted and apparently explained the nature of every document listed in  
 14 the Cash Cloud Privilege Log. Id. at ¶¶ 7 and 8. Unfortunately, there is no allegation that  
 15 counsel discussed the reasons for preserving the confidentiality of any information  
 16 communicated. Importantly, the court has no understanding of what was actually explained at  
 17 the meet-and-confer conference. Even more important, none of the withheld communications  
 18 have been provided for the court to review in any form whatsoever (redacted or otherwise), so as  
 19 to permit this court to evaluate whether the communication is encompassed by the purported

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22 <sup>14</sup> As discussed below, despite Cash Cloud's repeated representation that a meet-and-  
 23 confer took place on July 16, 2025, it apparently occurred on June 16, 2025.

24 <sup>15</sup> By not producing even redacted versions of the communication, much less the  
 25 unredacted versions, there may be little to suggest that a communication occurred at all. As a  
 26 communication may include both privileged and non-privileged information, a refusal to produce  
 27 the entire communication may be inexcusable. Despite Cash Cloud's failure to produce even  
 28 redacted documents in response to the court's previous Lux Discovery Order, Lux has not sought  
 the imposition of sanctions under Civil Rule 37.



1 privilege. Under these circumstances, Lux and the court are left to guess<sup>16</sup> the basis for the  
 2 privileges asserted by Cash Cloud.<sup>17</sup> Because Cash Cloud has failed to establish the applicability  
 3 of its privilege objections,

4 **IT IS HEREBY ORDERED** that Defendant Lux Vending, LLC d/b/a Bitcoin Depot's  
 5 Motion to Overrule Plaintiff's Privilege Objections and Compel the Production of Documents,  
 6 Adversary Docket No. 185, be, and the same hereby is, **GRANTED WITHOUT PREJUDICE**  
 7 **AS PROVIDED BELOW.**

8  
 9 <sup>16</sup> For example, on Page 1 of the Cash Cloud Privilege Log, the first privilege listed  
 10 specifies that the "Subject" of the privilege claim is "Re: [EXT] Cennox Still BillingUs" and the  
 11 asserted "Privilege" is specified as "Attorney-Client Privilege/Attorney Work-Product." The  
 12 communication itself is specified as being "From" and "To" separate email addresses of Cash  
 13 Cloud employees. The communication also is specified as having been "CC'd" to several email  
 14 addresses at Cash Cloud as well as attorneys and professionals for Cash Cloud. There is no  
 information, however, to determine whether the email concerned legal advice communicated  
 with counsel or whether the email or communication was provided in connection with, during, or  
 in anticipation of litigation.

15 <sup>17</sup> Many additional examples of imprecise and insufficient reasons for asserting a  
 16 privilege are found throughout the Cash Cloud Privilege Log. On Page 41 there are numerous  
 17 privileges listed that specify the "Subject" simply as "Fwd: Cash Cloud Inc." involving email  
 18 communications "From" and "To" employees of Cash Cloud or legal counsel, or which are  
 19 "CC'd" to legal counsel. Each asserted "Privilege" is specified only as "Attorney-Client  
 20 Privilege/Attorney Work-Product." The words "Cash Cloud Inc." and the specification of  
 21 "Attorney-Client Privilege/Attorney Work-Product" offer zero reasons for preserving the  
 22 confidentiality of any information that may be contained in the communication. (It is baffling  
 23 why counsel would defend the sufficiency of "Cash Cloud Inc." as the Subject of a privilege  
 24 objection when Cash Cloud itself is a party.) Similarly, on Page 83 the first privilege listed  
 25 specifies that the "Subject" of the privilege claims is "Re: BA Update" and the asserted  
 26 "Privilege" is specified only as "Attorney-Client Privilege/Attorney Work-Product." (Without  
 more, "Re: BA Update" is meaningless.) According to the "From", "To" and "CC" columns,  
 however, the email apparently was exchanged only amongst employees of Cash Cloud.  
 Additionally, on Page 122 of the Cash Cloud Privilege Log, the first privilege asserted identifies  
 the "Subject" only as "RE: Question," apparently "From" and "To" legal counsel and a Cash  
 Cloud employee and legal counsel, that was "CC'd" to other legal counsel and another Cash  
 Cloud employee. (Without more, "RE: Question" has even less meaning than "Re: BA Update")  
 The asserted "Privilege" is specified only as "Attorney-Client Privilege/Attorney Work-  
 Product."

27 Neither the "Subject" nor the "Privilege" information provided in connection with these  
 28 examples is sufficient to determine whether the email concerned legal advice communicated with  
 counsel or whether the email or communication was provided in connection with, during, or in  
 anticipation of litigation.



1       **IT IS FURTHER ORDERED** that Plaintiff Cash Cloud, Inc. dba Coin Cloud must  
2 produce the requested documents **no later than 21 calendar days** from the entry of this order.

3       **IT IS FURTHER ORDERED** that in the event Plaintiff Cash Cloud, Inc. dba Coin  
4 Cloud seeks to renew any of its privilege objections, it may do so only under the following  
5 conditions:

- 6       (1) the renewed objections shall be served on Defendant Lux Vending, LLC d/b/a  
7 Bitcoin Depot **no later than 21 calendar days** from the entry of this order and  
8 shall be limited to those set forth in the Cash Cloud Privilege Log discussed in  
9 this order;
- 10       (2) the renewed objections must be accompanied by an amended privilege log  
11 providing the information discussed in the instant order;
- 12       (3) each of the privileges set forth in the amended privilege log must be numbered  
13 sequentially and in correct descending order by date; an additional column for the  
14 court's use must be added at the end of each row of privileges;
- 15       (4) redacted copies of each allegedly privileged communication must be produced to  
16 Defendant Lux Vending, LLC d/b/a Bitcoin Depot and in the same numerical  
17 sequence set forth in the amended privilege log; and
- 18       (5) unredacted copies of each allegedly privilege communication must be produced  
19 for in camera review by the court in the same numerical sequence set forth in the  
20 amended privilege log.

21  
22 Copies sent via CM/ECF ELECTRONIC FILING

23 Copies sent via BNC to:

24 JOHN J. LAMOUREUX  
25 ERIN J. HOYLE  
26 DREW DOMINA  
27 CARLTON FIELDS, P.A.  
4221 W. BOY SCOUT BLVD., STE. 1000  
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