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IOWA DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

February 25, 2026

Kristi Onstot
Executive Secretary
Executive Council
State Capitol
LOCAL

Re: Retention of Special Counsel

Dear Ms. Onstot:

Our office requests authorization under Iowa Code section 13.7 to retain Hilgers Graben PLLC, as special counsel. Special counsel will provide legal services and representation to Iowa with respect to litigation of certain business practices of Lux Vending, LLC (d/b/a Bitcoin Depot, Inc.) and Bitcoin Depot Operating, LLC (d/b/a Bitcoin Depot) (collectively, the Defendants). The litigation involves the Defendants' alleged unfair or deceptive acts or practices related to its Bitcoin ATMs operated across Iowa. We also recommend under Iowa Code section 23B that the firm be retained on a contingent-fee basis for its legal services. Certain reasonable fees and costs such as expert witness fees, discovery fees related to document hosting and software, and travel expenses will remain a separate fee that is not included in the contingent-based legal services cost of Hilgers Graben.

The Attorney General has determined that it is necessary and appropriate to retain private special counsel to assist her office in the litigation against the Defendants for these reasons:

- The litigation involves complex claims that have not been litigated to judgment in any state court.
- Extensive resources are being required, as the litigation is time- and labor-intensive.
- The litigation is like other existing litigation for which the Executive Council has approved the retention of Hilgers Graben,

and there are overlapping issues making retention in this efficient and beneficial to the State.

- The litigation includes but is not limited to (i) extensive motion practice, including potential complex issues of first impression; (ii) extensive, time-consuming discovery, including numerous depositions, and potentially extensive motion practice to ensure compliance with the state's discovery requests; and (iii) reviewing complex expert reports, responses, and discovery.
- The complexity of this case requires counsel with a full range of trial- and appellate-level experience litigating complex matters involving both state and federal law.

We recommend Hilgers Graben PLLC because of its experience litigating complex cases across a range of subject areas in both state and federal courts. Moreover, Hilgers Graben PLLC is uniquely qualified as it has e-discovery expertise that is highly beneficial here, and it is willing to step in after litigation has commenced and take the State's case as it exists. Further Hilgers Graben is already assisting the state as special counsel in a related case against GPD Holdings LLC d/b/a CoinFlip. We know of no other private counsel currently possessing that same experience that currently can help in this litigation.

Our office has determined that this proposed contingent representation is both cost effective and in the public interest. And we have determined that a procurement process is not feasible under these unique circumstances. We therefore recommend approval of Hilgers Graben PLLC as special counsel. The contingency engagement will be governed by a separate contingent fee agreement under Iowa Code section 23B.3.

Yours truly,



Steven Blankenship
Chief Deputy Attorney General