

COMMONWEALTH OF THE BAHAMAS
IN THE SUPREME COURT
COMMERCIAL DIVISION



2022
COM/com/ 0060

**IN THE MATTER OF the Digital Assets and Registered Exchanges Act, 2020
(as amended)**

AND IN THE MATTER OF the Companies (Winding Up Amendment) Act, 2011

**AND IN THE MATTER OF FTX DIGITAL MARKETS LTD.
(A Registered Digital Asset Business)**

SUMMONS

LET ALL PARTIES concerned attend before **His Lordship the Honourable Mr. Justice Loren Klein** Judge of the Supreme Court of the Commonwealth of The Bahamas, in Chambers at the Supreme Court of The Bahamas, Annex 1, Nassau, The Bahamas on **Monday** the **22nd** day of **January** A.D., **2024** at _____ o'clock in the _____-noon or as soon thereafter as Counsel can be heard on an application on behalf of the Joint Official Liquidators ("**the JOLs**") of FTX Digital Markets Ltd ("**FTX DM or the Company**") and FTX DM pursuant to *the Companies Act 1992, as amended, section 205(3) and Schedule 4, Part I, paragraphs 3-9* and under *inherent jurisdiction of this Honourable Court and the Trustee Act, 1998 sections 73, 77, 79 and 79A*, and *Order 8 Rule 2 of the Companies Liquidation Rules 2012* for the following relief:

1. An order, pursuant to the Companies Act, section 205(3) and the Fourth Schedule, Part 1, paragraphs 3 to 9, sanctioning the exercise of the JOLs' powers to cause FTX DM to enter into the Global Settlement Agreement ("**the GSA**") and agreements ancillary thereto, namely the (i) Exclusive Sales Agency Agreement, (ii) the Loan Agreement both dated 19th December 2023; (iii) Deed of Assignment dated 19th December 2023; (iv) Declaration of Trust dated 19 December 2023; (v) Deed of Indemnity dated 20 December 2023.

2. Without prejudice to the generality of the order of sanction in paragraph 1 above:
- a. Pursuant to paragraph 3 of the Fourth Schedule, Part 1, an order sanctioning the JOLs' power to dispose of property of FTX DM (on the terms as provided by the GSA) to FTX Trading Ltd. (**"FTX Trading"**) and its affiliated debts and debtors-in-possession (**"the Debtors"**) as identified in the GSA.
 - b. Pursuant to paragraph 4 of the Fourth Schedule, Part 1, an order sanctioning the JOLs' power to pay certain creditors (other than customers) of FTX DM distributions from the Non-Customer Claims Pool of US\$15 million as defined in the GSA.
 - c. Pursuant to paragraphs 5 and 6 of the Fourth Schedule, Part 1, an order sanctioning the JOLs' power to compromise (in the terms of the GSA) the claims made by Alameda Research LLC, Alameda Research Ltd., FTX Trading Ltd., West Realm Shires Inc and West Realm Shires Services Ltd., (**"the Adversary Proceeding Plaintiffs"**) against FTX DM and the claims and counterclaims made by FTX DM against all the Debtors in proceedings (**"the Adversary Proceeding"**) in the United States Bankruptcy Court for the District of Delaware (**"the US Bankruptcy Court"**).
 - d. Pursuant to paragraph 6 of the Fourth Schedule, Part 1, an order sanctioning the JOLs' power to compromise (in the terms of the GSA) the claims of FTX DM against FTX Property Holdings Ltd (**"Propco"**) and all remaining Debtors.
 - e. Pursuant to paragraph 7 of the Fourth Schedule, Part 1, an order sanctioning the manner in which the JOLs have dealt with the following issues in the GSA relating to or affecting the assets or the winding up of FTX DM, specifically:
 - i. If paragraph 7 applies to a discharge of a debt, liability or claim, an order sanctioning the exercise of the JOLs' power in causing FTX DM on the terms of the GSA to discharge the debt, liability or claim that FTX DM claims it has against the Debtors.

- ii. An order sanctioning the exercise of the JOLs' power to effect a form of pooling of the assets of FTX DM and the Debtors as provided for in the GSA and for the JOLs to make distributions from the pool to customers of FTX DM who opt to prove in the official liquidation of FTX DM.
- iii. An order sanctioning the exercise of the JOLs' power to impose a valuation date for customers' and creditors' claims of 11th November 2022 rather than the date of the winding-up order in respect of FTX DM made by this Honourable Court.
- iv. An order sanctioning the exercise of the JOLs' power to impose a Final Bar Date of 15th May 2024 for creditors and customers wishing to prove in the official liquidation.
- v. An order sanctioning the exercise of the JOLs' power not to admit to proof any DM Customer Entitlement Claim that has not commenced KYC by the KYC Cut-off Date.
- vi. An order sanctioning the exercise of the JOLs' power to value at nil claims by customers to FTT digital assets and to have their claims treated as DM Excess Claims in accordance with the provisions of the GSA.
- vii. An order sanctioning the exercise of the JOLs' power, at the request of the Debtors, to permit customers holding DM Customer Entitlement Claims to receive distributions on a digital currency exchange operated by any buyer of the FTX.com Exchange.
- viii. An order sanctioning the exercise of the JOLs' power to exclude certain parties from proving in the official liquidation.
- ix. An order sanctioning the exercise of the JOLs' power to exclude certain categories of claim from proof in the official liquidation.

- x. An order sanctioning the exercise of the JOLs' power to agree to a dispute resolution process in the terms of the GSA including the procedure involving the concurrent jurisdiction of the US Bankruptcy Court and this Honourable Court which is consistent with the Judicial Insolvency Network's Guidelines for Communication and Cooperation between Courts in Cross-Border Matters.
 - f. If, and to the extent that the properties in the name of Propco are, in fact, property of FTX DM, an order sanctioning the JOLs' power pursuant to paragraph 8 of the Fourth Schedule, Part 1 to cause FTX DM to acquiesce in the sale by Propco of any and all of those properties and for the proceeds of sale to be dealt with in accordance with the terms of the GSA.
 - g. Pursuant to paragraph 9 of the Fourth Schedule of Part 1, an order sanctioning the exercise of the JOLs' power to cause FTX DM to borrow money on the terms of the Loan Agreement dated 19th December 2023 in the sum of US\$45 million.
- 3. In so far as assets of FTX DM may have been held on trust for customers of FTX DM, an order under the Trustee Act 1998, sections 77 and 79 and/or the inherent jurisdiction of this Honourable Court directing FTX DM, acting by its JOLs, to distribute such assets pursuant to the terms of the GSA to customers who elect to prove in the official liquidation of FTX DM.
- 4. An order pursuant to the Trustee Act, 1998 section 73, relieving the JOLs and FTX DM from any personal liability insofar as the JOLs have caused FTX DM to commit any breach of trust in causing FTX DM to enter into the GSA and/or making distributions to customers who elect to prove in the official liquidation of FTX DM on the ground that they have at all times acted honestly and reasonably and ought fairly to be excused for any breach of trust that they have committed in connection with the entry into the GSA or making distributions to customers in accordance with the GSA.
- 5. An order giving liberty to the JOLs to withdraw the Directions Application issued on 15th March 2023.

6. An order that there be an extension to the statutory ninety (90) day deadline to hold the First Creditors Meeting due to the fact that this Summons for sanction of the GSA will be heard on 22nd January 2024.
7. An Order that the costs of and occasioned by this Summons be paid out of the assets of the FTX DM and/or any assets that may be trust assets.
8. Such further or other relief as the Court may deem necessary.

DATED this 11th day of **January A.D., 2024**

REGISTRAR

This Summons was taken out by Lennox Paton, Chambers, 3 Bayside Executive Park, West Bay Street and Blake Road, Nassau, The Bahamas, Attorneys for the Joint Official Liquidators of FTX Digital Markets Ltd.

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IN THE SUPREME COURT

Commercial Division

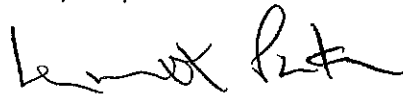
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