

OM/com/00060

IN THE COMMONWEALTH OF THE BAHAMAS**IN THE SUPREME COURT****Commercial Division**

**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)

AFFIDAVIT OF CHRISTINA R. ROLLE

I, **CHRISTINA R. ROLLE**, Executive Director of The Securities Commission of The Bahamas (“the Commission”) of the Island of New Providence, one of the Islands of the Commonwealth of The Bahamas, **MAKE OATH AND SAY** as follows:

1. I make this Affidavit on behalf of the Commission in my capacity as the Executive Director of the Commission. Unless otherwise stated, the matters deposed to in this Affidavit are within my own knowledge and are true. Where I have deposed to matters that are not within my knowledge and based on information, they are derived from the sources which I identify and verily believe to be true and correct.
2. This Affidavit is made in support of the Summons filed on 22 January 2025 on behalf of the Joint Official Liquidators (“JOL’s”) of FTX Digital Markets Ltd. (“FTXD”) seeking sanction of the Administrative Claim Settlement Agreement and the Claim Subordination Agreement both dated 21 January 2025 (“the SCB Settlement Agreements”) made between FTXD, acting by the JOLs, and the Commission.

3. On Monday, 27 January 2025, at the hearing of the said Summons filed on behalf of the JOLs, Counsel for the Commission gave an undertaking to this Honourable Court that the Commission will file and serve an Affidavit to explain the basis upon which the Commission has advanced its claim for payment in the amount of \$10,000,000.00 by way of the invoice dated 4 December, 2025 addressed to FTXDM, which appears at page 152 of Exhibit KC-1 in the Twenty-Fifth Affidavit of Kevin Cambridge filed herein on 22 January 2025.

4. The Commission's explanation is as follows –
 - (i) Pursuant to the Transfer Order entered herein on 12 November 2022, the Commission assumed custody and control of the digital assets, then under the control of former directors of FTXDM, for the purpose of safeguarding such assets for the benefit of the clients and creditors of FTXDM and because it was in the public interest to do so.

 - (ii) Further, under the terms of the Supplemental Order entered herein on 21 November, 2022, this Honourable Court directed, inter alia, that the Commission shall be regarded as acting as trustee in the administration of trust assets within the meaning of the Trustee Act Ch.176 for the benefit of the clients and/or creditors of FTXDM, pending directions for the continued safe custody of the said assets issued by this Honourable Court.

 - (iii) The Commission acted as court-appointed trustee of the digital assets from November 2022 to April 2024. Details of the administrative services performed the Commission as trustee has been compendiously stated in its Invoice dated 4 December 2024 to FTXDM. A copy of the Invoice is also now produced and shown to me and marked as Exhibit CRR-1.

 - (iv) In determining the amount of the fee the Commission would charge FTXDM for safeguarding the digital assets, the Commission inter alia considered what a corporate trustee providing similar services in this jurisdiction would ordinarily charge for acting as trustee of a trust estate of substantial value. I am aware that such corporate trustee would charge for their services a percentage of the value of the estate being held by the trustee ("the estate"). This, however, can vary depending on the size of the estate, nature and risks relating to the assets held as well as the scope of administrative services the corporate trustee is required to perform. I am also aware that such corporate trustee may

charge additionally, and sometimes alternatively, for their services on a time spent basis at an agreed hourly rate. I am also aware that, in some instances, such corporate trustee may charge an agreed fixed or flat fee for their services.

- (v) In this case, the Commission did not consider it appropriate to advance a claim for its remuneration for acting as trustee safeguarding the assets that has been calculated as a percentage of the value of the digital assets. In addition, given the risks and potential valuation of the digital assets held in safe custody by the Commission, such an approach might have been considered prejudicial to the interest of creditors of the insolvency estate.
- (vi) Further, the Commission does not charge hourly rates for the performance of services. Thus, fixing an hourly rate in respect of the services provided to safeguard the assets was likewise considered by the Commission an inappropriate approach.
- (vii) In the circumstances, the Commission determined it would be most appropriate to negotiate and agree with FTXDM, acting through their JOLs, a flat fee as remuneration for its services rendered as trustee; but, in doing so, give due weight and regard to the substantial benefit that accrued to the insolvency estate of FTXDM, its creditors and clients as a result of the steps taken by the Commission to safeguard the said assets. This negotiation took place during the months between September to December 2024 and was supported by the US Debtors.
- (viii) In the result, payment of a flat fee in the amount of \$10,000,000 has been agreed by the Commission and FTXDM, acting through the JOLs and the Commission's invoice presented to FTXDM for payment.
- (ix) I am informed by the JOLs that the US Debtors support their decision to agree to pay that sum of money to the SCB for providing administrative services as trustee and the Liquidation Committee of FTXDM agrees to the payment being made to the Commission.
- (x) There are no available comparatives or precedents where another regulator involved in any FTX liquidations globally acted as trustee or custodian to safeguard assets on behalf of clients and creditors.

5. I respectfully urge this Honourable Court to accede to the JOLs Summons seeking sanction of the Administrative Claim Settlement Agreement and the Claim Subordination Agreement both dated 21 January 2025 ("the SCB Settlement Agreements") made between FTXDM, acting by the JOLs, and the Commission.

SWORN TO at Nassau,)

New Providence, this 28th)

day of January, A.D., 2025)

Chikiz

Before me,

Deanna
NOTARY PUBLIC



IN THE COMMONWEALTH OF THE BAHAMAS
IN THE SUPREME COURT
Commercial Division

Claim No. 2022/COM/com/00060

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

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

SECURITIES COMMISSION OF THE BAHAMAS

Plaintiff

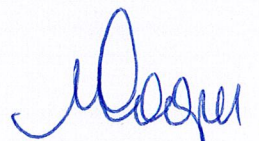
AND

FTX DIGITAL MARKETS LTD.

Defendant

CERTIFICATE

I HEREBY CERTIFY that this is the Exhibit marked "CR-1" mentioned and referred to in the Affidavit of Christina R. Rolle dated and sworn to before me this 28th day of January A.D., 2025.


NOTARY PUBLIC





Poinciana House
North Building, 2nd Floor
31A East Bay Street
PO Box N-8347
Nassau, The Bahamas

4 December 2024

To: FTX Digital Markets Ltd.
c/o Lennox Paton
3 Bayside Executive Park
West Bay Street & Blake Road
Nassau, The Bahamas.

INVOICE

Description of services	Total (BSD)
<p>Acting as Court-appointed Trustee from November 2022 to April 2024 for Digital Assets to protect the interests of Creditors and Customers of FTX Digital Markets Ltd. ("FTXDM"), and related costs including, but not limited to:</p> <ul style="list-style-type: none"> - overseeing the transfer of the Digital Assets to a secure wallet established with Fireblocks and maintained by SCB in accordance with the Transfer Order issued by The Bahamas Supreme Court; - ongoing monitoring and reporting related to the Digital Assets over the period 12 November 2022 to 22 April 2024, including providing periodic audits and detailed reports to ensure transparency and compliance with regulatory standards; - overseeing the transfer of the Digital Assets to the Joint Official Liquidators for FTXDM over the period between 17 April 2024 and 22 April 2024; - liaising with various foreign and local counsel re reviewing court documents and obtaining various local court orders; - conducting conferences, interviews, and correspondences with certain officers of FTXDM; - liaising and conferring with other relevant parties including, but not limited to, the Government of The Bahamas, Royal Bahama Police Force, and the US Debtors; - and other relevant costs incurred in the course of providing the above services including, but not limited to, travel, training, media, and support and technology. 	10,000,000.00
TOTAL (BSD)	10,000,000.00

Payment Terms: Please pay by 20 December 2024, including any currency exchange charges and bank wire fees when sending a USD wire transfer.

Please pay via Bank Transfer to **RBC Royal Bank (Bahamas) Ltd.**
Bank: /001 1 188448
(BBK) ROYCBSNS
Beneficiary: Securities Commission of the Bahamas
Account # 056252879344

Intermediary Bank: (IBK) JP Morgan Chase Bank, New York
Destination: CHASUS33
ABA021000021

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AFFIDAVIT OF CHRISTINA R. ROLLE


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Delaney Partners
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New Providence, The Bahamas
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Tel No: (242) 702-4500
Filed on behalf of: The Petitioner