

RECORDING. VIRTUAL MEETING.

MIRROR TRADING INTERNATIONAL (PTY) LTD, IN LIQUIDATION

SECOND CREDITORS MEETING

MASTER: Good morning, Ladies and Gentlemen. Can you all hear me?

ADV VAN STADEN: Yes, Master.

MASTER: Yes. Today I'm using a small device. I happen to forget my big device, so this one is not as friendly as my big one. This meeting, I really thought it was at 10h00 when I normally could sit on virtual meetings at 10h00, in the morning I started the local meetings I held here. Right, as you know this is an adjourned second meeting in the matter of Mirror Trading (Pty) Ltd. Reference number of the Master there is C906/2020.

Now, last time we said in December, we postponed to today, as you know the purpose is proof of claims and also to get directions from creditors and members. Now just by a way of giving direction to this meeting, I will later ask the introduction of the people that really have got... I know that there are a number of appearances and participants today, I will just need the people who are here for the members and also the investors of the creditors. Of course, there's a number of creditors, investors. Now, with a list of claims that run into hundreds and quadrants into thousands, but I

have noted for today's purpose that there is a claim which is different from others. One claim of JNX online and no, the typical investor and of course another claim submitted by Selzer Law Attorneys which is just for Clynton Hugh Marks which is just an affidavit. I understand Marks is also a member, maybe that he will also come in at the members meeting for purposes of directions.

So, starting with the creditors meeting, I wanted to know, the then parties to introduce themselves, those who have got power of attorney for creditor JNX Online, and also the investors. All right, can I hear from you?

ADV VAN STADEN: Morning, Master. Advocate Hendrik van Staden speaking here. I am representing investors and also, it's investors who are nett losers in MTI and the schedules were submitted to your office and the total comes to-

MASTER: How many investors, roughly, or creditors that you are representing, that's your power of attorney?

ADV VAN STADEN: 920, and in accordance with the two schedules that were submitted to the Master, as well as a value of R229,802,189 (two hundred twenty-nine million eight hundred and two thousand one hundred and eighty-nine rand), and that is despite the schedule that another person, which is being disputed, that was handed to Mr Kobus Schabort, which also has names of people who gave power

of attorneys to me. It has been brought to your office's attention, as well as to the liquidators, but I still haven't received any feedback as to why people whose power of attorney was submitted to you, and who I've got a copy of, who gave me explicit power of attorney is on the schedule of Mr Kobus Schabort. Thank you, Master.

MASTER:

All right, I've noticed your name and that you represent about 920 or so investors. By the way, today's meeting, I know it's not the first meeting where there's more interest from creditors and those who may be appointed as liquidators, so it becomes a rush-rush, because... but right now I want the meeting to go quickly and smoothly because now we've got now final determined liquidators, which means now there is no extra conversation from creditors, and the possible liquidators. That one is sorted, it is settled, you know, we just want the matter to proceed, the administration to proceed, which of course, that also depends on the second meeting proceeding with its purpose. So, I've noted, Mr Van Heerden-

ADV VAN STADEN:

Van Staden, Mr Master, and then also should there be any challenges with regards to that there was a manipulation of list for the first meeting of creditors. I will, at a later stage, proceed outside this meeting to ensure that justice is served, thank you.

MASTER: Yes, can I then hear another appearance? Who is also having some creditors?

ADV SUTNER: Master, Master. Can you see and hear me? My name is John Sutner.

MASTER: John Sutner, I can hear you.

ADV SUTNER: I am an advocate at the Johannesburg Bar. I am appearing for Clynton Marks as a creditor and as a member.

MASTER: Clynton Marks as a creditor and member. All right.

ADV SUTNER: Thank you, Master.

MASTER: All right, and then-

HENRY SELZER: Master, can I just put myself on record?

MASTER: Any other person with power of attorney on behalf of the creditors who are investors?

HENRY SELZER: Yes, that's me, Master. My name is Henry Selzer, I'm an attorney. I represent 106 creditors and the power of attorneys have been filed with yourself on 8 December.

MASTER: And it says how many creditors, roughly, you have?

HENRY SELZER: 106.

MASTER: Okay, any other persons for creditors with power of attorneys?

CHRIS EDELING: My name is Chris Edeling, I represent 2 creditors.

ALAN NEWTON: Good morning, Mr Master. My name is Alan Newton, myself together with Mr JC Kriek represent 17 creditors in terms of power of attorney.

MASTER: So let me just record you, I just want to know, from the Mr Edeling, since you have two creditors, is it also one of the investors or just another claim?

CHRIS EDELING: Investor creditors, Bitcoin investor creditors, Sir.

MASTER: Okay, what are the names of those two creditors?

CHRIS EDELING: Let me just, let me just get it for you. Sorry, sorry, sorry. Bodenstein, Roux and Bodenstein.

MASTER: Is that Bodenstein?

CHRIS EDELING: Bodenstein.

MASTER: Bodenstein, can you spell Bodenstein?

CHRIS EDELING: There are two. One's name is Zandella Roux and the other one's name is Adele Roux Bodenstein.

MASTER: Zandella Roux and then I heard, Roux Bodenstein.

CHRIS EDELING: Adele Roux Bodenstein that's one, and the other one is Zandella Roux.

ALAN NEWTON: Yes, Mr Master, sorry, it's Alan Newton, I appear together with Mr JC Kriek on powers of attorney we are for 15 creditors, claims TL1 to TL15, from Riaan de Jongh to Theresa Goetsch. Thank you.

MASTER: Okay, and then, All right-

SYBRAND TINTINGER: Sorry, Mr Master, sorry, can I just interrupt? I just want to complete the appearances if you don't mind. My name is Sybrand Tintinger, I'm an attorney in Pretoria, I represent the joint liquidators of MTI at this meeting. They are also all part of the meeting, and they are all attendees on this forum. They are Deidre Basson, Jacolien Barnard, Christopher Roos, Herman Bester and-

MASTER: Can I get your name again?

SYBRAND TINTINGER: I do apologize. It's Sybrand Tintinger. You will see it reflected on the screen. My surname is spelt T-I-N-T-I-N-G-E-R and I am acting on the instructions of the attorneys firm Strydom Rabie for the liquidators. Mr Master, may I just also mention that the meeting is being recorded and a transcript of the meeting will be available afterwards to the parties. Mrs Jacolien Barnard, one of the liquidators, is recording the meeting, so I'm just placing that on record and in case any interested party may require a transcript of the meeting, we will arrange for the meeting to be transcribed, the proceedings and a record will be made available without charge to any party requesting a copy of that meeting.

Mr Master, the liquidators to assist the Master insofar any issue may arise at this meeting, but given the nature of the

meeting, the liquidators will take a proverbial backseat and we'll just be here in case the Master calls on us for assistance. May I, however, suggest that the proceedings be embarked on, on the basis that we first deal with the creditors meeting on the basis of, in the sequence of the claims submitted and then we go over to the members meeting.

MASTER:

No, no, before that, of course when I came here, we all recognized that there's a number of these claims and, of course, it will not be possible in this meeting to all, especially the investors, the only claim that I really have visibly seen and had a look properly is the claim of JNX Online, what is one claim that is obviously clear, which is more clear than the other claims of investors, which most of them have got printed out screenshots of proof of this Bitcoin, you know, investment. So we, you may need to, for those other claims of all the investors, you may need to deal with them, the liquidators may need to look at those later, investigate them in as far as under section 45 to check what they need to come to an agreement to say how does one prove an interest in an investment in this kind of market, it's a new market. Bitcoin, it's a new thing. It's not been there for a number of years. Obviously, I would imagine also that the liquidators would need some skills to check what you can prove, I know there are wallets, and

then there are some pin codes that a person must have to prove that he invested in that. So, you need to identify and agree on a standard proof documents, besides just affidavit, you know to say that okay, this is what we will, we can accept as a proof of a claim, or a proof that the person invested money. I do understand that sometimes, obviously, a person must keep a password or that you can't lose your password, you know, so those kinds of things. So, due to impossibility at this stage, those kinds of investors would have to investigate it at a later stage, by the liquidators, and then-

ADV SUTNER: Mr Master, Mr Master-

MASTER: Can I finish?

ADV SUTNER: Sorry, Mr Master.

MASTER: Can I finish my line of thought?

ADV SUTNER: Yes, Master.

MASTER: And then, the purpose now that everybody would want here is that this meeting, at least, must come to a solution where it will allow the business of this liquidation to continue and if it means that, like I've noted here, there is a claim that can be proved because it's clear, let that claim be proved and if there's a power of attorney there, then that person with that power of attorney can then vote for the normal business of today to continue and then we go to the

members meeting, and then obviously, the members will establish that there's members obviously voted for liquidators and all that, so we know who are the members. Then those can also vote for the business of today, so that the liquidators proceed with the work. The rest of the other thousands of investor claims, then that business, liquidators using their other Bitcoin experts to sort of help them to settle all these claims of these investors, because obviously they are also interested in getting their money but there must be a standard agreed document that will then make everybody happy. Of course, ideally this must be clear, some of them are not clear, you can't see numbers, it's lots of photocopies and stuff like that. So, that is my take on this as a way forward, because I don't want us to spend too long on this when we know that today you can't look at all of the [...] (0:17:10).

So, I wanted for this creditors meeting, I noted the JNX Online and of course there's another one that was submitted by Selzer Law which is the claim of Marks, who is also a member. Of course, which claim of Marks I could not really accept it in its form as this is just an affidavit, but maybe as a member Marks [...] it could be another business. So, can I get the person who has the power of attorney for Mr Jacobus Hendrik Schabort, I did not, is he here? Can you hear me? Is Mr Schabort here?

SYBRAND TINTINGER: Mr Master, can I just say that there is an open microphone of one Anerene Swanepoel which is disturbing the proceedings. If she can just mute herself and can I just [...], if you don't mind, implore on everyone who is part of the meeting who is not participating actively at the moment, to mute their recordings. I'm just a message from my group that Anerene Swanepoel's interference is disturbing the record at the moment.

MASTER: Yes, please. I see now Anerene is muted. All right, can I get, where is Mr Jacob Hendrik Schabort? This small device, okay, Mr Schabort I see you now, this small device is really, that I must swipe to see you. Now, can I hear from you regarding the claim of JNX Online, I looked into that, I did not have a problem with that claim of JNX Online. Mr Schabort, you are muted, can you unmute yourself? You are muted.

UNKNOWN SPEAKER: His sound is not working.

MASTER: Mr Schabort, can you unmute yourself? Can you hear me?

ADV VAN STADEN: Mr Master?

MASTER: Can you hear me now? There seems to be a problem here.

CHRIS EDELING: Sorry, Mr Chairman, can I just make a suggestion? This is Edeling. Mr Schabort are in the same office. I'm going to move away from my computer and let him come and sit where I am, and then you will see and hear him.

KOBUS SCHABORT: Thank you, Mr Chairman. Sorry, my computer is on and my mic is on, I don't know what is wrong with my computer, but I am here on the claim of JNX Online. Mr Chairman, it's not a Bitcoin claim or an investor claim. It's a simple claim for money's lent and advanced. The account is attached thereto, the proof of the money is supported by the ledgers and the account attached thereto and I submit that there is no reason why the claim cannot be proved.

MASTER: All right, noted. As I said, I had a look at the claim, so that claim will be [...] of JNX Online. (0:22:02)

ADV VAN STADEN: Mr Master, Adv Van Staden here. Yes, I cannot accept that all the claims are unlegible, as the over 550 of my claims were submitted on the same document that was provided by the liquidators and in with amount that was agreed upon and was also advised by themselves. So I cannot understand that 520 of these claims can just be rejected and that all of them are unlegible.

MASTER: There are no claims rejected as in another principle, it's just a matter of possibility, there are no claims rejected. It's a matter of saying for purposes of this meeting and progress to avoid many postponements is to say all these investor claims, of course others [...] I've looked at them personally, they are really, some of the copies are not clear, but doesn't mean the liquidators when they [...] will not accept if they

feel even though it is eligible, but we'll accept it. This is just for the progress of the meeting so that this process goes further, I mean, we all know this matter is a unique matter.

ADV VAN STADEN: I agree, Mr Master. However, I would like to bring to your attention the purpose is that it was rejected at the first meeting for purposes of voting – there was actually sufficient time for inspection the claims – and it will actually prejudice the investors if they are not allowed to vote on any resolution that was tabled for this meeting of today.

MASTER: That is why I was providing that direction here. If there's a claim proved, then obviously, from the... I would imagine that the further business of Mr Schabort would be to then, to move forward, to say now that this claim is accepted, what is his further business for today's meeting, because as you know it's a two-fold meeting, to prove claims and of course, get direction from those with proven claims. That's the purpose of this meeting. Before I go the members, let me start with Mr Chris Edeling.

ADV SUTNER: Mr Master-

CHRIS EDELING: Thank you, Master. May I respond to what Mr Van Staden has said?

MASTER: Yes.

CHRIS EDELING: Mr Van Staden's claims are all bad, not because they are Bitcoin claims, but because their cause of action says

'monies deposited'. He has not a single claim that which is otherwise than monies deposited, and none of them – legible or not – have any proof of any money being deposited. They missed the boat never mind what the provisional liquidators at the time thought the claim should be, the claim for monies deposited is bad, because that's not what any of the investors did. So, I submit that the Master should stand by his ruling, and in fact, for this record to be clear, you've already accepted the JNX claim, you will now hear Mr Sutner about Mr Marks' claim, all the other claims are investor claims which I submit should be rejected for reasons not only what the Master has already placed on record, but because of bad causes of action. Thank you, Sir.

MASTER:

Mr Sutner.

ADV SUTNER:

Thank you, Mr Master. Mr Master, there are three points I want to make. One is that the Clynton Marks claim is a claim for a return of the value of Bitcoin that was sold. It's not a investor claim, it's a creditor claim pure and simple. That's the first point I want to make.

The second is I want to prove it so that I can have a say on behalf of Marks in what directions are given to the liquidators.

The third point I want to make is one which I make without disrespect to my learned friend Mr Edeling, and that is at this meeting any claims that are proved, are so to speak proved simultaneously as opposed to any claims which theoretically could have been proved at the first meeting. That being the case, nobody who had not proved before today has a right in terms of the Act to object to anybody else's claim. The only person who can take a position on claims that we intend to prove, is you Mr Master. My submission to you is that Marks' claim is a clear liquidated claim and I'm going to ask you to admit it to proof.

MASTER: No, no, what I have with me is just an affidavit.

ADV SUTNER: Yes. That's what the Act calls for.

MASTER: No. No. No, I need something more than that, I mean –

ADV SUTNER: Well then, Mr Master, you must, then you must reject the claim. Then you must reject it.

MASTER: [...] I know, of course, that is why it was rejected, which is why I was.... (0:27:28)

ADV SUTNER: So, you have rejected Marks' claim.

MASTER: [...] yes, and accepted the claim of JNX Online.

CHRIS EDELING: Master, may I respectfully submit that you then record as part of the meeting that JNX claim is admitted, and the Marks' claim is rejected –

MASTER: All right, before we, all right look. Look, I must qualify this rejection. It's really, the rejection of these claims obviously is not, it's really purely out of the legibility of the copies, really, and also really absence of one accepted proof kind of. It's basically [...] on that, I would say as you know [...] rejected claims, it's not like it's over, it's final, it's done, no, it is just purely these ones out of illegibility and I'm really, I will ask the liquidators that these claims of these investors which I just rejected purely for the eligibility must really be looked at and I will be happy if we come to a solution where we say all these claims, this is a standard proof that must be [...] to accept all of them this is what I would agree that must be there. No claim that the liquidators must really treat them with greatest inspection and for me today, I wanted today's meeting to proceed its business so that the liquidators can go ahead and do their work without openly investigating all of them. I don't want them elsewhere, we have five of the, five liquidators there and I want them to approach this with an open mind, you know.

Mr Edeling, your hand is up?

CHRIS EDELING: Thank you, Master. To support the approach that you've taken can I just point out the meeting that the draft resolutions which the liquidators attached to their second meeting report, it's in suggested resolution number 13, that the liquidators will investigate based on the back office data

base and any claims which have been submitted which agree with the amounts as determined in terms of the books and records will be admitted, whether in terms of section 78 or otherwise, and Master, I get the impression that is exactly what you wanted. This is not a suitable meeting to debate hundreds of claims. Thank you, Master.

MASTER: Yes, obviously Mr Van Staden, is obviously within his rights to protect his creditors. You know, of course, if there are challenges, obviously every party can come forward and write to us if there are any dissatisfactions, but like I said, this rejection is purely on the fact that these claims are not properly, not legible properly you know –

ADV SUTNER: It's nonsense –

MASTER: But liquidators, five of them, we really have five liquidators in the matter, they have a lot of work on their hands which they must... this matter will determine really whether the current liquidators are up to it. I expect them to take this matter as the highlight of their careers. To say, this is the matter I don't want to make a bad judgement calls on, this is a matter that I want to treat with all the respect it deserves. People lost money, money is here. We know the story of the...it's already news about the four directors of this company, we've lost money. Liquidators –

SYBRAND TINTINGER: Thank you, Mr Master, may I just say something in response to that insofar –

MASTER: Let me finish. Liquidators in this matter have to all work together. If there are challenges about the investigations, in fact, like I said, I really don't want you cause maybe from the liquidators also to say what is their approach on the matter, what they will be looking at in investigating the claims further, what will be the acceptable documents, [...] being perfect from this but at the same time whoever invested money there must be known that invested money and of course, other things about invested money, yes the amount of the claim may be a [...] challenge, did you invest the money, did you get paid back, did you withdraw some money, I don't know, people can grow money. (0:34:40)

That's the point, to basically appeal to all the liquidators to treat this with respect this matter, it is an emotional matter, [...] or three years or two years to look at each play and then have this meeting go on and on and on and that is what I am trying to avoid that it keep going on for months without moving forward when our five liquidators we have entrusted with this matter who also have powers to use various experts, yes, who have the powers to engage various experts in this field, if obvious to some of the liquidators are not Bitcoin, are Bitcoin challenged, or cryptocurrency challenged. Of course, they've got the

powers to be part of these meetings, to allow them also to get those powers to get that expertise, so that will help them.

I mean the Zondo Commission did this, the Zondo Commission, they had to hire a company from the UK, I think, to help them to see how the Gupta's moved funds around. In light of the fact that the Gupta's could not be here to speak for themselves, so they had to hire someone to follow the trail, you know, to try to help him come to some idea of what, how much was circulated during State capture, the funds so that they can come to a conclusion in the absence just because they didn't want to be part –

That's just an example. So, I expect this matter to move smoothly. So, we are still commenting –

ADV VAN STADEN: Mr Master.

MASTER: Yes, Mr Van Staden.

ADV VAN STADEN: Thank you very much for that, Mr Master and I understand the predicament, I just want to put in on record that I am not satisfied that the claims have been rejected but for purposes of proceeding I understand your decision. However, I'd also like to put it on record and remind the liquidators that they are there to work in the best interest of the investors and or creditors and they must be transparent at all times and to engage and to give the necessary

information through to the creditors and I hereby reaffirm that I will be communicating with them in the best interest of the net losers in MTI and to ensure that everything is done above board and that the interest and rights of the net losers are respected and indeed that justice can prevail. So, for those purposes I understand it Mr Master and I will be communicating with your office should there be any challenges regards to any of the liquidators or any [...] things happening. (0:39:02). You remember the visit by the deputy Minister, she did raise her concerns, it's also known to the DG and the deputy DG which we communicated to, so let's work in the best interest and clean up the liquidation process in South Africa and ensure that liquidators are held responsible for all decisions. Thank you, Mr Master.

ADV SUTNER:

Mr Master.

MASTER:

Thank you, Mr Van Staden. Mr Sutner, yes?

ADV SUTNER:

Mr Master, you rejected Clynton Marks' claim and when you rejected the other claims you said you did say because they were illegible. What is the reason for rejecting Clynton Marks' claim?

MASTER:

Well, like I said it's not substantiated, basically. It must be substantiated as well, have some meat to it, documents which obviously I mean, otherwise all people will just come with affidavits –

ADV SUTNER: Which is what the Act provides, but you've rejected it, I just, if that's the reason, the reason is that it's inadequately supported.

MASTER: Okay, let's say you, someone is owed by a company and then someone just come and say look, this company owes me three billion, here's my affidavit, that's it, the Act says that the affidavit is enough, so that can't be. Remember also people lost money as much as people lost money, but also the directors and all those people, they've got also interest in the matter [...] it's not a free for all that you can just come up with some affidavit, there must be something, it's common knowledge, it's common sense when you talk money you can't just, there must be something to prove that. (0:40:42)

Thank you, ladies and gentlemen, about this thing, but as I said Mr Van Staden [...] emphasize that the liquidators in this matter are expected to work together for one purpose only, to make sure that all the creditors, of course, get obviously what is due to them, those who have something due to them, must you know so, this is obviously for most of them the highlight of their careers, this matter is not a small matter. So, it can be a make or break for them as well, the liquidators in this matter. So, I will appeal to them to treat everybody equally and really and work together in this matter. In fact, I'm going to ask them as well, that even

writing to us, the Master, they need to agree as well that when they write to us, they must maybe agree that okay, this okay, unless I agree that for correspondence with the Master, this is the liquidator who will correspond with the Master, but of course, not that you then this liquidator writes a letter and this one writes a letter and that one writes a letter, now we've got 25 letter from the same liquidators. We must respond to this one, to this one, they must work as a unit and sit down and agree that okay guys, let's agree who is, who can amongst us be the door between us and the Master, but of course, working together from the five of them all of them must know what the other is doing. So they must consult, they must know what has happened, everyone, all of them must know what the other is doing, but obviously, yes.

Anyway, that is the first meeting and now I see now that the JNX Online is admitted, Mr Schabort, what is your further business about this claim? What is your purpose about this claim, your claim has been proved? Your power of attorney –

ADV SCHABORT:

Sorry, I must just move. Thank you, Mr Chairman. I'm here on this computer that actually records me, and I can talk. Yes, I will vote for the adoption of the resolutions as tabled by the liquidators. Did you hear me Mr Master?

MASTER: Yes, I heard you Mr Schabort, for creditor, that will be creditor number one. JNX Online will be creditor number one.

ADV SCHABORT: Yes, and as I stated I vote for the adoption of the resolutions as tabled by the liquidators.

MASTER: All right. Who's got the echo because the volume is too high, I hear myself. Yes, who's got an echo there?

ADV SCHABORT: Mr Chairman, I'm the only proved creditor –

MASTER: Yes, your computer can you slow down your volume a bit? All right, I take it that this will be eating as far as that part. Then to the members meeting and then go to the members meeting.

ADV SCHABORT: Thank you, Mr Chairman, I am here on behalf of the Trustees of the 50% member, Mr Steynberg. I was also at the first meeting on behalf of the Trustees of Steynberg's estate.

ADV SUTNER: Mr Master, I appear for Clynton Marks as the other 50% shareholder.

ADV SCHABORT: Mr Chairman, you will recall at the first meeting the specific instruction from the Trustees for this meeting for tomorrow, for this morning, that we should as far as members has a say, adopt the resolutions as well.

MASTER: Okay, but I'm trying to get... so Mr Sutner for Clynton Marks –

ADV SUTNER: Mr Master, you saw that Clynton Marks has submitted resolutions that he wants passed, we don't support the proposition that you should pass the liquidators' resolutions. We've submitted to you on two occasions the resolutions that we want passed. So, it appears that you have a deadlock here.

ADV SCHABORT: I agree with that, Mr Master. I think there's a deadlock because I don't have an instruction to vote for the resolutions as tabled by Mr Marks.

MASTER: All right, then, we will then obviously leave it there, but okay, there was resolutions adopted by the members. No resolution adopted by members, then obviously, the liquidators it's fine, they'll follow the law, what the law says, in this kind of situations, you know, so to move the matter forward. They will see what the law says to move the matter forward. All right, so that is it about the members meeting.

Let me just take, Mr Edeling, look you said again you are for another member. Mr Edeling?

ADV SCHABORT: I think you are referring to me, Mr Chairman, I'm here on Mr Edeling's laptop because mine doesn't seem to work. I'm for the 50% member being the Trustees of Mr Steynberg.

CHRIS EDELING: [...] (0:49:06)

MASTER: Yes, for the members meeting obviously he has nothing to say, I mean, he has no [...] Mr Edeling.

CHRIS EDELING: Sorry Sir, I don't anymore have *locus standi* to appear at the members meeting. I had *locus standi* –

MASTER: All right, the only person for the members was Mr Sutner.

CHRIS EDELING: And Mr Schabort, yes sir.

MASTER: Mr Schabort, yes, I think that's the person I'm looking for.

ADV SCHABORT: [...] won't you just bring it to me?

MASTER: Mr Schabort, just give me again the member that you are representing.

ADV SCHABORT: The Trustees of the insolvent estate of Mr Steynberg, which is the other 50% member.

MASTER: The insolvent estate of Johan Steynberg?

ADV SCHABORT: Yes, Mr Chairman.

MASTER: Okay, ladies and gentlemen, that is the meeting today. That is the second meeting of members, except that I obviously did get a letter from one of the liquidators, but obviously that will be something else on the side. Any other business?

ADV SCHABORT: No business further, Mr Chairman.

MASTER: All right, what do we do with this meeting? Do we close the meeting?

SYBRAND TINTINGER: Mr Master, may I on behalf of the liquidators that the meeting be closed so that the liquidators can move on with the administration of the estate.

MASTER: Let me see who is speaking there, with this small device, it's hard to –

SYBRAND TINTINGER: It's the attorney, it's the attorney –

CHRIS KRIEL: Excuse me, Master. I'm sorry to interrupt like this. We represent approximately 12,000 investors and I work only with net equity investors and one of the major problems that we find as investors is that the form of communication that we get, or the communication that we get from the liquidators is null and void.

You earlier in your discussion said very clearly that these liquidators need to set a threshold for a burden of proof for this information. Now, I've been involved in this liquidation from December 2020 and I instituted, and I'd walked with the investors all the way through on this, and I really want to make a point here. The liquidators are being obnoxious, difficult and are just rejecting the attitude that they are taking to the individual investors. This thing is all over the world, 60% of the money came from South Africa, the other 40% came internationally into this investment, and they, the

liquidators, are sitting with Vivian.... with a person who has access to the back end at the close down of this thing. So they can quite easily prove and reconstruct who had invested these Bitcoin. To reject thousands of claims on the basis of a technicality from the liquidators where they didn't communicate that technicality to the individual investors is obnoxious and extremely extremely bad. I find this very very obnoxious. I am going to publish this meeting across the world and tell the people how the investors are being treated by these liquidators. I move that these liquidators are incapable of doing their work. They've been here for a year, they sitting with all the back end records and they haven't set a level of burden of proof, they just reject the claims. I feel that this thing needs to be moved to another level, and Master, I feel your frustration, I understand your frustration. You cannot deal with 240,000 investors. That's the number of people we are talking about. In this week alone 29,000 of these investors communicated with me. 29,000! I know that Adv Van Staden has on record more than 8,000 claims already, which have been submitted in documentation to them but we have no threshold of burden approved. I challenge these liquidators to tell us how they are going to do this. They are sitting with the back end, they know what was deposited, they are doing nothing to prove these claims and that is disgusting that we get one year

later and they haven't actually tabled one single claim from one investor that has been proven. That is totally and completely unacceptable. I shirk to think about this, this is ridiculous. Okay, I've said my piece and I'm really sorry about this and I feel, I feel completely frustrated. Hendrik van Staden has been working day and night to get this resolved, and now some liquidator comes on here, a lawyer comes on here, and I know we've been communicating with his office, we have sent them numerous letters, they have not responded to one. It is ridiculous, it is absolutely ridiculous. Master, how can these people at this stage, one year later, not put one claim of one person on the table and say, we've proven this. How is that possible with the amount of money that they are taking out of this. I really do move, Master, these liquidators need to be taken off this job and that competent team of people need to be put on to get this thing resolved for the investors. This is not going anywhere at the moment. Sorry, Master.

Do you want any more questions for me, Master, do you have any more questions for me?

MASTER:

No, no, no, I'm sure they've heard you, of course, the beginners of today the meeting, of course, there will be still special meetings but this is not the last meeting to approve claims. There will be special meetings, and for that there may be a lot of them to try and prove each and every claim.

So the second meeting is not the end, it's just to allow the liquidators of course to get to us directions from the good creditors so that they can also do their work further, but there will be a lot of special meetings to prove all those claims and everything applies to –

CHRIS KRIEL:

Master, can I just ask, can I just make one recommend one question. Master, can I just ask one thing Sir. Just one thing that I'd like to ask, that the liquidators (or whoever is involved in this) put together a panel which sets the level of the burden of proof and the requirement for that level, or what the burden of proof is. I absolutely agree with you that the documentation has to be correct, and it has to be in line with what was on record at the time that the actual system was set down. The liquidators are in possession of this shutdown when this whole thing was shut down, so they can actually look at the computer and say that person had so many Bitcoin at the time that this liquidation took place, he had so much in thing. All the rest of the records that the people have is through their bank accounts, all of that is provable, but they've done nothing to actually set the threshold, to say this is the threshold and please prepare your claim like this and submit them like this, but it's all nebulous. There's no answer. It's no leadership.

MASTER:

I've noted that, I've noted that, they will obviously, if that would help the threshold, of how the document should look

like, which we've asked from them as well to also share that with us as the Master, but don't worry, this meeting is not, it was just a two part meeting to prove and get directions but there will be special meetings that I say there will be special meetings and special meetings can be any number, as long as claims come they will do special meetings that will have to prove all those things, but at least one thing that at this second meeting, claims that have been rejected is the end, no, it's not the end. It is not the end, there will be lots of special meetings purely to prove those claims.

CHRIS KRIEL: Thank you, Master.

MASTER: This meeting, they will be getting more powers and of course, and their directions to also engage experts because I understand some of them may be challenged with this was a new thing the Bitcoin, is a new thing, it's a few years ago, so I'll give them that benefit of the doubt, but of course you're right, I mean, I expect them, and we as the Master expect them to do their work diligently, they've got [...] responsibilities and they know that it has got serious repercussions for them. (0:59:47)

I'm sure you've heard you, I'm sure they wouldn't want your complaints and I'm sure they wouldn't want themselves trending on social media in the world and because of this matter, because like I said this is the matter that is a, to

them earlier and I set my address that this is the highlight of their careers, it's a matter they should use to tell their grandkids that I once handled this matter and I happily finalized the matter. All investors were happy, most of them, and we handled it, it's a flagship in my career. So that is how they should treat this matter, hence I said obviously, you talk about leadership, of course I did allude to the fact that amongst five of them they will of course have, they should obviously have their own leader amongst the five of them who will liaise with the Master. We don't want everybody to be a leader, there must be a leader that they announce themselves, and they will trust themselves, they know their strengths, so you are good at that, do that, talk to the investors, you have got good human relations, talk to them, I've got a good IT person, I'll talk to that IT guy. They must set themselves rules, because the last thing I want in this matter or want in this matter as a Master is to get 240,000 complaints. That is the last thing we want, because it will mean then the matter will go for years without being settled, and of course that is not in the interest of the liquidators because also it will mean that any complaints will also delay their remuneration in this matter, because remunerations also depend on them doing a proper work and happily settle matters of the creditors so that also they can get to enjoy remuneration in the matter,

otherwise if they allow 240,000 complaints from investors, then it will also not be in their interests.

CHRIS KRIEL:

Master, I really appreciate the fact that you are standing up for the investors and your voice, today, gives me hope that the investors will actually be treated with respect and the proper attitude from these liquidators. I have not seen that. Adv Hendrik van Staden has been doing his utmost to get a threshold of what is acceptable. Today, at this meeting, after months of documentation, we hear that the threshold wasn't correct because some lawyer has decided that money is incorrect, but that's not being communicated. I have not heard this in all the time that I was involved in this. That is ridiculous. Master, ridiculous.

MASTER:

No, no, don't worry, those lawyers are not bigger than the liquidators. The liquidators are the ones in this matter who really matter. I have not appointed lawyers, we have not appointed lawyers, we have appointed liquidators who have got duties as well. So, if they or the lawyer, they are the ones who instruct a lawyer, we appointed you, we employ you, you are the lawyer, we employ you, we are working on the instructions of the Master as appointed and for all the creditors. You lawyer, whoever the lawyer is, he will, he or she will have to follow the instructions of the liquidators who have those [...] abilities. They are here and I can see, fortunately, they have not interrupted you to try

to defend themselves, they hear you well. That may be a good sign, that they will listen to the creditors, because they are listening here. (1:03:38). They are not trying to raise hands to try to challenge you or try to clear names, which obviously I commend them for that, obviously I know people when someone says something they obviously naturally a person wants to defend himself or herself. So fortunately, today they are quiet, listening attentively to you and I've also not allowed them to respond, otherwise we'll take the whole day here.

No, thank you very much, that is the second meeting.

SYBRAND TINTINGER: Mr Master, sorry can I just say this on behalf of the liquidators. It's again, it's Tintinger speaking on behalf of the liquidators. Mr Master, you're quite correct that the liquidators did not interrupt that Mr Chris.

Unfortunately, I don't have his surname and he did not identify himself for the record, but I can tell you this, Mr Master, all correspondence that was received from Hendrik van Staden's attorneys have very diligently been responded to by the liquidators. Those correspondence were also responsibly filed by the liquidators on the Master's file and Mr Van Staden was invited to engage the liquidators on behalf of his clients. That invitation Mr Mobisello extends to every single creditor, including this Mr

Chris, he's invited again, the attorney acting for the liquidators on a day-to-day basis, Susan Strydom, she's part of this platform, the invitation on behalf of the liquidators for investors to engage them still stands. It is necessary, however, Mr Master, if a person purports to act on behalf of a group of investors, that person provides the liquidators with his power of attorney to act for groups of people. The reason for this, unfortunately, we've seen it, is that certain winners are also part of groups of losers, and they have their own agenda's, and we have, all we've asked on behalf of the liquidators is tell us who you act for, give us your power of attorneys and tell us these guys are all in a particular group. Be it winners, be it losers, as long as there aren't conflicting interests in those groups the liquidators will assist every single creditor. That invitation still stands. Mr Chris is more than welcome to engage Susan Strydom, he can send her an email today still. I am not aware - and I'm very intimately involved in very, or in many of the issues relating to the administration of the estate and the interaction with the creditors – I am not aware of correspondence not being responded to of concerned creditors. We have invited them all along to speak to the liquidators. It is also not correct that there is some mystique surrounding the treatment of claims. The liquidators have made it clear that they have taken legal

advice on the format of the claims, they've received the legal advice, they intend to approach Court for directions on how to deal with these claims. Mr Chris must understand that this is a novel estate. It deals with a currency not encountered before in this country where claims are lodged in Bitcoin, some creditors even alleged that the Bitcoin still belong to them and were simply deposited into a club. There are many complex issues that the liquidators have to attend to and formulate the claims for properly, and they've done so. They've taken advice of two senior counsel and there is an advice on one formulation of a claim that will be disseminated to the creditors very shortly.

So, it is a complex estate, Mr Chris must please understand it. There is a perception of non-communication, then I would want to immediately avoid it and I would want to tell Mr Chris you are welcome to communicate with Susan Strydom on behalf of the liquidators. She will immediately address your issues and she will tell you what the way is. The liquidators have also decided, Mr Master, yesterday that they will issue a new press release next week and whoever is part of this discussion can even send their emails on the group on the text and we'll send that press release to them immediately, and Mr Chris can put his particulars on this group in the chat history below or any of the other creditors who are voicing their concerns on this

forum, and Mrs Strydom will engage those creditors. It's an open door policy on behalf of the creditors, they have absolutely nothing to hide, they are here to look after the interest of the real losers, creditors in this estate and they will do so and they will discharge their duties transparently and they will keep on reporting to the Master and to the creditors.

CHRIS KRIEL:

Can I just add here, my name is Chris Kriel and I represent the company GetaQuid, the GetaQuid website is mine and I'm fully, I think the easiest way to do this, we represent a group, we represent a large group of investors who, international investors, they need one place to come to, and you can't deal with a thousand voices. So we try to collect thousands of voices and simply and simple that down and communicate with you and that's the problem that we all have, and we need, we can prove, I don't want powers of attorney. All I want is that the legal team that we have appointed, like Adv Van Staden, will feed back to us what we need to feed back to everybody out there.

We are not against the liquidators, they are the people who are going to represent our claims, but we are absolutely frustrated because everybody has a different thing. There's no level of a simple burden of proof and we know you are sitting with all the records. So please, I'm not being disrespectful. I'm trying to move this thing forward in the

interest of the investors. I'm not trying to be difficult, I'm just trying to voice the frustration as an investor.

So please, my name is Chris Kriel. You can contact me through the GetaGuid website and Adv Hendrik van Staden is a person that I'm working very closely with, and he knows the frustrations that these investors have got.

MASTER:

Okay, thank you, Mr Kriel, thank you everybody. Look of course, what Mr Tintinger just said, it would help you obviously to have something, someone that represents you. Maybe it may well be that you may have to use that attorney or advocate who will then speak on your behalf and on behalf of all the other investors who want information from the liquidators and so that also they deal with that one, you know, professional person to avoid, like he said, sometimes people represent people and then those people come there and say we don't that person, who is that person, who is that Mr Kriel, who is that? So that's an example. So try to have someone representing you legally or some advocate or attorney to just help you. It will, I think, that is preferable in this context of this matter which has got a number of people, so it will help if you've got a legal representative, like the liquidators have now their own attorney, but of course we don't expect liquidators to now abandon their word and then leave it to the attorney. They are liquidators, they must still be in charge of the work, of

the estate and not leave it to the lawyer. The lawyer must focus really on legal issues and not on pure administration issues of this estate, just some legal technical issues that the lawyer should help them in, they should as liquidators have their own leader amongst them to ease the administration.

HENRY HONEYBALL: Excuse me, Master.

MASTER: Okay, I don't want to prolong this meeting. Really, I will be here the whole day. I think, let's leave it here with due respect and say we've heard everybody and everybody has listened, and if there are complaints going forward or some issues, people can always write to the Master and whatever, are they are certain issues, or if they have issues obviously through a representative if possible.

HENRY HONEYBALL: Excuse me, Master. I don't think, I would just like to mention something. Thank you for having this meeting. I am Henry Honeyball, I was the third respondent in the claim. We represent about 18,000 members and we just want to say the confidence amongst the members against the liquidators are not good at all. I want to hook on with what Mr Chris Kriel said and his concern. Our legal team, there are a couple of legal teams that are representing large groups of people and we were in the process prior to the Court case in September in helping Hendrik van Staden

get the powers of attorneys and the claims in that came to about 4,000 if I remember correctly. The main problem that we have in submitting claims and you will hear that all over again, it was texted in the side box on the side, we cannot do proper claims seeing that we do not have the back office. The back office that was made available on the liquidators back office was being tampered with. I worked with data verification and data implementation in corporate for many years, so I do understand that the moment that the front page of a website was changed, where new login details needed to be added, anything else inside the database could have been tampered with. That's why we are now because of what the liquidators are driving the narrative, are supporting the winners, but we have lots of net losers in our team as well. So, for people to be able to put in a claim which is legible as you mentioned earlier, it's important that we get the correct and accurate data for those claims, even though we might have three months after this meeting to submit those claims, it's going to drag on as you said and you don't want that to drag on any further.

We have people that are devastated out there and the creditors need to know they work for us, and we don't specific liquidators saying that they are going to represent us as the members because we have not employed them

as representatives of the creditors. Thank you very much for that and once again, I'm Henry Honeyball, I'm the third respondent in the application against the Ponzi scheme, which at this point in time is what's driven by the liquidators on all the social media platforms and as one of the gentlemen just said that they will release a media statement. Up until now, the media statement is all from the liquidators' point of view and not our point of view. The reason why our people are behaving themselves and they are not jumping in on this call, is we have a very good role in communication with our members, and they behave, but they are very frustrated. So, thank you very much for that moment, I appreciate that.

MASTER:

All right, that will be the last speaker on this matter. We've heard you and I'm sure they've heard you. Like I said earlier, I'm sure they realise that this is a unique matter and that they are facing investors who have a voice, who can speak for themselves, and I'm sure, like I said, they would not want to have this matter go on for 20 years and if they are wise [...] they've heard you, obviously like I said, talk to your representative, I would imagine that you have to, you'll assist them as well to save your views on how some matters can be solved. Of course, they have the final say.
(1:17:21)

After hearing all parties in as far as this threshold and all the winners and losers and all that, they will obviously say they have the final say but it's important that they will have an open mind in this matter and like I said also, they also have a stake in this, they wouldn't want this matter to drag for years, otherwise they will not be paid because their being paid also depends on the matter going smoothly and on time. Otherwise, if it drags, there are many complaints that it means they will also be paid after a long time, so let's give them time. Like I said earlier as well, it's a new area, it's a complicated matter, emotional matter, let's give them time, assist them as well using your representatives that they can liaise with easily than facing different thousands of people. So, like I said in closing, after the second meeting there will be special meetings which will be convened from time to time to prove the claims as they come, and sometimes the liquidators will also accept some claims after investigating using the solutions, accept some of the claims you know without being there making special meetings, you know, but of course special meetings to prove the claims. So, this is not the end of meetings to prove claims. So allow this process to take its course and if there are issues, the people know the Master. If there a genuine complaints and issues as the time goes on but allow them to do their work, but they must also listen to the

stakeholders in this matter, the people who led to the appointment because it's the investors that have caused them to be now liquidators, you know, so those are my few words.

So, the second meeting is duly then closed for creditors and members. We will in future await special meetings as the claims of investors come along and be proven.

Thank you very much, ladies and gentlemen, that is the meeting. Am I eligible? Can I be heard?

SYBRAND TINTINGER: Yes, thank you Mr Master.

ADV VAN STADEN: Yes, thank you Mr Master.

MASTER: Thank you thank you very much. The meeting is closed.