NOTICE OF FILING

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Document Lodged: Affidavit - Form 59 - Rule 29.02(1)

Court of Filing FEDERAL COURT OF AUSTRALIA (FCA)

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File Number: NSD1020/2024

File Title: AN APPLICATION BY JONATHON SHERWOOD KEENAN & ORS

Registry: NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA



Sia Lagor

Registrar

Important Information

This Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The date of the filing of the document is determined pursuant to the Court's Rules.



Form 59 Rule 29.02(1)

Affidavit

Federal Court of Australia

No.

District Registry: New South Wales

Division: General

IN THE MATTER of PROSPERO MARKETS PTY LTD (IN LIQUIDATION)

ACN 145 048 577

JONATHON SHERWOOD KEENAN and others

First Plaintiff

Affidavit of:

Adam Cutri

Address:

Bartier Perry Lawyers, Level 25, 161 Castlereagh Street, Sydney NSW 2000

Occupation:

Lawyer

Date:

03 / 09 / 2024

CONTENTS

number	
	A/5/4 14 / A 4 - O 44 - /5 4 O O 4 O

Paragraph Page

1.	Affidavit of Adam Cutri affirmed on 3 September 2024.	1 - 20	1-5
2.	Exhibit APC-1 to the affidavit of Adam Cutri affirmed on 3 September 2024.	4	1 - 60

I, Adam Cutri, Lawyer of Bartier Perry Lawyers, Level 25, 161 Castlereagh Street, Sydney NSW 2000, affirm:

- I am a legal practitioner with the title of "Partner" employed by Bartier Perry Lawyers being 1. the solicitors on record for the plaintiffs in these proceedings.
- The plaintiffs are the joint and several liquidators of Prospero Markets Pty Ltd (in 2. Liquidation) (Company).
- Except where stated otherwise, I make this affidavit from information and belief and based 3. on my examination of Bartier Perry's file maintained in relation to these proceedings.

Filed on behalf of Jonathon Sherwood Keenan, Peter Paul Krejci and Andrew John Cummins as Liquidators of Prospero Markets Pty Ltd (in Liquidation), Plaintiffs Adam Cutri, Partner Prepared by

Law firm

Bartier Perry Lawyers

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Email <u>litigation@bartier.com.au</u>

DRD 242964 Ref

Address for Service

BARTIER PERRY

Level 25, 161 Castlereagh Street, Sydney NSW 2000

Email: litigation@bartier.com.au

MUM

[Version 3 form Approved 2 May 2019]

175755212 - 242964 (DRD)

- 4. Shown to me at the time of affirming this affidavit is an electronic, paginated bundle of documents marked "Exhibit APC-1" (APC-1) to which I refer throughout this affidavit by reference to the page numbers in the top right-hand corner of that bundle.
- I previously affirmed an affidavit in these proceedings which was filed on 7 August 2024
 (First Affidavit) in which (amongst other things):
 - (a) I set out my relevant professional experience as a solicitor;
 - (b) I set out the notification of these proceedings provided to interested parties; and
 - (c) I provided an update on the first creditors' meeting and the liquidators' remuneration approval.

Estimated Outcomes / Deficiencies Statement & Remuneration Approval

- At page 2 of APC-1 is the Liquidators' 'Estimated Outcomes and Deficiency Statement' in relation to the client monies and general liquidation funds as at 15 July 2024, which is referred to at paragraph [122] of the affidavit of Jonathon Sherwood Keenan sworn in these proceedings on 29 July 2024.
- 7. I am instructed and believe that the 'Estimated Outcomes and Deficiency Statement' was (and remains) published on the liquidators' website maintained in relation to the Company on about 5 August 2024. In that respect, I repeat and rely on paragraph [10(a)(i)] of my First Affidavit.
- 8. At pages 3 to 21 is a copy of the minutes of the creditors' meeting on 31 July 2024.

Orders From First Case Management Hearing

- At pages 22 to 23 of APC-1 is a sealed copy of the orders made by Justice Markovic on 8 August 2024 which, among other things, noted that:
 - "The plaintiffs are to consider whether it is appropriate to apply for the joinder of representative defendants to the proceeding."
- 10. In the following paragraphs, I set out the steps taken by the plaintiffs to enquire as to the identity and availability of potential representative defendants based on instructions and information provided to me by the plaintiffs.

DDU Williams

Nutn

Potential Representative Defendants

Clients and creditors

11. In light of the order made on 8 August 2024, the liquidators identified from the Company's records examples of perons who lodged proofs of debt and supporting documents and could potentially be considered as potential representative defendants in these proceedings, namely:

Name	Class	POD Value
Li Ping Zhang	AU Client with USD claim	USD\$13,952.87
Zhiyuan Feng	AU Client with AUD claim	\$29,148.84
Sigma Trading Management Pty Ltd	General unsecured creditor	\$52,866.24

- 12. On 19 August 2024, I caused letters to be sent by email (which appear at pages 24 to 32 of APC-1) to the recipients named above, enquiring about their position on acting as representative defendants in these proceedings.
- 13. At pages 33 to 45 of APC-1 is a bundle of the Outlook email 'read receipt' notification (from Anthony Wu at Sigma TM) and Australia Post delivery confirmations obtained by my office in relation to the correspondence referred to in paragraph [12] above.
- 14. To date, no response has been received by my office to the correspondence referred to in paragraph [12] above. I am instructed, and believe, that the plaintiffs have not received any correspondence from the receipts of the correspondence referred to in paragraph [12] above.

Persons in the MT4 Offshore Database

At pages 46 to 56 of APC-1 is a bundle of email correspondence dated 30 April 2024 to 8 August 2024 (with attachments omitted for brevity) between the plaintiffs and Mr Austin Yeung of Ausjuris Legal, the legal representative for Yuya Huang and Lei Zhang who, I am instructed, lodged proofs of debt in the Company's liquidation and appear on the MT4 Offshore database referred to in the affidavit of Jonathon Sherwood Keenan dated 29 July 2024 at paragraph [29].

Witness De

Dendnent

- 16. Yuya Huang and Lei Zhang's claims are referred to specifically at paragraph [105(a)] in Mr Keenan's affidavit and their claims (of over \$4 million) constitute, by value, the majority of the claims lodged by any MT4 Offshore Database clients to date.
- 17. At pages 57 to 58 of APC-1 is an email received by Bartier Perry Lawyers from Mr Yeung dated 8 August 2024 in relation to these proceedings. In that email, Mr Yeung states (among other things):

"We presently do not have instructions from Ms Yuya Huang or Mr Lei Zhang to intervene, however, we anticipate Ms Yuya Huang or Mr Lei Zhang would at least like a reasonable opportunity of 14 days to consider the documents, obtain advice as to whether or not they should participate in your client's application."

- On 15 August 2024, I caused a letter to be sent to Mr Yeung from Ausjuris Legal regarding his clients' claims, a copy of which appears at pages 59 to 60 of APC-1.
- 19. On Monday, 26 August 2024 I called Mr Yeung from Ausjuris Legal and we had a telephone conversation in relation to Bartier Perry's letter dated 15 August 2024 referred to in paragraph [18] above, the gist of which I set out below:
 - I said to Mr Yeung that I was calling to enquire about his instructions in light of Bartier Perry's letter dated 15 August 2024;
 - (b) Mr Yeung told me he is still in the process of seeking instructions but did not, at the time of our discussion, have instructions that his clients, Yuya Huang and Lei Zhang agree to act as representative defendants in the proceedings;
 - (c) Mr Yeung told me that his clients are considering whether they have any potential causes of action against the Company, if their claims against the Company are adjudicated by the plaintiffs on the basis that his clients are not entitled to the 'Client Money', namely alleged misleading or deceptive conduct in relation to an MT4 trading statement received by his clients in the Company's name;
 - (d) I responded that any such cause of action is a matter for his clients and would need to be subject to an adjudication as an unsecured creditor claim by the liquidators in the ordinary course of the liquidation;
 - (e) Mr Yeung also indicated that he may seek to intervene on his clients' behalf only on the basis that it would enable them to seek leave to file and serve subpoenas for production of documents in relation to the destination of the funds they seek to recover;

Witness Deponent

(f) I asked Mr Yeung to update me in writing once he received final instructions in relation to Bartier Perry's letter dated 15 August 2024. No such written response has been received to date.

Case Management Hearing

20. I am instructed that the plaintiffs will publish notification of the next case management hearing in these proceedings, as well as a copy of this affidavit and APC-1 on the liquidation website so that it is accessible to interested parties.

Affirmed by the deponent)
at Sydney NSW	j
in New South Wales	j
on 03 / 09 / 2024	j
Before me:	

Signature of deponent

Signature of witness

Name of witness:

David Robert de Mestre

Qualification of witness: Lawyer (Law Society NSW No. 99555)

DAM

Deponent

175755212 - 242964 (DRD)

Rule 29.02

Certificate identifying exhibit

Federal Court of Australia

No. NSD 1020/2024

District Registry: New South Wales

Division: General

IN THE MATTER of PROSPERO MARKETS PTY LTD (IN LIQUIDATION) ACN 145 048 577

JONATHON SHERWOOD KEENAN and others

First Plaintiff

This is the exhibit marked "APC-1" produced and shown to Adam Cutri at the time of affirming 3rd day of September 2024. his affidavit this

> Exhibit "APC-1" Electronic paginated bundle of documents

Before me:

David demestre, Solicitor

Filed on behalf of Jonathon Sherwood Keenan, Peter Paul Krejci and Andrew John Cummins as Liquidators of

Prospero Markets Pty Ltd (in Liquidation), Plaintiffs

Prepared by

Adam Cutri, Partner

Law firm

Bartier Perry Lawyers

+61 2 8281 7800 Tel

Fax +61 2 8281 7838

Email <u>litigation@bartier.com.au</u>

Ref DRD 242964

Address for Service

BARTIER PERRY

Level 25, 161 Castlereagh Street, Sydney NSW 2000 Email: litigation@bartier.com.au

	Prospero	Markets Pty Ltd (In Lic	quidation)			
		mated Outcome Stater				
	Pro	epared as at 22 July 20	024			
			Scenar	rio 1	Scen	ario 2
			Trust Costs Paid fr	rom Trust Funds	All Costs Paid fro	m General Funds
		Book Value	High Scenario	Low Scenario	High Scenario	Low Scenario
	Notes	(\$)	(\$)	(\$)	(\$)	(\$)
<u>Assets</u>						
Trust Assets						
Client Trust Funds	1	19,457,096	19,717,427	19,717,427	19,717,427	19,717,427
Client Trust Funds USD	1	303,521	315,580	315,580	315,580	315,580
Less: Liquidators' Accrued Costs in Dealing with Trust Assets	2	-	(130,000)	(130,000)	=	-
Less: Liquidators' Estimated Future Costs in Dealing with Trust Assets	3	_	(200,000)	(250,000)	-	-
Less: Liquidators' Accrued Remuneration in Dealing with Trust Assets	4	_	(484,000)	(484,000)	-	-
Less: Liquidators' Estimated Future Remuneration in Dealing with Trust Assets	5	_	(275,000)	(440,000)	_	-
Less: Accrued Legal Fees in Dealing with Trust Assets	6		(40,000)	(40,000)	_	-
Less: Future Legal Fees in Dealing with Trust Assets	7		(85,000)	(150,000)	_	_
	8	(18,909,983)	(19,065,607)	(19,365,607)	(19,065,607)	(19,365,607)
Less: Client Liabilities	8			(826,600)		
Total Trust Assets		850,635	(246,600)	(826,600)	967,400	667,400
Company Assets						
Surplus from Trust Assets	9	-	-	-	967,400	667,400
Cash and Cash Equivalents	1	1,296,064	2,588,421	2,588,421	2,588,421	2,588,421
Cash and Cash Equivalents USD	1	164,434	-	-	-	-
Money Processors	10	53,289	=	=	-	=
Liquidity Providers	11	3,921,873	2,420,234	2,420,234	2,420,234	2,420,234
Property, Plant & Equipment	12	317,367	6,000	3,000	6,000	3,000
Prepayments	13	199,379	3,881	3,881	3,881	3,881
Tax Asset	14	130,738	130,738	130,738	130,738	130,738
Total Company Assets	14	6,083,143	5,149,275	5,146,275	6,116,675	5,813,675
Total Company Assets		0,083,143	3,143,273	3,140,273	0,110,073	3,813,073
Liquidation Recoveries						
Voidable Transactions	15	-	=	-	-	-
Insolvent Trading Claim	15	-	=	-	-	-
Breach of Duty Claim	15		-	<u> </u>	-	<u> </u>
Total Liquidation Recoveries					<u> </u>	
Less: Estimated Costs of Liquidation (Incl. GST)						
Petitioning Creditor's Costs	16	-	(159,500)	(275,000)	(159,500)	(275,000)
Liquidators' Accrued Remuneration	17	-	(330,000)	(330,000)	(814,000)	(814,000)
Liquidators' Future Remuneration (Estimate)	18	_	(110,000)	(220,000)	(385,000)	(660,000)
Liquidators' Expenses (Estimate)	19	-	(154,000)	(220,000)	(484,000)	(600,000)
Accrued Legal Costs	20	_	(40,000)	(40,000)	(80,000)	(80,000)
	21		(110,000)	(155,000)	(195,000)	(305,000)
Legal Costs (Estimate)						
Valuation Costs	22	-	(3,850)	(3,850)	(3,850)	(3,850)
Accounting Fees (Estimate)	23	-	(22,000)	(44,000)	(22,000)	(44,000)
Litigation Funding Premium (30% of recovery)					<u> </u>	
Total Estimated Costs of Liquidation			(929,350)	(1,287,850)	(2,143,350)	(2,781,850)
Estimated Surplus Available to Priority Creditors			4,219,925	3,858,425	3,973,325	3,031,825
Priority Creditor Claims (Estimated)			Ì			
Wages and Superannuation	24	(289,633)	(300,000)	(500,000)	(300,000)	(500,000)
Annual Leave & Long Service Leave	24	(803,013)	(350,000)	(350,000)	(350,000)	(350,000)
PILN and Redundancy	24		(450,000)	(450,000)	(450,000)	(450,000)
Total Priority Creditor Claims		(1,092,646)	(1,100,000)	(1,300,000)	(1,100,000)	(1,300,000)
Total Friority Cleartor Claims		(2)052)010)	(1)100,000)	(2)500)000)	(1)100)000)	(1)300)000)
Estimated Surplus Available to Unsecured Creditors			3,119,925	2,558,425	2,873,325	1,731,825
Estimated Surplus Available to Onsecured Creditors			3,113,323	2,338,423	2,873,323	1,731,823
Unaccured Creditors			İ			
Unsecured Creditors		(707 -71)	(4 100 000)	(4.400.000)	(4 +00 000)	(4.400.000)
Trade Creditors (incl. termination costs)	25	(737,474)	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)
Shortfall for Client Liabilities	26		(246,600)	(826,600)	-	-
Landlords	27	=	(500,000)	(500,000)	(500,000)	(500,000)
Australian Taxation Office						
Total Unsecured Creditors		(737,474)	(1,846,600)	(2,426,600)	(1,600,000)	(1,600,000)
			l 			
Net Surplus/(Deficiency)		5,103,658	1,273,325	131,825	1,273,325	131,825
			1			
			Ì			
Return to Creditors			High Scenario	Low Scenario	High Scenario	Low Scenario
			Cents in the \$	Cents in the \$	Cents in the \$	Cents in the \$
Clients			100	100	100	100
Priority Creditors			100	100	100	100
Haranard Conditions			100	100	100	100

100

100

100

Unsecured Creditors

- 1. Cash balances held with Commbiz
- 2. Supplier costs incurred and/or paid to date in dealing with trust assets (eg Metaquotes, Infini Solutions), paid from trust assets in Scenario 1 or Company assets in Scenario 2
- 3. Future estimate of suppliers costs in dealing with trust assets, paid from trust assets in Scenario 1 or Company assets in Scenario 2
- 4. Approximate WIP incurred to 30 June 2024 relates to dealing with trust assets, paid from trust assets in Scenario 1 or Company assets in Scenario 2 5. Estimate of WIP to be incurred in dealing with trust assets, client liabilities, etc, paid from trust assets in Scenario 1 or Company assets in Scenario 2
- 6. Legal fees invoices relates to dealing with trust assets, client liabilities, etc, paid from trust assets in Scenario 1 or Company assets in Scenario 2
- 7. Estimate of legal costs to be incurred in dealing with trust assets, client liabilities, etc, paid from trust assets in Scenario 1 or Company assets in Scenario 2
- 8. Client liabilities based on MT4 records, and potential credit/bonuses claims yet to be determined 9. Any surplus from trust funds after discharging client liabilities are company assets
- 10. Book value in balance sheet, likely accounting error, no anticipated recovery
- 11. Liquidity Providers recovered to date and anticipated recovery from Singapore based CGS-CIMB
- 12. Estimate forced liquidation value for realisation of sundry PPE
- 13. Prepayments to lawyers, recovery from Sophie Grace Trust Account
- 14. TFN Withholding tax paid, potential recovery when tax lodgements completed in due course
- 15. No identified voidable recoveries as Company solvent
- 16. Advised by ASIC, potential settlement
- 17. Approximate WIP incurred to 30 June 2024 relates to general liquidation duties in Scenario 1, WIP for all work to be paid from Company assets in Scenario 2
- 18. Estimate of WIP to be incurred in general liquidation duties in Scenario 1, estimated WIP for all future work to be paid from Company assets in Scenario 2
- 19. Future estimate of costs for general liquidation in Scenario 1, all costs to be paid from Company assets in Scenario 2
- 20. Legal fees invoices and Singapore lawyer relates to dealing with general liquidation in Scenario 1, all legal fees paid from Company assets in Scenario 2
- 21. Estimate of legal costs to be incurred in dealing with general liquidation in Scenario 1, all future legal fees paid from Company assets in Scenario 2
- 22. Valuation costs paid for PPE located at Sydney and Melbourne trading premises
- 23. Estimate of accounting fees to complete management accounts and prepare tax lodgements
- ${\bf 24.} \ Estimate of outstanding \ employee \ entitlements$
- 25. Estimate of unsecured creditor claims including potential termination costs
- 26. Anticipated shortfall for clients from trust assets (after costs of dealing with trust assets) as an unsecured creditor claim for damages in Scenario 1, no shortfall for clients from trust assets (after costs of dealing with trust assets) as an unsecured creditor claim for damages in Scenario 1, no shortfall for clients from trust assets
- 27. Estimated damages claims from landlords of Sydney and Melbourne trading premises

Electronic Lodgement

nt

Document No. 7ECX68997

Lodgement date/time: 30-08-2024 16:59:11 Reference Id: 201501713

Form 5011

Corporations Act 2001 **\$436E, 439A** Insolvency Practice Rules (Corporations) 2016 **\$75-145**(1)(c)

Copy of minutes of meeting

Liquidator details		
	Registered liquidate	or number
		524239
	Registered liquidate	or name
		JONATHON SHERWOOD KEENAN
Company details		
	Company name	
		PROSPERO MARKETS PTY LTD
		145 048 577
Section under which r	ninutes are lodged	
	Date of meeting	31-07-2024
	Are the minutes be s439A of the Corpo	ing lodged for a meeting convened under s436E, or or orations Act 2001?
		No
Certification		
		ached minutes of meeting are a true copy of the original signed by the chair of the meeting as identified in the
		Yes

ASIC Form 5011 Ref 201501713 Page 1 of 2

Form 5011 - Copy of minutes of meeting Liquidator: 524239 - JONATHON SHERWOOD KEENAN



Authentication

This form has been authenticated by

Name JONATHON SHERWOOD KEENAN

This form has been submitted by

Name Jonathon KEENAN

Date 30-08-2024

For more help or information

www.asic.gov.au www.asic.gov.au/question 1300 300 630 Web Ask a question?

Telephone

ASIC Form 5011 Ref 201501713 Page 2 of 2 MINUTES OF A MEETING OF CREDITORS OF PROSPERO MARKETS PTY LTD (IN LIQUIDATION) ACN 145 048 577 ("THE COMPANY") HELD VIRTUALLY VIA ZOOM ON 31 JULY 2024 AT 1:00PM (AEST).

PRESENT	Name	Capacity
	Mr Jonathon Keenan	Chairperson and Joint & Several Liquidator
	Mr Peter Krejci	Joint & Several Liquidator
	Ms Katherine La	Chairperson's Assistant
	Mr Savio Monis	Chairperson's Assistant
	Mr Mankirth Mandair	Chairperson's Assistant
	Mr Adam Cutri – Bartier Perry	Liquidators' Legal Representative
CHAIRPERSON	Mr Jonathon Keenan, the Joint a	and Several Liquidator, opened the meeting at
	1:04PM and introduced himself a	and his staff. Mr Jonathon Keenan advised that
	he would act as Chairperson of t	the meeting in accordance with the <i>Insolvency</i>
	Practice Rules (Corporations) 2010	6 ("IPR") 75-50.
VIRTUAL	The Chairperson acknowledged	the use of virtual meeting technology. The
MEETING	Chairperson advised that:	the use of virtual meeting technology. The
IVIEETING	Chan person advised that.	
	 Sufficient information had I 	peen included in the notice of meeting pursuant
	to IPR 75-35 and the virtual	meeting facilities were available and operating.
	· ·	required information from participants, and
		al facilities were taken to be present in person
	• ,	o IPR 75-75 and were included in the record of
		form part of the minutes of the meeting and
	lodged with ASIC.	
	He had received no objections to	the meeting being held only virtually.
RECORDING	The Chairperson advised that the accurate account of the meeting a	e meeting was to be recorded to facilitate an
	accurate account of the meeting a	and preparation of minutes.
	The Chairperson asked if there we	ere any objections. There were none.
NOTICE OF	The Chairperson advised that the	Meeting had been called in accordance with the
MEETING	Notice of Meeting dated 10 July 2	024, the Meeting having been advertised on the
	Australian Securities and Investr	ments Commission ("ASIC") Published Notices
	website <u>https://publishednotices.</u>	<u>asic.gov.au</u> on 10 July 2024.
	The Chairperson tabled a copy of	the Notice of Meeting.
SHORT	The Chairperson advised creditor	s that he would stand down the meeting for a
ADJOURNMENT	short period of time as attendees	were continuing to be admitted to the meeting,
	and for the attendance register to	be prepared.
	The Chairperson provided instru	actions to those admitted to the meeting, to
		to vote using the Link Market Services Creditors
	Portal and that attendees were pr	-

The Chairperson adjourned the meeting at 1:07PM.

ATTENDANCE REGISTER

The Chairperson resumed the meeting at 1:34PM.

The Chairperson tabled the Attendance Register which detailed the Proxies and Proofs of Debt ("POD") lodged in respect of the Meeting and his adjudication of same, noting that this admission was only for the purposes of voting at the meeting. A copy of the Attendance Register would be made available for creditors' inspection after the meeting, if requested.

The Chairperson admitted all creditors present for the amounts of their debts as recorded in the Attendance Register, and noted the following:

Creditor Name	Creditor Type	POD Amount (\$)	Admitted Amount (\$)	Adjudication Reason
Australian	AUClients	As per	As per MT4	Clients have been
clients of the	, to cheries	Attendance	balance	admitted for the value
Company		Register	balance	of their MT4 balance
company		i i i i i i i i i i i i i i i i i i i		(excluding
				credits/bonuses).
				There are some clients
				who have made claims
				exceeding the MT4
				balance, largely due to
				claims for funds
				deposited without
				deducting losses
D 1/21	ALICI: :	160 016 77	26.670.22	incurred on trades.
Bona Vita	AUClients	168,916.77	36,878.29	Claim includes alleged
International				misleading and
Pty Ltd				deceptive conduct. At
				this stage, this claim
				has not been
				substantiated and
				would require
				litigation and
				determination by a
				court. As such, at this
				stage, this claim is
				admitted to vote for
				MT4 balance, similar
				to other Australian
				clients.
Generalised	Offshore	As per	0.00	Claims had been
comments	Clients –	Attendance		submitted by clients o
	Prospero	Register		Prospero Global LLC,
	Global LLC			where data was stored
				on a separate MT4
				server. Our
				preliminary review of
				supporting
				documents, including
				remittance advices
				provided, indicated
				funds were deposited
				with other entities and

				not the Company. On that basis, clients of Prospero Global LLC have not been admitted as creditors for voting purposes. However, they have been permitted to attend the meeting, as observers.
Generalised comments	Employees	As per Attendance Register	As per Attendance Register	Each claim was adjudicated based on our review of the Company's records and available information, which has also been submitted to Fair Entitlements Guarantee ("FEG") scheme. There are some discrepancies to be resolved. Employees admitted to vote, either based on the Liquidators' calculations or the POD value, whichever is lower.
Generalised comments	Unsecured Creditors	As per Attendance Register	As per Attendance Register	Each claim was adjudicated based on its merits. In particular the Chairperson noted the claim of the Melbourne landlord, however, it appeared that they were not in attendance at the meeting.

The Chairperson invited questions in respect of the adjudication. Questions were also submitted within the virtual meeting chat function.

A number of creditors indicated they could not locate their admitted amount on the attendance register displayed. Various creditors claims were reviewed and creditors advised as to their admitted amount.

The Chairperson also noted that the following parties were admitted as observers for the meeting:

- Roshan Williams from Link Market Services
- ▲ Kamran Beiglari from Link Market Services

to assist with any technical aspects that may come forward.

	The Chairperson responded to queries regarding the amounts to which specific clients had been admitted.
	There was also discussion regarding the time frame for clients to submit a claim. It was noted that there was no current timeline however, anyone who had not submitted their claim would not be entitled to vote at the meeting. The Chairperson encouraged anyone who had not already done so to submit their claim on the Link Creditor Portal.
QUORUM	The Chairperson advised that a quorum was present pursuant to IPR 75-105(2), as at least two creditors were present at the meeting in person, by proxy, by power of attorney.
CONVENIENCE	The Chairperson noted that this meeting was being held virtually only via Zoom, as allowed by IPR 75-75.
	The Chairperson declared the Meeting was held at a time and place convenient to the majority of persons entitled to receive notice of the meeting in accordance with IPR 75-30.
	The Chairperson also noted that in accordance with IPR 75-75(6), as there was no physical location for the meeting, the Chairperson declared that the meeting was deemed to be held at the offices of BRI Ferrier, Level 26, 25 Bligh Street, Sydney NSW 2000.
DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES	The Chairperson tabled a Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI") dated 8 May 2024, which had been circulated to creditors in the Initial Report to Creditors. The Chairperson advised there had been no changes to the DIRRI.
VOTING ON RESOLUTIONS	The Chairperson advised votes for resolutions proposed in the meeting would be taken on a show of hands unless a poll is called for, in accordance with IPR 75-110.
	In accordance with IPR 5-5, a vote taken on a "show of hands" included a vote taken using any electronic mechanism that indicated the intentions of a person in respect of a vote. The Chairperson advised that for this meeting, the vote would be conducted by logging into the Link Creditor Portal:
	https://exad.com.au/bri/prospero/
	Each resolution will be opened on the Link Creditor Portal when put forward by the Chairperson.
	Instructions to vote were as follows:
	Login to the Link Creditor Portal with your creditor ID and passcode.
	2. Select "5. Exercise your vote".

- 3. Select to vote "for", "against" or "abstain".
- 4. Click "Submit Information" at the bottom of the page to record vote.
- 5. The Chairperson will close the vote and declare the result.
- 6. After the result is declared, select "Return to the dashboard" to be ready to vote on the next resolution.

Where creditors have been declared in attendance but subsequently leave the meeting at any point, any votes cast in advance would be counted.

The Chairperson advised that, in accordance with IPR 75-115, if a resolution is to be decided in a poll, then it would only be passed if:

- (a) a majority of the creditors voting (whether in person, by proxy or by attorney) vote in favour of the resolution; and
- (b) a majority in value of the creditors voting (whether in person, by proxy or by attorney) vote in favour of the resolution.

The Chairperson also advised that the Chairperson may exercise a "casting vote" if no result is reached for or against a resolution (IPR 75-115(3)) except where the resolution concerns the Joint and Several Liquidators' remuneration or the removal of the external administrator (save that an external administrator may exercise a casting vote in favour of a resolution for removal). However, where the Chairperson has a "casting vote" and either exercises or declines to exercise the casting vote, the Chairperson will inform the meeting of the reasons for exercising or declining to exercise the casting vote as relevant and minute those reasons.

The Chairperson requested if there are any questions regarding the manner of voting.

There was general discussion regarding how accessing the Creditors Portal whilst remaining connected to Zoom.

PURPOSE OF MEETING

The Chairperson advised that the purpose of the meeting was to:

- To receive the Report of the Liquidators and receive questions from creditors.
- To determine the current remuneration of the Liquidators.
- ▲ To determine the future remuneration of the Liquidators.
- To consider the internal disbursements of the Liquidators.
- To consider, and if thought fit, approve the Liquidators entering to agreements with various suppliers pursuant to Section 477(2B) of the Corporations Act.

- To consider, and if thought fit, approve the early destruction of books and records.
- ▲ To consider the appointment of a Committee of Inspection.
- To consider any other business that may be lawfully brought forward.

LIQUIDATORS' REPORT

The Chairperson tabled the Statutory Report to Creditors dated 10 July 2024 which was taken to be read.

The Chairperson provided a brief update on the progress, summarised as follows:

- The Company offered financial services by way of OTC foreign exchange and derivatives trading, where its main market making activities commenced during 2021.
- The Company appeared to have operated as part of a broader group, including Prospero Markets LLC (incorporated in SVG) and Prospero Markets Company Limited (incorporated in NZ). The available records indicated the client books were separate but there are numerous links through common management and IT infrastructure.
- In 2022/23, an AFP operation resulted in prosecution of various parties involved in the alleged Chang Jiang Currency Exchange money laundering scheme. Key management involved in the Company are being prosecuted by the AFP, which resulted in Proceeds of Crime Orders being made in late 2023.
- ASIC commenced a formal investigation of the Company in November 2023 and around that time, the Company's assets, including client funds held on trust, were frozen. The Company ceased its market making activities and closed out client positions in November 2023.
- ASIC subsequently suspended the Company's AFSL on 20 December 2023 and subsequently applied to the Court to have the Company wound up on just and equitable grounds. The Company objected to the application resulting in delays, but ultimately, Orders were made by the Federal Court of Australia appointing Jonathon Keenan, Andrew Cummins and Peter Krejci as Joint and Several Liquidators on 10 April 2024.
- Preliminary investigations indicated that the Company had surplus net assets, however the Director has failed to provide a ROCAP. Further, records provided to date and assistance from management have been limited. The failure to provide a ROCAP has been reported to ASIC.
- To date, Company assets secured total \$4.5M and client funds held in trust of \$20M. A further \$400K is held in Singapore and being pursued via legal process in that jurisdiction.

- Considerable time and resources were required to investigate the Company's liability position, the majority of which is represented by client trust claims, estimated to be between \$19.1M to \$19.4M, based on MT4 records. To date, clients have lodged Proof of Debts totalling \$25M. Some clients have lodged for an amount greater than their account balance, and have not taken into account their trading losses. There are also some Offshore Clients who have lodged claims. Subject to costs being deducted (if directed by the Courts), the bulk of client claims should be discharged from available trust assets and we anticipated that subject to Court Orders, that any residual claims will be entitled to participate in an unsecured creditor dividend.
- Approximately 50 clients of Prospero Markets LLC have contacted the Liquidators' office, of which approximately 30 have formally lodged claims against the Company totalling \$4.9M. Based on supporting documentation submitted and available records of the Company, the Liquidators have been unable to verify that these clients deposited funds into an account held by the Company or placed trades on markets made by the Company. Requests have been issued for further evidence and adjudication of these claims are ongoing. The preliminary view is that the Prospero Markets LLC clients do not have a valid claim against the Company. This has added additional complexity to the Liquidation and is part of the basis that the Liquidators determined it is appropriate to seek Court directions.
- Other liabilities total between \$2M to \$3.1M, represented by ASIC petitioning creditor costs of \$150K to \$275K, priority employee claims mostly in respect of redundancy pay of approximately \$1.1M to \$1.3M and ordinary unsecured creditor claims estimated to be \$750K to \$1.6M. The Chairperson encouraged employees who had not yet lodged a claim with the Fair Entitlements Guarantee scheme to do so as soon as possible. He also elaborated regarding ordinary unsecured creditors' claims indicating the largest claimant appeared to be the landlord of the Melbourne trading premises (\$2.6M), which he expected to decrease as the landlord had found a new tenant.
- As the preliminary view is that the Company was solvent prior to the Liquidation commencing, no voidable recoveries have been identified at this time. Should circumstances change, then creditors would be notified.
- There have been delays in the adjudication and distribution process, as approximately only half of the clients have lodged claims. There were challenges with clients completing the identification verification process on the Link Creditor Portal. A modified manual verification process was required to overcome this issue, which requires additional time to complete. However, there remain a large number of clients who have not submitted claims.

- The Liquidators received legal advice and formed the view that Court directions were required for the handling and distribution of trust funds, given the Company's circumstances. Accordingly, an application to the Court, including a detailed affidavit, has been filed and key dates will be provided to all creditors once known. Assuming there is limited opposition, it is anticipated that the Court process may take around 6-10 weeks.
- It is currently anticipated that funds can be distributed as follows:
 - Client trust funds by around November 2024.
 - o Priority employee creditor claims by January 2025.
 - Unsecured creditor claims by May 2025.
 - Shareholder is entitled to any surplus that remains and AFSA have registered security over any such returns.
- Overall, the Liquidation may take another 12 months to complete, however this is subject to delays in the Court process, or further investigations required by regulatory bodies including ASIC, AFP, AFSA or ATO.

QUESTIONS

The Chairperson invited questions from creditors. The Chairperson requested that creditors to state their name prior to asking questions and questions may be submitted using the "Chat" function on Zoom.

There was general discussion regarding the time required to return funds to clients in circumstances where the Liquidator believed the MT4 records were reasonably accurate. Concerns were raised that the funds had been held for a long period of time and that clients could have been using the funds for an alternate investment opportunities.

The Chairperson explained that the level of client claims (\$25M) currently exceeded the level of client liabilities recorded in the MT4, and whilst the Liquidators believed that some of these claims were not valid, formal adjudication was required. The Chairperson advised that had to provide clients a reasonable opportunity to lodge claims, and we have now sought the Court's direction regarding the quantification and proposed distribution process. There was some discussion regarding access to the MT4 platform, where one client indicated that he had been unable to login and also unable to reset his password. The Chairperson advised that we had secured access to the MT4 platform and also downloaded sufficient data to understand the level of client liabilities. We were aware there were clients who had accessed their MT4 accounts, and it was unclear why certain clients were unable to access the platform.

There was also discussion regarding the documents requested to prove client claims.

There were also queries regarding the security of client funds, as the Company had advised that client money would be held separately to other funds. The

Chairperson explained the Company had approximately \$20M in trust funds and that Australian clients had a trust claim against these funds. He indicated that claims had been made against these monies of approximately \$25M, notwithstanding we believed trust claims should be between \$19.1M and \$19.4M (i.e that claims exceed the funds available). As such, the Liquidators had formed a view that a court application should be made to obtain directions as to the quantification of claims, how the funds should be utilised and how the distribution process should be facilitated. The application also sought directions for those clients who do not submit a claim or those with minimal value.

There was some discussion regarding the trust funds and the possible decision by the court, that the costs incurred to return funds to customers would be met from trust assets. Whilst this was in line with current case law, we had sought the court's direction if such costs should be met from operational funds.

Further, the Liquidators were hopeful the court would make their determination and that we will be in a position to distribute trust funds to clients within a few months. The Chairperson confirmed that the application was being filed with the Court that day.

There was some discussion regarding the Offshore clients (allegedly clients of Prospero Markets LLC). The Chairperson indicated that we had secured MT4 data, whereby these Offshore clients were utilising a separate license and server to the Australian clients. There were approximately 33,000 offshore clients listed on this database (some are test or demo accounts). The Chairperson advised that preliminary investigations had not identified any offshore clients who have deposited into the Company's accounts, based on the documents provided to date.

A further query was made regarding the funds frozen by the AFP. The Liquidator advised that he was unable to comment any further on the frozen funds, as they were in respect of other entities, which are outside of his control and the liquidation of the Company.

There were enquiries regarding the timing of the return of funds to clients who had provided their Proof of Debt and supporting documents. The Chairperson provided a rough estimate of November 2024, noting that it was subject to obtaining court approval of our proposed distribution process.

Adam Cutri from Bartier Perry explained that the proceedings may be delayed if objections were made regarding the process or if the court had a concern and needed more information in relation to a particular issue, such as appointing a representative creditor(s). It was noted that delays were not anticipated, given how the application has been framed and that extensive supporting documents had been provided. It was confirmed that the application had been filed and we were awaiting confirmation of the first court hearing date.

There was further discussion regarding the application, how the costs associated with the return of funds would be met and if clients would receive a return of their

monies in full. The Chairperson again advised that we had sought orders to deal with costs and all client claims were anticipated to be dealt with through the application, irrespective if they had lodged Proof of Debt (POD) Forms. The Chairperson noted that we had received PODs from almost 80% in value of client claims.

The Chairperson also reiterated it was uncertain if the Court would make orders that the costs associated with dealing with the trust funds (including preparing for verification and distribution to clients) should be met from the trust funds or from the Company's general funds. However, as we believed the Company was solvent it was likely there may be a shortfall in meeting client claims. However, this shortfall in clients' claims may be met when other unsecured creditors were paid. There was also similar discussion regarding how the legal costs would be met.

The Chairperson noted that there were approximately 60 employees who were yet to be paid their entitlements, which had been outstanding since November 2023. The Liquidator explained that he was required to have regard to all creditors interests, and not just the interests of the clients trust creditors.

LIQUIDATORS' REMUNERATION FOR THE PERIOD 10 APRIL 2024 TO 30 JUNE 2024

The Chairperson referred to the Remuneration Report enclosed in the Statutory Report to Creditors.

The Chairperson asked if there were any questions.

There was general discussion regarding the electronic process to vote.

The Chairperson put the following resolution to the meeting:

"That the remuneration of the Liquidators, their partners and staff for the period 10 April 2024 to 30 June 2024, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidators' Statutory Report to Creditors dated 10 July 2024, be fixed and approved at \$740,610.00 (plus GST), and that the Liquidators be authorised to draw that amount as required."

The Chairperson advised there was a majority in number of creditors voting in favour of the resolution. The Chairperson declared the resolution **PASSED** on a show of hands noting he had exercised the special proxies in voting on the resolution, in accordance with their instructions and had abstained from utilising any general proxies in his favour.

LIQUIDATORS' REMUNERATION FOR THE PERIOD 1 JULY 2024 TO CONCLUSION

The Chairperson referred to the Remuneration Report enclosed in the Statutory Report to Creditors.

The Chairperson asked if there were any questions. There were none.

The Chairperson put the following resolution to the meeting:

"That the remuneration of the Liquidators, their partners and staff for the period 1 July 2024 to the conclusion of the Liquidation, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidators' Statutory Report

to Creditors dated 10 July 2024 and approved to an interim cap of \$300,000.00 (plus GST) and that the Liquidators be authorised to draw that amount as and when incurred."

The Chairperson advised there was a majority in number of creditors voting in favour of the resolution. The Chairperson declared the resolution **PASSED** on a show of hands noting he had exercised the special proxies in voting on the resolution, in accordance with their instructions and had abstained from utilising any general proxies in his favour.

LIQUIDATORS' INTERNAL DISBURSEMENTS FOR THE PERIOD 10 APRIL 2024 TO CONCLUSION

The Chairperson referred to the Remuneration Report enclosed in the Statutory Report to Creditors.

The Chairperson asked if there were any questions.

There was general discussion about the breakdown of each of the remuneration and disbursements amounts. The Chairperson referred to the Remuneration Report enclosed in the Statutory Report to Creditors.

The Chairperson put the following resolution to the meeting:

"That the Liquidators be allowed internal disbursements for the period 10 April 2024 to the conclusion of the Liquidation at the rates of charge annexed to the Liquidators' Statutory Report to Creditors dated 10 July 2024, up to an amount of \$2,000.00 (plus GST) and that the Liquidators be authorised to draw that amount as accrued."

The Chairperson advised there was a majority in number of creditors voting in favour of the resolution. The Chairperson declared the resolution **PASSED** on a show of hands noting he had exercised the special proxies in voting on the resolution, in accordance with their instructions and had abstained from utilising any general proxies in his favour.

ENGAGEMENT OF BARTIER PERRY

The Chairperson explained the purpose of the engagement of Bartier Perry and invited queries.

There was some discussion regarding Bartier Perry's role in acting for the Liquidators.

The Chairperson put the following resolution to the meeting:

"That the Liquidators be authorised to enter into an agreement with Bartier Perry as disclosed in the Statutory Report to Creditors dated 10 July 2024 pursuant to Section 477(2B) of the Corporations Act."

The Chairperson advised there was a majority in number of creditors voting in favour of the resolution. The Chairperson declared the resolution **PASSED** on a show of hands, noting he had exercised the special and general proxies in voting on the resolution, in accordance with their instructions.

ENGAGEMENT OF LINK MARKET SERVICES

The Chairperson explained the purpose of the engagement of Link Market Services and invited queries. There were none.

The Chairperson put the following resolution to the meeting:

"That the Liquidators be authorised to enter into an agreement with Link Market Services as disclosed in the Statutory Report to Creditors dated 10 July 2024 pursuant to Section 477(2B) of the Corporations Act."

The Chairperson advised there was a majority in number of creditors voting in favour of the resolution. The Chairperson declared the resolution **PASSED** on a show of hands, noting he had exercised the special and general proxies in voting on the resolution, in accordance with their instructions.

ENGAGEMENT OF INFINI SOLUTIONS

The Chairperson explained the purpose of the engagement of Infini Solutions and invited queries.

There were general queries from creditors regarding the external parties engaged by the Liquidators . It became apparent that a small number of creditors present had not read the report, some indicating they were unable to locate the report. After lengthy discussion, the Chairperson reiterated that the Report had been tabled and was available on both the Link Creditor Portal and the BRI Ferrier website, and all parties had been given notice of the meeting. The Chairperson advised that he would continue with the meeting and put the resolutions to creditors as reported.

The Chairperson put the following resolution to the meeting:

"That the Liquidators be authorised to enter into an agreement with Infini Solutions as disclosed in the Statutory Report to Creditors dated 10 July 2024 pursuant to Section 477(2B) of the Corporations Act."

The Chairperson advised there was a majority in number of creditors voting in favour of the resolution. The Chairperson declared the resolution **PASSED** on a show of hands, noting he had exercised the special and general proxies in voting on the resolution, in accordance with their instructions.

ENGAGEMENT OF AUGUST LAW

The Chairperson explained the purpose of the engagement of August Law and invited queries.

The Chairperson put the following resolution to the meeting:

"That the Liquidators be authorised to enter into an agreement with August Law as disclosed in the Statutory Report to Creditors dated 10 July 2024 pursuant to Section 477(2B) of the Corporations Act."

The Chairperson advised there was a majority in number of creditors voting in favour of the resolution. The Chairperson declared the resolution **PASSED** on a show of hands, noting he had exercised the special and general proxies in voting on the resolution, in accordance with their instructions.

ENGAGEMENT OF CYTER

The Chairperson explained the purpose of the engagement of Cyter and invited queries.

The Chairperson put the following resolution to the meeting:

"That the Liquidators be authorised to enter into an agreement with Cyter as disclosed in the Statutory Report to Creditors dated 10 July 2024 pursuant to Section 477(2B) of the Corporations Act."

The Chairperson advised there was a majority in number of creditors voting in favour of the resolution. The Chairperson declared the resolution **PASSED** on a show of hands, noting he had exercised the special and general proxies in voting on the resolution, in accordance with their instructions.

EARLY DESTRUCTION OF BOOKS AND RECORDS

The Chairperson discussed the proposed destruction of the Company's books and records. It was explained that destruction would only occur after the Company was deregistered.

The Chairperson invited questions. There were none.

The Chairperson put the following resolution to the meeting:

"That subject to the consent of the Australian Securities & Investments Commission, the Liquidators be approved to destroy the books and records of the Company at any time after the dissolution of the Company."

The Chairperson advised there was a majority in number of creditors voting in favour of the resolution. The Chairperson declared the resolution **PASSED** on a show of hands, noting he had exercised the special and general proxies in voting on the resolution, in accordance with their instructions.

COMMITTEE OF INSPECTION

The Chairperson informed the meeting that creditors have the right by resolution under *Insolvency Practice Schedule (Corporations)* ("**IPS**") 80-10 to establish a Committee of Inspection ("**COI**") comprising Creditors or representatives of Creditors of the Company.

The Chairperson stated that the functions of the committee, if established, are as follows (IPS 80-35):

- To advise and assist the external administrator of the Company;
- To give directions to the external administrator of the Company;
- To monitor the conduct of the external administrator of the Company;
- Such other functions as are conferred on the committee by the Corporations Act;
- To do anything incidental or conducive to the performance of any of the above functions.

	The Chairperson also informed the Meeting that the External Administrator of a
	company must have regard to any directions given by the COI but the external
	administrator is not required to comply with such directions.
	The Chairperson recommended in the circumstances that a COI be formed. There
	was a general discussion regarding the COI's role and the Chairperson sought
	nominations from those present at the meeting to be appointed to the COI.
	Ultimately, there were insufficient nominations to form a COI.
	of till latery, there were insufficient norminations to form a COI.
	The Chairperson declared that no COI was formed at this time.
	The charperson declared that no con was formed at this time.
FURTHER	The Chairperson asked whether there were any further questions prior to the
QUERIES	closure of the meeting.
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	There was general discussion in regard to the legal costs and how these costs will
	be met. The Chairperson referred creditors to the estimates provided in the
	Report and that it would be apportioned between trust and non-trust work,
	subject to orders of the court.
	subject to orders of the court.
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	Mr Cutri elaborated that the court application sought directions as to whether the
	legal fees and costs generally should be met from trust or operational funds, and
	creditors could be heard on that application if they so applied.
CLOSE OF	There being no further business, the Chairperson thanked those present for
MEETING	attending and declared the meeting closed at 3:42PM (AEST).
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Signed as a correct record.

DATED this 30th day of August 2024

JONATHON KEENAN
CHAIRPERSON





Prospero Markets Pty Ltd (In Liquidation) A.C.N 145 048 577 Attendance Register for Meeting of Creditors held virtually only on 31 July 2024 at 1:00PM (AEST)

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Special Proxy The Chairperson	N/A	13,029.42	13,029.42	Eller.
Special Proxy The Chairperson	N/A	\$ 13,772.38	\$ 13,772.38	
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Creditor ID	Name	Proxy Type	Name of Proxy	Related Creditor	Security	Creditor Claimed Amount	Creditor Admitted	Signature
P894336	Manchao Chen			z	N/A		\$ 0.00	Observer - Attended via zoom
P347751	MENGYI LI	Special Proxy	The Chairperson	z	A/N	\$ 10,119.00	10,11	
P580572	Min Jiang	Special Proxy	The Chairperson	z	N/A	\$ 4,836.00	\$ 4,836.79	Aller Control of the
P650937	Neville Tisch			z	N/A	\$ 16,571.75	\$ 16,571.75	Attended via zoom
P233752	Pengkai SUN	Special Proxy	The Chairperson	z	N/A	\$ 12,709.38	\$ 12,709.38	The same
P789303	Poh Leng Ong	Special Proxy	The Chairperson	z	N/A	\$ 587.66	\$ 587.66	
P350431	QIANG ZHU	Special Proxy	The Chairperson	Z	N/A	\$ 19,671.53	\$ 19,671.53	
P462023	Qiong Li			z	N/A	\$ 14,561.12	\$ 14,561.12	Attenged via zoom
P248056	QIUQIAN LU	Special Proxy	The Chairperson	z	N/A	\$ 22,382.90	\$ 22,382.90	
P345884	RONGLIN	Special Proxy	The Chairperson	z	A/N		\$ 10,884.61	
P303838	RosaLYu	Special Proxy	The Chairperson	z	N/A	\$ 16,281.46	\$ 16,281.46	A
P746130	Rui Li			Z	N/A	\$ 33,196.50	\$ 33,196.50	Attended via zoom
	The Trustee for Kai and Meng Family							
P386720	Trust	Special Proxy	The Chairperson	z	N/A	\$ 182,560.66	\$ 0.00	fleen
P330588	The Trustee for LH Chen Superfund	Special Proxy	The Chairperson	z	N/A	\$ 4,343.68	4,343.68	Ham
P188909	tianning hu	Special Proxy	The Chairperson	z	N/A	\$ 15,216.09	\$ 13,216.09	H. Comments of the comment of the co
P703063	Ting Ho Kwan	General Proxy	The Chairperson	z	N/A		€	H.
P147995	WAI LIN YIP			z	N/A	\$ 2,114.57	\$ 2,114.57	Attended via zoom
P263087	Wei YU	General Proxy	The Chairperson	z	N/A	\$ 52,915.29	\$ 0.92	Harry Control of the
P693575	Xianda Tang			N	N/A	\$ 2,650.38	\$ 2,650.38	Attended via zoom
P955118	XIAO DONG LIN			N	N/A	\$ 15,326.15	\$ 15,326.15	Attenged via zoom
P651469	xiao wang	Special Proxy	The Chairperson	Ν	N/A	\$ 3,618.11	\$ 3,618.11	Flu
P260557	Xiaokang Zhou			Z	N/A	\$ 140,670.55	\$ 140,670.55	Attended via zoom
P888575	XIAOMENG QIN	Special Proxy	The Chairperson	N	N/A	\$ 9,960.00	00.096,6	Alm.
P370993	Xiaoqian Zhu	Special Proxy	Chester Hon Sing Chiew	N	N/A	\$ 4,579.01	\$ 4,579.01	Attended via zoom
P292205	XIAOYI QIAN			N	N/A	\$ 10,060.45	\$ 10,060.45	Attenged via zoom
P306769	XU LI	General Proxy	The Chairperson	N	N/A	\$ 1,059.53	1,059.53	The -
P161958	Yajun WANG (Jeannette)	Special Proxy	The Chairperson	Z	N/A	\$ 5,392.38	\$ 5,392.38	The
P446338	Yankun Chen	Special Proxy	The Chairperson	N	N/A	\$ 96.48	\$ 96.48	Alm
P211244	Yijuan Cao			Z	N/A	\$ 59,780.39	\$ 59,780.39	Attended via zoom
P777262	YINGRONG SUN			N	N/A	\$ 1,221.98	\$ 1,221.98	Attended via zoom
P638194	YIWEN WANG			Z	N/A	\$ 13,010.14	\$ 11,010.14	Attended via zoom
P350998	yuan zhang	Special Proxy	The Chairperson	Z	N/A	\$ 24,014.23	\$ 22,014.23	Elem
P154842	YUANJIE CAO	General Proxy	The Chairperson	Z	N/A	\$ 132,332.13	\$ 132,332.13	How we have the same of the sa
P958137	Yuen Fuat Chew	Special Proxy	The Chairperson	Ν	N/A	\$ 57,941.74	\$ 57,941.74	Hum
P427632	Yuqin Li	General Proxy	The Chairperson	N	N/A	\$ 19,898.28	\$ 19,898.28	Flica .
P832377	Zhaobin ZHANG(Zane)			N	N/A	\$ 12,854.15	\$ 12,854.15	Attenged via zoom
P880152	zirui ye	General Proxy	The Chairperson	Z	N/A	\$ 19,302.30	\$ 19,302.30	Hum
P236387	wenyi Huang			Z	N/A	\$ 1,039.84	\$ 1,039.84	Attended via zoom
P860665	Yuechao ZHAO(William)			Z	N/A	\$ 18,577.05	\$ 18,577.05	Attended via zoom
P473074	Xue WANG (Violet)			Z	N/A		\$ 61,846.31	-
P525241	Yi Lu			z	N/A	1	\$ 0.00	Observer - Attended via z
P549616	Poyin HUANG (Ann)			z	N/A	\$ 14,347.83	\$ 14,347.83	14,347.83 Attended via zoom

	-			-				
Creditor ID	Name	Proxy Type	Name of Proxy	Related Creditor	Security	Creditor Claimed Amount	Creditor Admitted	Signature
				(Y/N)		(AUD)	Amount (AUD)	
P387719	JINXIAN TANG			Z	N/A	\$ 12,760.34 \$		12,760.34 Attended via zoom
P178457	Fei Ni HAU			Z	N/A	\$ 11,183.91	\$	11,183.91 Attended via zoom
P908043	PEIPEI LI			z	N/A	\$ 34,191.00 \$		34,191.00 Attended via zoom
P796705	Ran JI(Remy)			z	N/A	\$ 35,600.47		0.00 Attended via zoom
P438156	Xuran FENG(Sherry)			Z	N/A	\$ 27,027.46 \$		27,027.46 Attended via zoom
	Roshan Williams	Link Market Services		Z	N/A			Observer - Attended via zoom
	Kamran Beiglari	Link Market Services		Z	N/A			Observer - Attended via zoom
P344653	Jun Bai							Observer - Attended via zoom
P350431	QIANG ZHU							Observer - Attended via zoom
						\$ 69.886.889.8	\$ 2.076.030.19	



Federal Court of Australia

District Registry: New South Wales Registry

Division: General No: NSD1020/2024

JONATHON SHERWOOD KEENAN and others named in the schedule

Plaintiff

ORDER

JUDGE: Justice Markovic

DATE OF ORDER: 8 August 2024

WHERE MADE: Sydney

THE COURT ORDERS THAT:

- 1. The whole of the proceeding be referred to the National Operations Registrar for allocation to a docket judge.
- 2. The proceeding be listed for case management hearing on a date convenient to the docket judge.

THE COURT NOTES THAT:

3. The plaintiffs are to consider whether it is appropriate to apply for the joinder of representative defendants to the proceeding.

Date orders authenticated: 8 August 2024

Sia Lagor Registrar

Note: Entry of orders is dealt with in Rule 39.32 of the Federal Court Rules 2011.



Schedule

No: NSD1020/2024

Federal Court of Australia

District Registry: New South Wales Registry

Division: General

Second Plaintiff PETER PAUL KREJCI

Third Plaintiff ANDREW JOHN CUMMINS

From: Stephanie Youkhana

Sent: Monday, 19 August 2024 2:50:50 PM

To:

Cc: Adam Cutri; David de Mestre

Subject: Prospero Markets Pty Ltd (in Liquidation) [BP-BPWSDB.FID1755657]

Attachments: Letter to Li Ping Zhang.pdf

Dear Sir/Madam,

Please find attached our letter of today's date.

Kind regards,

STEPHANIE YOUKHANA Legal Assistant Bartier Perry Pty Limited

D +61 2 8281 7866

<u>syoukhana@bartier.com.au</u> | <u>Website</u> | <u>LinkedIn</u> | <u>X (formerly Twitter)</u> Level 25, 161 Castlereagh Street, Sydney NSW 2000



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Li Ping Zhang	I	19 August 2024
	'	Our ref DRD 242964
Email:		

Dear Sir/Madam

Prospero Markets Pty Ltd (in Liquidation) Federal Court of Australia Proceedings no. NSD1020/2024

- 1. We act for the liquidators of Prospero Markets Pty Ltd (in Liquidation) who provided your contact details to us from the records of the Company, as potential representative creditor defendants.
- 2. As you know, the liquidators commenced Federal Court of Australia proceedings NSD1020/2024 seeking judicial advice and approval for costs in respect of client money held by the Company. The documents filed in the proceedings by the liquidators to date are accessible here: https://briferrier.com.au/about-us/current-matters/prospero-markets-pty-ltd
- 3. At the first case management hearing in the proceedings held 9.30 am on 8 August 2024 before Justice Markovic, the following orders were made:
 - (a) Proceeding be referred to the National Operations Registrar for allocation to a docket Judge.
 - (b) List the proceeding for case management hearing on a date convenient to the docket Judge.
 - (c) Plaintiffs are to consider whether it is appropriate to apply for the joinder of representative defendants to proceeding.
- 4. We will notify you once a docket Judge and further case management hearing date are allocated. In the meantime, could you please indicate by reply correspondence no later than **5 pm on 26 August 2024** whether, if ordered by the Court, you would be prepared to be joined to, and act as a representative defendant in, the proceedings with your costs of doing so paid out of the liquidation in relation to some or all of the following issues (without limitation):
 - (a) Claims by offshore clients recorded on the Offshore MT4 database that is available to the liquidators;

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- 5. Any agreement to the above is subject to and conditional upon the Court ordering the joinder of representative defendants to the proceedings. As such, we are simply instructed to enquire as to your position on the above before formalising any such arrangements. If agreeable and if ordered by the Court, you would need to engage independent lawyers to act for you as representative defendant in the proceedings.
- 6. Please contact us if you wish to discuss.

Yours faithfully **Bartier Perry**

AUTH

Adam Cutri | Partner

D 8281 7873 **F** 8281 7838 **M** 0403 888 669

ACutri@bartier.com.au

David de Mestre | Senior Associate

D 9259 9620 **F** 8281 7838 ddemestre@bartier.com.au

From: Stephanie Youkhana

Sent: Monday, 19 August 2024 2:49:41 PM

To:

Cc: Adam Cutri;David de Mestre

Subject: Prospero Markets Pty Ltd (in Liquidation) [BP-BPWSDB.FID1755657]

Attachments: Letter to Zhiyuan Feng.pdf

Dear Sir/Madam,

Please find attached our letter of today's date.

Kind regards,

STEPHANIE YOUKHANA Legal Assistant Bartier Perry Pty Limited

D +61 2 8281 7866

<u>syoukhana@bartier.com.au</u> | <u>Website</u> | <u>LinkedIn</u> | <u>X (formerly Twitter)</u> Level 25, 161 Castlereagh Street, Sydney NSW 2000



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Zhiyuan Feng		19 August 2024
	-	Our ref DRD 242964
Email:		

Dear Sir/Madam

Prospero Markets Pty Ltd (in Liquidation) Federal Court of Australia Proceedings no. NSD1020/2024

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174684091 - 242964 (SYY)

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- 6. Please contact us if you wish to discuss.

Yours faithfully **Bartier Perry**

AUTH

Adam Cutri | Partner

D 8281 7873 **F** 8281 7838 **M** 0403 888 669

ACutri@bartier.com.au

David de Mestre | Senior Associate

D 9259 9620 **F** 8281 7838 ddemestre@bartier.com.au

From: Stephanie Youkhana

Sent: Monday, 19 August 2024 2:48:27 PM

To:

Cc: Adam Cutri; David de Mestre

Subject: Prospero Markets Pty Ltd (in Liquidation) [BP-BPWSDB.FID1755657]

Attachments: Letter to Sigma Trading Management Pty Ltd.pdf

Dear Sir/Madam,

Please find attached our letter of today's date.

Kind regards,

STEPHANIE YOUKHANA Legal Assistant Bartier Perry Pty Limited

D +61 2 8281 7866

<u>syoukhana@bartier.com.au</u> | <u>Website</u> | <u>LinkedIn</u> | <u>X (formerly Twitter)</u> Level 25, 161 Castlereagh Street, Sydney NSW 2000



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Sigma Trading Management Pty Ltd	19 August 2024
	Our ref DRD 242964
Email:	

Dear Sir/Madam

Prospero Markets Pty Ltd (in Liquidation) Federal Court of Australia Proceedings no. NSD1020/2024

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- 6. Please contact us if you wish to discuss.

Yours faithfully **Bartier Perry**

Auth

Adam Cutri | Partner

D 8281 7873 **F** 8281 7838 **M** 0403 888 669

ACutri@bartier.com.au

David de Mestre | Senior Associate

D 9259 9620 **F** 8281 7838 ddemestre@bartier.com.au

David de Mestre

From: Anthony Wu <

To: Stephanie Youkhana

Sent: Monday, 19 August 2024 2:51 PM

Subject: Read: Prospero Markets Pty Ltd (in Liquidation) [BP-BPWSDB.FID1755657]

Your message

To:

Subject: Prospero Markets Pty Ltd (in Liquidation) [BP-BPWSDB.FID1755657] Sent: Monday, August 19, 2024 4:51:36 AM (UTC+00:00) Monrovia, Reykjavik

was read on Monday, August 19, 2024 4:51:29 AM (UTC+00:00) Monrovia, Reykjavik.



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19 August 2024

Our ref DRD 242964

Email:

Dear Sir/Madam

Sigma Trading Management Pty Ltd

Prospero Markets Pty Ltd (in Liquidation) Federal Court of Australia Proceedings no. NSD1020/2024

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174684231 - 242964 (SYY)



PO Box 2631 Sydney NSW 2001 T +61 2 8281 7800 ABN 30 124 690 053 bartier.com.au



19 August 2024

Our ref DRD 242964



Dear Sir/Madam

Zhiyuan Feng

Prospero Markets Pty Ltd (in Liquidation) Federal Court of Australia Proceedings no. NSD1020/2024

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174684091 - 242964 (SYY)



PO Box 2631 Sydney NSW 2001 T +61 2 8281 7800 ABN 30 124 690 053 bartier.com.au





19 August 2024

Our ref DRD 242964

Email:

Dear Sir/Madam

Prospero Markets Pty Ltd (in Liquidation) Federal Court of Australia Proceedings no. NSD1020/2024

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174683781 - 242964 (SYY)





TRACKING

TRACKING NUMBER

0211003308468006340997

Tracking

Overview

Journey

It's on its way

Item processed at sorting facility SYDNEY SOUTH NSW • Tue 20 Aug, 7.47pm

In transit to next facility
Tue 20 Aug, 8.31pm

Arrived at facility
SYDNEY WEST NSW • Tue 20 Aug, 9.14pm

Item processed at sorting facility
SYDNEY WEST NSW • Wed 21 Aug, 12.29am

In transit to next facility Wed 21 Aug, 3.35am

It's coming today

Onboard for delivery ST LEONARDS NSW • Wed 21 Aug, 7.50am

Delivered



DELIVERY NOTE

We won't need a signature

Chat





Details			
Tracking number			
0211003308468006340997			
Delivery address			
Can't be shown			
Delivery instructions			
No signature required			
Service and features			
Express Post			
Size and weight Can't be shown			
Notifications			
Help and support			







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Get help or get in touch



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TRACKING

TRACKING NUMBER

0211003308470006340990

Tracking Overview Journey

It's on its way

Item processed at sorting facility
SYDNEY SOUTH NSW • Tue 20 Aug, 7.50pm

Arrived at facility

MELBOURNE AIRPORT VIC • Wed 21 Aug, 3.27am

In transit to next facility Wed 21 Aug, 5.13am

Arrived at facility
MT WAVERLEY VIC • Wed 21 Aug, 5.52am

It's coming today

Onboard for delivery
MOUNT WAVERLEY VIC • Wed 21 Aug, 8.36am

Delivered

Left in a safe place (mailbox)
GLEN WAVERLEY VIC • Wed 21 Aug, 11.58am

Chat





If nobody's home, we'll leave this parcel at the address – as long as there's somewhere safe.

Details			
Tracking number			
0211003308470006340990			
Delivery address			
Can't be shown			
Delivery instructions No signature required			
Service and features Express Post			
Size and weight Can't be shown			
Notifications			

¹ All times refer to the local time at the location shown.



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Help & support

Get help or get in touch



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TRACKING

TRACKING NUMBER

0211003308469006340994

Tracking

Overview

Journey

It's on its way

Item processed at sorting facility SYDNEY SOUTH NSW • Tue 20 Aug, 7.46pm

In transit to next facility
Tue 20 Aug, 8.31pm

Arrived at facility
SYDNEY WEST NSW • Tue 20 Aug, 9.14pm

Item processed at sorting facility
SYDNEY WEST NSW • Wed 21 Aug, 12.29am

In transit to next facility Wed 21 Aug, 1.44am

It's coming today

Onboard for delivery ST LEONARDS NSW • Wed 21 Aug, 9.11am

Delivered



DELIVERY NOTE

We won't need a signature

Chat



Details		
Tracking	number	
02110033	308469006340994	
Delivery	address	
Can't be	shown	
Delivery	instructions	
No signa	ture required	
Service a	and features	
E Expre	ess Post	
Size and	weight	
Can't be	shown	
Notifica	ations	
Help an	d support	







Sitemap	Online security & scams
Privacy statement	Terms & conditions
About our site	Accessibility

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From: Austin Yeung

Sent: Monday, 6 May 2024 6:08:17 PM

To: Prospero Markets
Cc: Paralegal Ausjuris

Subject: Re: Creditors of Prospero Markets Pty Ltd - Mr Lei Zhang and Ms Yuya Huang

Dear Messrs Cummins, Krejci and Keenan,

Re: Creditors of Prospero Markets Pty Ltd - Mr Lei Zhang and Ms Yuya Huang\

Thank you for providing us with the FAQs and the proof of debt form.

We refer to your email dated 3 May 2024. I note your statement that the Director suggests my clients may have claims against Prospero Global, an associated offshore entity registered in St. Vincent and the Grenadines, rather than the Company. As this assertion could significantly impact the course of action for my clients, I kindly request detailed clarification on the basis of this assertion. Also, it would be helpful to understand the relationship or delineation of responsibilities between Prospero Markets Pty Ltd and Prospero Global.

While we will proceed to submit the Proof of Debt Form along with the required documentation, I would appreciate it if you could keep us informed of any findings from your investigations that might pertain to this matter.

Thank you for your attention to this request. I look forward to your prompt and detailed response.

Yours Faithfully,

Austin M. C. Yeung | Lawyer

Mobile: 04 6688 8053 Office: 02 8328 1818

Email: austin.yeung@ausjurislegal.com.au

Website: ausjurislegal.com.au

Level 17, 123 Pitt St, Sydney NSW 2000 Australia



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On Mon, May 6, 2024 at 5:04 PM Prospero Markets prosperomarkets@brifnsw.com.au wrote:

Dear Austin,

Thank you for your email.

Please see the attached proof of debt form and FAQs

Should you have any further queries, please do not hesitate to contact me.

Regards,

Mankirth Mandair

Intermediate Accountant



We have moved, please note our new address below.

A Level 26, 25 Bligh Street, Sydney NSW 2000

P GPO Box 7079, Sydney NSW 2001

T 1300 291 012 (toll free) or + 61 2 8044 0530 (international)

E prosperomarkets@brifnsw.com.au | W www.briferrier.com.au



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From: Austin Yeung <austin.yeung@ausjurislegal.com.au>

Sent: Friday, May 3, 2024 10:34 AM

To: Prospero Markets < <u>prosperomarkets@brifnsw.com.au</u>> **Cc:** Paralegal Ausjuris < <u>paralegal@ausjurislegal.com.au</u>>

Subject: Re: Creditors of Prospero Markets Pty Ltd - Mr Lei Zhang and Ms Yuya Huang

Dear Mankirth,

Thank you for your email. Please note that there is no attachments to your email. Please attached the proof of debt form and the Frequently Asked Questions document.

Yours Faithfully,

Austin M. C. Yeung | Lawyer

Mobile: 04 6688 8053

Office: 02 8328 1818

Email: austin.yeung@ausjurislegal.com.au

Website: ausjurislegal.com.au

Level 17, 123 Pitt St, Sydney NSW 2000 Australia

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On Fri, May 3, 2024 at 10:29 AM Prospero Markets
prosperomarkets@brifnsw.com.au
wrote:

Dear Austin,

Thank you for your email.

We acknowledge your Clients asserted claim against Prospero Markets Pty Ltd ("the Company"), which is an entity incorporated and regulated in Australia. You will be recorded as a potential client creditor claim.

However, the Director indicates that your clients may <u>not</u> have a claim against the Company. Rather, your clients may have a claim against a related offshore entity, known as Prospero Global, registered in St Vincent and the Grenadines.

The Liquidators have not been appointed over any offshore entities. If your clients have a claim against some other entity, such as Prospero Global, you will need to contact that entity directly to recover their funds.

The Liquidators are conducting independent investigations which includes claims from clients and creditors. That work will take some time to complete.

For the time being, we will record your client as a *potential* client creditor of the Company.

The Liquidators invite your clients to submit a Proof of Debt Form (copy attached), and provide relevant supporting documentation such as:

- 1. Their latest MT4 statement, showing their equity balance.
- 2. Any agreement that they signed with the Company, including key account opening documents such as the Product Disclosure Statement (PDS) and the Terms and Conditions.
- 3. Receipts or documentation showing their deposit of funds with the Company.

A report to creditors will be issued in the coming weeks. In the interim, we attach the Frequently Asked Questions document which addresses most of the queries raised in the Liquidation thus far.

Should you have any further queries, please do not hesitate to contact me.

Regards,

Mankirth Mandair

Intermediate Accountant



We have moved, please note our new address below.

A Level 26, 25 Bligh Street, Sydney NSW 2000

P GPO Box 7079, Sydney NSW 2001

T 1300 291 012 (toll free) or + 61 2 8044 0530 (international)

E prosperomarkets@brifnsw.com.au | W www.briferrier.com.au



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From: Austin Yeung <austin.yeung@ausjurislegal.com.au>

Sent: Tuesday, April 30, 2024 11:39 AM

To: Prospero Markets < <u>prosperomarkets@brifnsw.com.au</u>> **Cc:** Paralegal Ausjuris < <u>paralegal@ausjurislegal.com.au</u>>

Subject: Re: Creditors of Prospero Markets Pty Ltd - Mr Lei Zhang and Ms Yuya Huang

Dear Messrs Cummins, Krejci and Keenan,

Re: Creditors of Prospero Markets Pty Ltd - Mr Lei Zhang and Ms Yuya Huang

We represent Mr Lei Zhang and Ms Yuya Huang (**Our Clients**) concerning the liquidation of Prospero Markets Pty Ltd (**the Company**).

Our clients hold trading accounts with the Company under account numbers 10001624, 10001625, and 10016207. We request that you please provide us with the prescribed proof of debt form to be completed by our clients. Additionally, we would appreciate it if you could circulate any updates, further information, and documents issued by the liquidator regarding the Company.

Should there be any upcoming creditors' meetings or important deadlines, kindly inform us so we can ensure our clients are adequately represented.

Thank you for your attention to this matter. We look forward to your prompt response.

Yours Faithfully,

Austin M. C. Yeung | Lawyer

Mobile: 04 6688 8053

Office: 02 8328 1818

Email: austin.yeung@ausjurislegal.com.au

Website: <u>ausjurislegal.com.au</u>

Level 17, 123 Pitt St, Sydney NSW 2000 Australia



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VCID:165a7865-5c3c-455b-a230-efcd51702e37.

David de Mestre

From: Prospero Markets

Sent: Wednesday, 7 August 2024 9:24 AM

To: Austin Yeung

Subject: RE: Prospero Markets Pty Ltd (In Liquidation)

Hi Austin,

Please see below One Drive link to the exhibits.

17335865_1 240805 Exhibit JSK-1 (signed) [redacted - final].PDF

Regards,

Pauline Yeow

Senior Manager



We have moved, please note our new address below.

A Level 26, 25 Bligh Street, Sydney NSW 2000

P GPO Box 7079, Sydney NSW 2001

T 02 8263 2333 | D 02 8263 2328

E pyeow@brifnsw.com.au | **W** www.briferrier.com.au



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From: Austin Yeung <austin.yeung@ausjurislegal.com.au>

Sent: Friday, August 2, 2024 4:47 PM

To: Prospero Markets prosperomarkets@brifnsw.com.au> **Subject:** Re: Prospero Markets Pty Ltd (In Liquidation)

Dear Pauline,

Could you please also share a copy of the Exhibit of JSK-1 referred to in the affidavit. Thank you.

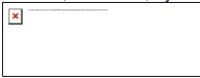
Yours Faithfully,

Mobile: 04 6688 8053 Office: 02 8328 1818

Email: austin.yeung@ausjurislegal.com.au

Website: ausjurislegal.com.au

Level 17, 123 Pitt St, Sydney NSW 2000 Australia



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On Fri, Aug 2, 2024 at 4:43 PM Prospero Markets com_au wrote:

Austin,

Please be advised the affidavit is now available on the BRI Ferrier webpage.

A copy is also attached for your reference.

Regards,

Pauline Yeow

Senior Manager



We have moved, please note our new address below.

P GPO Box 7079, Sydney NSW 2001

T 02 8263 2333 | **D** 02 8263 2328

E <u>pyeow@brifnsw.com.au</u> | **W** <u>www.briferrier.com.au</u>



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From: Austin Yeung austin.yeung@ausjurislegal.com.au>

Sent: Friday, August 2, 2024 11:59 AM

To: Prospero Markets < prospero Markets Pty Ltd (In Liquidation)

Dear Messrs Cummins, Krejci, and Keenan,

Re: Incorrect Document on BRI Ferrier Webpage

I refer to the email from you forwarded below.

We note that the sealed affidavit of Jonathon Keenan, filed on 31 July 2024 on the BRI Ferrier webpage, appears to be an incorrect document. When downloaded, it is the originating process rather than the intended affidavit.

Could you please rectify this issue and provide us with a copy of the sealed affidavit?

Thank you.

Austin M. C. Yeung | Lawyer

Mobile: 04 6688 8053

Office: 02 8328 1818

Email: austin.yeung@ausjurislegal.com.au

Website: ausjurislegal.com.au

Level 17, 123 Pitt St, Sydney NSW 2000 Australia



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On Fri, Aug 2, 2024 at 10:01 AM Prospero Markets Pty Ltd (In Liquidation) < NOREPLY-LinkMarketServices@median.com.au> wrote:

Dear Lei Zhang & Yuya Huang

Prospero Markets Pty Ltd (In Liquidation)

A.C.N. 145 048 577 ("the Company")

We refer to our Statutory Report to Creditors dated 10 July 2024.

In that report, we confirmed that the Liquidators were preparing an application to the Federal Court

of Australia to approve the intended distribution process. That application and the supporting of affidavit have now been filed and the matter has been listed for first case management hearing at 9.30 am (AEST) on 8 August 2024.

We have uploaded a copy of the following documents onto the BRI Ferrier webpage (https://briferrier.com.au/about-us/current-matters/prospero-markets-pty-ltd), onto the landing page of the Link Market Services Creditor Portal (https://exad.com.au/bri/prospero/) and after you login to the Creditor Portal:

- 1. Sealed Originating Process (Corporations) filed on 31 July 2024;
- 2. Sealed Affidavit of Jonathon Keenan filed on 31 July 2024; and
- 3. Estimated Outcome Statement.

A version of Exhibit JSK-1 referred to in the affidavit of Jonathon Keenan with all client and confidential information redacted is being prepared and will be available in due course on our website.

Regards,

Jonathon Keenan, Andrew Cummins and Peter Krejci

Joint & Several Liquidators

BRI Ferrier

VCID:770a7f2e-5db3-4272-8df7-2f1e3c79edda.

VCID:14c36c60-93fe-424a-98e2-50c9ad1aaa36.

From: Austin Yeung

Sent: Thursday, 8 August 2024 11:10:00 AM

To: Litigation Notification

Subject: NSD1020/2024 AN APPLICATION BY JONATHON SHERWOOD KEENAN & ORS

Dear Colleagues,

NSD1020/2024 AN APPLICATION BY JONATHON SHERWOOD KEENAN & ORS

We note we were the solicitors who lodged proofs-of-debt on behalf of Ms Yuya Huang and Lei Zhang.

We observe that the affidavit of Jonathon Keenan Exhibit of JSK-1 was provided to us on 2 August and 7 August 202, respectively. We observe the exhibit is 1000+ pages long.

We presently do not have instructions from Ms Yuya Huang or Mr Lei Zhang to intervene, however, we anticipate Ms Yuya Huang or Mr Lei Zhang would at least like a reasonable opportunity of 14 days to consider the documents, obtain advice as to whether or not they should participate in your client's application.

We respectfully request that you draw this email to the Court's attention and keep our firm updated on any orders or directions of the Court.

Thank you.

Yours Faithfully,

Austin M. C. Yeung | Lawyer

Mobile: 04 6688 8053 Office: 02 8328 1818

Email: austin.yeung@ausjurislegal.com.au

Website: ausjurislegal.com.au

Level 17, 123 Pitt St, Sydney NSW 2000 Australia



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PO Box 2631 Sydney NSW 2001 T +61 2 8281 7800 ABN 30 124 690 053 bartier.com.au

Ausjuris Legal Level 17, 123 Pitt Street Sydney NSW 2000 15 August 2024

Our ref DRD 242964

Email: austin.yeung@ausjurislegal.com.au

Dear Mr Yeung

Prospero Markets Pty Ltd (in Liquidation) Federal Court of Australia Proceedings no. NSD1020/2024

- 1. As you know, we act for the Liquidators of Prospero Markets Pty Ltd (in Liquidation). We understand that you act for Ms Yuya Huang and Lei Zhang.
- 2. We refer to your email dated 8 August 2024 at 11.10 am, which was received by us after the first case management hearing at 9.30 am on 8 August 2024 and therefore not able to be drawn to the Court's attention.
- 3. The following orders were made by Markovic J as the Corporations List Judge at the first case management hearing in the proceedings on 8 August 2024:
 - (a) Proceeding be referred to the National Operations Registrar for allocation to a docket Judge.
 - (b) List the proceeding for case management hearing on a date convenient to the docket Judge.
 - (c) Plaintiffs are to consider whether it is appropriate to apply for the joinder of representative defendants to proceeding.
- 2. We will notify you once a docket Judge and further case management hearing date are allocated.

Your clients' claims

- 3. We refer to the emails exchanged between you and our clients' office between 3 May and 6 May 2024 in which:
 - (a) BRI Ferrier informed you that "the Director indicates that your clients may not have a claim against the Company. Rather, your clients may have a claim against a related offshore entity, known as Prospero Global, registered in St Vincent and the Grenadines. The Liquidators have not been appointed over

174082052 - 242964 (DRD)

- any offshore entities. If your clients have a claim against some other entity, such as Prospero Global, you will need to contact that entity directly to recover their funds"; and
- (b) you responded, "I note your statement that the Director suggests my clients may have claims against Prospero Global, an associated offshore entity registered in St. Vincent and the Grenadines, rather than the Company. As this assertion could significantly impact the course of action for my clients, I kindly request detailed clarification on the basis of this assertion. Also, it would be helpful to understand the relationship or delineation of responsibilities between Prospero Markets Pty Ltd and Prospero Global."
- 4. We remain instructed that, based on information available, the Liquidators consider that your clients (and the other offshore clients) do not have a valid claim to the client money held on trust by the Company. The available information was set out in the Liquidator's affidavit.
- 5. In light of the above, and given the order made by the Court in relation to potential representative defendants, could you please confirm by no later than **5 pm on 21 August 2024** if, in light of the information set out in the Liquidator's affidavit, your clients maintain their claims to the client money held by the Company?
- 6. If that claim is maintained, could you please confirm whether there is any further information on which your clients intend to rely to address the issues raised in the Liquidator's affidavit in relation to lack of evidence of deposits into the Company's accounts?
- 7. We are keen to understand your clients' position and would be happy to discuss.

Yours faithfully **Bartier Perry**

Adam Cutri | Partner

D 8281 7873 **F** 8281 7838 **M** 0403 888 669

ACutri@bartier.com.au