

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MDL No. 3076
CASE NO. 1:23-md-03076-KMM

IN RE:

FTX Cryptocurrency Exchange Collapse Litigation

THIS DOCUMENT RELATES TO ALL ACTIONS

CO-LEAD COUNSEL’S STATUS REPORT IN COMPLIANCE WITH SEPTEMBER 6th ORDER

Co-Lead Counsel file this Status Report, in compliance with the Court’s Order dated September 6, 2023 (“Prior Order”) (ECF No. 237), entered in response to the Settling Parties’ *Joint Notice of Compliance with July 11th Order and Request for a Briefing Schedule for Motion for Preliminary Approval* (“Prior Motion”) (ECF No. 177).

1. As of the date of this filing, Co-Lead Counsel have reached proposed Settlements, with the following FTX Defendants in this MDL:¹

- a. Defendant Mr. Kevin Paffrath
- b. Defendant Mr. William Trevor Lawrence
- c. Defendant Mr. Tom Nash

2. Co-Lead Counsel are currently engaged in *ongoing* confidential, settlement discussions with additional FTX Defendants, before both: (a) Mediator, The Honorable Michael A. Hanzman (*ret.*), and (b) Mediator, Rodney Max.²

¹ Co-Lead Counsel are filing a Notice of Voluntary Dismissal of claims against FTX Defendant Ben Armstrong and will file a Notice of his settlement in the related Binance matter.

² Mediator Rod Max was appointed by District Judge Roy Altman, pending before this Court in *Voyager Class Litigation (Robertson, et al. v. Cuban, et al., 22-CV-22538)*, and *Binance Class Litigation (Sizemore et al. v. Zhao, et al., Case No.: 1:23-cv-21261)*.

3. Co-Lead Counsel are also in settlement discussions with additional FTX Defendants, who have advised that, following a ruling by the Court on the soon-to-be-filed Motions to Dismiss, they will be in a better position to attend mediation, and dates have already been reserved with Judge Michael Hanzman (*ret.*) to mediate those claims in October and November.

4. Co-Lead Counsel respectfully suggest that because there is a likelihood that other FTX settlements will be reached at, or immediately following, these mediations, it continues to be most efficient and economical (as done in other class cases before this Court), for the Court to conduct one hearing, by combining consideration of the proposed Settlements, in light of the significant costs of notice and administration to the proposed Class. Indeed, this MDL includes claims of Class Members, both domestic and international, numbering in the hundreds of thousands, if not millions, and conducting a notice campaign for approval, will be a complex and costly endeavor.

5. Moreover, Co-Lead Counsel would like to coordinate mediation efforts with the FTX Bankruptcy Proceedings so we coordinate global FTX mediation efforts for the benefit of all FTX victims.

6. If these proposed Settlements are approved by the Court, after (1) Preliminary Approval of the Agreements, (2) Approved Notice is provided to all Class Members, and others entitled to receive Notice, pursuant to the Class Action Fairness Act, and (3) a Final Fairness Hearing, all of the proposed class claims against these FTX Defendants will be resolved.

7. Accordingly, Co-Lead Counsel very respectfully request that the Court enter an Order, allowing for the preliminary settlement approval process to be completed as follows:

- a. By January 5, 2024, if other FTX Defendants have settled, Co-Lead Counsel shall submit a Status Report, with a proposed schedule for filing of a Motion for Preliminary Approval which will include the pending Settlements with FTX Defendants Lawrence, Paffrath, and Nash.

- b. If no other FTX Defendant has settled by January 5, 2024, Co-Lead Counsel shall move for preliminary approval of the pending Settlements.

WHEREFORE, Co-Lead Counsel respectfully requests the Court to enter an Order establishing the schedule above. A proposed order accompanies this motion as **Exhibit A**.

Dated: September 15, 2023.

Respectfully submitted,

By: /s/ Adam Moskowitz

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Co-Lead Counsel

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on September 15, 2023, a true and correct copy of the foregoing was filed electronically with the Clerk of the Court, by using the CM/ECF system which will send an electronic notification of such filing to all counsel of record.

By: /s/ Adam M. Moskowitz
Adam M. Moskowitz

Exhibit A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MDL No. 3076
CASE NO. 1:23-md-03076-KMM

IN RE:

FTX Cryptocurrency Exchange Collapse Litigation

THIS DOCUMENT RELATES TO ALL ACTIONS

**[PROPOSED] ORDER REGARDING
CO-LEAD COUNSEL'S STATUS REPORT IN COMPLIANCE WITH SEPTEMBER 6th ORDER**

This CAUSE came before the Court on the Status Report in Compliance with September 6th Order (ECF No. _____) ("Status Report"), filed by Co-Lead Counsel for Plaintiffs and the putative Class ("Co-Lead Counsel").

The Court has reviewed the Status Report and hereby **ORDERS AND ADJUDGES** as follows:

- a. On January 5, 2024, if other FTX Defendants have settled, Co-Lead Counsel shall submit a Status Report with a proposed schedule for filing of a Motion for Preliminary Approval which will include the pending Settlements with FTX Defendants Lawrence, Paffrath and Nash.
- b. If no other FTX Defendant has settled by January 5, 2024, Co-Lead Counsel shall move for preliminary approval of the pending Settlements with FTX Defendants Lawrence, Paffrath and Nash, on or before January 5, 2024.

DONE AND ORDERED in Miami, Florida this _____ day of September, 2023.

HONORABLE K. MICHAEL MOORE
UNITED STATES DISTRICT JUDGE

Copies furnished to:
Counsel of record