

First, let me state that I have no reason to believe any wrong-doing was intentionally done by Mark or any of his staff. If there was anything going on behind the scenes it was hidden very well from me and others, hence I do not feel Mark ever intended for things to end this way. I have known him for a few years now and will say that he is a very kind man who from my experience always wants to help others as well as make a successful business. Over the last few months we have talked a few times a month and on most of these occasions he was looking for and discussing plans and opportunities he thought might be able to turn things around.

From what I know Mark is now personally in a very big hole both personally and financially due to the failure of his venture. He is not living in a new house, driving a fancy car or sitting on a tropical beach sipping rum. This man has spent the past few months in what I can only call a living hell. Everything that could go wrong for him did; projects that were initially forecasted to be profitable turned into big garbage disposals, money that he was counting on to make some projects profitable or complete never materialized, his dog died and his fiancé left him.

Why do I think all of this happened? In my opinion there was quite a few factors. When Mark started Banx in 2014 the price of BTC was very high and projections were made based on that price (as far as I know). This could be called poor management or just bad timing as the price of BTC quickly plummeted to around \$180 USD from about \$800 USD or approximately 20% of its former value. This meant that all of the money that was invested was no longer generating profit, mining equipment being the most notable in my mind.

Money was spent paying a developer to create an exchange for him which turned out to be one big loss as the system was completely flawed in every possible way (come on who in their right mind would try and use nosql for such a thing let alone have it all on 1 server). This I don't see as being a failure on Marks part but rather him getting scammed. He then bought my exchange for 1/4th of what it was appraised at (50% cash 50% BANX shares and a 1-year contract as a contractor to maintain the site paid monthly). I agreed to this as I thought his knowledge of marketing and having a full staff would help take some of the daily operational burden off of me.

However, over the course of the year things went sideways and I think there were too many projects going on which made it impossible for any individual project to get the attention it needed. Would this be a failure of management? Yes! Was this what eventually turned into the death blow? I don't know! I can't say that I have never had a business fail on me, I have however only once did I have someone else's money in play (which I paid back). The stress of knowing that others are looking at you, being obligated to do whatever you can to make a profit and not being able to pull it off is something I would never wish on anyone.

Do I think Mark made some fatal business mistakes? Yes! Do I think there was some negligence at times? Yes! Do I think he is a scammer? No! Would I have done things differently? Yes! Was all of the dividends paid from investors funds? No! Were some of the dividends paid from investors funds? Probably! Did anyone have any control other than Mark? Probably not! So he knows and feels that ultimately it all rests on his shoulders, he doesn't need to be reminded of that.

I was just as much invested into Banx as anyone (more than most actually). I was not an employee, and I did not have knowledge of what Mark or anyone in his office did on a daily basis (although I did often wonder). We would have discussions about the different projects and what was going on with each but

with so many things on the table I believe it was impossible for any of them to be completed in any sort of timely fashion. So the demise of Marks company is not a pleasant thing nor is it a surprise to me. I do feel bad that Mark has this scar on his record and in his heart as I know he feels like he let everyone down.

Some people accused him of running a Ponzi scheme and while I don't agree with that term being used in this case I can see how in some ways it would appear to be. I don't know if Mark kept proper records, I do know that I always had contracts and turned in monthly expense reports and receipts for every penny I ever spent or was reimbursed for. However, I don't think he realized how much was going out on a whole, which again is a failure in management. I guess when you have so much going on some things are going to be neglected. Who knows there may have been employees skimming cash with fraudulent expenses, I don't know, it could be a possibility given the outcome however such a thing has never been mentioned to me nor am I saying that is what happened.

These are just my thoughts and while I did not come out ahead in this investment I am not going to ostracize Mark because of it. I consider him to be a friend as do many others despite the outcome of our investments. I am sure he has taken away many valuable lessons from this whole experience as have I. Sometimes we all need to loose in order to truly appreciate when we win and I hope Mark moves on and can get things back in order as many people see only a man and a company name not the people that are on the sideline and get hurt. So with that I thank you and hope that next time things turn out better and hope that Mark and his loved ones are ok.

Thank You,

Allen Byron Penner

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