

Mt Gox Russian Recoveries Proposal

Prepared by Andy Pag 12-Sep-19

In this document:

- Intro
- Q&A from Zheleznikov and Partners outlining their proposal
- My notes from research on possible legal and financial consequences – Not legal advice
- Application paperwork

Intro

Zheleznikov and Partners are proposing pioneering legal action in Russia to recover losses on behalf of Mt Gox victims. They believe up to 200,000BTC may be recoverable to make whole, in bitcoin terms, the claims of clients they represent.

Who are Zheleznikov and Partners?

They are highly successful legal practice specialising in Criminal Law in Russia. They are rated by Legal 500 (Legalease Ltd), a reputable independent company which researches and rates law firms worldwide, a globally trusted index of reputable law firms. The lead partner regularly writes articles in newspapers and legal journals, and they are members of the Moscow Bar Association.

Who am I?

I am Andy Pag, a former BBC journalist. I had an account on Mt Gox when it closed. I had an approved bankruptcy claim and founded Mt Gox Legal (MGL) a co-operative of creditors. I stood down when I sold my claim. I was hired by ZP to help them with their client onboarding process for this case. I am not a lawyer, I do not have special insight into ZP's legal strategy, and you should not consider my words, wherever you have read them, including in this documents as legal advice. If you are in doubt about the legal or financial consequences of being involved you should consult your own legal counsel.

Q&A from Zheleznikov and Partners

The following is a Q&A from Moscow law firm Zheleznikov and Partners, about their proposed action to recover losses on behalf of victims of the Mt Gox theft. It has the promise of making victims whole.

Zheleznikov & Partners and Mt Gox Victims Q&A

Who is Zheleznikov & Partners?

Zheleznikov & Partners is a leading Russian law firm with strong Russian criminal law expertise recognised and highly ranked by international and domestic industry ratings. As a firm we have been established for 8 years and been instrumental in getting success for our clients in a number of high profile and challenging cases. Alexander Zheleznikov, our founding partner and a member of the Moscow Bar association since 2006, regularly writes articles in scholarly and mainstream Russian publication and is often called on my media outlets to comment on cases of national interest.

What is the legal strategy you will use to get recoveries for victims of Mt Gox?

We plan to help victims of the thefts from Mt Gox to recover their losses.

The first step is to initiate a criminal case in Russia relating to Mt Gox. Currently a case does not exist. However, there are other related cases with people in custody, and we believe there is evidence collected by Russian Law enforcement in those cases that relate to Mt Gox. Without a criminal case being started in Russia, this information is not being brought together.

To initiate a criminal case we need to present victims of the theft to the police. But there are a number of complications. Some of the complications will be dealt with in the new law amendment coming into force in October 2019, which would assist recognising cryptocurrency as assets. But this does not overcome all the challenges. We are confident that our firm know how to overcome the other complications.

We have found a way to prompt the police to launch an investigation relating to the theft of cryptocurrency during a previous case representing a Wex.nz client. Although that was a smaller and, for various legal reasons, much simpler case to what we are proposing to do for Mt Gox victims, we believe we can apply the same and/or similar methods (or combination thereof) on a larger scale for more people. Nevertheless, it will still be unprecedented case based on a pioneering legal strategy, which we carried out before. For reasons of our client confidentiality and the confidentiality of those criminal proceedings, and for commercial reasons, we are not able to share the details.

What proof can you demonstrate about your previous case?

For reasons of our client confidentiality and the confidentiality of criminal proceedings, we cannot present a set of exhaustive and conclusive evidence. Unfortunately we accept that what we can show will never be enough to satisfy some victims and only leads to more questions rather than complete answers. In this regard, we invite potential clients to rely on our verifiable reputation and the fully contingency-based fee we are offering.

Our confidence in the approach that we intend to take is demonstrated by our fee structure as offered to our potential clients being a fully success-based. We are not aware of any other law firms offering fully contingent fees in an unprecedented case like this.

Who are these people you want to launch action against on behalf of Mt Gox?

We have identified some of them already, and believe others will be identified by bringing the evidence collected already by Russian Law enforcement together under a focused Mt Gox investigation, which we hope to get opened. We know that some of these individuals are already in custody. The detained people do not necessarily control the assets we hope to recover themselves. The assets might be even controlled by third parties acting in good faith. This is another complication, which we will need to take into account.

We want to make clear that we do not know yet the identities of all persons. We have strong reasons to believe that their identities will be revealed by the police investigation bringing existing information together, but we hope that once the criminal case starts they will come forward quickly and offer to give compensation to victims.

There are two ways they could do this. Simply put they can either pay compensation directly to victims, or they can “buy” victims’ claims in the case. There are different points in the case where they could come forward, and there are other agencies from other jurisdictions who could intervene with the effect that recoveries still flow to victims, but are defined in a different legal context. These multiple scenarios create a problem for defining the recoveries that our law firm generates for its clients, which in turn make it hard for us to define our fee in the Engagement Agreement. Because these cases set precedents it is not straightforward to produce an Engagement Agreement. We have proposed wording in the final Engagement Agreement that reassures clients that no fee will be due for unrelated recoveries that happen elsewhere during the time we are representing them. We do not want to be paid for rewards we are not responsible for, but we also want to be sure we can and will be paid for our work.

How many bitcoins might be recovered and what are you basing this estimate on?

We do not know this for certain, but through our close co-operation with law enforcement we believe the recoveries may be up to 170,000-200,000BTC.

Why do you think only your firm can do this?

To get the criminal case initiated by law enforcement in situations like this requires close co-operation with them. Our firm has developed these relationship over several years through our track record of professional conduct and mutual respect for our colleagues working in law enforcement. Russian police and other law enforcement agencies in Russia recognise and distinguish our firm both acting as advocate for the defendants (in some cases) and as advocate acting for victims of crimes, including theft and fraud, in other cases.

Our clients benefit from this, and this is one of the unique selling points of our firm, which gives us the best chance of getting a criminal case accepted.

We confirm that our relationship with the law enforcement is maintained in strict compliance with applicable laws and professional ethical standards. We understand that several victims are researching rival law firms to obtain a counter offer. We welcome this as we believe it will reassure clients in the trust of our services.

Have you had conversations with the Trustee? Why can't you work with the Trustee?

In principle, we were always ready to work with the Trustee. We flew to Tokyo and met with the Trustee of Mt Gox to discuss our potential cooperation face to face. We understood however that by virtue of the strict provisions of the Japanese insolvency laws, the Trustee is under a number of constraints dictated by the court and his responsibilities to creditors. We investigated if he could act on behalf of all victims as an Agent of Law (similar to a Power of Attorney) but we believe that there is a risk that he will not have full autonomy to react promptly to situations that may arise in the Russian criminal proceedings, and the delay of referring back to creditors or the court for permissions will create impasses that could jeopardise the case.

Secondly, we understand that as a consequence of some victims selling their claims to investors, the Trustee now represents people who were not victims of the original theft. This precludes him from acting as an Agent of Law on behalf of victims in the eyes of Russian law enforcement.

Nevertheless, we believe that our good faith representation of individual victims will be beneficial for the Trustee because we hope the estate as a whole will benefit indirectly from recoveries of our clients. We suggest proposing the Trustee enters into a cooperation agreement to address what we intend to achieve for individual creditors, and we will make contact with the Trustee shortly to start discussions to this end.

Can you do this without limiting who can apply?

We were impressed to hear that victims would like to make it possible for everyone to join this action, even though that could potentially mean a dilution of their own recoveries if the aggregate claims are more than ~200,000BTC. We are happy to accommodate this if victims are, and it is heartening to work with such a co-operative group of victims.

There are some fixed costs to process each victim's claim, so people with very small claims may find their recovery is totally absorbed by fees. But to find a fair compromise, we are happy to consider initial (digital) applications for claimants of any size, and will then review how we can proceed to be as inclusive as possible.

Why can't you organise a class action instead?

As we are only paid in the case of successful recovery, you can be sure that we will use all legal tools and remedies possible to achieve the recovery as soon and as easy as possible. Please note that the class action concept will be introduced only in October 2019 and will likely remain untested for some considerable time.

More importantly, to achieve success in such a complicated case concerning a brand new industry in Russia such as cryptocurrency, we will rely mainly on the legal tools available and/or arising out of the criminal law proceedings rather than on civil law remedies, which one may find historically weak in Russian law.

In any event the criminal proceedings component is critical to bring various existing pieces of information together, get access to new information, "motivate" persons responsible for thefts to share information and cooperate with the Russian police etc. Please do not be confused by someone suggesting that a class action is an easy solution to achieve recovery. Civil law remedies would come into play only when the stolen assets are located, with a clear legally established link to the particular theft, and the responsible individuals are identified. In other

words, the choice of a civil law remedy would be relevant for structuring recovery once its origin is identified. But the most challenging job would need to be done before that.

What is the value of my loss according to Russian Law?

If you held a balance on Mt Gox of say 100BTC on the day it closed, to calculate your Russian police claim you must convert this to hard currency based on the current rate, for instance \$10,000/btc means your claim will be \$1,000,000, in Roubles.

If you sold your bankruptcy claim and received say \$50,000 you must declare this as an offset to your total loss, so you would claim \$950,000 in Roubles.

That is the amount to claim on the Police report. For the purposes of the recovery, we intend to pursue recovery in bitcoins or using the price at the time of the recovery to achieve amounts as close as possible to actual losses. In any event, with our fee structure we are interested in the maximum recovery possible and will do our best to achieve it.

If the Trustee distributes a payment to you while proceedings are underway, then you must declare this payment to the Russian police as an offset, and reduce your claim at that time.

If you receive a payment from this process you may need to inform the Trustee in Japan, but this is a question of Japanese law, which we are not able to advise on.

Why is there such a short deadline?

The process of onboarding clients is time consuming and we are concerned that the assets may be moved. We believe it is best to act promptly. It may also be possible for victims to join our action for later cases, however we cannot guarantee this, and we cannot guarantee that the terms will be the same once we have a proven success record.

Why are you charging such a high fee? 50% could be worth \$1billion. That would be one of the highest fees ever paid to any law firm. A cap on your fee would make it more reasonable?

We cannot guarantee nether the actual amount of recoveries available, nor the “quality” of potential clients and their claims.

We intend to undertake, and effectively finance, an unprecedented project, which may last for years. This is a commercial risk for our firm, and the fee reflects the market price for litigation finance given the risks and costs involved.

Given the fully contingent fee structure, we suggest that our potential clients asses the opportunity from purely business point of view of their potential recovery, rather than calculating the value of the legal bill. Based on our understanding of the market for bankruptcy claims, a 50% discount is a very generous offer with respect to losses, for which there have been no meaningful recoveries for years.

Our firm is a small boutique law firm that punches above it’s size and weight. To do this we often use external experts and consultants. They represent overheads which are also paid on a

«Zheleznikov & partners» law firm
123100, Moscow, Presnenskaya promenade 12
+7 (495) 645-18-18, www.zplegal.ru

contingency fee basis from the fee we are charge our clients. A large team of highly skilled legal and cryptocurrency experts will be needed to achieve a successful result and they will all be sharing in the total fee we are charging.

Why charge an hourly rate on top of this huge fee? How many hours are you expecting each victim to be responsible for? 10, 20, 50, 100?

It is a very complicated and unprecedented case with many elements outside Russia (e.g. location of Mt.Gox, location of clients, location of assets, etc.). It is not a straightforward exercise at all even to initiate the criminal case in Russia, which in practice may take months, and then assist Russian police to investigate it.

Needless to say that Russian police is unexperienced with this new digital economy crimes.

In light of the above, we cannot limit ourselves to a particular number of hours.

What stops another lawyer joining the case and getting recoveries for their client at a lower fee once the cases is underway (aka free-rider)?

Based on our experience on some previous cases where we acted for victims for regular (i.e. fiat) theft or fraud, the successful recovery was always primarily dependent on the level of our cooperation with the police and the law enforcement system as a whole, rather than on paperwork merely filed timely. In this regard, we are confident that any other alternative law firm will not be able to assist their clients on this case better than us.

What fees will your clients be liable for if they engage you but somehow the recovery ends up going to the Trustee instead of clients you represent?

We have addressed this in the latest version of the Engagement Agreement. Normally, we should not be entitled to the fee in the case of any recovery made to the Trustee instead of our clients.

In the unlikely event that as a result of our work, a recovery is made and awarded to the Trustee instead of our clients, the fee due by our clients will be limited to the extra they receive from the Trustee. We do not think this scenario is likely.

Do you have any conflicts of interest – do you or your firm have any links to the criminals? Is your fee so high because you are helping them launder their stolen money into legitimate accounts?

We confirm we have no conflict of interest. We confirm that our proposed legal engagement has nothing to do with attempts to “launder” stolen assets. Actually, it would be a very unwise way to “launder” stolen assets by launching unprecedented criminal proceedings and investigations with unpredictable consequences.

At the same time, given that we are highly dependent on the clients both in terms of information they will provide to us and their identities (which we have no interest or ability to investigate in depth), we put our high reputation with the Russian police and the law enforcement in the hands of our clients. For example, if one day we are told by the Russian police that before the collapse

«Zheleznikov & partners» law firm
123100, Moscow, Presnenskaya promenade 12
+7 (495) 645-18-18, www.zplegal.ru

of the Mt.Gox a client of ours illegally had financed political NGOs in Russia (e.g. by bitcoin transfers via Mt.Gox), we must be able to terminate the engagement agreement for such client.

You talk about close co-operation with law enforcement. Does this mean paying bribes, or anything illegal that would trigger the Foreign Corrupt Practices Act in the US or the Bribery Act in the UK?

No, we comply with all applicable anti-bribery and anti-money laundering regulations as well as with the ethical standards of advocate profession. Alexander Zheleznikov, our founding partner, has been the member of the Moscow Bar association since 2006. There have never been any complaints lodged against our firm.

Subject to our compliance with the provisions of Russian law and professional confidentiality duties, we are ready to cooperate with the law enforcement of any country (including Japan, the United States and others) in connection with the potential Russian criminal proceedings with respect to thefts at Mt. Gox.

How will you ensure the safe custody of ID and documentation sent to you? Who will be able to access our details?

We will keep documents in confidence as a matter of our professional duties. The criminal proceedings are normally confidential. The Russian police must keep them confidential as a matter of law.

Legal and Financial Considerations

You should consider the legal consequences of this opportunity as well as the financial ones. If you are unsure of the consequences, you should obtain professional legal and financial advice which is accountable to you. The following is a list of risks I have personally considered and researched as fully as I am able. There may be others relevant issues I haven't considered. I'm sharing this list as a basis for you to (a) perform your own fact checking and research, and/or (b) discuss with your accountable legal counsel. I am not a lawyer, this list is not legal advice. Despite my best efforts I cannot warranty it's accuracy. It should not be acted on as legal advice. I'm not making a recommendation to take part in the action or not. This is a decision you must take for yourself, and to ensure you have understood that, the application requires you to sign a disclaimer to acknowledge this.

1/ Japan Jurisdiction Considerations.

Mugi Sekido is the lawyer employed by MGL a large co-operative of creditors. He has posted his full analysis on MGL's forum.

<https://forum.mtgoxlegal.com/t/sekido-communication-about-rr/2095>. Below is an excerpt.

... the trustee may modify each CR claims differently under CR plan if equity will not be undermined under exceptional circumstances (Article 155 (1)). Since the trustee now thinks that BTCs [from Russia] should be returned to the trustee for equal distribution to all of the creditors, we cannot deny the risk that the trustee might think of some logics to adjust CR payments [for individuals who receive it].

My reading of Sekido's written advice, and from a follow up call with him, is that the trustee may adjust claims of creditors who receive Russian recoveries (RR), although there are some conditions to this so it is not certain. ZP have opened discussions with the Trustee with a view to share information on recoveries with him to facilitate this. The aim is that if there was a recovery of losses in Russia, the trustee could reduce the Civil Rehabilitation (CR) claim proportionately to the percentage of the recovery for those individuals. This could mean you received 50% net recovery of your lost BTC, less hourly fees, from Russia, the Trustee might reduce your CR payment to half of it's current value (based on net recovery value), or down to zero (based on gross recovery value). The CR payment is widely expected to be 15-18% of BTC losses plus ~\$450/btc, so RR would still be financially positive.

My impression is that if the Trustee can make adjustments they will likely be based on the net RR amount received by victims after fees, and not on the gross amount including fees, but it is not clear at this stage, and may depend on how the recoveries are defined under Russian law and how this is interpreted under Japanese law.

Sekido told me he believes the Trustee would only to be able to attempt clawbacks of actual assets from people who obtained more than their approved claim value. ZP's plan does not envisage for more than 100% recovery so this would not be a risk for creditors.

But this issue poses a risk for "claim sellers". While they may be eligible in Russian law, a worst case scenario is that they could become liable to the Trustee for assets he considers belong to Mt Gox estate. I have attempted to involve the two biggest claim buyers in a compromise that would allow victims to mitigate this risk. Essentially this means claim sellers would agree for them to become partners in the recovery, in exchange for accepting the appropriate diminution in their claim and in return relieving the claim-sellers' liability to the Trustee. One major claim buyer has

indicated they are willing to consider requests, the other is still considering the position. I'm happy to discuss this with individuals who wish to contact me directly.

2/ Russian Jurisdiction Considerations.

ZP say that under Russian law, individual victim's can be recognised by law enforcement. They also said that there are no grounds in Russia whereby a victim who did not receive RR could take action to recover a share from victims who did.

3/ Repercussions in other jurisdictions

Other victims

I have not been able to find any grounds on which other individuals creditors who don't benefit from RR can take action against victims who do. If they were able to take action, I suspect that they would only be able to take action over ~1/800,000 of another victims' recovery, for each bitcoin they lost. My estimate is based on the fact that approximately 800,000BTC have been claimed under CR. Other than in extreme cases, it's unlikely to be economically viable.

Department of Justice

Depending on the link between the recovered assets and the theft, which is currently unknown, the US Department of Justice may also be trying to recover these same assets. My suspicion is that if the US DoJ are aware of these bitcoins, it is unlikely they have a practicable legal avenue for recovering them under Russian law. Until now it doesn't appear to me they have filed any petition in Russia.

Supposing they were able to recover these assets, it would then take some legal wrangling in the USA by the Trustee or victims (possibly US-only) to release those forfeited assets to creditors. If this is classed as a pecuniary loss, DoJ rules (section 9.8.c of <https://www.justice.gov/criminal/afmls/forms/pdf/28cfr9.pdf>) suggests that victims may only be able to claim 2014 value of lost bitcoins from the DoJ and (section 9.8.b.4) suggests that having received more than the 2014 value from Civil Rehabilitation would preclude anyone from claiming any recovery from the DoJ. Either way, the recovery process in the US for victims is by no means straightforward. If you believe the DoJ is trying to recover these same assets, the financial question boils down to: do you believe the those assets are more likely to flow to victims via the DoJ and the Trustee, or via ZP Legal.

But there is also a legal consideration too. Those assets may be considered stolen property by the DoJ. It depends on their provenance and this is currently an unknown. Last week I spoke with the DoJ's Money Laundering Asset Recovery Section (MLARS) in Washington, with the AG responsible prosecuting Vinnik and with his subordinate responsible for recovering assets from Vinnik. None of them would commit an answer to the question: Could or would the DoJ attempt a clawback from victims if the assets recovered were considered stolen assets? However, speaking in general terms, MLARS said there is what's called an "Innocent owner defence" against forfeiture which may be relevant. They said the DoJ don't typically attempt clawbacks in forfeiture cases against "Innocent Owners" as defined in the statute, and that it's not uncommon for victims of crime to pursue recoveries through private actions against criminals. ZP told me they are willing to engage with the DoJ with the aim of establishing their clients as Innocent Owners.

4/Identity Theft

ID is required to assure Russian law enforcement that applicants are genuine victims. ZP are a well known Moscow Criminal Law firm and say they will apply the appropriate duty of care with handling sensitive personal data (see Q&A)

The data will be seen by me, ZP Legal, and Russian Law enforcement. I understand that it's expected that the prosecution cases will be sealed at the request of both ZP Legal and likely the defence lawyers too, so this information will not be in the public domain. There is a clause in the EA that allows for the Trustee to be told details of creditor's settlements.

5/ Risk of Free rider and unknowns of the case.

Other lawyers, representing other clients or the Trustee, could conceivably also see recoveries in the cases ZP are proposing to trigger. They might be able to offer services more cheaply, so it might be advantageous to look for a representation elsewhere. These are known as Free-rider plaintiffs. ZP say they believe that because of the nature of the cases, and because of the strategy they have developed and intend to deploy on behalf of their clients, it's unlikely that other lawyers will be able to free-ride on the work they put in. This is also part of the reason they are not able to share the granular detail of their strategy but that's also due to the fact that their approach is unprecedented and will be developed dynamically as the cases progress.

6/ Risk of other recoveries being liable for fees.

The updated engagement agreement attached carves out unrelated recoveries made by the trustee in Japan and the US, so they will not be subject to fees. You should read the definition of "Current Mt Gox Assets" and "Additional Mt Gox Assets" and see how they are applied in the engagement agreement.

7/ Fees.

Fixed fees are capped by total recoveries. But this means that recoveries for smaller claims could potentially be wiped out by the hourly fees. Clause 3.1(a) explains how and when the total fees are limited to the size of the recoveries. It is intended to prevent clients becoming indebted to ZP in this case.

The contingency fee applied to everyone is dependent on the aggregate claim size that ZP Legal represent. It is defined in Schedule 2 of the Engagement Agreement laid out below. While I can share information on the aggregate claim size applied for, the total amount accepted by Russian law enforcement will only be known later.

Application Paperwork

If you wish to apply to be a plaintiff you should submit the following documents by email to GoxRecoveries@protonmail.com – confirm this email address with the pinned tweet on my twitter account which you can find with Google, to make sure this document hasn't been doctored – by midnight UK time **Sunday 22nd September 2019**.

1. The signed disclaimer below
2. Government photo issued ID (You may watermark it with “For ZP Verification only”)
3. The signed Engagement Agreement (EA) including the Information Sheet in Schedule 2

Once verified, victims will be invited to submit a hardcopy application. This will include the documents above and a certified (and not watermarked) copy of their government photo ID.

If you have sold your claim, you should include the sale agreement showing the buyer and the price you received for it. You can redact account details if you wish.

If you already applied already, I need you to resubmit the new EA with completed information sheet (schedule 1) **and** the signed disclaimer below.

If you obscured the sale price in a previous application I need you to include that with this second submission.

How to fill out the EA:

- Page 1 - date
- Page 9 - signature and name
- Page 10/11 Schedule 1 - completed

Disclaimer:

I understand that information wherever provided by Andy Pag on this matter is not legal advice, nor warranted, nor a recommendation to act. My decision to apply to be represented by Zheleznikov and Partners in this matter is based on the information they have supplied directly in the Q&A, my reading of the Engagement Agreement, and the legal and financial advice I have obtained from professional counsel accountable to me.

Signed _____

Dated _____

Print Name _____

ENGAGEMENT AGREEMENT

This Engagement Agreement (the “**Agreement**”) is executed and delivered as a deed on “__” _____ 2019 (the “**Effective Date**”) by and between:

- (1) “**Zheleznikov & Partners**”, a Moscow bar association incorporated and existing in accordance with the laws of the Russian Federation, with the main state registration number (OGRN): 1117799009668, having its registered address at: Russia, 121069, Moscow, Merzlyakovskiy pereulok, bldg. 15/3 (the “**Attorney**”), on the one hand, and
- (2) **The persons**, whose particulars are specified in Schedule 1 hereto (the “**Clients**” and a “**Client**” shall mean any of them), on the other hand,

hereinafter jointly referred to as the “**Parties**” or individually as a “**Party**”.

WHEREAS:

- (A) The Clients are the customers of, and account holders at Mt. Gox at time of its closure. The Clients’ rights and claims arise, *inter alia*, from the alleged thefts of the Clients’ cryptocurrency accounts (or other investments) on Mt. Gox (the “**Matter**”) beyond and excluding Current Mt. Gox Assets as at the Effective Date.
- (B) The Clients intend to retain the Attorney for provision of legal services aimed at recovery of the Clients’ bitcoins and/or investments therein on Mt. Gox, in whatever form but excluding Current Mt. Gox Assets as at the Effective Date, in the amount of up to 200,000 (two hundred thousand) bitcoins or equivalent in currency for each of the Clients including without limitation by representation in courts, submitting claims, applications, notices, demands and etc., on the basis of separate power of attorney or otherwise, on the terms hereof.

THE PARTIES EXECUTED AND DELIVERED THIS PROFIT SHARING DEED as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 Unless otherwise provided herein, the capitalised terms used herein shall have the meanings given to such terms in the Agreement.
- 1.2 In this Agreement (including the Recitals and the Schedules):

“**Additional Mt. Gox Assets**” means any additional assets, other than the Current Mt. Gox Assets, which the Tokyo District Court of Japan and/or the Trustee may obtain in their possession from time to time with respect to Mt. Gox, to the extent that such assets become available to the Tokyo District Court of Japan and/or the Trustee solely as a result of the legal proceedings in Japan and/or the United States of America. For the avoidance of doubt, any cash or other assets which may appear in the possession of the Tokyo District Court of Japan and/or the Trustee after the date of this Agreement primarily due to location and/or identification of such assets and/or persons controlling such assets in the course of or as a result of any legal proceedings in Russia and/or other CIS countries, notwithstanding that such assets and/or persons may be then covered by any act of the Tokyo District Court of Japan and/or the Trustee, shall not be regarded as “**Additional Mt. Gox Assets**”;

“**Agent**” means any of the intermediaries, agents, the Client’s affiliates engaged and/or designated and/or instructed by, on behalf or upon consent of respective Client, or otherwise acting for the benefit of the Client, in connection with the Recovery;

“**Amount Due**” means an aggregate and combination of, all amounts and assets (in whatever form, whether in bitcoin, other cryptocurrency, cash or non-cash) due as Fee by virtue of Clause 3 of this Agreement;

“**Current Mt. Gox Assets**” means the assets of Mt. Gox that the Tokyo District Court of Japan and/or the Trustee have in their possession as at the Effective Date amounting to 141,686.35371099 BTC, 142,846.35166254 BCH, stored at cryptocurrency addresses including those listed in the Schedule 3, other

cryptocurrency associated with those same addresses, and the cumulative balance of the Rehabilitation Trustee account and the Trust account described in the Trustee's 20 March 2019 Mt. Gox Creditors report;

“**Fee**” means with respect to a Client the aggregate and combination of the Hourly Rate Fee and the Success Fee;

“**Hourly Rate Fee**” has the meaning given to it in Clause 3.1 of this Agreement;

“**Legal Services**” has the meaning given to it in Clause 2.1 of this Agreement;

“**Matter**” has the meaning given to it in Recital (A).

“**Paid Third Party**” has the meaning given to it in Clause 3.4 of this Agreement;

“**Recovery**” has the meaning given to it Clause 2.1 of this Agreement;

“**Recovery Document**” means any definitive legally binding document (or documents) entered into in connection with the Recovery between (among) any of the Clients, including their Agents, and the respective parties;

“**Success Fee**” has the meaning given to it in Clause 3.1 of this Agreement;

“**Timely Recovery**” means such Recovery that occurs within five years from the date of the initiation of the criminal case to which the Recovery relates;

“**Timely Recovery Date**” has the meaning given to it in Clause 3.8 of this Agreement;

“**Timely Recovery Proceeds**” means all amounts, assets, compensation and/or consideration (in whatever form, whether bitcoin, other cryptocurrency, cash or non-cash) recovered, enforced, received or earned by the Client (or any of its Agents) as a result of, or in connection with, the Timely Recovery;

“**Trustee**” means the trustee and/or receiver of Mt. Gox duly appointed in accordance with the insolvency laws and regulations of Japan.

1.3 In this Agreement (including the Recitals and the Schedules), except where the context otherwise requires:

- (a) a reference to a Clause, Schedule and the Recitals is a reference to a clause and the Recitals of, and a schedule to, this Agreement;
- (b) a reference to this Agreement (or to any specified provision of this Agreement) is to this Agreement (or provision) as in force for the time being, as amended, modified, supplemented, varied, assigned or novated, from time to time;
- (c) a reference to this Agreement includes the Schedule to it, each of which forms part of this Agreement for all purposes;
- (d) a reference to a "**person**" shall be construed so as to include any individual, firm, body corporate, joint venture, unincorporated association, partnership, trust, government, governmental body, authority or agency (whether or not having separate legal personality), and a reference to a person includes a reference to that person's successors and assigns;
- (e) a reference to writing shall include any mode of reproducing words in a legible and non-transitory form;
- (f) if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day;

- (g) a reference to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include what most nearly approximates the English legal term in that jurisdiction and references to any English statute or enactment shall be deemed to include any equivalent or analogous laws or rules in any other jurisdiction;
- (h) a reference to any law or enactment (including in this Clause 1.3.1.1(h)) includes references to:
 - (i) that law or enactment as re-enacted, amended, extended or applied by or under any other enactment (before or after signature of this Agreement);
 - (ii) any law or enactment which that law or enactment re-enacts (with or without modification); and
 - (iii) any subordinate legislation made (before or after signature of this Agreement) under any law or enactment, as re-enacted, amended, extended or applied, as described in Clause 1.3.1.1(h)(i) above, or under any law or enactment referred to in Clause 1.3.1.1(h)(ii) above;

provided that, as between the Parties, no such amendment or re-enactment shall apply for the purposes of this Agreement to the extent that it would impose any new or extended obligation, liability or restriction on, or otherwise adversely affect the rights of, any Party, and “law” and “enactment” includes any legislation in any jurisdiction;

- (i) the Parties acknowledge that they have participated jointly in the negotiation and drafting of this Agreement. In the event that a question of interpretation arises (including as to the intention of the Parties), no presumption or burden of proof shall arise in favour of or against any Party based on the authorship of any provisions;
- (j) words importing the singular include the plural and vice versa, and words importing a gender include every gender;
- (k) in construing this Agreement the so-called "*ejusdem generis*" rule does not apply and accordingly the interpretation of general words is not restricted by (i) being preceded by words indicating a particular class of acts, matters or things; or (ii) being followed by particular examples;
- (l) headings are for ease of reference only and shall not be taken into consideration in the interpretation of this Agreement;
- (m) references to "**Party**" means a party to this Agreement and shall include any permitted assignee or successor or transferee to such party in accordance with this Agreement;
- (n) any reference in this Agreement to a Party providing its consent shall be deemed to be a reference to prior written consent;
- (o) unless expressly stated to the contrary in this Agreement, any reference to (or requirement for) the execution of a document by a person includes execution on behalf of that person; and
- (p) time shall be of the essence for this Agreement both as regards the dates and periods specifically mentioned or any date or period as may be substituted therefore in accordance with this Agreement.

2. ENGAGEMENT

- 2.1 Each of the Clients hereby retains the Attorney as attorney at law to provide, for consideration, legal services under Russian law with respect to protection of the Client’s interests in respect of the Matter (the “**Legal Services**”). In particular, the Attorney is hereby engaged to advise and act for each of the Clients with a view to achieving recovery of the Clients’ bitcoins and/or fiat investments therein in connection

with the Matter, in whatever form (the “**Recovery**”). It is understood that the Recovery might be achieved by:

- (a) recourse against the persons judicially found liable in connection with the alleged thefts (the “**Liable Persons**”) to any of the Clients and/or Mt. Gox (whether by virtue of application of civil and/or criminal remedies or otherwise); and/or
- (b) compensation provided by or on behalf of the Liable Persons and/or third parties (whether in form of out-of-court settlement or otherwise); and/or
- (c) purchase of the Client’s claims and/or assignment thereof by or to third parties; and/or
- (d) any other means and forms and/or combination of such forms and means.

For the avoidance of doubt, each of the Clients acknowledged that the Recovery is not secured or guaranteed.

2.2 To the extent required by applicable laws and regulations and/or may be necessary or reasonably desirable for the purposes of the Legal Services, each of the Clients may enter into and execute any supplementary agreements and/or issue powers of attorney and/or do such other things.

2.3 In addition to representations and warranties specified in Clause 7.3 of this Agreement each of the Clients represents and warrants as of the date of this Agreement that:

- (a) he/she holds a valid claim with respect to the Recovery by virtue of the losses incurred as a result of alleged thefts from Mt. Gox;
- (b) the claim specified in Clause 2.3(a) of this Agreement is lawful;
- (c) the Client remains entitled to the claim specified in Clause 2.3(a) of this Agreement.

2.4 Each of the Clients acknowledges and agrees that in agreeing to enter into this Agreement the Attorney has relied on the representations, warranties, undertakings and other assurances made by or on behalf of each of the Client before the execution of this Agreement, including during the course of negotiating this Agreement.

2.5 Each of the Clients acknowledges and agrees that:

- (a) the Attorney advises the Client on matters of Russian law and with respect to the Matter only; and
- (b) compliance with the laws and regulations, to which the Client is subject, is the sole responsibility of the Client, including compliance with the Japanese laws and regulations laws of insolvency and financial rehabilitation in connection with Mt. Gox.

2.6 The Attorney undertakes to provide Legal Services:

- (a) in compliance, in all material respects, with all applicable anti-bribery legislation, rules and regulations, including the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; and
- (b) in accordance with a high level of professional ethical standards.

3. **FEES**

3.1 Subject to Clause 3.2, as a consideration for the Legal Services, each of the Clients hereby shall:

- (a) pay the Attorney legal fees which will be determined by multiplying the number of hours spent working on the Client’s matters by the Attorney’s blended hourly billing rate (being USD 320 per hour) (the “**Hourly Rate Fee**”), provided that such legal fees shall only be due and paid:

- (i) upon the Recovery; or
 - (ii) before the termination of this Agreement in the event it is terminated by the Client pursuant to Clause 5.1;
- (b) unconditionally and irrevocably undertake to transfer to the Attorney an amount and/or assets equal to, 50% (fifty per cent.) or 55% (fifty five per cent.) or 65% (sixty five per cent.) or 75% (seventy five per cent.), depending on the aggregate amount of claims of the Clients pursuant to Schedule 2 to this Agreement, of the Timely Recovery Proceeds (the “**Success Fee**”), provided that the Success Fee shall not be due and payable to the Attorney in the event of (i) the distribution of the Current Mt. Gox Assets by the Trustee to the respective Client; or (ii) the distribution of the Additional Mt. Gox Assets by the Trustee to the respective Client.

(The same profit share principle shall apply to all and any alternative settlement methods, including third party payments, deferred payments, non-cash settlements and/or out-of-court settlements and the like as long as they relate to the Timely Recovery and beyond and exclusive of Current Mt. Gox Assets.)

For the avoidance of doubt, the Success Fee shall be calculated and quantified in the same form of assets (whether bitcoin, other cryptocurrency, cash or non-cash) in which the Recovery is achieved and shall disregard the value of the relevant claim as quantified for the purposes of the Russian legal proceedings.

- 3.2 It is agreed that unless this Agreement is terminated by the Client pursuant to Clause 5.1 if the Fee exceeds the Timely Recovery Proceeds of the respective Client, the amount of the Fee due to be paid by such Client to the Attorney shall be limited and equal to the Timely Recovery Proceeds.
- 3.3 The Parties agree that with respect to any Client in the event that the Timely Recovery is achieved or reasonably expected to be achieved by a transfer to such Client from any third party, the Attorney has the right at its sole discretion to request that the Client assigns the Client’s rights in respect of the Timely Recovery Proceeds, subject to the Amount Due, provided that such assignment shall be effective subject to the transfer of the Recovery, and if the Attorney at its sole discretion decides necessary, the Client shall upon request of the Attorney enter into and execute an assignment agreement, deed or other similar instrument with respect to such an assignment in the form satisfactory to the Attorney.
- 3.4 The Parties agree that to the extent that any third party, including, for the avoidance of doubt, any of the Agents, acting on behalf of, for or for the benefit of the Client, may receive, hold, retain, withhold or be otherwise in possession of any amounts, assets, compensation and/or consideration (in whatever form, whether bitcoin, other cryptocurrency, cash or non-cash) due to the Client pursuant to the Timely Recovery (the “**Paid Third Party**”), the Attorney (or a person nominated by the Attorney in writing) is entitled to receive the Fee from such Paid Third Party up to the Amount Due.
- 3.5 Each of the Clients agrees that if in connection with a potential Timely Recovery any amount and/or assets (whether bitcoin, other cryptocurrency, cash or non-cash) may become directly or indirectly available to the Attorney, the Attorney (or any other person designated by the Attorney in writing) shall have the right to deduct, set off and/or withhold from the available funds and/or assets any amount and/or assets up to the Amount Due, provided that the Attorney procured or caused to be procured payment of the Timely Recovery Proceeds to the relevant Client net off the Fee due. The Attorney shall promptly notify the Clients in writing upon any Timely Recovery and occurrence of each event where such funds (whether in bitcoin, cash or non-cash) may become directly or indirectly available to the Attorney.
- 3.6 Each of the Clients shall procure (as far as it is capable of) that:
- (a) no Recovery Document with any Paid Third Party or any other third party is entered into unless such Recovery Document is agreed in writing by the Attorney;
 - (b) no Recovery Document is entered into with any Paid Third Party shall be amended, modified, supplemented, varied, assigned, novated or terminated without the Attorney’s prior written consent; and

- (c) each such Recovery Document with any Paid Third Party contains provisions in the form agreed in writing by the Attorney protecting the rights, interests and benefits of the Attorney under this Agreement, including those set out in Clauses 3.1 to 3.6 of this Agreement.
- 3.7 Each of the Clients agrees to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) all such further documents at its costs as may be required by law or as may be necessary or reasonably desirable to implement and/or give effect to this Agreement, and as the Attorney may, from time to time, request in writing for the purpose of implementing this Agreement.
- 3.8 If for whatever reason (whether because of non-application, invalidity, nullity, avoidance, non-performance or otherwise) the Attorney has not received the Fee pursuant to Clauses 3.1 to 3.7 (inclusive) within ten (10) Business Days of such other time when the Timely Recovery Proceeds are received by the Client (or any of its Agents) (the “**Timely Recovery Date**”), the Client shall transfer the Amount Due by wire transfer in immediately available funds to the bank account of the Attorney (or a person nominated by the Attorney in writing) notified to the Client in writing, in which case the value of any cryptocurrency shall be determined by the market exchange rate as at the date of the Timely Recovery Date.
- 3.9 All fees payable to the Attorney (or a person nominated by the Attorney in writing) hereunder are stated with the included consideration of the value added tax (VAT), any withholding tax and other taxes and deductions charged and payable according to the laws of Russia, but not of any other applicable jurisdiction. If any tax or deduction is required to be charged upon the Attorney fees in the Client's jurisdiction (whether now in effect or at any time thereafter), the Attorney (or a person nominated by the Attorney in writing) is also entitled to the relevant amounts of applicable VAT and such other taxes and deductions concurrently with and in addition to payment of the Amount Due in order to be able to settle those liabilities in those jurisdictions.

4. **CONFIDENTIALITY**

- 4.1 Subject to Clause 4.3, the Parties shall keep confidential any and all information, other than that released for public domain, exchanged between the Parties under this Agreement, and shall not disclose such information to any third persons, unless (a) such disclosure within the required extent is made by the Attorney or any of the Clients in connection with the Legal Services, including the disclosure to the Paid Third Parties; (b) such disclosure is required by applicable laws, regulatory authority or judicial decision; (c) a Party gives its written consent to disclosure of such information by the other Party; (d) such information was already in the public domain (through no fault of confidentiality provisions hereunder) at the moment it is disclosed by one Party to another (including mass media, press-releases made hereunder); (e) such disclosure is made to the professional advisors retained for the purpose of the Legal Services; (g) such disclosure is made by the Attorney to any of its successors, assigns or any other person being the transferee and/or the assignee of the Attorney's rights hereunder (in full or in part).
- 4.2 The obligations set out in Clause 4.1 shall remain in effect within three (3) years from the date of the Agreement.
- 4.3 Notwithstanding the provisions of Clauses 4.1 and 4.2, each of the Clients agrees that the Attorney is entitled to:
- (a) make public statements concerning the fact that the Attorney acts for the Clients in connection with the Matter without disclosing the identities of the Clients, to the extent that it may be reasonably favourable at the Attorney's sole discretion, for prospects of the successful Timely Recovery; and
 - (b) provide the Trustee with information regarding the distributions of the Timely Recovery Proceeds to the creditors of Mt. Gox as may be requested by the Trustee in writing from time to time.

5. **TERMINATION**

- 5.1 The Client can terminate this Agreement by giving the Attorney a prior twelve (12) month notice in writing, provided that the Agreement shall be terminated upon the full payment by the respective Client of

the Hourly Rate Fee accrued by termination pursuant to an invoice issued by the Attorney (such invoice to include narratives of time spent), in which case this Agreement shall terminate solely as between the respective Client and the Attorney, but not as between the other Clients and the Attorney that remains to have full effect.

- 5.2 The Attorney can terminate this Agreement by giving a Client a prior one (1) month notice in writing in the case of breach of this Agreement by such Client, in which case this Agreement shall terminate solely as between the respective Client and the Attorney, but not as between the other Clients and the Attorney that remains to have full effect.
- 5.3 In the event that with respect to a Client the Timely Recovery has occurred within thirty six (36) months from the date when this Agreement terminates or ceases to have any effect for any other reason as between such Client and the Attorney, the Fee shall be due and paid to the Attorney by the Client within ten (10) Business Days from the Timely Recovery pursuant to Clause 3 and Schedule 2 hereto as if the Agreement remained in full force and effect.
- 5.4 The provisions of Clause 1 (*Definitions and Interpretation*), Clause 4 (*Confidentiality*), this Clause 5 (*Termination*), Clause 6 (*Applicable Law and Dispute Resolution*), and Clause 7 (*Miscellaneous*) shall survive the termination of this Agreement.

6. APPLICABLE LAW AND DISPUTE RESOLUTION

- 6.1 This Agreement (and any non-contractual obligations of the Parties arising out of or in connection with it) shall be governed by and construed in accordance with English law.
- 6.2 Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the LCIA, which Rules are deemed to be incorporated by reference into this Clause. The number of arbitrators shall be three. The seat, or legal place, of arbitration shall be London, United Kingdom. The language to be used in the arbitration shall be English.
- 6.3 Notwithstanding the foregoing, the Parties hereby agree that a claimant in a dispute arising out of or in connection with this Agreement can, at its sole discretion, refer the dispute to English courts for final resolution.

7. MISCELLANEOUS

- 7.1 The Parties hereby represent and warrant to each other that they have full authority and capacity to execute and perform this Agreement, as well as all actions contemplated herein.
- 7.2 This Agreement is binding upon the Parties and their respective assignees, successors and transferees. The Attorney may without a prior consent from the relevant Client transfer and/or assign any of its respective rights under this Agreement (or any benefit thereof) to a third party. The Attorney shall not be permitted to transfer or novate any of its obligations under this Agreement without a prior written consent from the relevant Client.
- 7.3 Each of the Clients hereby represents and warrants to the Attorney that:
 - (a) the Client has the necessary power and authority to enter into and perform this Agreement;
 - (b) the execution, delivery or performance by the Client of its obligations under this Agreement or compliance by the Client with any of the provisions hereof will not:
 - (i) conflict with or result in a material breach of the laws and regulations of which the Client is subject to; or
 - (ii) require any additional consent of any state authority or other person.

- 7.4 Any and all changes, amendments, supplements and attachments to this Agreement shall be valid only if executed in writing and signed by the Parties or their authorized representatives. All such changes, amendments, supplements and attachments shall be included into this Agreement and make an integral part hereof.
- 7.5 This Agreement is an entire, whole and only agreement between the Parties with respect to provisions set forth herein, and supersedes and replaces any preceding and prior, whether oral or written, agreements and understandings between the Parties (including without limitation with respect to representations and warranties). Accordingly, all other terms, conditions, representations, warranties and any other statements which would otherwise be implied (by law or otherwise) shall not form part of this Agreement. Each of the Clients acknowledges and agrees that it does not rely on and has not been induced to enter into this Agreement on the basis of any assurances (express or implied) other than those expressly set out in this Agreement, or, to the extent that it has been, it irrevocably and unconditionally agrees that it shall have no rights or remedies in relation thereto and shall make no claim in relation thereto or against the Attorney or any other party. In the event of any conflicts between this Agreement and any other documents signed, executed, issued and/or submitted in connection with this Agreement, provisions of this Agreement shall prevail.
- 7.6 Nothing contained in this Agreement and no action taken by any of the Parties shall be deemed to constitute a partnership or unincorporated association between the shareholders or the Parties or any of them nor, except as may be expressly set out in it, constitute any Party to be the agent of any other for any purpose.
- 7.7 A person (other than an assignee and/or the transferee of the Attorney) who is not a Party to the Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms. To the extent that any of the Attorney's right hereunder (in full or in part) is transferred or assigned to any of the Attorney's assignee or transferee, this Agreement may not be terminated, amended or varied in any way and at any time by the Attorney and any of the Clients without the prior written consent of such assignee or transferee.
- 7.8 If any provision of this Agreement is deemed by a competent court to be illegal or invalid, the legality or validity of the remaining provisions hereof shall not be affected or impaired, and the Parties shall use their best efforts to amend or replace such illegal or invalid provisions so as to produce as near as may be possible the economic result intended by the Parties.
- 7.9 All notices or other communications under this Agreement shall be deemed to be properly made only if executed in writing and sent via facsimile or by courier to the following respective addresses of the Parties with a mandatory copy via email:

If to the Attorney:

Zheleznikov & Partners

Address: Russia, 121069, Moscow, Merzlyakovskiy pereulok, bldg. 15/3

For the attention of Mr. Alexander Zheleznikov

Email: az@zplegal.ru

If to the Clients:

Pursuant to the Clients' particulars, including address, fax (if applicable) and email, which are specified in Schedule 1 to this Agreement

or to such other address as may indicated by one Party to the other Party in a notice sent to its respective address set forth above.

- 7.10 This Agreement may be executed in any number of separate counterparts, each of which shall collectively and separately constitute one and the same agreement. Delivery of an executed counterpart of a signature

page to this Agreement or scanned copy thereof by fax machine or email respectively shall be effective as delivery of a manually executed counterpart of this Agreement.

7.11 This Agreement is prepared, negotiated and executed in the English language. In the event that this Agreement is translated into any other language, any discrepancy between the English version and such translation the English version shall prevail.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement
TO BE EXECUTED AND DELIVERED AS A DEED on the date first above written.

The Attorney:

The Clients:

By: _____
Name: Alexander Zheleznikov
Title: Managing Partner

By: _____
Name: _____

By: _____
Name: _____

By: _____
Name: _____

By: _____
Name: _____

SCHEDULE 1

PERSONS' PARTICULARS

Ref # (Leave blank)	
First Name	
Family Name	
Communicating with you	
Email address (obligatory)	
Current address (obligatory – You may receive correspondence by post)	
MGL username (optional)	
Telegram username (optional)	
Phone Number (optional)	
Details of your loss	
Mt Gox account holder name	
Mt Gox account number (Optional)	
<u>Precise</u> account balance at time of Mt Gox's closure.	BTC
	Fiat (specify amount and currencies)
Claims Filed and Verification	
Did this loss have a Bankruptcy claim	Yes / No
If Yes What is the <u>Bankruptcy</u> claim number (not CR number)	
If No Please attach other proof that you held a balance at Mt Gox on the day it closed.	
Sold Claims	
Have you sold your Bankruptcy or Civil Rehabilitation Claim	Yes / No
Did you sign a sale agreement or contract with the purchaser?	Yes / No
If No , who was the buyer, and what is their contact email?	
If Yes , Please attach a copy of the agreement. (You may redact financial information but not the terms of sale)	
Bought Claims	
Are you the purchaser of a victim's rights to recovery? (For instance you bought a	Yes / No

claim <u>AND</u> the full rights associated with the loss)	
If Yes, Please attach the purchase agreement. (You may redact sensitive financial information if you wish)	
I certify that the answers I have given here are correct to the best of my knowledge and, because these facts may be used in legal proceedings, I understand that I may be liable for civil and/or criminal prosecution for false representation of these facts.	
Signed	
Date and Location	

SCHEDULE 2

The Parties agree that the amount of the Success Fee shall be decreasing as the aggregate amount of claims of the Clients increases pursuant to this Schedule 2.

The Success Fee payable by each of the Clients shall be calculated as follows:

- In the event of an aggregate amount of claims of the Clients as of the date of entry into the Agreement exceeding 30,000 btc – the Success Fee payable shall equal to 50%;
- In the event of an aggregate amount of claims of the Clients as of the date of entry into the Agreement exceeding 10,000 btc and up to 30,000 btc – the Success Fee payable shall equal to 55%;
- In the case of an aggregate amount of claims of the Clients as of the date of entry into the Agreement exceeding 1000 btc and up to 10,000 btc – the Success Fee payable shall equal to 65%;
- In the case of an aggregate amount of claims of the Clients as of the date of entry into the Agreement exceeding 100 btc and up to 1000 btc – the Success Fee payable shall equal to 75%.

SCHEDULE 3

BTC held at these addresses on the Effective date	BCH held at these addresses on the Effective Date
<p>12KkeeRkiNS13GMbg7zos9KRn9ggvZtZgx 13dXFMyG22EsUsvaWhCqUo7SXuX7rBPog6 13ahgw8sM95EDbugT3tdb8TYoMU46Uw7PX 12T4oSNd4t9ty9fodgNd47TWhK35pAxDYN 13xGCc4TPSY9GYxBGVNox82KxyjkFnxMX 13Wv5hGhubAWgSPWtXYh6s1s7HX2N1psYg 13sXfpp2V16nnxYvW9FHHoBdMa3k98uJw8 14p4w3TRCd6NMRSnzTmgdvQhNnbrAmzXmy 14mP6caC5dFhHdVAPCjPKM8Nm36MBDR5pM 1439q4Na8v88kPBqoyg8F4ueL9SYr8ANWj 14USZ558Rr28AZwdJQyciSQkN4JT1cEoj2 155FsTtEFq4eGCcBxDseuLKPbmtWbyHJR 15kNZcrhxeFZgVVLK2Yjzd69tRidbFdJEZ 156HpsWfgkWYLT63uhTAGUSUF3ZMnB9WWj 15SeCwVCFx5cWyrcdD1Zp1D1zxjH2SELPg 15QcKCa84ZCHxbsqXDoKHi5XbmQB8jPEAd 16W4XcUAKPmSES9MiUCio28msSCp8rDZgs 16jZZkMYqjUWUtQ9DfDvHdH5ko5BenH9XQ 15U4VsmWG1cdXAtizvQsW4r7iMxzp64Tgu 17etv2L3nhk6SCcWSNW4eoZkBy84izAm17 16w6sZBDP58yyeyZAcvnxEGJpwR9amM6g 17Tf4bVQaCzwWrDWGRPC97RLCHnU4LY8Qr 17KcBp8g76Ue8pywgjta4q8Ds6wK4bEKp7 18M1Z337NqLtK9V69bssnQUYsvb7hmfSFS 18KDS3q6a4YV9Nn8jcyMvNoVPfcrfemeag 18hcZVFPqDNAovJmb9vA6hEJrDz6uWXNGh 18ok25NTkdrUzdByFJCNVsqVYkujZ8aP45 195HvmjXgoF3M5vFaBC8swZPhwrE7VhxRD 18YDgRhxsomuBZ1g9d8Y1JuRmxDhF8Bvff 19c8sUa54yQuRTVDfJa3iDkkCaFkBjLpB 199Yxz2TJGtND3QKsHTptTJivqSaUZBvku 19eihBkK6e5YD2QXAE4SVUxsRLLnTDKsfv 19Cr4zXpKw43xLJhFZW9iv4DDNtQk2TDeB 1AZu7TQmKBAes2duNDctYwjAB9nhHczUnA 1Ar6meJQCkNoC9wnPcyRNNpzX5fBDaGcKd 19KiFrafXEyJCUDYFEv3B6tBUwyfFo7kNU 1BDZBTb4KE5oq6wAgA6EvAe3uCFRrAbPao 1B6kJM75iu5ty1HAHMMz6tT1HhjoGNTCa9 1BzK87zuqidZn489Wb2oLSktrjKrX7TLKe 1BXyJc6BVuTFnHQcCjiWX2xmCPNVfaSZeb 1CRjKZJu8LvTutnSKq4zTJ4yiqrzMAArYW 1C5aU4Xnpd3txbxeHk46UZgiuNB8QdpHCH 1CZsoJfkknbnW5fKrt1oR7N1ALE5WmDGP1 1Drshi4RAuvxk4T6Bkq959ZvLbvy7b1wvD 1DedUxzgwErg4ipNi988wPgLk5thwciKcc 1EK8vW7UYaYHKiW4TZmYJKtweZLM14VjvP 1EiiKCCnFgHjEvPZdu29qqgdBm8zTvpU3U 1FrV9hv1AW34BGJvobJatyzUWYDWB9epRW 1FhRuUkk8Bfx8FJDemtXhKAR4F8GCNKrXG 1G23Uzwj55k2A9TRwaTknqGav66oDTkWCu 1Fu4YgM3Y9CxivioGPqkSzydAC8MVApN1D 1H4K3dGfNbAN4AUfyUrpKgpjrd83sntDpV</p>	<p>12KkeeRkiNS13GMbg7zos9KRn9ggvZtZgx 12T4oSNd4t9ty9fodgNd47TWhK35pAxDYN 13ahgw8sM95EDbugT3tdb8TYoMU46Uw7PX 13dXFMyG22EsUsvaWhCqUo7SXuX7rBPog6 13sXfpp2V16nnxYvW9FHHoBdMa3k98uJw8 13Wv5hGhubAWgSPWtXYh6s1s7HX2N1psYg 13xGCc4TPSY9GYxBGVNox82KxyjkFnxMX 1439q4Na8v88kPBqoyg8F4ueL9SYr8ANWj 14mP6caC5dFhHdVAPCjPKM8Nm36MBDR5pM 14p4w3TRCd6NMRSnzTmgdvQhNnbrAmzXmy 14USZ558Rr28AZwdJQyciSQkN4JT1cEoj2 155FsTtEFq4eGCcBxDseuLKPbmtWbyHJR 156HpsWfgkWYLT63uhTAGUSUF3ZMnB9WWj 15kNZcrhxeFZgVVLK2Yjzd69tRidbFdJEZ 15QcKCa84ZCHxbsqXDoKHi5XbmQB8jPEAd 15SeCwVCFx5cWyrcdD1Zp1D1zxjH2SELPg 15U4VsmWG1cdXAtizvQsW4r7iMxzp64Tgu 16jZZkMYqjUWUtQ9DfDvHdH5ko5BenH9XQ 16W4XcUAKPmSES9MiUCio28msSCp8rDZgs 16w6sZBDP58yyeyZAcvnxEGJpwR9amM6g 17etv2L3nhk6SCcWSNW4eoZkBy84izAm17 17KcBp8g76Ue8pywgjta4q8Ds6wK4bEKp7 17Tf4bVQaCzwWrDWGRPC97RLCHnU4LY8Qr 18hcZVFPqDNAovJmb9vA6hEJrDz6uWXNGh 18KDS3q6a4YV9Nn8jcyMvNoVPfcrfemeag 18M1Z337NqLtK9V69bssnQUYsvb7hmfSFS 18ok25NTkdrUzdByFJCNVsqVYkujZ8aP45 18YDgRhxsomuBZ1g9d8Y1JuRmxDhF8Bvff 195HvmjXgoF3M5vFaBC8swZPhwrE7VhxRD 199Yxz2TJGtND3QKsHTptTJivqSaUZBvku 19c8sUa54yQuRTVDfJa3iDkkCaFkBjLpB 19Cr4zXpKw43xLJhFZW9iv4DDNtQk2TDeB 19eihBkK6e5YD2QXAE4SVUxsRLLnTDKsfv 19KiFrafXEyJCUDYFEv3B6tBUwyfFo7kNU 1Ar6meJQCkNoC9wnPcyRNNpzX5fBDaGcKd 1AZu7TQmKBAes2duNDctYwjAB9nhHczUnA 1B6kJM75iu5ty1HAHMMz6tT1HhjoGNTCa9 1BDZBTb4KE5oq6wAgA6EvAe3uCFRrAbPao 1BXyJc6BVuTFnHQcCjiWX2xmCPNVfaSZeb 1BzK87zuqidZn489Wb2oLSktrjKrX7TLKe 1C5aU4Xnpd3txbxeHk46UZgiuNB8QdpHCH 1CRjKZJu8LvTutnSKq4zTJ4yiqrzMAArYW 1CZsoJfkknbnW5fKrt1oR7N1ALE5WmDGP1 1DedUxzgwErg4ipNi988wPgLk5thwciKcc 1Drshi4RAuvxk4T6Bkq959ZvLbvy7b1wvD 1EiiKCCnFgHjEvPZdu29qqgdBm8zTvpU3U 1EK8vW7UYaYHKiW4TZmYJKtweZLM14VjvP 1FhRuUkk8Bfx8FJDemtXhKAR4F8GCNKrXG 1FrV9hv1AW34BGJvobJatyzUWYDWB9epRW 1Fu4YgM3Y9CxivioGPqkSzydAC8MVApN1D 1G23Uzwj55k2A9TRwaTknqGav66oDTkWCu 1GkZQcDy8V6pmHFZqUBUBCnN9dc2hoWasD</p>

1GyDutntMuYyA2vQGw5HFcKLfx4cbDdbJq 1GkZQcDy8V6pmHFZqUBUBCnN9dc2hoWasD 1HdKXsNQtzDcfB6PGM7DWTgX9vhBwsz1ak 1Hb8DmmvvtTYv5RBLuGtDxznkZwVpd5Vjy 1HuPVqz2xvf1rdNFUqd62vRTyxP3jeX9Ch 1Hm6XDmhKCHz68wDEYTapN9MEanke8iwUk 1HweN9p41BY2RBunsPqyVuheEq7gVoxA9u 1HX4s3JeFU3x1eQgPNQVAdx6FoCtbb1hr8 1JVmoJT3471FjsX5H4hAeR1RyrDgpkHbpm 1JtgU6Uo1RAAt5eiMf34EehyatUezBQP36C 1HzEPuenagLEWj68igDXBBXrzc293RuR5V 1JztCg7eKSkb1vi7NzGJynXpLZmoaFtYud 1JVU43LNKXqa9W5fCh8tppxDDEWgfeNg46 1LLc8aA9C9LLULGbYCYSFKXgxKP2DXdCqP 1KFDUSZuapMv7YaDmL6cyrHTQhma1MtFYs 1LueUjEuBgc7cQhsWT8zAfTjcWmrNBZXaR 1LS5EFRRMDgMQusW6zokQUHjzNUfy6HHCQ 1MkyfwJf7uhWTmVGGQXfcT5ip31DoHMxsz 1LzwbLgdKd4eFLkpRdeajkH1YJkVCip2zj 1LXi3x7hyt17cxnscGE887WCrC6XDNZ4P 1MPJJzRaT8vLhowNB4dVyWRxxu79dq7WkB 1Mm9brripN4RPTzkGnRrbt5uDwdqbfk2iX 1MvpYtqgBH7CXbTutrSVCTNHPzm9vakuRy 1N5X4kcZ56uRh24XrZoztS9Vb8G7j1Joop 1NA3Tj4b1jtx9eGELe31Jw4DrzTqKP3ayH 1Pq7hooZbEAz5y3QMnqFY8C5xqTdrjUwcA 1PxGTuJzDx1ceFHx4Z5CHaWuhiPBNovmZD 1PRXQEOl8vzEzoJJ9hbtAP6NaV2daccAUn	1GyDutntMuYyA2vQGw5HFcKLfx4cbDdbJq 1H4K3dGfNbAN4AUfyUrpkGpjr83sntDpV 1Hb8DmmvvtTYv5RBLuGtDxznkZwVpd5Vjy 1HdKXsNQtzDcfB6PGM7DWTgX9vhBwsz1ak 1Hm6XDmhKCHz68wDEYTapN9MEanke8iwUk 1HuPVqz2xvf1rdNFUqd62vRTyxP3jeX9Ch 1HweN9p41BY2RBunsPqyVuheEq7gVoxA9u 1HX4s3JeFU3x1eQgPNQVAdx6FoCtbb1hr8 1HzEPuenagLEWj68igDXBBXrzc293RuR5V 1JtgU6Uo1RAAt5eiMf34EehyatUezBQP36C 1JVmoJT3471FjsX5H4hAeR1RyrDgpkHbpm 1JVU43LNKXqa9W5fCh8tppxDDEWgfeNg46 1JztCg7eKSkb1vi7NzGJynXpLZmoaFtYud 1KFDUSZuapMv7YaDmL6cyrHTQhma1MtFYs 1LLc8aA9C9LLULGbYCYSFKXgxKP2DXdCqP 1LS5EFRRMDgMQusW6zokQUHjzNUfy6HHCQ 1LueUjEuBgc7cQhsWT8zAfTjcWmrNBZXaR 1LXi3x7hyt17cxnscGE887WCrC6XDNZ4P 1LzwbLgdKd4eFLkpRdeajkH1YJkVCip2zj 1MkyfwJf7uhWTmVGGQXfcT5ip31DoHMxsz 1Mm9brripN4RPTzkGnRrbt5uDwdqbfk2iX 1MPJJzRaT8vLhowNB4dVyWRxxu79dq7WkB 1MvpYtqgBH7CXbTutrSVCTNHPzm9vakuRy 1N5X4kcZ56uRh24XrZoztS9Vb8G7j1Joop 1NA3Tj4b1jtx9eGELe31Jw4DrzTqKP3ayH 1Pq7hooZbEAz5y3QMnqFY8C5xqTdrjUwcA 1PRXQEOl8vzEzoJJ9hbtAP6NaV2daccAUn 1PxGTuJzDx1ceFHx4Z5CHaWuhiPBNovmZD
--	---